

#13
8-4-05

RESOLUTION NO. 20050804-13

WHEREAS, the City of Austin is eligible for Community Development Block Grant, Home Investment Partnerships Program, Housing Opportunities for Persons with AIDS, Emergency Shelter Grants, EDI Grant, American Dream Downpayment Initiative, Lead Hazard Control Grant, and all Healthy Homes Grant program funds from the United States Department of Housing and Urban Development (HUD) for fiscal year FY 2005-2006 (collectively, the "Federal HUD Grant"); and

WHEREAS, the City has Housing Trust Fund, Housing Assistance Fund, CDBG Program Income, and HOME Program Income; and

WHEREAS, the City Council, in accordance Texas Local Government Code sections 373.006(1), (2) and (3):

1. identified in its Consolidated Plan for 2005-2009 adopted by Motion No. 20040624-13 on June 24, 2004 areas of the municipality in which predominantly low and moderate income persons reside, or that is a blighted or slum area;
2. established in its Consolidated Plan for 2005-2009, adopted by Motion No. 20040624-13 on June 24, 2004 community development program areas in which community development activities, building rehabilitation, or the acquisition of privately owned buildings or land were proposed; and

3. adopted by Resolution No. 60328-31 on March 28, 1996, amended by Resolution No. 000113-29 on January 13, 2000, a Citizens Participation Plan under which citizens may publicly comment on proposed community development programs and federal action plans; and

WHEREAS, the City Council, on April 7, 2005 and May 12, 2005, conducted public hearings in accordance with Texas Local Government Code section 373.006(4) and Part 91, Title 24 of the Code of Federal Regulations to obtain public comment on the proposed Community Development Program and federal Action Plan for FY 2005-2006; and

WHEREAS, the Community Development Commission, on April 12, 2005 and May 16, 2005, conducted public hearings to obtain public comment on the proposed Community Development Program and federal Action Plan for FY 2005-2006; and

WHEREAS, the City made the proposed Community Development Program and federal Action Plan for FY 2005-2006 available for 30-day written comment beginning on May 9, 2005; and

WHEREAS, the Community Development Commission on June 14, 2005 made a final recommendation to the City Council that the proposed Community Development Program and federal Action Plan for FY 2005-2006 be approved; and

WHEREAS, the City intends to apply to the U.S. Department of Housing and Urban Development for a \$3,000,000 HUD Section 108 loan to fund business

loans under the City Neighborhood Commercial Management Program in conjunction with the proposed Community Development and federal Action Plan for FY 2005-2006; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The Council approves and adopts projected use of funds attached as Exhibit A and incorporated as part of this Resolution to define program activities and authorized submitting an application to HUD for a Federal HUD Grant for FY 2005-2006, submitting a \$3,000,000 application to HUD for a Section 108 loan to fund business loans under the Neighborhood Commercial Management Program, and allocate \$4,735,451 in program income funds and CDBG revolving funds in conjunction with the proposed Community Development and federal Action Plan for FY 2005-2006.

The City Manager is authorized to submit to HUD an application for the Federal HUD Grant, an application for a \$3,000,000 HUD Section 108 loan, a final statement of community development objectives and projected use of funds, and any certifications required by HUD; and

The City Manager is authorized to negotiate, certify, execute and accept on behalf of the City of Austin the Federal HUD Grant funds; and the City Manager is authorized to negotiate on and bring back to the City Council the HUD Section 108 Loan documents for final approval; and

The Council approves the City's fiscal year FY 2005-2006 Community Development Program described in Exhibit A is approved in accordance with Texas

Local Government Code section 373.006(5); and

The City Manager is authorized to prepare, execute, attest and deliver all documents necessary, or required to carry out the purposes of this Resolution.

