

Recommendation for Board Action				
Austin Housing Finance Corporation	Item ID	13692	Agenda Number	4.
Meeting Date:	4/5/2012		Department:	Neighborhood and Community Development
Subject				
<p>Authorize the negotiation and execution of a loan to the GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION in an amount not to exceed \$600,000 for the development of eight rental units (four duplexes) in the Guadalupe-Saldaña Subdivision to serve low-income residents, including disabled persons and senior citizens.</p>				
Amount and Source of Funding				
<p>Funding is available in the Austin Housing Finance Corporation Capital Budget.</p>				
Fiscal Note				
<p>A fiscal note is attached.</p>				
Purchasing Language:				
Prior Council Action:				
For More Information:	Contact Elizabeth A. Spencer, Treasurer, Austin Housing Finance Corporation, 974-3182.			
Boards and Commission Action:				
MBE / WBE:				
Related Items:				
Additional Backup Information				
<p><u>Funding Request</u></p> <ul style="list-style-type: none"> ▪ If approved, the \$600,000 requested will be used to assist with the construction of eight units of rental housing using Affordable Housing General Obligation Bond funding. ▪ Austin Housing Finance Corporation (AHFC) funds, including a pro-rata share of funds previously provided for subdivision infrastructure, will represent approximately 68 percent of the total project cost, with an average cost of \$116,680 per unit. ▪ The requested funding is consistent with the City of Austin's currently approved Consolidated Plan and AHFC's strategy to provide assistance through below market-rate financing for the development of affordable rental housing for low- and moderate-income households and persons with special needs. ▪ Estimated Sources and Uses for the project are as follows: 				

Sources:

TDHCA NSP Funds*	\$297,430
Proposed AHFC Funds	600,000
Prior AHFC Funds	281,333
Owner Equity	17,358
Grant Award	10,182
Deferred Developer Fee	<u>29,500</u>
TOTAL	\$1,235,803

Uses:

Acquisition	\$ 91,586
Pre-development	59,515
Hard Costs	988,702
Soft & Carrying Costs	16,500
Developer Fee	<u>79,500</u>
TOTAL	\$1,235,803

*TDHCA = Texas Department of Housing and Community Affairs; NSP = Neighborhood Stabilization Program.

Project Characteristics

- The eight units will be comprised of four two-story duplexes.
- The unit mix will be:
 - Four one-bedroom, two-bath fully accessible units on the first floor for elderly or disabled residents, approximately 656 square feet; and
 - Four two-bedroom, two-bath units on the second floor, approximately 922 square feet.
- The four second floor units will be made available to participants of the Jeremiah Program which is an empowerment program for motivated single parents to finish their formal education and end the cycle of poverty for their family. Services provided through the Jeremiah Program will include on-site day care and rental assistance.
- Austin Energy will be providing solar panels for the units as part of the "Net Zero" initiative for the Guadalupe-Saldaña Subdivision.
- The application included letters of support from the Guadalupe Association for an Improved Neighborhood and from the Gardens Neighborhood Association.

Population Served

Residents must be low-income persons with yearly incomes at or below 50 percent of the Median Family Income (MFI) for the Austin-Round Rock Metropolitan Statistical Area, currently \$26,600 for a one-person household and \$30,400 for a two-person household.

Guadalupe Neighborhood Development Corporation

GNDC is a non-profit 501(c) (3) organization and is certified by the City of Austin as a Community Housing Development Organization (CHDO). GNDC was established in 1981 to provide affordable housing to low and moderate-income families in the Guadalupe Neighborhood. GNDC has developed 181 units of affordable rental and ownership housing.