

Affordable Housing General Obligation (G.O.) Bonds Update

Bond Oversight Committee Presentation

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DRAFT 3-19-08



Ballot Language

Shall the city council of the city of Austin, Texas be authorized to issue and sell general obligation bonds and notes of the city in the aggregate principal amount of \$55,000,000 for the public purposes of constructing, renovating, improving, and equipping affordable housing facilities for low income persons and families, and acquiring land and interests in land and property necessary to do so, and funding affordable housing programs as may be permitted by law to provide for those purposes...?



Important Points

- ❑ 100% of Affordable Housing G. O. Bond funds go toward projects. No bond funds are used to pay administrative or staff salaries.
- ❑ Unlike Parks, Public Works, or Library for example, there is not a pre-determined list of affordable housing projects to fund.
- ❑ Housing Development (affordable or not) depends upon real estate availability, opportunity and timing.
- ❑ For approved projects and projects awaiting approval, the cost per unit so far is approximately \$28,000. ($\$11 \text{ million} \div 390 \text{ units}$)



Goals

Shaped by Core Values of the
Affordable Housing Incentives Task Force:

- **Deeper Affordability Targets** (Rental funds targeted toward 30% MFI and below; Homeownership to 65% MFI and below)
- **Long-term Affordability** (Rental: 40 years minimum; Homeownership: CLT or shared equity model preferred)
- **Geographic Dispersion**



Funding Allocations

□ Guidelines for Allocation

- 75% for competitive awards to non-profits or for-profit affordable housing developers
 - 60% toward rental housing
 - 40% toward homeownership
- 20% for Council Priorities
- 5% for Rapid Acquisition of real estate for non-profits



Income Levels to be served

□ Rental housing

- Capped at 50% MFI, but target is 30% MFI and below

□ Homeownership

- Capped at 80% MFI, but target is 65%-50% MFI.



Affordability Periods

□ Rental

- Not less than 40 years

□ Homeownership

- 99 years with shared equity model or CLT preferred (not required).
- Right of first refusal with re-sale to low to moderate buyer also acceptable. (Habitat model)



Funding Awards

Amounts for Approved Projects

- Competitive dollars
 - \$2.24 million (rental)
 - \$1 million (homeowner)
- Council Initiatives
 - \$710,350
- Rapid Acquisition for non-profits
 - \$110,000

Amounts for Projects Awaiting Approval

- *Competitive dollars*
 - *\$ 4 million (rental)*
 - *\$ 1 million (homeowner)*
- *Council Initiatives*
 - *\$1.17 million*
- *Rapid acquisition for non-profits*
 - *\$200,000*

Income Levels to be Served

Income Levels of Approved Projects

- **Rental**
 - Mary Lee Foundation (The Willows)
 - 50% MFI and below
 - Foundation Communities (Skyline Terrace)
 - 50% MFI and below
 - Guadalupe Neighborhood Development Corp. (Lydia Street Alley House)
 - 30% MFI and below
 - Stoneridge Apts. Redevelopment
 - 50% MFI
- **Homeownership**
 - Habitat for Humanity (Sendero Hills, Phase IV Subdivision) -- Acquisition
 - 50% MFI and below

Income Levels of Projects Awaiting Approval

- **Rental**
 - *Austin Children's Shelter*
 - *30% MFI and below*
 - *St. Louise House*
 - *30% MFI and below*
 - *Children's HOME Initiative at Crossroads Apts.*
 - *30% MFI and below for some units*
 - *50% MFI and below for others*
 - *Carol's House*
 - *30% MFI and below (special needs)*
 - *Blackshear NDC Infill Project*
 - *30% MFI and below for some units*
 - *50% MFI and below for others*
- **Homeownership**
 - *Habitat for Humanity (Sendero Hills, Phase IV Subdivision) -- Infrastructure*
 - *50% MFI and below*

Affordability Periods

Affordability Periods of Approved Projects

□ Rental

- Mary Lee Foundation (The Willows)
 - 99 years
- Foundation Communities (Skyline Terrace)
 - 99 Years
- Guadalupe Neighborhood Development Corp. (Lydia Street Alley House)
 - 99 Years
- Stoneridge Apartments Redevelopment
 - 40 years

□ Homeownership

- Habitat for Humanity (Sendero Hills, Phase IV Subdivision) -- Acquisition
 - 10 years w/ Right of First Refusal and Resale to low-mod buyer

