



**RCA
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 13
AGENDA DATE: Thu 03/09/2006
PAGE: 1 of 1**

SUBJECT: Approve a resolution approving the origination of mortgages within the Austin City limits from bond proceeds of the Travis County Housing Finance Corporation's 2006 Single Family Mortgage Revenue Refunding Bonds.

AMOUNT & SOURCE OF FUNDING: N/A

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

REQUESTING Neighborhood Housing **DIRECTOR'S**
DEPARTMENT: and Community **AUTHORIZATION:** Paul Hilgers
Development

FOR MORE INFORMATION CONTACT: Paul Hilgers, Director, Neighborhood Housing and Community Development, 974-3108.

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: N/A

MBE / WBE: N/A

This action grants the Travis County Housing Financing Corporation (TCHFC), a governmental entity reporting to Travis County, the ability to issue mortgages for the financing of affordable housing within the City of Austin city limits and Travis County with proceeds from their 2006 refinancing bond issue. The origination of TCHFC mortgages within the city limits of Austin will not result in Austin losing its place on the Texas Bond Review Board waiting list for single family private activity volume cap. This action satisfies the Texas State Attorney General regulations requiring consent from the governmental body of the population benefiting from a bond issue.

It is estimated that TCHFC will issue \$12.5 million (to be adjusted) of refinancing mortgage revenue bonds, with should provide affordable mortgages to approximately 120 families throughout Austin and Travis County. This action is will be subject to the following requirements:

1. All newly constructed housing will be S.M.A.R.T. Housing™ certified
2. Applicants to the program are required to attend a homeownership training class
3. The maximum purchase price of homes assisted by the new Travis County Bond program would not exceed the Austin MCC limits (\$210,375).

This action satisfies the Neighborhood Housing and Community Development Department's priority to promote homeownership by providing financial assistance to low- and moderate-income households by providing below market interest rate loans.



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PAGE: 2 of 1**