



RBA:
CITY OF AUSTIN
RECOMMENDATION FOR BOARD ACTION

AGENDA ITEM NO: 2
AGENDA DATE: 9/8/08
PAGE: 1 OF 2

SUBJECT: Approve a resolution approving the Fiscal Year 2008-2009 Austin Housing Finance Corporation General Obligation Capital Improvement Budget in the amount of \$10,500,000 in General Obligation Bond Funds, authorizing the development of program guidelines for the named housing programs for Fiscal Year 2008-2009, and establishing administrative approval limits for the General Manager

AMOUNT & SOURCE OF FUNDING: The source to fund the annual AHFC budget includes \$10,500,000 from the City General Obligation Bonds funds

FISCAL NOTE: Attached

REQUESTING **DIRECTOR'S**
DEPARTMENT. *Austin Housing Finance Corporation* **AUTHORIZATION. _____**

FOR MORE INFORMATION CONTACT: Margret Shaw, Treasurer, Austin Housing Finance Corporation, 974-3108

PRIOR BOARD ACTION: None

PRIOR COUNCIL ACTION:

This action adopts the Fiscal Year 2008-2009 General Obligation Capital Improvement Budget for the Austin Housing Finance Corporation (AHFC) and appropriates that budget of \$10,500,000. These funds will increase rental and homeownership opportunities for low-income residents of Austin. A service agreement will be negotiated and approved by the City of Austin in an amount not to exceed \$10,500,000.

Of the \$10.5 Million, the rental housing programs will use up to \$6,300,000 for eligible activities that include permanent housing with supportive services, special needs housing and affordable rental housing through acquisition, development, construction and rehabilitation. The rental housing programs will serve families making 50% or below the area's median family income (currently \$35,550 for a family of four) and will target families making less than 30% of the area's median family income. The result will serve an estimated 92 households.

The balance of the funding from GO Bond proceeds (up to \$4.2 Million) will be used for the homeownership program's eligible activities that include community land trust and

affordable homeownership through acquisition, development, construction and rehabilitation. The homeownership programs will serve families making up to 80% of the area's median family income (currently \$56,900 for a family of four) and will target families making only 50% - 65% of the area's median family income. The result will serve approximately 22 households.

Created by the City Council in 1979 as a public non-profit corporation pursuant to Chapter 394 of the Texas Local Government Code, the Corporation administers numerous housing programs for the City including assisted housing, rental housing, homebuyer services and owner-occupied services using federal and local funds.

RESOLUTION AHFC NO.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE AUSTIN HOUSING FINANCE CORPORATION:

- 1 The Board of Directors approves the Austin Housing Finance Corporation (AFHC) General Obligation Capital Improvement Budget (Capital Budget) for Fiscal Year 2008-2009 attached to this resolution.
- 2 Except as provided in Paragraph 3, the general manager may authorize the use of funds
 - (a) in the Capital Budget, and
 - (b) remaining unspent as of September 30, 2008 that are associated with the Bond Program
- 3 The general manager may only authorize the use of funds if
 - (a) the amounts are available and are used for the programs and purposes in the Capital Budget,
 - (b) the activity for which funds are expended is an eligible activity under a Bond Program,
 - (c) current AHFC Program Guidelines permit the use for a Bond Program, and
 - (d) the general counsel approves the form of the contract
- 4 The general manager must obtain Board approval to authorize
 - (a) a contract expenditure amount greater than \$300,000,
 - (b) acquisition of an interest in real estate under the Bond Program valued at more than \$250,000, or
 - (c) sale or transfer of an interest in real estate with an appraised fair market value exceeding \$250,000

5. The general manager may promulgate and amend AHFC Program Guidelines related to programs authorized under the Capital Budget. Before the effective date of the AHFC Program Guidelines, the general manager may not authorize the use of funds for a housing program under the Capital Budget that is

- (a) approved as a community development program under Texas Local Government Code Chapter 373, and
- (b) administered or managed by AHFC under its contract with the City related to bond funding

6. The General Manager may designate a person to act on his behalf to implement the actions approved by this resolution

ADOPTED: _____, 2008 **ATTEST:** _____
Shirley A. Gentry
Secretary

**AUSTIN HOUSING FINANCE CORPORATION
GENERAL OBLIGATION CAPITAL IMPROVEMENT BUDGET
FY 2008-2009
Exhibit A**

	<u>Funding FY08-09</u>	<u>Estimated Households to be Served</u>
SOURCES OF FUNDS		
Transfer From City of Austin (COA)	10,500,000	
Total Source of Funds	<u><u>10,500,000</u></u>	
 USES OF FUNDS		
<u>HOUSING DEVELOPMENT</u>		
<u>Rental Housing</u>		
<u>Rental Development Services</u>		
Rental Hsg Development Assistance	6,300,000	92
<u>Homeownership Development</u>		
Acquisition & Development	4,200,000	22
Total, All Programs	<u><u>10,500,000</u></u>	<u><u>22</u></u>