

NEIGHBORHOOD HOUSING & COMMUNITY DEVELOPMENT OFFICE

6.15.2015

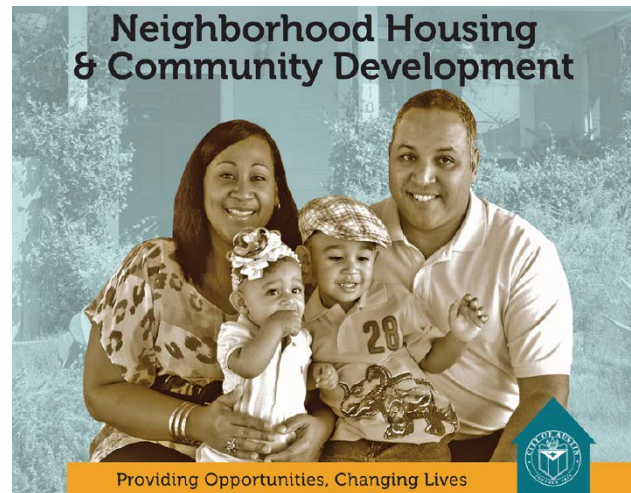
Urban Renewal Board

A presentation regarding the Fiscal Year 2016 Action Plan



Neighborhood Housing + Community Development Office Mission

To provide housing, community development, and small business development services to benefit eligible residents so they can have access to livable neighborhoods and increase their opportunities for self-sufficiency.





Department Overview

Mission Statement: The mission of the Neighborhood Housing & Community Development Department is to provide housing, community development, and small business development services to benefit eligible residents, so they can have access to livable neighborhoods and increase their opportunities for self-sufficiency.

| Service Areas |
|--|
| Homebuyer assistance |
| Renter assistance |
| Housing Developer Assistance |
| Homeowner Assistance |
| Neighborhood & Commercial Revitalization |
| Microenterprise Technical Assistance |
| Community Services |

