



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

**AGENDA ITEM NO.: AHFC-4
AGENDA DATE: Thu 07/28/2005
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SUBJECT: Approve a resolution authorizing application to the Texas Bond Review Board for allocation of Private Activity Bond authority with the Texas Bond Review Board in an amount up to \$25,000,000 to implement a new Mortgage Revenue Bond or Mortgage Credit Certificate Program to assist first-time homebuyers purchase a new or existing home.

AMOUNT & SOURCE OF FUNDING: N/A

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: Paul Hilgers, Director, Neighborhood Housing and Community Development, 974-3108.

PRIOR BOARD ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

The Austin Housing Finance Corporation (AHFC) is empowered by state legislation to issue non-recourse Mortgage Revenue Bonds or Mortgage Credit Certificates to assist first time homebuyers with the purchase of their first home.

In 2004, the Corporation received Private Activity Bond Authority of approximately \$22,000,000. The Corporation used the authority in implementing a Mortgage Credit Certificate (MCC) program to assist approximately 200 first time homebuyer families. The program expires December 31, 2006 but is expected to run out of allocation by January 2006.

AHFC can position itself to receive Private Activity Bond authority and get on the state's waiting list by filing a new application with the Texas Bond Review Board for inclusion in the October lottery. Upon receipt of the authority, the Board will have the opportunity to launch a new Single Family Mortgage Revenue Bond or MCC program.

Approval of this action authorizes the AHFC to work with Bond Counsel to file an application and pay the required fee to be placed on the Texas Bond Review Board waiting list for the next available bonding authority.