

## AGENDA



Thursday, May 27, 2010

**Neighborhood Housing and Community Development  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 31**

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**Subject:** Authorize execution of Amendment No. 1 to the Service Agreement with the Austin Housing Finance Corporation 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 and Source of Funding:** Funding is available in the Fiscal Year 2009-2010 Operating Budget of the 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.

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

**Purchasing Language:** Funding is available in the Fiscal Year 2009-2010 Operating Budget of the Neighborhood Housing and Community Development Office through the Austin Energy Holly Good Neighbor Program.

**Boards and Commission Action:** September 24, 2009 – Board authorized negotiation and execution of a one-year service agreement with the City of Austin to manage and operate various housing programs for the City during fiscal year 2009-2010 funded by the City's federal Housing and Urban Development funds and local housing funds in an amount not to exceed \$10,480,628.

**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.

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By this action, the City Council approves the negotiation and execution of Amendment No. 1 to the Fiscal Year 2009-2010 Service Agreement with the City of Austin to transfer \$550,000 from fiscal year 2010 and \$969,000 from prior year budget balances for the Holly Good Neighbor Program in the total amount of \$1,519,000 to the Austin Housing Finance Corporation (AHFC). It is anticipated that this action will increase current program production by allocating program funds to expedite home repairs to sixty eligible clients.

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 panel 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. By moving funding to the AHFC, the program will be able to expedite the repair of approximately 60 additional homes.