



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

**AGENDA ITEM NO.: AHFC-2  
AGENDA DATE: Thu 09/29/2005  
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**SUBJECT:** Approve a resolution approving the Fiscal Year 2005-2006 Austin Housing Finance Corporation Grant Operating Budget in the amount of \$13,811,744 and Housing Assistance Fund Budget in the amount of \$1,370,753 for a total budget of \$15,182,497, directing staff to develop program guidelines for the named housing programs for Fiscal Year 2005-2006; and establishing administrative approval limits for the General Manager.

**AMOUNT & SOURCE OF FUNDING:** The sources to fund the annual AHFC budgets include: (1) Grant Operating Budget-New Funding - \$1,143,229 from the Housing Trust Fund; \$37,824 from the City UNO-Housing Trust Fund; \$830,474 from the City S.M.A.R.T. Housing™ Capital Improvement Project Fund; \$2,654,684 from HUD HOME Program Income; \$806,259 from the HUD Community Development Block Grant revolving fund; \$2,472,433 from the HUD Community Development Block Grant; \$204,041 from the HUD American Dream Down Payment Initiative; and \$4,074,354 from the HUD HOME Investment Partnership Program, (2) Grant Operating Budget-Carry forward Funding - \$433,912 from the S.M.A.R.T. Housing™ Capital Improvement Project Fund; and \$1,154,534 from the HUD Community Development Block Grant, and (3) the AHFC Housing Assistance Fund - \$1,370,753.

**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, Executive Director, Austin Housing and Finance Corporation, 974-3108

**PRIOR BOARD ACTION:** N/A

**BOARD AND COMMISSION ACTION:** N/A

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This action will approve the 2005-2006 Grant Operating Budget and Housing Assistance Fund Budget for the Austin Housing Finance Corporation (AHFC). The annual budget resolution also directs staff to implement program guidelines for the budgeted housing programs, authorizes the transfer of budget authority from one line to another in limited amounts, and authorizes the General Manager to administratively approve certain projects less than \$300,000 (\$250,000 for real estate sales or acquisitions).

The City Council created the Austin Housing Finance Corporation in 1979 as a public, non-profit corporation to facilitate the financing and development of affordable housing for low- and moderate-income residents. AHFC administers affordable housing programs described in the attachments to this document. U.S. Department of Housing and Urban Development grant funds provided the City provide the bulk of AHFC grant funds. The AHFC Housing Assistance Fund was established in 1988 from a residual value bond program that provided \$7.5 million in initial funding.

RCA Serial#: 9889 Date: 09/29/05 Original: Yes

Published: Fri 09/09/2005

Disposition:

Adjusted version published: Fri 09/23/2005

Employees of the City's Neighborhood Housing and Community Development Office manage the operation of AHFC through an annual service agreement. AHFC offices are located in the Neighborhood Housing and Community Development Office. Housing Assistance Fund balances are invested and managed by the City Treasurer in accordance with a funds management agreement and State regulations.

AHFC will provide housing solutions through well-managed programs, projects, and relationships. The AHFC goals for Fiscal Year 2005-2006 are:

1. Optimize opportunities for quality affordable housing in Austin.
2. Provide leadership and expertise to promote affordable housing in Austin.
3. Increase the sustainability of AHFC.

In addition to administering bond programs, AHFC will administer the Homebuyer Program, the Rental Housing Program, and the Owner-Occupied Housing Program. AHFC is the responsible entity for the production goals of S.M.A.R.T. Housing™. AHFC is also currently administering the Mortgage Credit Certificate Program, that will result in \$20 million in mortgages by December 31, 2006 for families with incomes of no more than 115% of the Austin Median Family Income (currently \$76,935).

