



Neighborhood Housing and Community Development

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Village



CDC Roles and NHCD Activities

Presented: August 13, 2019

NHCD and AHFC

City of Austin Neighborhood Housing and Community Development

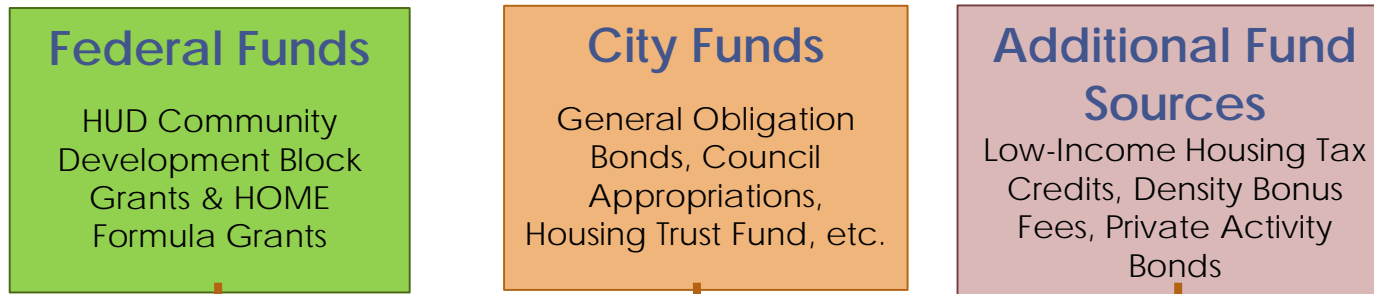
The mission of the City of Austin's Neighborhood Housing and Community Development (NHCD) is to cultivate a diverse and economically inclusive City by creating affordable housing opportunities and mitigating community member displacement.

Austin Housing Finance Corporation (AHFC)

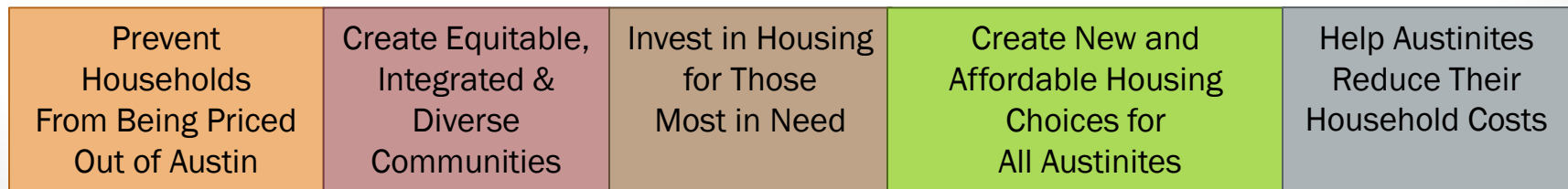
- Created in 1979 as a public, nonprofit corporation and instrumentality of the City of Austin under the provisions of the Texas Housing Finance Corporation Act, Chapter 394, and Local Government Code. The Austin City Council serves as the AHFC's Board of Directors.
- The mission of the AHFC is to generate and implement strategic housing solutions for the benefit of low- and moderate- income residents of the City of Austin. The AHFC's primary functions are to:
 - Issue single-family and multi-family bonds for the financing of reasonably priced housing
 - Assist the City in the delivery of reasonably priced housing programs using HOME Investment Partnerships (HOME) and Community Development Block Grant (CDBG) funds granted to the City by the U.S. Department of Housing and Urban Development (HUD)

Fulfilling the NHCD Mission

Our mission is to cultivate a diverse and economically inclusive City by creating affordable housing opportunities and mitigating community member displacement.