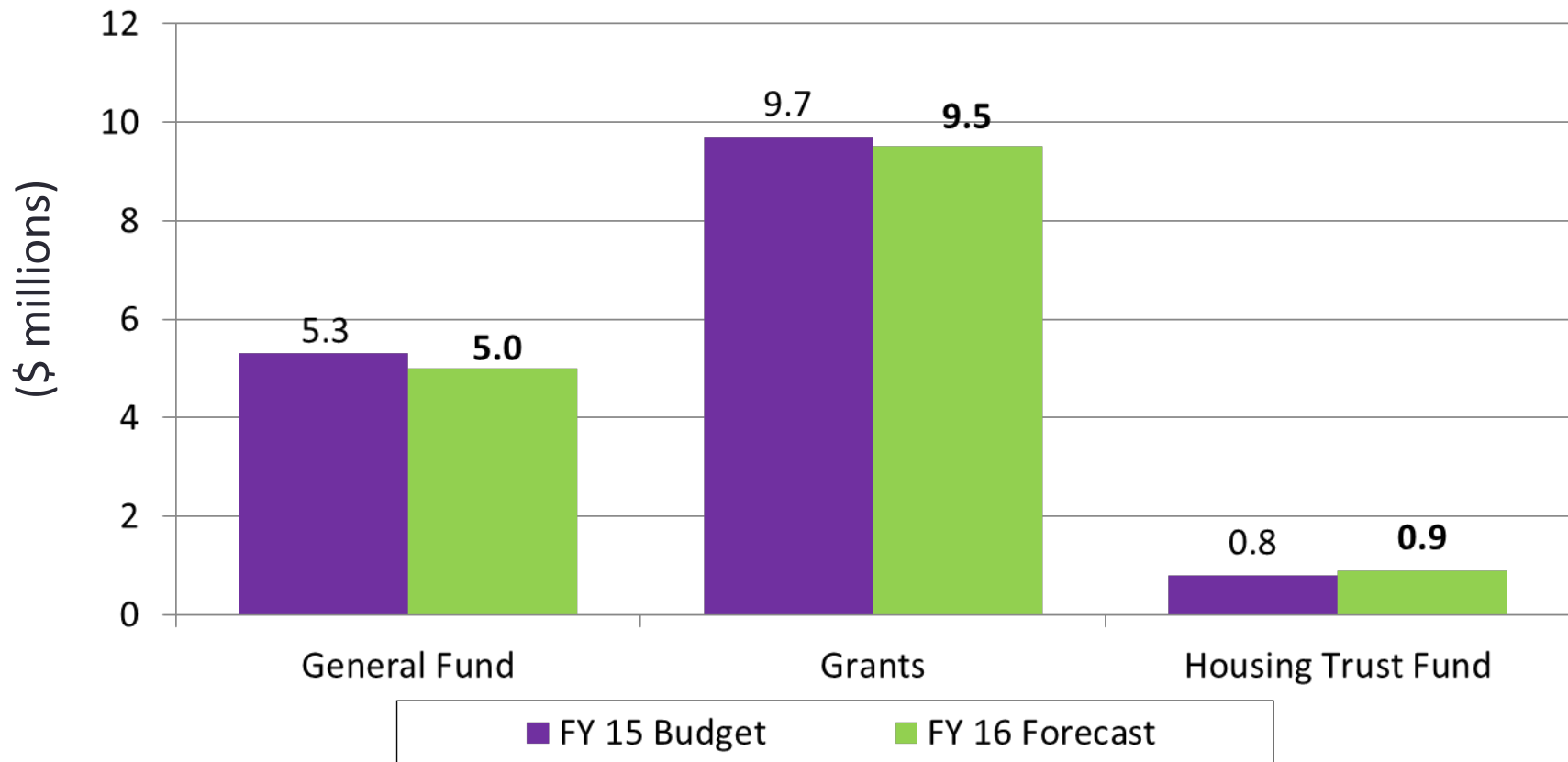


Sources of Funds

Department Revenue:

