

AGENDA



Recommendation for Council Action

Austin City Council - Commissioners Court Meeting	Item ID	35630	Agenda Number	43.
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Meeting Date:	9/25/2014	Department:	Neighborhood and Community Development
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Subject

Authorize negotiation and execution of a one-year service agreement with the AUSTIN HOUSING FINANCE CORPORATION to manage and operate various housing programs on the City's behalf during Fiscal Year 2014-2015 using funds received by the City from the U.S. Department of Housing and Urban Development, in addition to local City funds, in the amount of \$16,327,141.

Amount and Source of Funding

Funding is available in the Fiscal Year 2014-2015 Operating Budget of the Neighborhood Housing and Community Development Office. Grant funding is contingent on the release of Fiscal Year 2015 federal funds from the U.S. Department of Housing and Urban Development. See attached AHFC Grant Operating Budget - Exhibit A and AHFC Capital Budget - Exhibit B for more detail.

The service agreement includes under the Austin Housing Finance Corporation Grant Operating Budget: \$888,074 from Local Sources including the Housing Trust Fund (\$570,526), Housing Fund (\$250,707), and University Neighborhood Overlay Housing Trust fund (\$66,841); and \$5,439,067 from Federal Sources, including \$1,993,088 from the U.S. Department of Housing and Urban Development Home Investment Partnership Program, and \$3,445,979 from the Community Development Block Grant.

The service agreement includes under the Austin Housing Finance Corporation Capital Budget: \$10,000,000 from the City of Austin's General Obligation Bond Fund, which will provide \$2,250,000 for the Homeowner Assistance Program and \$7,750,000 for the Housing Developer Assistance Program.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	
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Prior Council Action:	September 26, 2013 – Council approved a one-year service agreement to expire September 30, 2014.
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For More Information:	Elizabeth A. Spencer, Director, 974-3182; or John Hilbun, Contract Development Analyst, 512-974-1054, Neighborhood Housing and Community Development.
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Boards and Commission Action:	
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MBE / WBE:	
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Related Items:	
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Additional Backup Information

The recommended action authorizes the City Manager to negotiate and execute the City's annual service agreement with the Austin Housing Finance Corporation (AHFC) allowing the AHFC to use \$16,327,141 in City funds from federal sources and local sources to fund, manage and operate various City housing programs during FY 2014-2015, including renter assistance, homebuyer assistance, homeowner assistance, and housing developer assistance. See AHFC Grant Operating Budget – Exhibit A and AHFC Capital Budget – Exhibit B for details. An estimated 1,837 households will be served through these programs. Employees of the City's Neighborhood and Community Development (NHCD) Office manage the AHFC's operations through the annual service agreement.

Established in 1979 as a public, non-profit corporation pursuant to Chapter 394 of the Texas Local Government Code, the AHFC administers numerous affordable housing programs for the City using federal and local funds. U.S. Department of Housing and Urban Development (HUD) grant funds provided by the City constitute the majority of AHFC's grant funds.