

## AGENDA



Thursday, August 27, 2009

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

Item No. 24

**Subject:** Approve an ordinance accepting \$2,003,003 in American Recovery and Reinvestment Act of 2009 grant funds from the United States Department of Housing and Urban Development, Community Development Block Grant Recovery Program; and amending the Fiscal Year 2008-2009 Neighborhood Housing and Community Development Office Operating Budget Special Revenue Fund of Ordinance No. 20080908-002 to appropriate \$2,003,003 for community development projects.

**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.

NHCD will administer grant funds as follows:

- A forgivable loan in the amount not to exceed \$500,000 to LifeWorks for the purchase of land to construct a 32,000 square foot Resource Center to expand critical workforce, youth development, adult and youth education, and mental health services to low-income populations. 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 the erection of the facility. The ground-floor retail space will also create 20 part-time retail jobs. LifeWorks will achieve an Austin Green Building rating of at least three stars.

- A forgivable loan in the amount of \$500,000 to PeopleFund for the construction of the Center for Economic Opportunity. This two-story facility will provide comprehensive services to local small businesses and low to moderate income homebuyers. In addition, the facility will provide affordable office space to small businesses. The Center will be located in the Martin Luther King Station Area at 1700 Alexander Avenue and will provide a central location equipped with modern technology and with ready access to technical assistance. The shared office will serve as an incubator for small businesses. This project will create approximately 20 construction jobs and create two full-time jobs upon completion.

- The City of Austin will use \$552,703 towards the historic renovation and new construction of the African-American Cultural and Heritage Facility, located at 912 East 11th Street, the site of the historic Detrick-

Hamilton House. This project will create approximately 50 construction jobs and create four full-time jobs upon completion by the designated tenants.

- Grant funds of \$250,000 will be used to support the construction of sidewalks in historically disadvantaged neighborhoods of Central East Austin. Sidewalks are an essential component of public transit, which is used primarily by low- to moderate-income Austin residents, and also will enhance the lifestyles of residents and businesses in the area. This project will create 17 full-time construction jobs.

- \$200,300 will be used for Community Development Block Grant-Recovery administration.