



**RBA: AHFC Capital Budget
CITY OF AUSTIN
RECOMMENDATION FOR BOARD ACTION**

**AGENDA ITEM NO: 2
AGENDA DATE: 09/15/2009
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SUBJECT: Approve a resolution adopting the Austin Housing Finance Corporation Capital Budget for Fiscal Year 2009-2010, beginning on October 1, 2009 and ending on September 30, 2010.

AMOUNT & SOURCE OF FUNDING:

FISCAL NOTE: A fiscal note is attached.

REQUESTING DEPARTMENT: Austin Housing Finance Corporation

FOR MORE INFORMATION CONTACT: Margaret R. Shaw, Treasurer, Austin Housing Finance Corporation, 974-3100.

PRIOR BOARD ACTION:

PRIOR COUNCIL ACTION:

By this action, the Board will adopt the Austin Housing Finance Corporation (AHFC) Capital Budget for Fiscal Year 2009-2010. This Fiscal Year begins on October 1, 2009 and ends on September 30, 2010.

The proposed Capital Budget includes \$15.8 million in City of Austin General Obligation Housing Bonds (G.O. Bonds). 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 and the AHFC in an amount not to exceed \$15.8 million.

Of the \$15.8 million, the rental housing program will use approximately \$9.5 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 \$36,650 for a family of four) and will target families making less than 30 percent of the area's median family income (currently \$22,000 for family of four). The goal is to serve an estimated 500 households.

Up to \$4,320,000 of the funding from G.O. Bond proceeds will be used for homeownership programs; eligible activities include acquisition, development, construction and rehabilitation. The homeownership programs will serve families making up to 80 percent of the area's median family income (currently \$58,650 for a family of four) and will target those making between 50 percent and 65 percent of the area's median family income (currently between

\$36,650 and \$47,650). The result will be to serve approximately 175 households.

The balance of the funding from G.O. Bond proceeds, up to \$2 million, will be used for emergency repairs to the homes of low-income residents. The goal is to serve an estimated 400 households.

Each year the AHFC Board adopts the Corporation's operating and capital (G.O. Bond funds) budgets and authorizes staff to negotiate and execute the one-year service agreement with the City to manage various housing programs.

Created in 1979 as a public, non-profit corporation pursuant to Chapter 394 of the Texas Local Government Code, the AHFC has administered the City's G.O. Bond housing programs since 2007.

AUSTIN HOUSING FINANCE CORPORATION
CAPITAL IMPROVEMENT BUDGET
FISCAL YEAR 2009-2010
Exhibit A

	New Funding Fiscal Year 2009-2010	Estimated Households to be Served
SOURCES OF FUNDS		
Transfer from the City of Austin	15,800,000	
TOTAL SOURCES OF FUNDS	15,800,000	
USES OF FUNDS		
Rental Housing		
Rental Housing Development Assistance	9,480,000	500
Homeownership Programs		
Acquisition and Development	4,320,000	175
Owner-Occupied Housing Program		
Homeowner Repair Program	2,000,000	400
TOTAL USES OF FUNDS	15,800,000	1,075

RESOLUTION 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 (AHFC) General Obligation Capital Improvement Budget (Capital Budget) attached to this resolution for the Fiscal Year 2009-2010 beginning October 1, 2009, and ending September 30, 2010.
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 at the close of Fiscal Year 2008-2009 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) the 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 \$300,000; or
 - (c) sale or transfer of an interest in real estate with an appraised fair market value exceeding \$300,000.

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: _____, 2009

ATTEST: _____

Shirley A. Gentry
Secretary