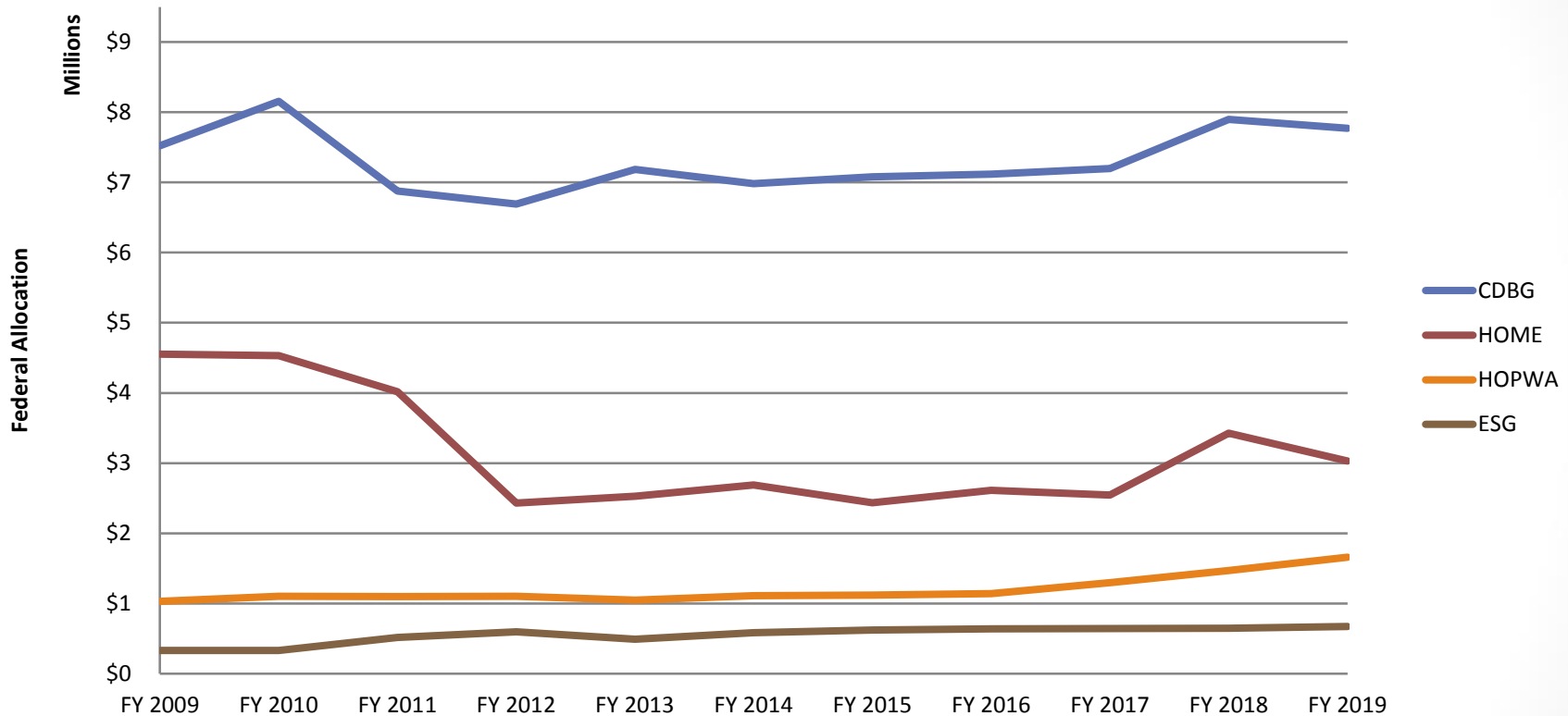
Mission and Community Values



Funding Sources

Federal Funds

Austin's Federal Allocations FY 2009-2019



Federal funding has been uncertain and is dependent on two factors:

1. Federal budget allocations to these programs
2. Federal Formulas which award a greater percentage of dollars to communities with greater needs (i.e. poverty rates, substandard housing, homeless counts, etc.)

Community Development Block Grants (CDBG)

- Title I of the Housing and Community Development Act of 1974 (PL93-383) created the CDBG program.
- Primary objective is to provide decent housing and a suitable living environment and expand economic development opportunities for persons of low- and moderate-income.
- The City develops locally defined programs and funding priorities for CDBG, but activities must address one or more of the national objectives of the CDBG program. The three national objectives are:
 1. to benefit low-and moderate-income persons;
 2. to aid in the prevention or elimination of slums or blight; and/or
 3. to meet other urgent community development needs.
- The City of Austin's CDBG program emphasizes activities that directly benefit low- and moderate-income persons.

HOME Investment Partnership

- Introduced in the Cranston-Gonzalez National Affordable Housing Act of 1990
- Provides funding for housing rehabilitation, new housing construction, acquisition of affordable housing, and tenant-based rental assistance.
- A portion of the funds (15 percent) must be set aside for community housing development organizations (CHDOs) certified by the City of Austin.

