

## A G E N D A



## Recommendation for Council Action

Austin City Council		Item ID	75140	Agenda Number	25.
Meeting Date:	9/28/2017		Department:	Neighborhood and Community Development	
Subject					
<p>Authorize negotiation and execution of a one-year service agreement with the AUSTIN HOUSING FINANCE CORPORATION to manage and operate various housing programs on the City's behalf during Fiscal Year 2017 - 2018 using funds received by the City from the U.S. Department of Housing and Urban Development, in addition to local City funds, in an amount not to exceed \$17,782,983.</p>					
Amount and Source of Funding					
<p>Funding is available in the Fiscal Year 2017-2018 Operating Budget of the Neighborhood Housing and Community Development Office. Grant funding is contingent on the release of Program Year 2017 federal funds from the U.S. Department of Housing and Urban Development. See attached AHFC Grant Operating Budget - Exhibit A and AHFC Capital Budget - Exhibit A for more detail. The service agreement includes under the Austin Housing Finance Corporation Grant Operating Budget: \$2,254,035 from Local Sources including the Housing Trust Fund (\$1,710,445), General Fund (\$363,698), University Neighborhood Overlay Housing Trust Fund (179,892), and \$7,028,948 from Federal Sources, including \$2,438,627 from the U.S. Department of Housing and Urban Development Home Investment Partnership Program, and \$4,590,321 from the Community Development Block Grant. The service agreement includes under the Austin Housing Finance Corporation Capital Budget: \$8,500,000 from the City of Austin's General Obligation Bond Fund, which will provide \$2,000,000 for the Homeowner Assistance Program, \$250,000 for the Renter Assistance Program, and \$6,250,000 for the Housing Developer Assistance Program.</p>					
Fiscal Note					
A fiscal note is not required.					
Purchasing Language:					
Prior Council Action:	September 22, 2016 – Council approved a one-year service agreement to expire September 30, 2017.				
For More Information:	Rosie Truelove, Interim Director, 974-3064; or Alex Zamora, Chief Administrator Officer, 512-974-3151, Neighborhood Housing and Community Development.				
Council Committee, Boards and Commission Action:					
MBE / WBE:					
Related Items:					
Additional Backup Information					

The recommended action authorizes the City Manager to negotiate and execute the City's annual service agreement with the Austin Housing Finance Corporation (AHFC) allowing the AHFC to use \$17,782,983 in City funds from federal and local sources to fund, manage and operate various City housing programs during FY 2017-2018, including renter assistance, homebuyer assistance, homeowner assistance, and housing developer assistance. See AHFC Grant Operating Budget – Exhibit A and AHFC Capital Budget – Exhibit A for details. An estimated 855 services will be provided to households through these programs.

Employees of the City's Neighborhood and Community Development (NHCD) Office manage the AHFC's operations through the annual service agreement.

Established in 1979 as a public, non-profit corporation pursuant to Chapter 394 of the Texas Local Government Code, the AHFC administers numerous affordable housing programs for the City using federal and local funds. U.S. Department of Housing and Urban Development (HUD) grant funds provided by the City constitute the majority of AHFC's grant funds.