

--	--	--	--

Recommendation for Board Action

Austin Housing Finance Corporation	Item ID	12320	Agenda Number	3.
------------------------------------	----------------	-------	----------------------	----

Meeting Date:	3/8/2012	Department:	Neighborhood and Community Development
----------------------	----------	--------------------	--

Subject

Approve the negotiation and execution of a loan to COMMUNITY PARTNERSHIP FOR THE HOMELESS, INC., dba GREEN DOORS, in an amount not to exceed \$640,000 to acquire and rehabilitate three properties located at 5801 and 5803 Sweeney Circle and 2907 Sweeney Lane to provide affordable rental housing for twelve low- and very low-income households.

Amount and Source of Funding

Funding is available in the Fiscal Year 2011-2012 Austin Housing Finance Corporation Capital budget.

Fiscal Note

A fiscal note is attached.

Purchasing Language:	
Prior Council Action:	
For More Information:	Contact Elizabeth A. Spencer, Treasurer, Austin Housing Finance Corporation, 974-3184.
Boards and Commission Action:	January 15, 2009 – Authorized negotiation and execution of two loans to Community Partnership for the Homeless, Inc., to acquire and rehabilitate properties located at 5802, 5804, 5805, 5807 5809, and 5811 Sweeney Circle to provide affordable rental housing for 24 low- and very low-income households.
MBE / WBE:	
Related Items:	

Additional Backup Information

Approval of funding will allow the Community Partnership for the Homeless, doing business as Green Doors, to acquire and rehabilitate three four-plexes to continue its successful efforts to revitalize an area in need of stability and to provide affordable housing for low- and very low-income households.

Funding Request

- Community Partnership for the Homeless, Inc., doing business as Green Doors, has requested \$640,000 to assist with the acquisition of two four-plexes on Sweeney Circle and one four-plex on Sweeney Lane. The proposed funding source is from G.O. Bond funds.
- If approved, Austin Housing Finance Corporation (AHFC) funds would represent approximately 58 percent of the total project cost, with an average cost of \$53,333 per unit.
- The requested funding is consistent with the City of Austin's currently approved Consolidated Plan and AHFC's strategy to provide assistance through below market-rate financing for the development of affordable rental housing for low- and moderate-income households and persons with special needs.
- Estimated Sources and Uses for the project are as follows:

<u>Sources:</u>		<u>Uses:</u>	
Texas Veterans Commission	\$438,972	Acquisition & Predevelopment	\$ 500,500
AHFC Funding	640,000	Hard Costs	480,895
Private Fundraising	<u>28,075</u>	Soft Costs	<u>125,652</u>
TOTAL	\$1,107,047	TOTAL	\$1,107,047

Project Characteristics

- The three properties are located on Sweeney Circle and Sweeney Lane where Green Doors began acquiring and rehabilitating properties in 2009. Green Doors' success with actively managing these rehabilitated properties has transformed an area of deteriorating housing owned by absentee landlords into an attractive and much safer community known as Pecan Springs Commons.
- The purchase of the next three properties will allow Green Doors to expand its revitalization efforts in the area, and offer additional affordable rental housing to low-and very low-income individuals and families.
- The properties will have a 99-year affordability period as do Green Doors' other properties in Pecan Springs Commons. Two units will be made accessible for persons with mobility disabilities and one unit will be made accessible for persons with hearing or vision disabilities.
- Rents will range from approximately \$600 to \$750 per month, and the one and two-bedroom units will range in size from 500 to 650 square feet. Some residents will receive rental subsidies through a program operated by the U.S. Department of Veterans Affairs; others may receive assistance through the U.S. Department of Housing and Urban Development's (HUD) Housing Choice Voucher Program (Section 8).
- The units are considered permanent supportive housing and supportive services are available to residents who elect to use them. The services available to residents will include case management, life skills training, parenting skills training, education and employment training and referral, and legal and health care services..

Population Served

Residents' annual incomes must be at or below 50 percent of the Median Family Income for the Austin-Round Rock Metropolitan Statistical Area, currently \$26,250 for a one-person household and \$30,000 for a two-person household. Green Doors target populations are chronically homeless individuals, homeless veterans, and very low-income

working families and individuals.

Green Doors

Green Doors is the “doing business as” name for Community Partnership for the Homeless, Inc., (CPH). CPH/Green Doors is a non-profit 501(c) (3) organization established in 1990 to provide transitional and affordable housing and services to low-income families and individuals who are either homeless or at risk of being homeless.