FY 15 Budget: \$15.80

FY 16 Forecast: \$15.4

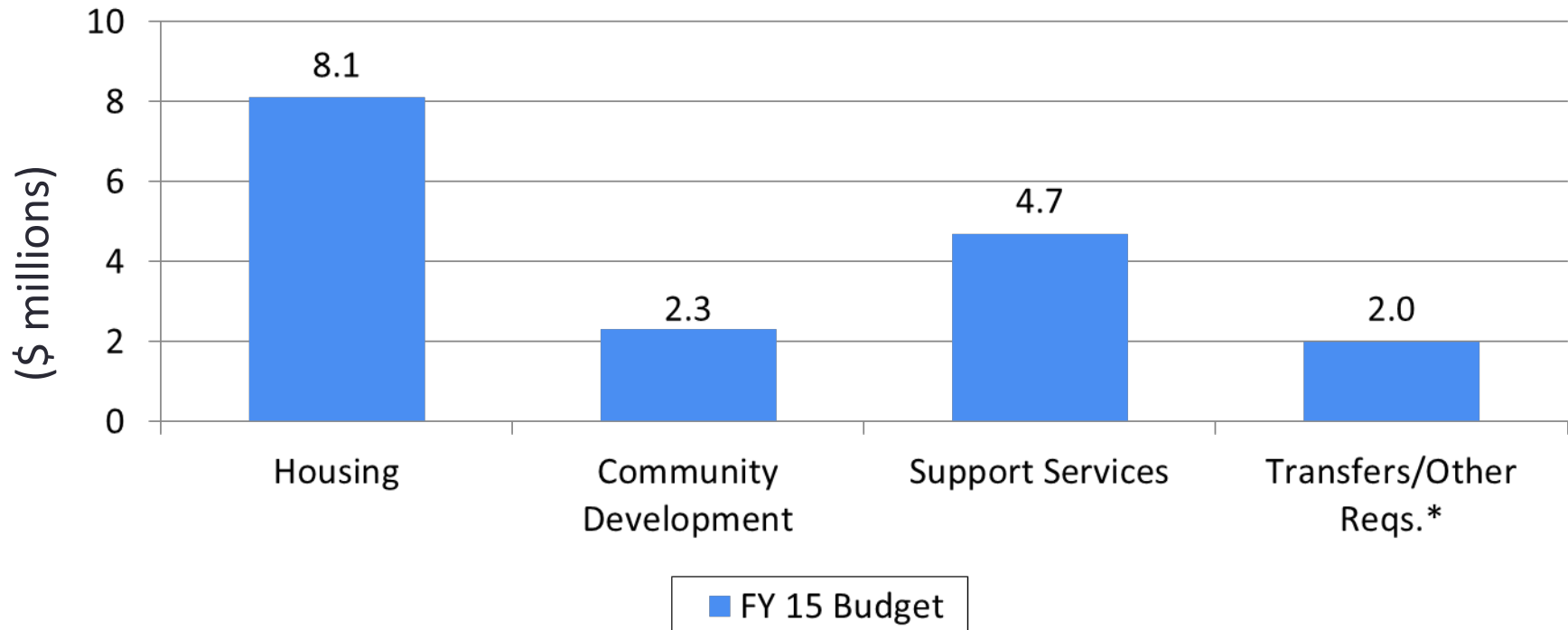




Uses of Funds

Department Expenditures:

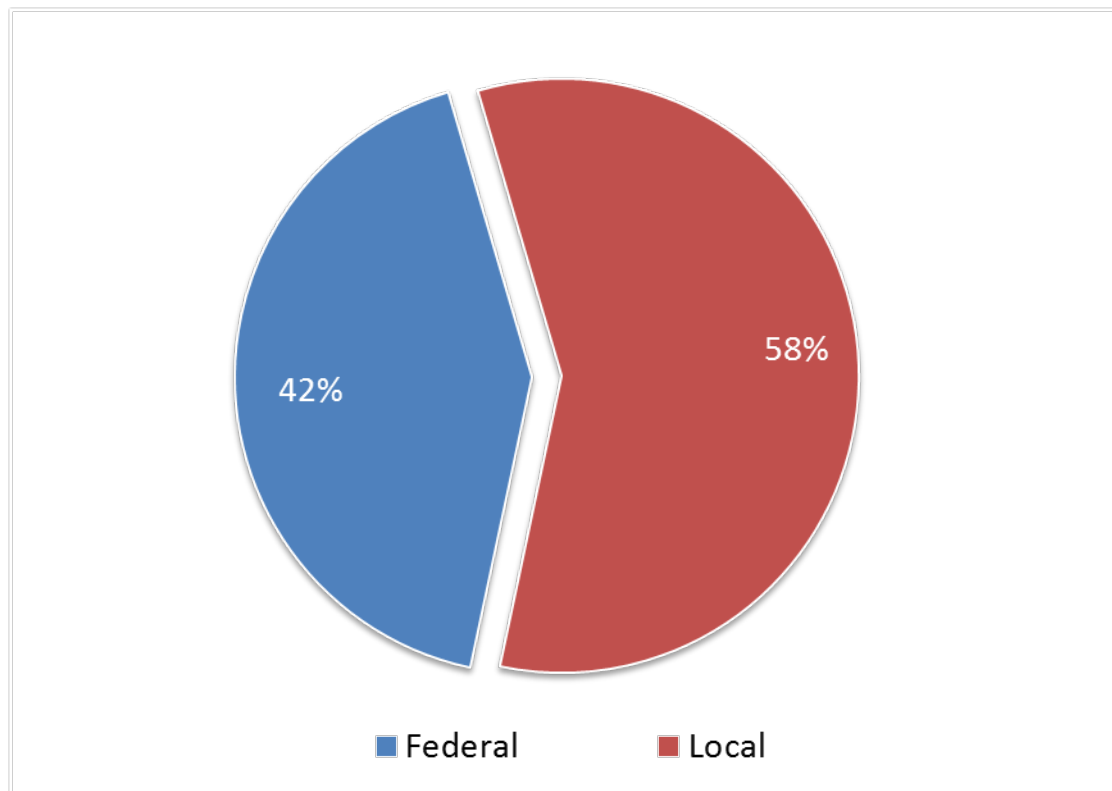
FY 15 Budget: \$17.1



** Increase reflects change in budgeting for transfers to internal services funds. Beginning in FY 15, costs for services such as information technology and administrative services are being captured at the department level. These costs were accounted for in the General Fund in previous budgets.*

Financial Overview

- ▶ Total Funds Expended in FY 2013-14: \$25.73 million
 - ▶ Composition: \$10.8 million Federal and \$14.69 million Local



Federal Funds + Requirements

- ▶ The City of Austin receives four formula grants from the U.S. Department of Housing and Urban Development (HUD), to help address affordable housing, community and economic development needs.



