City of Austin

AUSTIN HOUSING FINANCE CORPORATION

Recommendation for Action

File #: 26-3156, **Agenda Item #:** 4. 11/19/2026

Posting Language

Authorize negotiation and execution of an amendment to the agreement with the Housing Authority of the City of Austin to administer Austin Housing Finance Corporation's Local Housing Voucher Program to increase the amount of the contract by $7,800,045 for a revised total contract amount not to exceed $21,600,090. Funding: $2,500,000 is available in the Capital Budget of the Austin Housing Finance Corporation through the Housing Trust Fund and $5,300,045 is available in the Operating Budget of the Austin Housing Finance Corporation through the General Fund.

Lead Department

Austin Housing Finance Corporation.

Fiscal Note

Funding: Funding in the amount of $2,500,000 is available in the Fiscal Year 2026-2027 Capital Budget of the Austin Housing Finance Corporation through the Housing Trust Fund and funding in the amount of $5,300,045 is available in the Fiscal Year 2026-2027 Operating Budget of the Austin Housing Finance Corporation through the General Fund.

For More Information:

Deletta Dean, Treasurer, Austin Housing Finance Corporation.

Council Committee, Boards and Commission Action:

April 9, 2026 - Austin Housing Finance Corporation approved the authorization and execution of an amendment to the agreement with the Housing Authority of the City of Austin to administer Austin Housing Finance Corporation's Local Housing Voucher Program to increase the amount of the agreement by $6,000,000, for an initial 12-month term with up to two 12-month renewal options, for a total agreement amount not to exceed $21,756,091. Funding: Funding in the amount of $6,000,000 is available in the Fiscal Year 2025-2026 Capital Budget of the Austin Housing Finance Corporation through the Housing Trust Fund. Funding for the remaining agreement term is contingent upon available funding in future budgets.

September 25, 2025 - Austin Housing Finance Corporation approved the increase to the agreement with the Housing Authority of the City of Austin to administer the Austin Housing Finance Corporation's Local Housing Voucher Program to increase the contract amount by $1,800,045 for a total contract amount of $7,800,045. Funding: $1,800,045 is available in the Fiscal Year 2025-2026 Operating Budget of the Austin Housing Finance Corporation through the Housing Trust Fund.

September 26, 2024 - Austin Housing Finance Corporation approved the negotiation and execution of a 12-month agreement, with two 12-month renewal options, with the Housing Authority of the City of Austin to administer the Austin Housing Finance Corporation's Local Housing Voucher program, in an amount not to exceed $6,000,000.

December 8, 2022 - Austin Housing Finance Corporation approved the negotiation and execution of a 12-month contract with the Housing Authority of the City of Austin to administer Austin Housing Finance Corporation's Local Housing Voucher Program, which will provide Permanent Supportive Housing rental

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subsidies to the owners and operators of developments that will serve individuals exiting homelessness; in an amount not to exceed $6,000,000 and with the option to renew for an additional two twelve-month periods.

Additional Backup Information:

On September 26, 2024, the Austin Housing Finance Corporation (AHFC) approved the negotiation and execution of a 12-month agreement, with two 12-month renewal options, with the Housing Authority of the City of Austin (HACA) to administer the Austin Housing Finance Corporation's Local Housing Voucher Program (LHV Program).

If approved, this amendment will authorize AHFC to increase the amount of the contract by $7,800,045 to provide funding for the second renewal option.

Contract Details:

Contract Term	Length of Term	Contract Authorization
Initial	12 months	$ 6,000,000
Renewal Option No. 1	12 months	$ 7,800,045
Renewal Option No. 2	12 months	$ 7,800,045
	Total	$21,600,090

Previously, staff believed the amount for the second renewal would be $7,956,046, however, the correct amount for the second renewal is $7,800,045, for a total contract amount of $21,600,900.

The agreement with HACA is to administer the AHFC LHV Program. The AHFC LHV Program provides project -based rental housing subsidies to eligible households who would otherwise be homeless. Currently, the AHFC LHV Program supports units in seven affordable housing developments: Espero at Austin (51 units), Pecan Gardens (78 units), Bungalows at Century Park (50 units), and Cady Lofts (25 units), The Roz (60 units), Cairn Point (50 units), and Seabrook Square (60 units).

The contract amount of $7,800,045 for the current Fiscal Year includes a 10 percent administrative fee for HACA. HACA has more than 25 years of experience with providing rental assistance services. They are uniquely positioned to assist AHFC in administering the AHFC LHV Program. HACA ensures the rental subsidy payments are paid directly to the owners and operators of the affordable housing developments each month on behalf of the eligible households. Those rental subsidy payments are based on separate contracts with the owners and operators of the affordable housing developments which receive LHV Program funding from AHFC in exchange for providing supportive housing units dedicated to the Continuum of Care.

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