



# **Austin Housing Updates: ADCAP & CIS NOFA**

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Austin Housing | March 10, 2026

# ADCAP Update



- Austin Housing Presentation to CDC with recommendations (August 2025)
  - Austin Housing / AHFC Actions
  - Plan to re-open program
- Questions from CDC Commissioners
- Next steps

# CIS NOFA Update



- AHFC Addendum No.2 – December 3, 2025
  - AHFC cancelled the NOFA, pausing to “conduct a comprehensive review of existing contracts, including their scopes of work, deliverables, and return on investment (ROI). This evaluation will determine whether resources need to be realigned or reallocated to better support organizational goals.”
- Project Connect Community Advisory Committee Memo to Council – February 12, 2026
  - Project Connect anti-displacement funds allocation recommendations for the next 3 years
  - Existing program analysis and enhanced communication



# Creation

- 2020 community advocacy for rapid acquisition funds for 501(c)3 community development organizations, allocated from the \$300 million in Project Connect Anti-Displacement Funding
- ADCAP created in December 2021 after direction from Council Resolution No. 20210204-062
- \$8 million allocation
- 2 main functions of ADCAP:
  - Protect housing and land from speculation in gentrifying areas
  - Support nonprofit community development organizations



# ADCAP Guideline Overview

- Zero-interest forgivable or non-forgivable loans (AHFC discretion) for real property acquisition
- Rolling application with a relatively quick award timeline
- Available to 501(c)3 nonprofit developers
- Small sites (1 acre or less)
- May only be used within a Displacement Risk Census Tract and within 1 mile of a Project Connect bus or rail line
- Income requirements:
  - At least half of the housing units must be affordable to households earning 50%MFI (rental) or 80%MFI (owner)
  - Affordability periods are 40 years for rental and 99 years for ownership



# Causes for Program Review

- Relatively few awards to a few organizations
- Few homes created and preserved relative to other programs
- Program paused in October 2024 to evaluate and identify opportunities for improvement

Fiscal Year	Number of Awards	Number of Units
2022	1	4
2023	3	12
2024	3	9

Projects Awarded	Total Units	Preserved Units	New Units*	Ownership Units	Rental Units	ADCAP Funding per Unit	Family-sized Units
7	25	20	5	5	20	\$111,120	21

\* Proposed new units are not yet constructed.



# Findings

- Lack of program awareness
- Inconsistent understanding of ADCAP requirements and intent
- Timeline pressures
- Lack of small nonprofit developers in Austin
- Low spending threshold for AHFC administrative approval
- Lack of program flexibility



# Recommendations

## Housing Department/AHFC Actions

1. Clarify program guidelines
2. Adjust application intake schedule
3. Improve awareness among small community-oriented developers and integrate with EDI Training
4. Expand site size eligibility for multifamily preservation
5. Report outcomes on Project Connect Anti-Displacement Funding [Dashboard](#)
6. Enhance capacity to manage the program



# Recommendations

## City Council Actions

- ~~1. Expand ADCAP applicant eligibility~~
2. Amend AHFC procurement policy to increase the administrative approval threshold for land acquisition