- ▶ Regulatory requirements include affirmatively furthering fair housing choice in Austin.
- ▶ As a participating jurisdiction, the City of Austin is required to submit a 5-year Consolidated Plan, Action Plans (1 per year), and End-of-Year Reports (1 per year) known as the Consolidated Annual Performance and Evaluation Report or CAPER.

Financial Overview

Federal Formula Funds

| | FY 14-15 | FY 15-16 | Annual \$ Change | Annual % Change | 5 Year \$ Change | 5 Year % Change |
|-------|--------------|--------------|------------------|-----------------|------------------|-----------------|
| CDBG | \$6,983,366 | \$7,078,382 | \$95,016 | 1% | (\$1,078,766) | -14% |
| HOME | \$2,686,764 | \$2,433,108 | (\$253,656) | -10% | (\$2,098,709) | -46% |
| HOPWA | \$1,112,390 | \$1,117,794 | \$5,404 | 1% | \$13,867 | 1% |
| ESG | \$583,706 | \$622,474 | \$38,768 | 8% | \$292,030 | 89% |
| TOTAL | \$11,366,226 | \$11,251,758 | (\$114,468) | | (\$2,871,578) | |

CDBG = Community Development Block Grant

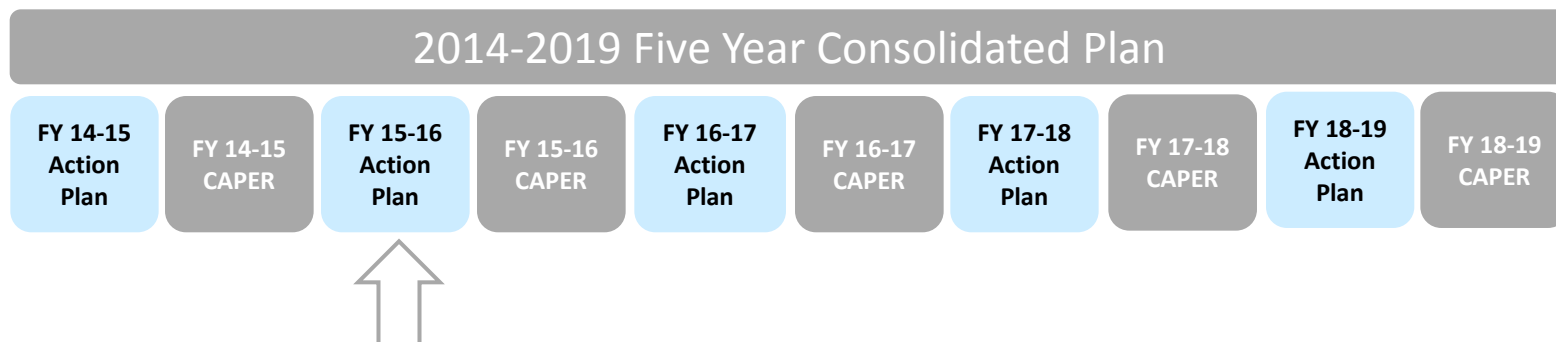
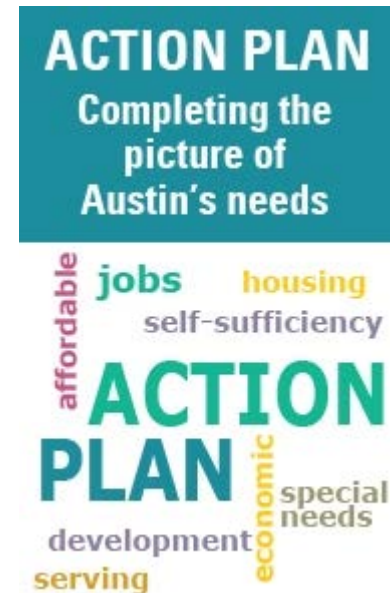
HOME = HOME Investment Partnerships

