

**FOLLOW UP QUESTION FROM THE APRIL 20, 2022 MEETING OF
THE BOND OVERSIGHT COMMISSION**

Questions:

How did we get in the position of running out of authority in one of the most demanded expenditure areas, affordable housing? Why would affordable housing run out of authorization before able to have another comprehensive bond election?

Response:

The 2018 General Obligation Bonds have been allocated to four distinct spending areas: Rental Housing Development Assistance, Ownership Housing Development Assistance, AHFC Land Acquisition, and Home Repair. Upon approval of the Bonds by the voters, Council adopted a 5-year spending plan for these four spending areas. Rental Housing Development Assistance (RHDA) and Ownership Housing Development Assistance (OHDA) have maintained their annual spending plans over the first three years of allocation. In the fourth year of the spending plan, Council elected to allocate both Year 4 and Year 5 allocations to respond to spending requests more rapidly. Staff has embraced this flexibility while acknowledging the need to ensure funds will be available through the end of FY22-23, the final year of the spend plan. With the addition of Project Connect funds, staff is confident that funds will remain available through the end of FY22-23; however, this funding may be GO Bonds or Project Connect funds.

In contrast to RHDA and OHDA, the AHFC Land Acquisition funds were deployed in the first few years of the spend plan, to better respond to immediate needs and opportunities as they arose. Staff has acquired a variety of properties, including vacant land in seven different Council Districts, more than 20 single-family homes to be sold as part of the Community Land Trust, and three hotels for conversion to permanent supportive housing. Staff assumes the balance of the funds in this allocation will support one, possibly two, more acquisitions.

The final allocation of GO Bonds has been to our GO Repair program, providing home repair loans to income qualified homeowners. These funds have been allocated to several non-profit organizations serving the Austin area as part of the Home Repair Coalition, such as meal on Wheels and More and Habitat for Humanity. These organizations will provide construction services and submit reimbursement draws accordingly. As these contracts will extend through FY22-23, staff does not expect these funds to be exhausted before then.

- *Response from Jamey May – Acting Housing and Community Development Officer*