

## AGENDA



Thursday, September 24, 2009

**Neighborhood Housing and Community Development  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 50**

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**Subject:** Authorize negotiation and execution of a one-year service agreement with the Austin Housing Finance Corporation to manage and operate various housing programs for the City during Fiscal Year 2009-2010 funded by proceeds from the City's General Obligation housing bonds in an amount not to exceed \$15.8 million.

**Amount and Source of Funding:** Funding is available in the Fiscal Year 2009-2010 Capital Budget of the Neighborhood Housing and Community Development Office.

**Fiscal Note:** A fiscal note is attached.

**For More Information:** Margaret R. Shaw, Director, Neighborhood Housing and Community Development, 974-3100

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The recommended action authorizes staff to negotiate and execute the Austin Housing Finance Corporation's (AHFC) annual service agreement with the City, allowing the AHFC to use up to \$15.8 million during Fiscal Year 2009-2010 from the City's General Obligation (G.O.) bond proceeds to fund, manage, and operate various housing programs, including the Rental Housing Development Assistance Program, the Acquisition and Development Program and the Owner-Occupied Home Repair Program.

Of the \$15.8 million of G.O. bond proceeds, the rental housing program will use up to \$9,480,000 for eligible activities that include permanent housing with supportive services, special needs housing, and affordable rental housing created 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 a family of four). The goal is to serve an estimated 500 households. Up to \$4,320,000 of 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 (between \$36,650 and \$47,650 for a family of four). The result will be to serve approximately 175 households. Up to \$2 million of G.O. bond proceeds will be used for emergency repairs to the homes of low-income residents. The goal is to serve and estimate 400 households.

Each year the AHFC Board adopts the Corporation's operating and capital budgets (the capital budget is funded through G.O. bond funds) and authorizes staff to negotiate and execute the one-year service agreement with the City of 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.