

# Community Development Commission

2018 Housing Bond Update

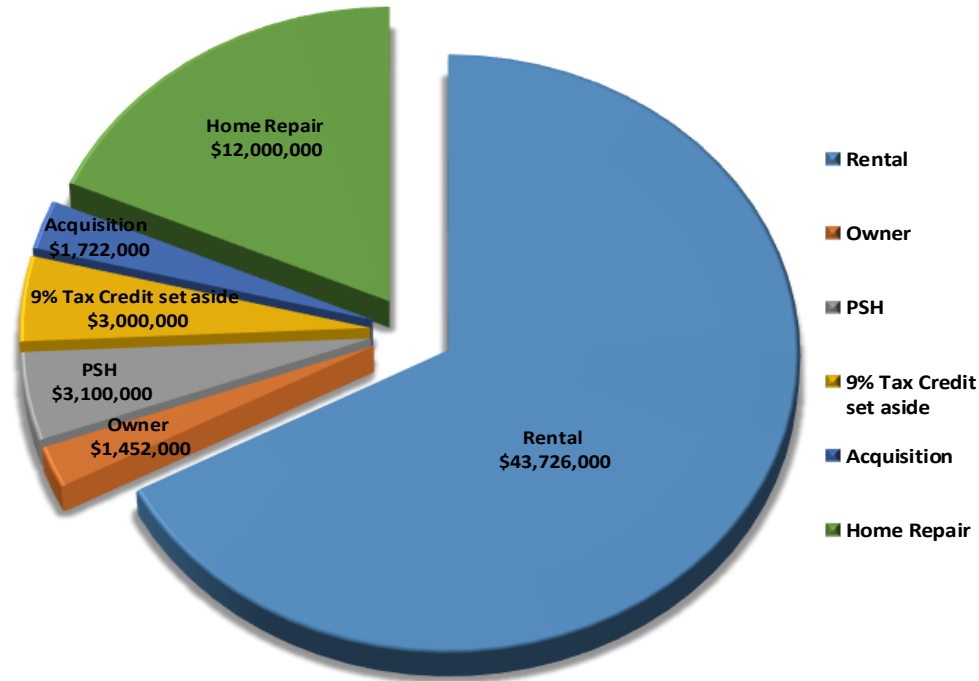
August 13, 2018

# 2013 Affordable Housing Bonds Highlights

- 19 Rental and Ownership Developments
- 2,276 Units (1,830 Deeply Affordable)
- Average Investment \$24,687/unit
- Leverage Ratio 7:1
- 100% of 2013 GO Bonds Invested or Committed

# 2013 General Obligation (GO) Bond Program Funds Expended or Committed

Rental	\$	43,726,000	67%
Owner	\$	1,452,000	2%
PSH	\$	3,100,000	5%
9% Tax Credit set aside	\$	3,000,000	5%
Acquisition	\$	1,722,000	3%
Home Repair	\$	12,000,000	18%
2013 GO Bond Total	\$	65,000,000	100%



# 2013 Affordable Housing Bond Program



Bluebonnet  
Studios  
S. Lamar Blvd.



Jeremiah Housing  
Moody Campus



Lakeline Station  
Apartments  
Rutledge Spur

# City Council Recommendation (\$250 million)

<b>Rental Housing Development Assistance Projects</b>	<p>Rental Housing Development Assistance (RHDA) program increases or maintains the supply of affordable rental housing by addressing the rental housing needs identified by the City of Austin's Continuum of Housing Services, including Permanent Supportive Housing. Approximately \$42 million of the \$65 million 2013 GO Bond was invested in affordable rental housing through RHDA. Because of the increasing need for affordable rental housing, this is the highest priority funding "bucket." The City's increased attention to Transit-Oriented Development, as well as preservation of aging multifamily housing stock, provides growing opportunity for additional investment. In addition, the Austin Strategic Housing Blueprint, calls for 60,000 new units of affordable housing for households at or below 80% MFI. The vast majority of these units will be rental housing and will require subsidy to secure the affordability for the long-term. Staff anticipates greater need for rental housing subsidy due to changes in federal tax law that reduce that value of the Low Income Housing Tax Credit, as well as political uncertainty at the federal level around commitment and resources for affordable housing.</p>	<b>\$94,000,000</b>
<b>Acquisition &amp; Development (A&amp;D) Homeownership Program</b>	<p>The purpose of the A&amp;D Homeownership Program is to address the need for affordably-priced ownership housing within the city. Housing developed through this program are to be owned and occupied by low- to moderate-income households. Only \$3 million of the \$65 million 2013 GO Bond was invested in new affordable ownership opportunities. With several new subdivisions in the planning stages, the City anticipates increased need for investment in affordable homeownership. In addition, the City is expanding its Community Land Trust, which will be a major mechanism to ensure affordable homeownership for the long-term.</p>	<b>\$28,000,000</b>
<b>Land Acquisition</b>	<p>This new forward-thinking initiative will enable AHFC to acquire and hold land for future use with the potential to achieve multiple community benefits, including affordable housing development. The land can be developed by AHFC or be offered to non-profit or for-profit affordable housing developers. The lack of developable land in strategic areas is one of the biggest barriers to increasing affordable housing stock. The City of Austin has identified a variety of "missed opportunities," in which the city was offered right of first refusal by other taxing jurisdictions (including the State of Texas and Austin Independent School District); however, the City of Austin did not have the identified funding to readily acquire the properties. By AHFC acquiring and holding the land (as a patient property owner), the City will be better positioned to achieve its housing goals, including family-friendly housing in high opportunity areas and Permanent Supportive Housing connected with transit and employment opportunities.</p>	<b>\$100,000,000</b>
<b>Home Repair Program</b>	<p>The City of Austin has several programs to help low-income households repair their homes and become financially stable. Funds will be needed to carry out minor home repairs and rehabilitation throughout the community. Through the GO Repair! Program, the City contracts with seven nonprofit organizations that provide critical life safety repairs to low- and moderate-income homeowners' homes. Currently, the program is funded at between \$2 and \$2.5 million per year, with a \$15,000 per home cap. Existing nonprofits in the Austin Housing Repair Coalition have expressed the capacity to increase the annual funding to \$3 - \$4 million per year. The proposed \$18 million funding level equates to \$3.6 million over a five year bond cycle. Additional funding would enable the nonprofit provides to increase their households served from 140 per year to approximately 200 per year.</p>	<b>\$28,000,000</b>
<b>Total</b>		<b>\$161,000,000</b>

Questions?