Emergency Solutions Grant (ESG)

Authorized by the Steward B. McKinney Homeless Assistance Act of 1987 and was amended by the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009. ESG has four primary objectives:

- (1) to improve the quality of existing emergency shelters for the homeless;
- (2) to provide additional emergency shelters;
- (3) to help meet the cost of operating emergency shelters; and
- (4) to provide certain essential social services to homeless individuals.

The program is also intended to help reduce the number of people at risk of becoming homeless.

Housing Opportunities for Persons with AIDS (HOPWA)

- Used to assist housing designed to meet the needs of persons with HIV/AIDS, including the prevention of homelessness. Supportive services may also be included.
- Allocated to Eligible Metropolitan Statistical Areas (EMSAs) with a high incidence of HIV/AIDS.
- The City of Austin receives a HOPWA grant on behalf of a five-county EMSA (Bastrop, Hays, Travis, Williamson, and Caldwell Counties).

City Funds

2018 G.O. Bonds (\$250 Million):

\$100 million for **Land Acquisition** to acquire and hold land, to achieve multiple community goals, including affordable housing development.

\$94 million for **Rental Housing Development Assistance (RHDA)**, which increases or maintains the supply of affordable rental housing

\$28 million for **Ownership Housing Development Assistance (OHDA)**, which addresses the need for affordably priced ownership housing within the city.

\$28 million for **Home Repair** including minor home repairs and rehabilitation throughout the community

Council Appropriations:

Appropriations made through the annual budget which may go toward identified critical housing needs, additional staff capacity, or other Council Priorities

Housing Trust Fund:

The Austin City Council dedicates 40 percent of City property tax revenues from the developments that have been built on previously City-owned land towards affordable housing.

Additional Fund Sources

Low Income Housing Tax Credits (LIHTC)

The Texas Department of Housing and Community Affairs (TDHCA) provides low-income housing tax credits (LIHTC) that allow housing developers to take a federal tax credit to offset up to either 4 percent or 9 percent of its federal tax liability in exchange for building low-income rental housing project. To be eligible, developers are required to obtain a supportive resolution from the City Council as part of their application. Applications are scored based on their ability to meet TDHCA's criteria and the extent to which they help further progress toward community goals in the *Strategic Housing Blueprint*.

Density Bonus Fees:

Fees paid by developments in exchange for building on site income restricted affordable housing units. These funds are deposited into the City's Housing Trust Fund.

Private Activity Bonds:

Tax-exempt bonds issued by the AHFC to finance multi-family developments. AHFC is a "conduit" bond issuer and does not assume any liability or obligation for the bonds, nor are they repaid by taxpayers. The Bonds are repaid through rents collected at the bond-financed property.

Role of the CDC & Boards/Commissions

The Role of the Community Development Commission

Boards and commissions are important in that they enable citizens to participate in City of Austin processes. Their activities help shape and influence public policy, because they lend a more diverse viewpoint for the City Council to consider



CDC Purpose: Advise the council in the development and implementation of programs designed to serve the poor and the community at large with emphasis on federally funded programs. Section [2-1-128](#) of the City Code.

Board Authority and Action

2-1-41 - BOARD AUTHORITY AND ACTION.

(A) Each board serves only in an advisory capacity to the city council, unless granted specific authority in Article 2 (Boards), another provision of the City Code, the City Charter, an ordinance, or state or federal law.

(B) An individual board member may not act in an official capacity except through the action of a majority of the board.

(C) A board must take action or make a recommendation to the city council not later than the 90th day after the city manager has referred an item to the board for review. If a board does not act timely as required under this subsection, the city manager may forward an item to the city council without a board recommendation.

Source: Ord. 20071129-011.

Board and Commission Recommendation Process

Board and Commission Recommendation Process:

- NHCD staff uploads CDC recommendations to the Boards and Commissions web-based database, typically within 48 hours of approval.
- Once entered in the system, City Council members receive an auto-generated email that a new recommendation has been added, the subject, the source, etc.
- The recommendations are also published on the CDC's official website.

