

FY 2009-10 ACTION PLAN FUNDING

Section 7.2

FUNDING AND RESOURCES

The following outlines the funding sources in the fiscal year 2009-10 Action Plan budget:

FEDERAL ENTITLEMENT FUNDING SOURCES FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

Community Development Block Grant (CDBG)

The Community Development Block Grant (CDBG) Program is authorized under Title I of the Housing and Community Development Act of 1974 as amended. The primary objective of CDBG is the development of viable communities by:

- Providing decent housing.
- Providing a suitable living environment.
- Expanding economic opportunities.

To achieve these goals, any activity funded with CDBG must meet one of three national objectives:

- Benefit to low- and moderate-income persons.
- Aid in the prevention of slums or blight.
- Meet a particular urgent need (referred to as urgent need).

Program Income

CDBG Program Income (CDBG PI) is the gross income received by the City of Austin directly generated by the use of CDBG funds. Program income is available to activities that do not have established revolving loan funds.

Revolving Loan Fund

A Revolving Loan Fund (CDBG – Rev. Loan) is a dedicated source of funds to a particular activity from which loans are made for housing or small business development projects. Once loans are repaid to the City, the funds revolve back into the original activity as available new funding.

HOME Investment Partnerships Program

The HOME Program was created by the National Affordable Housing Act of 1990 (NAHA), and has been amended several times by subsequent legislation. There are three objectives of the HOME Program:

- Expand the supply of decent, safe, sanitary, and affordable housing to very low- and low-income individuals.
- Mobilize and strengthen the ability of state and local governments to provide decent, safe, sanitary, and affordable housing to very low- and low-income individuals.
- Leverage private sector participation and expand the capacity of non-profit housing providers.

Program Income

HOME Program Income (HOME PI) is the gross income received by the City of Austin directly generated by the use of HOME funds.

HOME CHDO

A Community Housing Development Organization (CHDO) is a private nonprofit, community-based organization that has obtained or intends to obtain staff with the capacity to develop affordable housing for the community it serves, and meets the definition of 24 CFR 92.2. The City of Austin must set aside a minimum of 15 percent of the HOME allocation for housing development activities in which qualified CHDOs are the owners, developers, and/or sponsors of the housing.

HOME CHDO Operating Expenses Grants

HOME CHDO Operating (HOME CO) expenses are provided as grants based on need and used for reasonable and necessary costs for the operation of a CHDO.

Emergency Shelter Grant (ESG)

The Emergency Shelter Grant (ESG) awards grants for the rehabilitation or conversion of buildings into homeless shelters. It also funds certain related social services, operating expenses, homeless prevention activities, and administrative costs. ESG supplements state, local, and private efforts to improve the quality and number of emergency homeless shelters.

Housing Opportunity for Persons with AIDS (HOPWA)

The Housing Opportunity for Persons with AIDS (HOPWA) Program was established by the U.S. Department of Housing and Urban Development (HUD) to address the specific needs of low-income persons living with HIV/AIDS and their families. HOPWA makes grants to local communities, states, and non-profit organizations. HOPWA funds provide housing assistance and related supportive services in partnership with communities and neighborhoods.

OTHER GRANT FUNDING SOURCES

Economic Development Initiative (EDI)

HUD funds several Economic Development Initiative (EDI) Grants. The City receives funding to promote the S.M.A.R.T. Housing™ program throughout the nation with the EDI Congressional Grant. The City also receives competitive EDI funds to provide façade improvements grants to local businesses in East Austin.

Section 108

The Section 108 Loan Guarantee Program offers local governments a source of financing for economic development, large-scale public facility projects, and public infrastructure for CDBG eligible activities. HUD sells bonds on the private market and uses the proceeds to fund Section 108 loans to local governments. The local government's future CDBG allocations and other resources are pledged as security for repayment of the loan to HUD.

Lead Hazard Control Grant

HUD, under the Healthy Homes and Lead Hazard Control Program, awards funds to local governments to develop lead-based paint awareness and an inspection programs for homes built prior to 1978.

Federal Stimulus Funds

The City of Austin expects to receive additional funding in FY 2009-10 as part of federal economic stimulus programs. This includes funding made available through the American Recovery and Reinvestment Act (ARRA) of 2009 and the Housing and Economic Recovery Act (HERA) of 2008. The City anticipates receiving up to \$7.5 million in stimulus funds, in response to applications submitted to HUD and the Texas Department of Housing and Community Affairs (TDHCA). These funds are one-time grants released by the federal government for the purpose of stimulating the economy during the current recession and addressing home foreclosures at the local level. For detailed information on stimulus funds, see Chapter 1: Executive Summary.

CITY OF AUSTIN LOCAL FUNDING SOURCES

General Funds

Operating funds provided by the City of Austin are used to support the operation and mission of city departments. NHCD continues to have available carry forward from fiscal year 2008-09 available to the department, but beginning in fiscal year 2009-10, NHCD will receive local funding from the sustainability fund for operating expenses.

Sustainability Fund

The Sustainability Fund was created in fiscal year 2000-01 to provide resources for projects that will help the City of Austin build a sustainable economic, environmental, and equitable infrastructure. The Sustainability Fund is generated from transfers from the City's major enterprise operating funds, including Solid Waste Services, Drainage Utility, Transportation, and the Austin Water Utility funds. In fiscal year 2009-10 the City's local funding for operating expenses was from the Sustainability Fund. Previously local funds were transferred to NHCD from the General Fund.

