

Recommendation for Board Action				
Austin Housing Finance Corporation	Item ID	12176	Agenda Number	3.
Meeting Date:	2/9/2012		Department:	Neighborhood and Community Development
Subject				
<p>Approve a resolution authorizing the Austin Housing Finance Corporation treasurer to submit two grant applications to the Texas Department of Housing and Community Affairs, one for \$1,000,000 and the other for \$375,000, for the Texas Neighborhood Stabilization Program 1 – Program Income fund for construction and administration costs for eleven new single-family homes to be sold to low- to moderate-income households; acknowledging that the Texas Neighborhood Stabilization Program is a reimbursement program; and authorizing the treasurer or general manager to sign contracts and all other documents related to the administration of the program.</p>				
Amount and Source of Funding				
<p>If the grant application is approved, funding would come from program income generated by the first Neighborhood Stabilization Program through the Texas Department of Housing and Community Affairs.</p>				
Fiscal Note				
<p>There is no unanticipated fiscal impact. A fiscal note is not required.</p>				
Purchasing Language:				
Prior Council Action:	January 29, 2009 - Council authorized an application to the Texas Department of Housing and Community Affairs for Neighborhood Stabilization Program funds; September 24, 2009 – Council authorized acceptance of \$2,542,618 in NSP funds.			
For More Information:	Contact Elizabeth A. Spencer, Treasurer, 974-3182.			
Boards and Commission Action:				
MBE / WBE:				
Related Items:				
Additional Backup Information				

Approval of this action will authorize the Austin Housing Finance Corporation (AHFC) Treasurer to submit two grant applications to the Texas Department of Housing and Community Affairs (TDHCA) for a Texas Neighborhood Stabilization Program 1 - Program Income (NSP-PI) grant for a total combined amount up to \$1,375,000. No funding match is required.

Per the Notice of Funding Availability issued by TDHCA, funding is available to construct new single-family housing on vacant infill properties in census tracts that have experienced higher rates of foreclosures. The AHFC owns three vacant lots on Goodwin Avenue, five vacant lots on Linden Street in the Govalle-Johnston Neighborhood Plan Area and three vacant lots on Astor Place in the East MLK Combined Planning Area. The properties on Linden Street and Goodwin Avenue are located in Census Tract 8.01, and the Astor Place properties are located in Census Tract 21.09, each of which has a higher rate of foreclosures, and is therefore an eligible area for development under the NSP-PI program.

AHFC Staff is requesting approval to submit two separate applications to TDHCA: one for \$375,000 for the three Astor Place lots, and one for \$1,000,000 for the eight Linden Street and Goodwin Avenue lots. It appears that TDHCA may approve eligible grant applications on a first-come, first-served basis, subject to the availability of funds. By submitting two applications, staff feel there could be a greater chance of both applications being approved for their respective dollar amounts as opposed to combining them into one application requesting \$1,375,000. Applicants are permitted to submit grant applications for up to three projects.

Prospective homebuyers must have incomes at or below 80 percent of the Median Family Income (MFI) for the Austin-Round Rock Metropolitan Statistical Area, currently \$59,900 for a four-person household. However, under the NSP-PI program, buyers with incomes at or below 50 percent MFI (\$37,450 for a four-person household) can receive 30-year, zero percent (0%) interest mortgages through TDHCA. All homebuyers will be required to complete an eight-hour homebuyer education course.