HOPWA = Housing Opportunities for Persons with AIDS

ESG = Emergency Solutions Grant

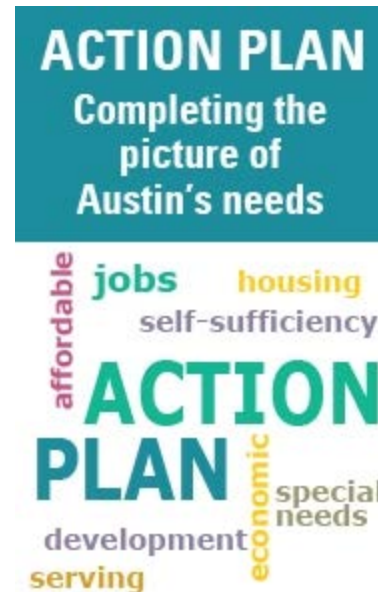
What is the Action Plan?

- ▶ The City of Austin expects to receive \$11.2 million from HUD for Fiscal Year 2015-16. The Action Plan serves as the City's application to access these resources.
- ▶ At the end of each Fiscal Year, the City prepares a Consolidated Annual Performance and Evaluation Report (CAPER) that includes annual performance metrics.



What is the Action Plan?

- ▶ Provides Information On:
 - Community Needs
 - Resources
 - Priorities
 - Proposed Activities
- ▶ Eligible Activities Include:
 - Affordable Housing
 - Community Development
 - Economic Development
 - Public Services



Public Outreach

- ▶ Notification in Austin Energy utility bill inserts
- ▶ Spanish-language television and radio announcements
- ▶ Paper and online announcements and surveys in English and Spanish
- ▶ Presentations at community meetings
- ▶ Presentations to multiple boards and commissions
 - Community Development Commission
 - Mayor's Committee for People w/ Disabilities
 - African American Resource Advisory Commission
 - Asian American Quality of Life Advisory Commission
 - Hispanic / Latino Quality of Life Advisory Commission

What We Heard

FY 2015-16 Action Plan Community Needs Assessment Summary

Homeless/Special Needs Assistance

- Significant and disproportionate needs of formerly incarcerated persons
- Shortage of supportive housing for people with mental illnesses
- Need for at least 100 Housing First units
- Continued funding for permanent supportive housing

What We Heard

FY 2015-16 Action Plan Community Needs Assessment Summary

Renter Assistance

- Need for accessible units
- Need for additional rental units for families and individuals at or below 50% MFI
- Adoption of Good Landlord Program
- HOME funds for tenant-based rental assistance programs
- Continued funding for rental repair programs

What We Heard

FY 2015-16 Action Plan Community Needs Assessment Summary

Homebuyer Assistance

- Replacement homes for victims of Onion Creek floods

Homeowner Assistance

- Need for accessible units
- Increase funding for GO Repair Program to \$3 million
- Replacement homes for victims of Onion Creek floods

What We Heard

FY 2015-16 Action Plan Community Needs Assessment Summary

Housing Developer Assistance

- Need for more affordable housing (rental and ownership units)
- Need for additional rental units for families and individuals at or below 50% MFI

Other

- Need for energy efficient homes & homes near transit
- Availability of healthy food options, community gardens
- More streamlined permitting process
- Need for more reasonable look back periods for criminal background checks