Affordability Periods of Projects Awaiting Approval

□ *Rental*

- *Austin Children's Shelter*
 - *99 years*
- *St. Louise House*
 - *99 years*
- *Children's HOME Initiative at Crossroads Apts.*
 - *99 years*
- *Carol's House*
 - *99 years*
- *Blackshear NDC Infill Project*
 - *99 years*

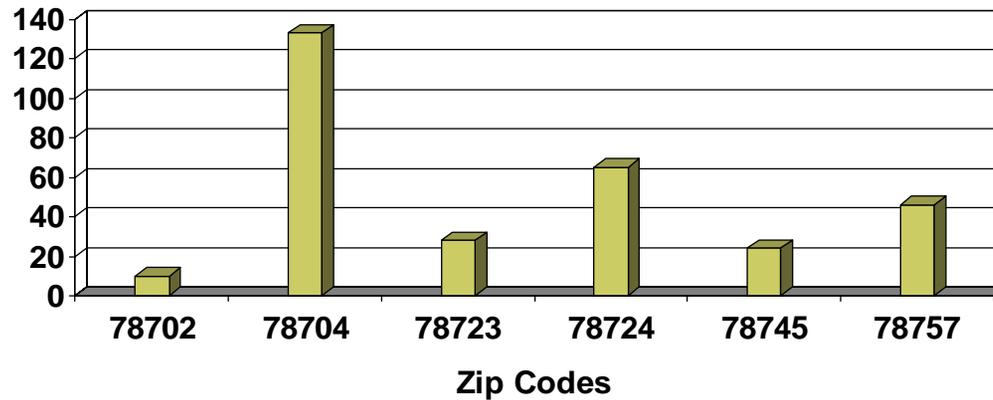
□ *Homeownership*

- *Habitat for Humanity (Sendero Hills, Phase IV Subdivision) -- Infrastructure*
 - *10 years w/ Right of First Refusal and Resale to low-mod buyer*