The Citizen Participation Plan

- Participating Jurisdictions that receive U.S. Department of Housing and Urban Development (HUD) entitlement grant funds must develop a Citizen Participation Plan (CPP)
- The CPP describes efforts that will be undertaken to encourage community members to participate in the development of the City's federal reports



The Citizen Participation Plan

Consolidated Plan (Every 5 Years)

- Minimum of two public hearings at the beginning stages of the development of the Plan before the **Community Development Commission (CDC)**, policy advisers to NHCD appointed by the City Council, to gather information on community needs from community members.
- Two more hearings sponsored by organizations working with low- and moderate-income populations. An additional hearing will be held before City Council.
- Based on public testimony received, the **CDC** can make recommendations to City Council on the community needs.
- Public hearing held before the City Council to receive oral public comments on the draft. An additional hearing will be held before the **CDC**. These hearings will be scheduled during the 30-day written comment period on the draft plan.
- **CDC** has opportunity to make recommendations to Council on the draft Consolidated Plan/ Action Plan.

The Citizen Participation Plan

Annual Action Plan

- NHCD staff will gather input from community members and consultations to prepare the draft Action Plan and report progress on Fair Housing Action Plan.
- Two public hearings: one before the **Community Development Commission (CDC)** and one before the City Council to receive community member input on the community needs, including funding allocations.

Consolidated Annual Performance and Evaluation Report (CAPER)

- The CAPER and public comments will be presented at a **CDC** meeting.

Calendar of CDC Touchpoints

Annual Action Plan (annually)/Consolidated Plan (every five years)

Community Needs Assessment	March - April
30-day Public Comment Period on Draft Plan	May-June
CDC Final Recommendations after Public Comment Period ends	July
Final Plan Due to HUD	August

Consolidated Performance and Evaluation Report (CAPER)

15-day Public Comment Period	November-December
Final Report Due to HUD	December
Staff Briefing on CAPER to CDC once HUD Approves	February

Plans and Programs

Imagine Austin – 30 Year Comprehensive Plan

*“A beacon of sustainability, social equity, and economic opportunity; where diversity and creativity are celebrated; where community needs and values are recognized; where leadership comes from its community members and where the necessities of life are **affordable and accessible to all.**”*



—Imagine Austin Comprehensive Plan

Develop and maintain household affordability throughout

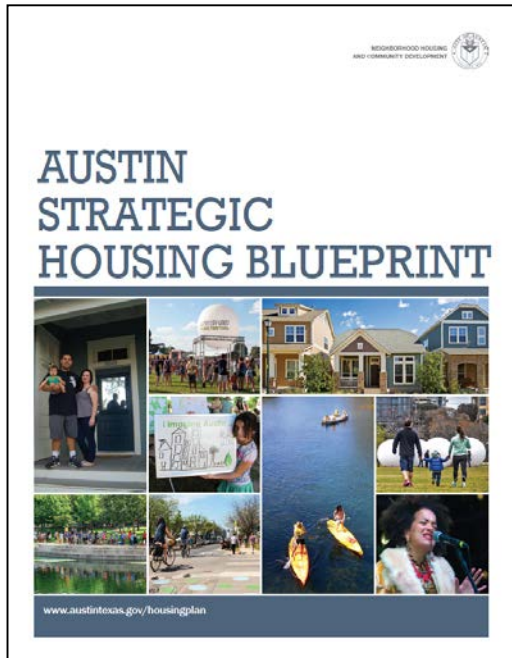
Austin. Rising housing and related costs, such as transportation and utilities, are major issues facing Austinites. Low-income, fixed-income, and, increasingly, middle-class households struggle to find housing they can afford, especially in the urban core.

Often, the only housing they can afford is not close to work or schools and is far removed from daily necessities (such as services, shopping, entertainment, recreation, and dining). Better-located housing is often too expensive or does not meet the needs of many families with children.

