



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

**AGENDA ITEM NO.: 13
AGENDA DATE: Thu 06/09/2005
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SUBJECT: Authorize the negotiation and execution of an amendment to the one-year service agreement with the AUSTIN HOUSING FINANCE CORPORATION in an amount not to exceed \$2,492,697 for a total amount not to exceed \$16,192,367 to increase funding to operate various City housing programs in Fiscal Year 2004-2005.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$1,847,442 from the HOME Investment Partnerships Program, and \$645,255 in CDBG from the NHCD Grant Operating Budget for Fiscal Year 2004-2005.

FISCAL NOTE: N/A

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

FOR MORE INFORMATION CONTACT: Paul Hilgers, Director, Neighborhood Housing and Community Development, 074-3108.

PRIOR COUNCIL ACTION: Resolution approving the Fiscal Year 2004-2005 Service Agreement between NHCD and AHFC September 30, 2004.

BOARD AND COMMISSION ACTION:

PURCHASING: N/A

MBE / WBE: N/A

This action authorizes the transfer of \$1,847,442 of HOME Investment Partnerships Program funds and \$645,255 in CDBG funds and the amendment of the NHCD/AHFC Service Agreement and AHFC 2004/2005 Operating Budget.

Anderson Hill Redevelopment Project

The Anderson Hill Redevelopment Project is required to construct a minimum of 24 home ownership and 24 rental units as a result of a 2000 Settlement Agreement with the Anderson Community Development Corporation. 6 homeownership units have been built to date. This action will result in \$1,847,442 in HOME funds and \$242,204 in CDBG funds being made available for the construction of 18 detached single family units and predevelopment activities for the 24 rental units. All homeownership units will be sold to families earning less than 80% of the Median Family Income (MFI), currently \$56,900 for a family of four. All net proceeds from the sale of the single family units will be dedicated to the construction of the 24 rental units.

Rental Housing Development Assistance Program

The transfer of \$403,051 in CDBG funds to the Rental Housing Development Assistance Program will



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facilitate funding current loan proposals that will provide rental housing to families at or below 50 % Median Family Income, currently \$35,550 for a family of four.

All activities are consistent with the FY 2004/2005 Action Plan as identified under the Anderson Hill Redevelopment Homeownership and Rental Development, and the Rental Housing Development Assistance categories.