ADOPTED: August 4, 2005

ATTEST: _____

Shirley A. Brown
City Clerk

EXHIBIT A

CITY OF AUSTIN COMMUNITY DEVELOPMENT PROGRAM SOURCE AND PROJECT USE OF FUNDS FISCAL YEAR 2005-2006

SOURCE OF FUNDS	PROPOSED FUNDING									
	CDBG	HOME	HOPWAS	ESG	SECTION 106	ADDI	LHCG	HHAP	EDI	TOTAL
Grant and Loan Funds	\$8,476,947	\$4,527,059	\$911,000	\$327,973	\$3,000,000	\$204,041	\$2,424,227	\$1,000,000	\$198,400	
Program Income	\$2,080,767	\$2,634,684								
Total Use of Funds From Each Funding Source	\$10,557,714	\$7,161,743	\$911,000	\$327,973	\$3,000,000	\$204,041	\$2,424,227	\$1,000,000	\$198,400	\$25,825,098

USE OF FUNDS

AFFORDABLE AND ACCESSIBLE HOUSING PROGRAM

Set aside for non-profit sponsors of affordable housing. Grants to emergency shelter for the homeless which help provide necessary meals or services. Grants to low income homeowners to alleviate threats to health and safety through emergency repairs and improve access and mobility in homes of elderly or handicapped through removal of architectural barriers. Secondary and educational services to prevent homelessness. Increase housing opportunities for low income families by providing loans to rental property owners, developers and non-profit organizations to acquire, develop or renovate rental housing units. Grants assisting in the operations and upkeep of emergency shelters for the homeless. Low Interest Loans or Grants to Low Income Owner-occupants for the rehabilitation, or replacement of their substandard homes, loans to low to moderate income first time homeowners to pay for downpayment and closing costs and funds to acquire, construct, and convey single family homes to low to moderate income families. Assist in housing needs of persons with HIV/AIDS. Grants to provide needed services for persons with HIV/AIDS to remain home during illness. Temporary subsidized housing for individuals and families transitioning through a continuum of assistance offered by existing non-profit housing agencies. Absorption of Low Rate Fund.

Grant Funds	\$2,472,433	\$4,074,354	\$903,070	\$311,575	\$0	\$204,041	\$2,424,227	\$1,000,000	\$0	
Program Income	\$610,954									
Revolving Loan Fund	760,813	2,634,684								
Total Housing	\$3,844,200	\$6,729,038	\$903,070	\$311,575	\$0	\$204,041	\$2,424,227	\$1,000,000	\$0	\$15,416,151

EXHIBIT A

ECONOMIC DEVELOPMENT PROGRAM:

Lends to businesses in or willing to locate in Commercial Redevelopment Areas to create or retain jobs and revitalize target areas. Provides loans for working capital and equipment to qualified microenterprises. Provides essential training and technical assistance for qualified microenterprises. East 11th/12th Street Revitalization and HUD Section 108 debt service.

Grant and Loan Funds	\$1,807,387	\$0	\$0	\$0	\$0	\$3,000,000	\$0	\$0	\$0	\$0	\$198,400
Program Income	689,000	0									
Total Economic Development	\$2,496,387	\$0	\$0	\$0	\$0	\$3,000,000	\$0	\$0	\$0	\$0	\$198,400

\$5,694,787

PUBLIC SERVICES PROGRAM:

Funds for existing and new neighborhood groups to encourage neighborhood and leadership development projects. Provide counseling and fair housing information to tenants and landlords. Funding for one or more child care programs. Assist in funding projects for the elderly. English as a Second Language. Voluntary Compliance/Accommodate. Housing Information Referral. Housing Information Referral Services. Activities to draw-out program contract.

Total Public Service	\$1,291,342	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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\$1,291,342

PUBLIC FACILITIES AND IMPROVEMENT PROGRAMS:

Public Facilities. Debt service for Down Homeless Shelter, Central City Entertainment Center Program. Additional funding for potential projects under review.

Total Public Facilities	\$1,230,196	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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\$1,230,196

ADMINISTRATION AND PLANNING

Assistance in the creation, operation and maintenance of community development program.

Total Administration and Planning	\$1,693,389	\$452,705	\$27,930	\$16,398	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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\$2,192,422

TOTAL PROPOSED COMMUNITY DEVELOPMENT PROGRAM COMBINED USE OF FUNDS

\$25,825,998