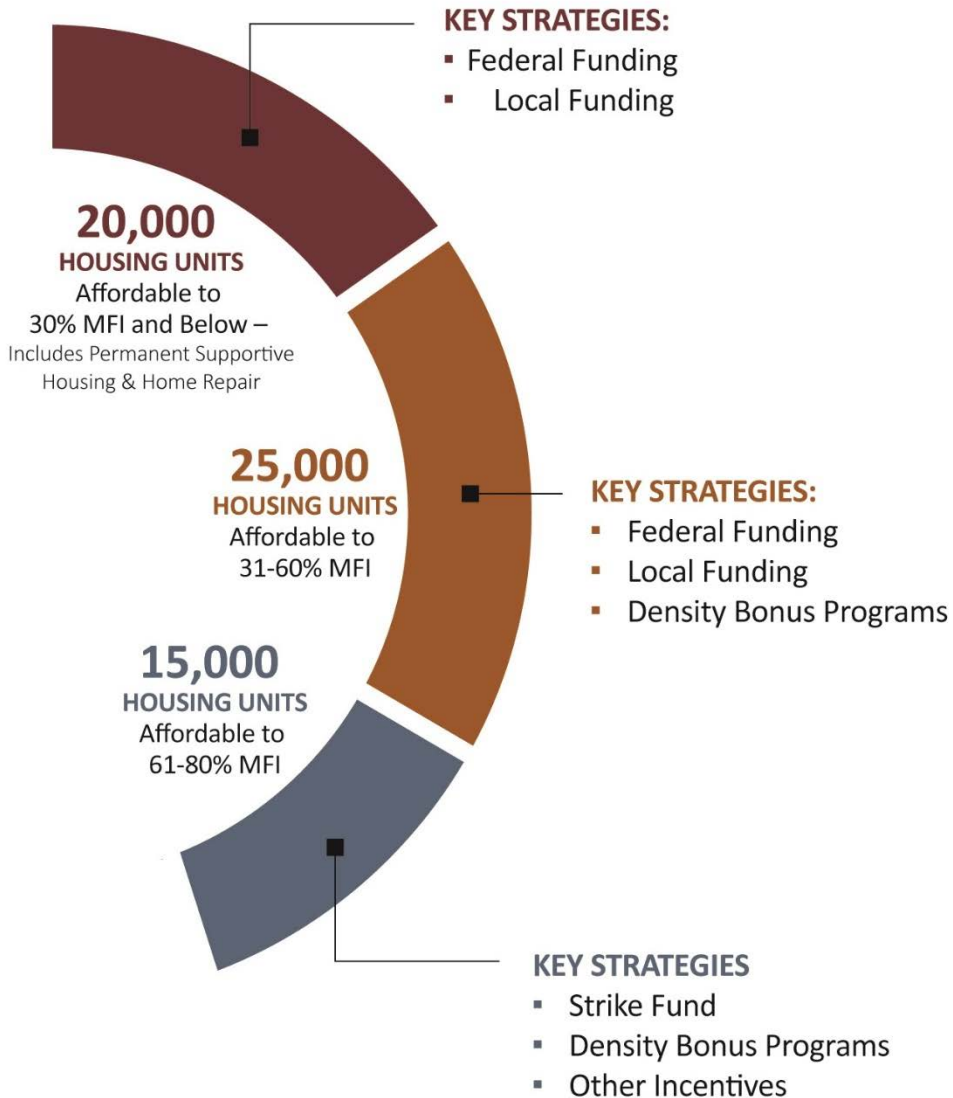
As Austin becomes more diverse—with a growing retired and senior population, an increasing number of smaller households, and others interested in alternatives to suburban living—the single-family homes typical of our central neighborhoods may not suit their needs. To meet the market demand of our growing and diversifying population, the range of available housing choices must expand throughout the city.



Austin Strategic Housing Blueprint – 10 Year Housing Plan



The Blueprint calls for 60,000 affordable units below 80% MFI over the next 10 years



Strategic Direction 2023 – 3 to 5 Year Plan

The Austin City Council adopted a strategic direction on March 8, 2018, guiding the City of Austin for the next three to five years. *Austin Strategic Direction 2023* outlines a shared vision and six priority Strategic Outcomes:

Together we strive to create a complete community where every Austinite has choices at every stage of life that allow us to experience and contribute to all of the six following strategic outcomes:

1. Economic Opportunity and Affordability: Having economic opportunities and resources that enable us to thrive in our community.