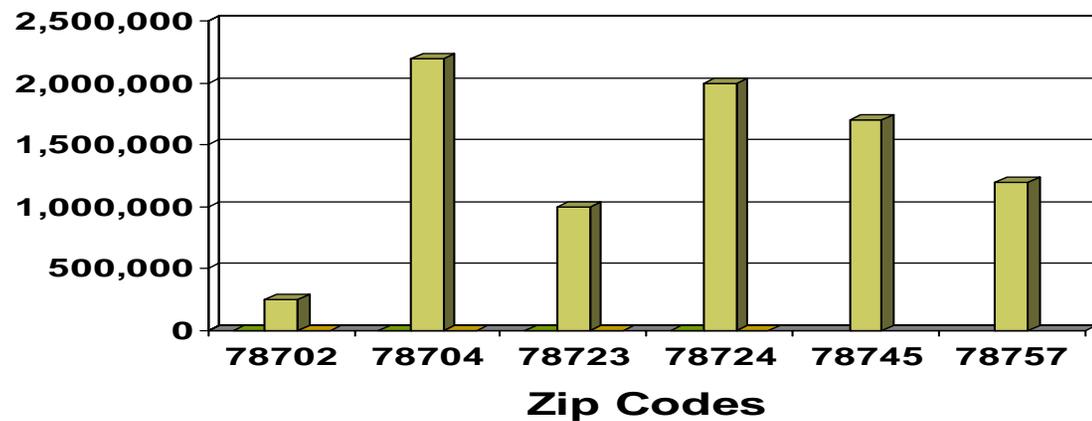
Geographic Dispersion

Includes projects awaiting approval by the AHFC Board

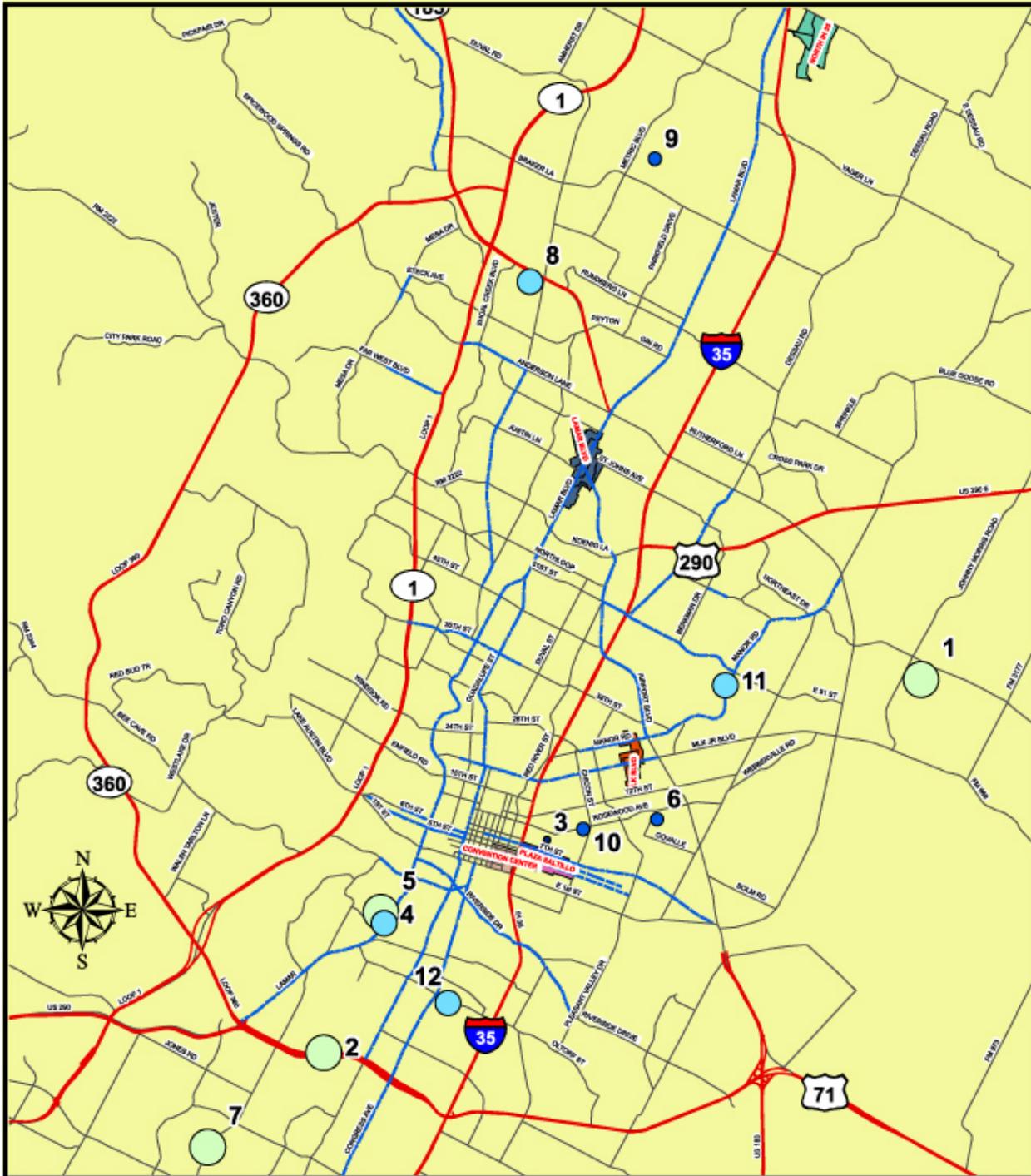
By Unit Counts



By Funding Amount



G.O. Bond Housing Project Locations



Funding

- \$60,000.00
- \$60,000.01 - \$250,000.00
- \$250,000.01 - \$500,000.00
- \$500,000.01 - \$1,250,000.00
- \$1,250,000.01 - \$2,250,000.00

TODs

- Northwest Park and Ride
TOD not shown.
- CONVENTION CENTER
- LAMAR BLVD
- MLK BLVD
- NORTH IH 35
- NW PARK & RIDE
- PLAZA SALTILLO
- Core Transit Corridors

1 inch equals 2 miles



--DRAFT MAP--

This map has been produced by the Austin Housing Finance Corporation for the sole purpose of geographic reference. No warranty is made by the City of Austin regarding specific accuracy or completeness. Map Updated March 2008

Guidance Needed from Community Development Commission

- ❑ Transitional Housing Needs
 - Not homeownership, not exactly rental, but being funded out of the rental pot.
 - ❑ Austin Children's Shelter (\$1 million) *
 - ❑ St. Louise House (\$1.7 million) *
 - ❑ Possible MHMR Crisis Respite Center (\$ TBD)
- ❑ Lack of homeownership projects coming in.
- ❑ AHFC's ability to acquire property for future development.
- ❑ Re-thinking rent "buy-down" projects.

**Awaiting Approval by the AHFC Board*



For More Information

- ❑ List of approved projects with various data
- ❑ Map of approved projects and projects awaiting approval
- ❑ List of applications received to date
- ❑ Program Guidelines, Funding Application and Scoring Criteria

Go to www.cityofaustin.org/ahfc

