

## AGENDA



Thursday, August 27, 2009

**Neighborhood Housing and Community Development  
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 25

**Subject:** Authorize the negotiation and execution of a forgivable loan in the amount not to exceed \$500,000 to LifeWorks for the acquisition and development of 5.89 acres of land located at the Northeast Corner of Pleasant Valley Road North and Lyons Road.

**Amount and Source of Funding:** Funding is available through the Community Development Block Grant Recovery Funds in the Fiscal Year 2009-2010. Neighborhood Housing and Community Development budget allocation under the Public Facilities Program.

**For More Information:** Margaret R. Shaw, Director, Neighborhood Housing and Community Development, 974-3184

**Boards and Commission Action:** April 14, 2009 and May 12, 2009 - The Community Development Commission reviewed and made recommendations to City Council on a substantial amendment to the 2008-2009 Action Plan.

**Prior Council Action:** April 23, 2009 - A public hearing was held. May 14, 2009 - Resolution No. 20090514-019 approved a Substantial Amendment to the City's (1) Fiscal Years 2004-2009 Consolidated Plan; (2) Annual Action Plan for Fiscal Year 2008-2009, required by the U.S. Department of Housing and Urban Development; and (3) the Texas Local Government Code Chapter 373, Community Development 2008-2009 program. June 11, 2009 - Amended language to the Substantial Amendment was approved.

A forgivable loan in an amount not to exceed \$500,000 to LifeWorks will be used to purchase land to construct a 32,000 square foot Youth and Family Resource Center to expand critical workforce, youth development, adult and youth education and mental health services to low-income populations. The development proposal includes significant leverage from corporate, public and nonprofit partners, including Capital Idea, Central Texas Literacy Coalition, Austin Community College and Casey Family Programs. The project has secured the majority of funding, and will meet job creation targets and long-term economic development needs. LifeWorks will close on the land in September 2009. Ground breaking will occur in the first quarter of 2010. The Center is scheduled to open in mid-2011.

The completed project will sustain 130 professional jobs and will create 20 construction jobs during construction of the facility. The ground-floor retail will also create 20 part-time retail jobs. The project will house two programs; LifeWorks' on-the-job training for youth transitioning to adulthood, and Capital Idea, which is aimed at providing an effective transition of underserved adults into the workforce. These two programs will reach in excess of 2,000 persons annually. Investment in this project will increase LifeWorks' capacity to serve poor, working poor youth, and families by 25 percent.

LifeWorks will achieve an Austin Green Building rating of at least three stars. Features will include a site near downtown and public transit, advanced water quality systems, high energy-rated heating and air conditioning equipment, appropriate building orientation, large overhangs/building shading, showers, lockers, and racks for bike-to-work employees, clients, and visitors, outdoor recreation, walking and gathering areas, and space for future additions of rooftop gardening (green roofs) and rainwater collection.

The building will comply with the City of Austin Commercial Design Standards and include ground-floor retail shops of use to building occupants, visitors and neighborhood residents. The site will accommodate a walking trail to link the neighborhood to the adjacent Austin Community College (ACC) campus and wide sidewalks to encourage pedestrian traffic near retail stores. In addition to the proposed Youth and Family Resource Center, the site has the potential to build at least 50 units of affordable housing that will also meet Green Building standards and target low to moderate-income residents who can benefit from the services provided at the Resource Center and classes at the ACC campus.

These funds are made available from the United States Department of Housing and Urban Development through Obama Administration's American Recovery and Reinvestment Act of 2009, also known as the Stimulus Act. The grant is in the amount of \$2,003,003 of Community Development Block Grant-Recovery funds to be administered by the Neighborhood Housing and Community Development office. These funds will be used in a manner that maximizes job creation and economic benefit and will, therefore, be subject to increased transparency and accountability.