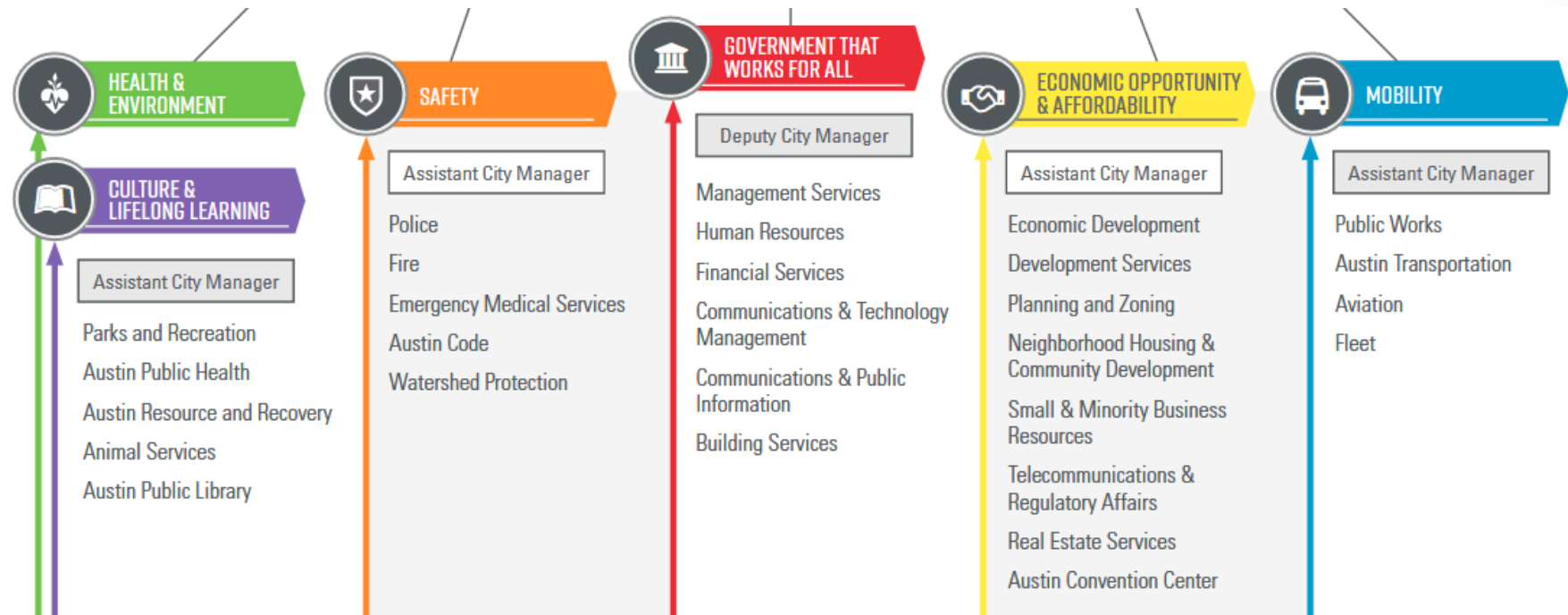
- Employment/Unemployment
- Income Equality
- Cost of Living Compared to Income
- Housing Availability and Affordability
- Homelessness
- Training for Better Jobs
- Ability to Improve Your Income



Strategic Direction 2023 – 3 to 5 Year Plan

The remaining 5 of 6 Strategic Outcomes are:

- 2. Mobility:** Getting us where we want to go, when we want to get there, safely and cost-effectively.
- 3. Safety:** Being safe in our home, at work, and in our community.
- 4. Health and Environment:** Enjoying a sustainable environment and a healthy life, physically and mentally.
- 5. Culture and Lifelong Learning:** Being enriched by Austin's unique civic, cultural, ethnic, and learning opportunities.
- 6. Government That Works for All:** Believing that city government works effectively and collaboratively for all of us - that it is equitable, ethical and innovative.



Annual Production Goals

Special Needs Assistance				
Program	Description	Eligibility	Funding Source	FY 2019-20 Goals
Housing Opportunities for Persons With AIDS (HOPWA)	Austin Public Health administers funding for HOPWA. The goals are: to prevent homelessness and support independent living of persons living with HIV/AIDS through: housing case management, tenant based rental assistance, permanent housing placement, short term housing and rental, mortgage and utility subsidies.	<40% MFI	HOPWA	230
Child Care Services	Provides services to children and families in crisis, children of teen parents attending school, and families in work, school, or job training. Austin Public Health will begin to administer this program starting FY 2020-21.	200% of Federal Poverty Level	-CDBG -General Fund	179
Senior Services	Provides services that help prevent and protect seniors from becoming victims of abuse, neglect, or exploitation. Persons must meet income, age, & residential eligibility requirements. Austin Public Health will begin to administer this program starting FY 2020-21.	200% of Federal Poverty Level	-CDBG -General Fund	155
Mental Health Support Services	Provides access to holistic, wraparound services and support to youth who are designated at-risk and their families. The program has three components: school-based intensive wraparound, community-based wraparound, and summer camps. Austin Public Health will begin to administer this program starting FY 20-21.	200% of Federal Poverty Level	-CDBG -General Fund	159