Austin Housing Finance Corporation  
Grant Operating Budget  
Fiscal Year 2005-2006  
(for the period October 1, 2005 through September 30, 2006)  
EXHIBIT A1 - New Funding

<u>Sources of Funds</u>		Households Served
Transfer From City of Austin (COA)	Housing Trust Fund	1,143,229
	UNO - Housing Trust Fund	37,824
	S.M.A.R.T. Housing Capital Improvement Program	830,474
		<u>2,011,527</u>
Revolving Loan Fund Program Income (Sales Proceeds)	CDBG - Revolving Loan	806,259
	HOME	2,654,684
Grant Proceeds	CDBG	2,472,433
	ADDI	204,041
	HOME	4,074,354
		<u>6,750,828</u>
<b>Total Source of Funds</b>		<b>\$ <u>12,223,298</u></b>
<u>Use of Funds</u>		
Assisted Housing Tenant Based Rental Assistance	HOME	431,925
	HOME Program Income	58,075
	COA- Housing Trust Fund	175,000
		<u>665,000</u>
Rental Housing Rental Housing Development Assistance	CDBG	318,833
	CDBG - PI	45,446
	COA- Housing Trust Fund	968,229
	COA- UNO-Housing Trust Fund	37,824
	HOME Program Income	110,609
	HOME (CHDO)	679,058
	HOME	1,041,382
		<u>3,201,381</u>
Architectural Barrier Removal	CDBG	
Anderson Hill Redevelopment	HOME Program Income	<u>1,848,000</u>
First-Time Homebuyer Homebuyer Lending Assistance	HOME	1,209,872
	HOME Program Income	238,732
	ADDI	204,041
		<u>1,652,645</u>
Homeownership Development Acquisition and Development	CDBG	453,873

	HOME	485,861	
	CDBG - Revolving Loan	607,733	
	COA-G/F CIP	830,474	
	HOME Program Income	<u>266,000</u>	
		<u>2,643,941</u>	
CHDO Capacity Building	HOME	125,000	
Owner-Occupied Housing			
Architectural Barrier Removal	CDBG	529,782	400
Emergency Home Repair	CDBG	950,000	450
Homeowner Moderate Rehabilitation	CDBG - Revolving Loan	153,080	30
	CDBG	219,945	
	HOME Program Income	133,268	
	HOME	<u>101,256</u>	
		607,549	
Bond Program			40
Materials Grants Program	HTF	<u>-</u>	40
		<u>-</u>	
Total Use of Funds		<u>\$ 12,223,298</u>	<u>1,492</u>

Austin Housing Finance Corporation  
Grant Operating Budget  
Fiscal Year 2005-2006  
(for the period October 1, 2005 through September 30, 2006)  
EXHIBIT A2 - Carryforward Funding

<u>Sources of Funds</u>		Households Served	
Transfer From City of Austin (COA)	S.M.A.R.T. Housing Capital Improvement Program	433,912	
		<u>433,912</u>	
Grant Proceeds	CDBG	1,154,534	
		<u>1,154,534</u>	
<b>Total Source of Funds</b>		<b>\$ <u>1,588,446</u></b>	
<u>Use of Funds</u>			
<b>Rental Housing</b>			
Architectural Barrier Removal	CDBG	226,528	100
<b>First Time Homebuyer</b>			
Homeownership Development			
Acquisition and Development	COA-G/F CIP	433,912	47
		<u>433,912</u>	
<b>Owner-Occupied Housing</b>			
Architectural Barrier Removal	CDBG	687,837	400
Homeowner Moderate Rehabilitation	CDBG - Revolving Loan	240,169	30
		<u>240,169</u>	
<b>Total Use of Funds</b>		<b>\$ <u>1,588,446</u></b>	<b>577</b>

<p style="text-align: center;"> <b>Austin Housing Finance Corporation</b>  <b>Housing Assistance Fund Budget</b>  <b>Fiscal Year 2005-2006</b>  <b>(for the period October 1, 2005, through September 30, 2006)</b>  <b>EXHIBIT B</b> </p>
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**Source of Funds**

Housing Assistance Fund Sales Proceeds	501,340
Interest Income	13,488
Fees	68,351
Fund Balance	<u>787,574</u>
<b>Total Source of Funds</b>	<b>\$ <u><u>1,370,753</u></u></b>

**Use of Funds**

Bond Program	153,378
Asset Management	143,126
Homeownership Development - Acquisition and Development	473,364
Homebuyer Assistance - Down Payment Assistance	27,976
Materials Rebate Program	0
Administration	<u>572,909</u>
<b>Total Use of Funds</b>	<b>\$ <u><u>1,370,753</u></u></b>