Investments

Category: Homeless & Special Needs Assistance

| Program / Activity | Fund | FY14-15 New Funding | FY15-16 New Funding |
|--|-------|------------------------|------------------------|
| ARCH - ESG Shelter Operating and Maintenance | ESG | 313,922 | 313,922 |
| Homeless Management Information Systems | ESG | 0 | 13,200 |
| Rapid Re-Housing Programs | ESG | 248,130 | 248,667 |
| <i>Subtotal, Emergency Solutions Grant</i> | | 562,052 | 575,789 |
| Permanent Housing Placement | HOPWA | 28,344 | 32,702 |
| Short termed supported housing assistance | HOPWA | 60,327 | 103,694 |
| Short-term rent mortgage and utilities | HOPWA | 104,098 | 56,631 |
| Supportive Services | HOPWA | 91,109 | 90,969 |
| Tenant-Based Rental Assistance | HOPWA | 539,894 | 579,877 |
| Facility Based Transitional Housing | HOPWA | 195,522 | 195,662 |
| HOPWA Housing Case Management | HOPWA | 59,725 | 24,726 |
| <i>Subtotal, Housing Opportunities for Persons with AIDS</i> | | 1,079,019 | 1,084,261 |
| Child Care Services | CDBG | 603,226 | 611,434 |
| Senior Services | CDBG | 20,439 | 20,717 |
| Youth Support Services | CDBG | 189,042 | 191,614 |
| <i>Subtotal, Public Services</i> | | 812,707 | 823,765 |
| GRAND TOTAL | | 2,453,778 | 2,483,815 |

Investments

Category: **Renter Assistance**

| Program / Activity | Fund | FY14-15 New Funding | FY15-16 New Funding |
|--|------|------------------------|------------------------|
| Tenant-Based Rental Assistance | HOME | 510300 | 510300 |
| Architectural Barrier Program - Rental | CDBG | 280000 | 280000 |
| Tenants' Rights Assistance | CDBG | 234798 | 237993 |
| GRAND TOTAL | | 1,025,098 | 1,028,293 |

Category: **Homebuyer Assistance**

| Program / Activity | Fund | FY14-15 New Funding | FY15-16 New Funding |
|-------------------------|-----------|------------------------|------------------------|
| Down Payment Assistance | HOME | 425000 | 425000 |
| | HOME - PI | 220000 | 220000 |
| GRAND TOTAL | | 645,000 | 645,000 |

Investments

Category: Homeowner Assistance

| Program / Activity | Fund | FY14-15 New Funding | FY15-16 New Funding |
|---|-----------|------------------------|------------------------|
| Architectural Barrier Removal - Owner | CDBG | 1,173,470 | 1,173,470 |
| Emergency Home Repair Program | CDBG | 1,000,000 | 1,000,000 |
| Homeowner Rehabilitation Loan Program | HOME | 648,634 | 648,634 |
| | HOME - PI | 50,000 | 50,000 |
| | CDBG | 100,000 | 250,000 |
| | CDBG - RL | 75,000 | 75,000 |
| <i>Subtotal, Homeowner Rehab Loan Program</i> | | 873,634 | 1,023,634 |
| LeadSmart Program | Lead | 0 | 0 |
| GO Repair! Program | GO Bonds | 2,000,000 | 2,000,000 |
| GRAND TOTAL | | 5,047,104 | 5,197,104 |

Investments

Category: Housing Developer Assistance

| Program / Activity | Fund | FY14-15 New Funding | FY15-16 New Funding |
|---------------------------------------|---|------------------------|------------------------|
| Rental Housing Development Assistance | CDBG | 461,350 | 515,298 |
| | CDBG - PI | 0 | 0 |
| | HOME | 0 | 0 |
| | HOME - PI | 50,000 | 50,000 |
| | HOME (CHDO) | 201,507 | 182,483 |
| | HTF | 630,526 | 614,448 |
| | GO Bonds | 6,062,500 | 6,062,500 |
| | <i>Subtotal, RHDA</i> | <i>7,405,883</i> | <i>7,424,729</i> |
| Acquisition and Development | CDBG | 431,159 | 338,345 |
| | CDBG - RL | 100,000 | 100,000 |
| | HOME | 331,140 | 165,897 |
| | HOME (CHDO) | 201,507 | 182,483 |
| | GO Bonds | 1,937,500 | 1,937,500 |
| | <i>Subtotal, Acquisition and Development</i> | <i>3,001,306</i> | <i>2,724,225</i> |
| CHDO Operating Expenses Grants | HOME (CO) | 100,000 | 75,000 |
| | <i>Subtotal, CHDO Operating Expenses Grants</i> | <i>100,000</i> | <i>75,000</i> |
| | GRAND TOTAL | 10,507,189 | 10,223,954 |