Annual Production Goals

Homeless Assistance				
Program	Description	Eligibility	Funding Source	FY 2019-20 Goals
Shelter Operating & Maintenance & Rapid Re-housing	<p>Emergency Shelter: designed to increase the quantity and quality of temporary shelters provided to homeless people, through the renovation of existing shelters or conversion of buildings to shelters.</p> <p>Rapid Re-Housing: designed to move homeless people quickly to permanent housing through housing relocation and stabilization services and short- and/or medium term rental assistance.</p> <p>Homelessness Prevention: designed to prevent an individual or family from moving into an emergency shelter or living in a public or private place not meant for humans through housing relocation and stabilization services and short- and/or medium-term rental assistance.</p>	Homeless, At Risk of Homelessness, or Chronic Homelessness	ESG	1,318
Tenant Based Rental Assistance (TBRA)	Provides rental housing subsidies and security deposits to eligible families who may otherwise be homeless.	<60% MFI	-HOME -General Fund	68
TBRA - Homeless Assistance	The Tenant-Based Rental Assistance (TBRA) program provides rental-housing subsidies and security deposits to eligible individuals and families experiencing homelessness.	Homeless, At Risk of Homelessness, or Chronic Homelessness	HOME	68
Public Facility	This activity would be used for property or a facility; not for any programming or services.	Homeless, At Risk of Homelessness, or Chronic Homelessness	CDBG	1

Annual Production Goals

Renter Assistance				
Program	Description	Eligibility	Funding Source	FY 2019-20 Goals
Architectural Barrier Program-Renter	Modifies or retrofits the living quarters of eligible elderly and severely disabled renters to make their housing more accessible. Typical services includes constructing wheelchair ramps, installing hand rails to replace stair-step entrances, modifying bathrooms by installing grab bars for toilets and showers, and installing shower wands to make bathing easier.	<80% MFI	CDBG	7
Tenants Rights Assistance	Provides mediation, direct counseling, public education and addresses fair housing complaints for renters resolving or minimizing discriminatory housing practices.	<80% MFI	-CDBG -HTF -General Fund	527

Homebuyer Assistance				
Program	Description	Eligibility	Funding Source	FY 2019-20 Goals
HousingSMARTS	Participants learn financial literacy skills, homebuyer education, and foreclosure prevention. Classes are offered in English and Spanish.	<80% MFI	General Fund	213
Down Payment Assistance	Provides deferred, zero-interest rate loans to eligible first time homebuyers to assist with the down payment and closing costs of a home purchase.	<80% MFI	HOME	25

Annual Production Goals

Homeowner Assistance				
Program	Description	Eligibility	Funding Source	FY 2019-20 Goals
Architectural Barrier Program-Owner	Modifies or retrofits the living quarters of eligible elderly and severely disabled renters to make their housing more accessible. Typical services includes constructing wheelchair ramps, installing hand rails to replace stair-step entrances, modifying bathrooms by installing grab bars for toilets and showers, and installing shower wands to make bathing easier.	<80% MFI	CDBG	80
Minor Home Repair (Formerly Emergency Home Repair)	Makes repairs to alleviate life-threatening living conditions and health and safety hazards for eligible homeowners.	<80% MFI	CDBG	200
Home Repair Loan Program (HRLP)	Assists homeowners with substantial repairs such as foundation repair, roofing, plumbing and electrical work. In cases where it is economically infeasible to rehabilitate the units, the activity may finance the reconstruction of a replacement home.	<80% MFI	-CDBG -HOME	9
GO Repair! Program	Addressess substandard housing conditions for eligible homeowners. The program provides financial assistance to make repairs that will eliminate health and safety hazards and/or provide improved accessibility.	<80% MFI	General Obligation Bond	100

Annual Production Goals

Housing Development Assistance				
Program	Description	Eligibility	Funding Source	FY 19-20 Goal
Rental Housing Development Assistance (RHDA)	Provides opportunities to create and retain affordable rental units for eligible households and eligible persons with special needs. Provides below-market-rate gap financing to for-profit and non-profit developers for the acquisition, new construction, or rehabilitation of affordable rental projects. Priority may be given for persons who are homeless or at risk of becoming homeless, elderly households, or individuals with extremely low incomes.	<50% MFI	-CDBG -HOME -UNO -Housing Trust Fund -HPD -General Obligation Bond	38
Ownership Housing Development Assistance (OHDA)	Works with lenders, for profit and non-profit developers to leverage City and federal funds for: 1) the acquisition and development of lots, 2) the acquisition and rehabilitation of structures, 3) the acquisition of new housing units, and 4) the construction of new housing.	<80% MFI	-CDBG -HOME -UNO -Housing Trust Fund -HPD -General Obligation Bond	16

