



**RBA: AMEND SERVICE AGREEMENT AND
BUDGET
RECOMMENDATION FOR BOARD ACTION**

**AGENDA ITEM NO: 2
AGENDA DATE: 05/27/2010
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SUBJECT: Authorize execution of Amendment No. 1 to the Service Agreement with the City of Austin to increase funding by up to \$1,519,000 for a total agreement amount not to exceed \$11,999,628 for the period of October 1, 2009 through September 30, 2010 and amend the Fiscal Year 2009-2010 Austin Housing Finance Corporation Operating Budget to appropriate \$1,519,000 for the Holly Good Neighbor Program.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2009-2010 Operating Budget of the City of Austin Neighborhood Housing and Community Development Office through the Austin Energy Holly Good Neighbor Program.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING DEPARTMENT: Neighborhood Housing and Community Development

FOR MORE INFORMATION CONTACT: Margaret R. Shaw, Treasurer, Austin Housing Finance Corporation, 974-3184

PRIOR BOARD ACTION: September 24, 2009 – Austin Housing Finance Corporation Board authorized negotiation and execution of a one-year service agreement with the City of Austin.

PRIOR COUNCIL ACTION: January 14, 2010 – Council passed a resolution allocating \$550,000 to the Neighborhood Housing and Community Development Office. September 24, 2009 – Council authorized negotiation and execution of a one-year service agreement with Austin Housing Finance Corporation.

The Austin Housing Finance Corporation (AHFC) administers the Holly Good Neighbor Program, funded by Austin Energy, to repair homes of income-eligible homeowners located near the former Holly Power Plant.

By this action, the AHFC Board approves the execution of Amendment No. 1 to the 2009-2010 Service Agreement with the City of Austin to transfer Holly Good Neighbor Program funds in the amount of \$1,519, 000 to the AHFC. AHFC accepts these funds from the City of Austin in order to enter into the amendment to the service agreement.

Founded in 2003, the Holly Good Neighbor program, currently funded by Austin Energy, assists low- and moderate-income residents closest to the Holly Power Plant with substantial repairs and rehabilitation to their homes. Eligible repairs include exterior paint, roofing, electrical system work, plumbing, foundation work, and solar panels installation. An applicant's gross annual household income may not exceed 100 percent of Median Family Income (MFI).

Since its inception, the Holly Good Neighbor Program has assisted 124 families. It is anticipated that this action will increase staff's ability to expedite services to clients.