Investments

Category: Commercial Revitalization

| Program / Activity | Fund | FY14-15 New Funding | FY15-16 New Funding |
|--|------|------------------------|------------------------|
| Neighborhood Opportunity Improvement Program | CDBG | 100,000 | 0 |
| GRAND TOTAL | | 100,000 | 0 |

Category: Small Business Assistance

| Program / Activity | Fund | FY14-15 New Funding | FY15-16 New Funding |
|--------------------------------------|-------------|------------------------|------------------------|
| Community Development Bank | CDBG | 150,000 | 150,000 |
| Microenterprise Technical Assistance | CDBG | 200,000 | 200,000 |
| Neighborhood Commercial Management | CDBG - RL | 40,000 | 40,000 |
| Family Business Loan Program | Section 108 | 0 | 0 |
| GRAND TOTAL | | 390,000 | 390,000 |

Category: Financial Empowerment

| Program / Activity | Fund | FY14-15 New Funding | FY15-16 New Funding |
|--|------|------------------------|------------------------|
| Individual Development Account Program | IDA | 300,000 | 0 |
| GRAND TOTAL | | 300,000 | 0 |



Forecast Highlights

- Federal grant funding decreased for FY 2015-16 (-\$200K)
- FY 2015-16 General Fund for departmental operations
- Housing Trust Fund anticipated \$896K
- Cost drivers increase is \$200K (salaries, personnel insurance, grant personnel cost drivers, fleet costs)



CIP Highlights

FY 2016 Spending Plan -- \$12.1 million

➤ **Rental Housing – \$8.2M**

- Anticipated Low Income Housing Tax Credit Awards – \$3.1M
 - Cardinal Point Apartments (125 units); La Madrid Apartments (90 Units)
 - Commitment of G.O. Bond funds (\$3.1M) anticipated to be formalized August 6, 2015.
- Projects in Progress – \$2.0M
 - Bluebonnet Studios (107 units)
 - Lakeline Station (128 units)
 - Live Oak Trails (57 units)
- Projects to Commence – \$3.1M
 - Austin-Travis County Integral Care Housing First PSH (50 units)
 - Guadalupe-Jeremiah Housing (35 units)
 - Garden Terrace, Phase III (20 units)

➤ **Homeownership – \$1.75M**

➤ **GO! Repair Program – \$2.0M**

➤ **Architectural Barrier Removal (rental) – \$0.2M**

Budget Reduction

- Council Resolution 20150212-050, directs the City Manager to, among other things, provide the Council with a list of service reductions that could potentially be used to offset the revenue loss associated with implementing a General Homestead Tax Exemption.
- Departments whose budgets directly impact the General Fund will need to reduce their budgets by 5% of their FY16 Forecasted General Fund Budget
- NHCD Proposal: \$105K from the Housing Trust Fund transfer in

FY2015-16 Action Plan Timeline

| Date | Action |
|-----------|--|
| March 20 | Community Needs Assessment Period Begins |
| April 13 | Mayor's Committee for People w/ Disabilities - Presentation and Input |
| April 14 | CDC - Public Hearing @ Austin Energy, Town Lake Center (6:30pm) <i>*Rescheduled*</i> |
| April 16 | City Council - Public Hearing @ City Hall (1pm) |
| April 21 | Asian American Quality of Life Advisory Commission - Presentation and Input |
| April 22 | Hispanic / Latino Quality of Life Advisory Commission - Presentation and Input |
| May 6 | African American Resource Advisory Commission - Presentation and Input |
| May 12 | CDC - Public Hearing @ Street-Jones Building, 1000 East 11th Street (6:30pm) |
| May 15 | Community Needs Assessment Period Ends |
| May 22 | Public Comment Period Begins (DRAFT Action Plan Published) |
| June 1 | CDC - Public Hearing @ City Hall Boards and Comm. Room (7pm) |
| June 11 | City Council - Public Hearing @ City Hall (Time TBD) |
| June 22 | Public Comment Period Ends |
| June 30 | CDC - Meeting for Final Recommendations @ Street-Jones Bldg Rm 400a (6:30pm) |
| August 6 | City Council - Final Action @ City Hall (Time TBD) |
| August 15 | Action Plan Due to U.S. Department of Housing and Urban Development |



For More Information

