

## AGENDA



Thursday, June 8, 2006

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**Neighborhood Housing and Community Development  
RECOMMENDATION FOR COUNCIL  
ACTION**

ITEM 16

**Subject:** Authorize the execution of an amendment to the service agreement with the Austin Housing Finance Corporation (AHFC), effective October 1, 2005, to increase the agreement in an amount not to exceed \$1,300,656 for a total contract amount not to exceed \$16,483,153 to fund the Acquisition and Development Program in an increased amount of \$976,993, Homebuyer Lending Assistance Program in an increased amount of \$258,420, Rental Housing Development Assistance Program in an increased amount of \$41,258, and Homeowner Moderate Rehabilitation Program in an increased amount of \$23,985.

**Amount and Source of Funding:** Funding is available from the following sources: \$362,430 from Acquisition and Development HAF program income, \$541,668 from Acquisition and Development CIP program income, \$72,895 from Acquisition and Development CDBG program income ; \$258,420 from Homebuyer Lending Assistance HOME program income; \$31,166 from Rental Housing Development Assistance HOME program income, \$3,300 from Rental Housing Development Assistance HAF program income, \$6,792 from Rental Housing Development Assistance CIP program income; and, \$23,985 from Homeowner Moderate Rehabilitation CDBG program income.

**Fiscal Note:** A fiscal note is attached.

**Additional Backup Material**

(click to open)

- ☐ [Fiscal Note](#)
- ☐ [Revised Below the Line Language](#)

**For More Information:** Paul Hilgers, Director,  
Neighborhood Housing and Community Development,  
974-3108.

**Prior Council Action:**

**Boards and Commission Action:**

This action authorizes the City to increase the amount of its annual service agreement with the Austin Housing Finance Corporation (AHFC) to spend \$1,300,656 in realized funds generated from program income. As the City's designated affordable housing agency, AHFC uses funding approved by the City to develop and build affordable housing projects.

In its efforts to leverage existing funding to provide as much affordable housing as possible, AHFC generates program income from the sale of homes it finances and from the repayment of loans issued for the purpose of providing affordable housing. The program income generated is eligible under federal regulations to be re-programmed into program activities.

The City Council created AHFC in 1979 as a public non-profit corporation to facilitate the financing and development of affordable S.M.A.R.T. Housing™ for low- and moderate-income residents. AHFC offices are located in the Neighborhood Housing and Community Development department and its employees are City staff. As an instrumentality of the City, the AHFC administers affordable housing programs using City grants, federal grant funds from the U.S. Department of Housing and Urban Development (HUD), the City's Housing Trust Fund, funds generated by the Corporation and an annual transfer from the AHFC Housing Assistance Fund.