



RBA:
CITY OF AUSTIN
RECOMMENDATION FOR BOARD ACTION

AGENDA ITEM NO. 4
AGENDA DATE: 9/25/08
PAGE. 1 OF 2

SUBJECT Authorize the Treasurer to negotiate and execute a one-year service agreement with the City of Austin to manage and operate various City housing programs on the City's behalf during fiscal year 2008-2009 funded with proceeds from the City's General Obligation Bonds in an amount not to exceed \$10,500,000

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: A fiscal note is attached

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

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

PRIOR BOARD ACTION N/A

PRIOR COUNCIL ACTION

--The recommended action authorizes the General Manager to negotiate and execute the City's annual service agreement with the Austin Housing Finance Corporation (AHFC) allowing the AHFC to use up to \$10,500,000 during fiscal year 2008-2009 from the City's General Obligation (GO) bond proceeds to fund, manage and operate various housing programs, including the Acquisition and Development and Rental Housing Development Assistance programs, on the City's behalf

Of the \$10.5 Million in GO bond proceeds, the rental housing programs will use up to \$6.3 Million 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 up to 50 percent of the area's median family income (currently \$35,550 for a family of four) and will target families making less than 30 percent of the area's median family income. The result will be to serve an estimated 92 households.

The balance of the funding from GO bond proceeds (up to \$4.2 Million) will be used for homeownership programs, eligible activities to include community land trust and affordable

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

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

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

Estimated
Funding Households FY08-09
to be Served

SOURCES OF FUNDS

Transfer From City of Austin (COA)	10,500,000	
------------------------------------	------------	--

Total Source of Funds	10,500,000	
------------------------------	-------------------	--

USES OF FUNDS

HOUSING DEVELOPMENT

<i>Rental Housing</i>		
<i>Rental Development Services</i>		
Rental Hsg Development Assistance	6,300,000	92
<i>Homeownership Development</i>		
Acquisition & Development	4,200,000	22
Total, All Programs	10,500,000	22