



**RBA
AUSTIN HOUSING FINANCE CORPORATION
RECOMMENDATION FOR BOARD ACTION**

**AGENDA ITEM NO.: AHFC-
AGENDA DATE:
RBA TYPE: Resolution not Required
PAGE: 1 of 2**

SUBJECT: Approve the negotiation and execution of a Community Housing Development Organization (CHDO) program forgivable home loan, in an amount not to exceed \$185,000, to Austin Habitat for Humanity (AHFH) for the acquisition and development of a single tract of land into eleven lots in the Montopolis neighborhood. AHFH will construct 11 affordable single-family homes on the lots for low and moderate-income first-time homebuyers.

AMOUNT & SOURCE OF FUNDING: Funding is available in HOME grant funds allocated in the fiscal year 2002-03 Austin Housing Finance Corporation (AHFC) budget. There is no unanticipated fiscal impact. A fiscal note is not required.

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

REQUESTING Austin Housing Finance
DEPARTMENT: Corporation

DIRECTOR'S
AUTHORIZATION: Paul Hilgers

FOR MORE INFORMATION CONTACT:

PRIOR BOARD ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

The AHFC Board is requested to authorize the negotiation and execution of a CHDO program forgivable loan to AHFH, in an amount not to exceed \$185,000. The loan proceeds will be used for the acquisition of a single tract of land and the subdivision of the single tract into 11 single family lots to be used for the construction of 11 affordable single-family homes for low and moderate-income first-time homebuyers. The property is located in the Montopolis neighborhood.

These three, four and five-bedroom homes will be sold to families accepted into AHFH's program, earning 50 percent of Austin's Median Family Income (MFI) or below (currently \$35,550 for a family of four).

AHFH has been building affordable homes in Austin since 1985, completing 131 homes within the City of Austin. AHFH is a non-profit 501(c) (3) CHDO that develops affordable housing for families earning at or below 50 percent of MFI. A largely volunteer labor force that includes significant volunteer service by the homebuyer completes the construction of the homes. AHFH also provides a zero-interest rate mortgage to the homebuyers for a term of up to 30 years.

Estimated sources and uses of funds for project implementation are as follows:

Sources:		Uses of HOME CHDO Funds:	
House Sponsorships	\$869,962	Land & Development Costs	\$ 185,000
CHDO HOME	185,000	Construction Costs	\$849,962
		Soft and Carrying Costs	\$20,000

RCA Serial#: 1228 Date: 04/24/03 Original: No
Disposition:

Published:
Adjusted version published:

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Total \$1,054,962 Total \$1,054,962

Performance measures associated with the acquisition project are as follows:

1. Acquire the single tract of land and obtain development services.
2. Complete subdivision of the tract into eleven lots and construct affordable single-family homes for low-income families with yearly incomes at or below 50 percent of MFI.
3. Begin construction on each lot within 12 months of acquisition.
4. All units will meet the City's Visitability Ordinance to accommodate persons with mobility impairment.
5. The new units will comply with S.M.A.R.T. Housing requirements.

Funding being requested is available from HOME grant funds and the request is consistent with the City's Consolidated Plan. Approval of funding for this project will assist NHCD and AHFC in meeting its goal of creating or retaining 5,000 housing units per year by 2005.