Annual Production Goals

Other Community Development Assistance				
Program	Description	Eligibility	Funding Source	FY 2019-20 Goals
Community Housing Development Organization (CHDO) Operating Expense Grant	Provides financial support to eligible CHDOs. CHDOs are community based, non-profit organizations that seek to create or preserve long-term affordable housing opportunities.	Eligible Businesses	HOME	2
Community Development Bank	Provides funds to a Community Development Financial Institution (CDFI) to administer loan programs offering flexible capital and technical assistance to small and minority businesses that are expanding or relocating to low-income areas. This program will not be funded in FYs 2020-2024.	<80% MFI	CDBG	6
Family Business Loan Program	FBLP makes low-interest loans to small businesses for expansion projects that will create jobs. FBLP guidelines require at least 51% of jobs created be made available to low- and moderate-income individuals. EDD administers this program.	<80% MFI	Section 108 Funds	33
Non-profit Capacity Building for Workforce Development	The Global Business Recruitment and Expansion division of EDD will utilize CDBG dollars for capacity-building support of partnered nonprofit organizations that provide skilling and training opportunities to low-income persons in support of the region's workforce development strategies and goals. This program will be funded in FYs 2020-24.	<80% MFI	CDBG	2

Displacement Mitigation Plan Update

Activity	Funding	Status
Connect low-income Austinites in gentrifying areas with services	\$200,000	NHCD is working with the City's i-Team to develop an Request for Grants (RFG), which should be released in fall of 2019
Emergency Rental Assistance	\$500,000	NHCD is working with the City's i-Team to develop an Request for Grants (RFG), which should be released in fall of 2019
Support tenant organizing & engagement and provide legal and other assistance to tenants facing eviction or displacement	\$500,000	NHCD is working with the City's i-Team to develop an Request for Grants (RFG), which should be released in fall of 2019
Incentivize the creation of deeply affordable (at or below 30% median family income) housing units	\$2,000,000	The City's Rental Housing Development Assistance Program (RHDA) will make these funds available to developments seeking deeper level affordability levels. Projects will be evaluated based on their ability to further the most Blueprint goals.
Capacity building for Community Development Corporations	\$300,000	NHCD has worked with the City's i-Team to develop an Request for Proposals (RFP), which should be released in fall of 2019

2019 HUD Program Income Limits

2019 Area Median Family Income
 For Travis County, Texas
 \$95,900 (4-person household)
 MSA: Austin – Round Rock, TX.

2019 HOME & CDBG Program Income Limits by Household Size Effective Date: June 28, 2019

Median Income Limit	1 Person Household	2 Person Household	3 Person Household	4 Person Household	5 Person Household	6 Person Household	7 Person Household	8 Person Household
20%	13,250	15,150	17,050	18,900	20,450	21,950	23,450	24,950
* 30%	19,900	22,750	25,600	28,400	30,700	32,950	35,250	37,500
<i>(30% MFI is defined by HUD as extremely low-income)</i>								
40%	26,500	30,250	34,050	37,850	40,850	43,900	46,900	49,950
* 50%	33,150	37,850	42,600	47,300	51,100	54,900	58,700	62,450
<i>(50% MFI is defined by HUD as very low income)</i>								
* 60%	39,780	45,420	51,120	56,760	61,320	65,880	70,440	74,940
65%	43,050	49,200	55,350	61,500	66,400	71,350	76,250	81,150
70%	46,350	53,000	59,600	66,220	71,500	76,800	82,100	87,400
* 80%	52,850	60,400	67,950	75,500	81,550	87,600	93,650	99,700
<i>(80% MFI is defined by HUD as low-income)</i>								
100%	67,150	76,700	86,300	95,900	103,550	111,250	118,900	126,600
120%	80,550	92,050	103,550	115,100	124,300	133,500	142,700	151,900
140%	94,000	107,400	120,850	134,250	145,000	155,750	166,500	177,200

* Income limits provided by HUD.

Other income limits calculated by NHCD based on the formula used by HUD.

MFI Chart was expanded to include other percentages used by NHCD.