General Obligation Bonds

On November 7, 2006, City of Austin voters approved a \$55 million bond package for affordable housing. The bonds are apportioned into \$33 million for rental and \$22 million for homeownership programs over seven years. The City has obligated about 20 percent of the GO Bond funds, putting NHCD on track to allocate \$55 million by 2013-14.

S.M.A.R.T. Housing™ CIP Funds

S.M.A.R.T. Housing™ Capital Improvement Funds (GF-CIP) are City of Austin funds used to construct affordable housing.

Housing Trust Fund

The Austin City Council dedicates 40 percent of all City property tax revenues from developments built on City owned lands to affordable housing. In fiscal year 1999-2000, the Austin City Council pledged \$1 million annually for three years to establish of a Housing

Trust Fund (HTF). Each fiscal year through 2008-09, the Austin City Council continued to contribute general fund dollars to the Housing Trust Fund.

University Neighborhood Overlay Housing Trust Fund

In fiscal year 2004-05, the Austin City Council adopted the University Neighborhood Overlay (UNO) District Housing Trust Fund that generates funding for the development of new affordable housing in a targeted area around the University of Texas. The fund was established as part of the University Neighborhood Overlay zoning district, which was created to implement some of the goals, including affordable housing, in the Combined Central Austin Neighborhood Plan. The fund balance for the UNO Housing Trust Fund in June 2009 is approximately \$1 million.

Austin Energy - Holly Good Neighbor Program

The Holly Good Neighbor program provides repairs to properties surrounding the Holly Power Plant. Austin Energy funds the program, and it is administered and facilitated by NHCD.

FY 2009-10: ACTION PLAN BUDGET - ALL FUNDING SOURCES

	Funding Source	FY 08-09 Estimated Carry Forward	Funding FY 09-10	Total Estimated Funding FY 09-10	Households Served
Homeless/Special Needs Assistance					
<i>Homeless/Emergency Shelter</i>					
Shelter Operation and Maintenance	ESG		260,087	260,087	8,500
Homeless Essential Services:	ESG		52,233	52,233	35
<i>Subtotal, Homeless/Emergency Shelter</i>		-	312,320	312,320	8,535
<i>Housing Opportunities for Persons for AIDS</i>					
Rent, Mortgage, and Utility Assistance	HOPWA	56,794	684,530	741,324	376
Permanent Housing Placement	HOPWA		41,001	41,001	83
Short-Term Housing Assistance			42,086	42,086	29
Transitional Housing	HOPWA		159,985	159,985	49
Supportive Services	HOPWA		71,874	71,874	49
<i>Subtotal, Housing Opportunities for Persons with AIDS</i>		56,794	999,476	1,056,270	586
Child Care Services	CDBG SF		650,000 38,250	650,000 38,250	324
<i>Subtotal, Child Care</i>		-	688,250	688,250	324
Senior Services	CDBG SF		21,781 114,469	21,781 114,469	97 111
<i>Subtotal, Senior Services</i>		-	136,250	136,250	208
Youth Support Services	CDBG SF		203,700 30,631	203,700 30,631	159
<i>Subtotal, Youth Support Services</i>		-	234,331	234,331	159
Subtotal Homeless/Special Needs Assistance		56,794	2,370,627	2,427,421	9,812
Renter Assistance					
Tenant-based rental assistance	HOME SF HTF	181,348	567,000 70,000	748,348 70,000	
<i>Subtotal, TBRA</i>		135,969	637,000	954,317	115
Architectural Barrier Program	CDBG GF		230,000	230,000	
<i>Subtotal, Architectural Barrier Program</i>		33,431	230,000	263,431	90
Tenants' Rights Assistance	CDBG SF	10,995	253,005 35,791	264,000 35,791	
<i>Subtotal, Tenants' Rights Assistance</i>		10,995	288,796	299,791	549
Subtotal, Renters Assistance		361,743	1,155,796	1,517,539	754
Homebuyer Assistance					
Housing Smarts (Counseling)	HTF SF	149,077		149,077	
<i>Subtotal, Housing Smarts</i>		149,077	107,815	256,892	320
Down Payment Assistance	HOME HTF		1,500,000	1,500,000	
<i>Subtotal, Down Payment Assistance</i>		60,188	1,500,000	1,560,188	50
Subtotal, Homebuyer Assistance		209,265	1,607,815	1,817,080	370

FY 2009-10: ACTION PLAN BUDGET - ALL FUNDING SOURCES

	Funding Source	FY 08-09 Estimated Carry Forward	Funding FY 09-10	Total Estimated Funding FY 09-10	Households Served
Homeowner Assistance					
Architectural Barrier Removal Program	CDBG	515,692	937,200	1,452,892	360
Emergency Home Repair Program	CDBG	85,187	914,813	1,000,000	475
Homeowner Rehabilitation Loan Program	CDBG-Rev Ln.	358,568		358,568	
	HOME	1,421,275		1,421,275	
<i>Subtotal, Homeowner Rehab</i>		<u>1,779,843</u>	<u>-</u>	<u>1,779,843</u>	<u>25</u>
Home Repair Program	GO Bond	2,000,000		2,000,000	250
Lead Hazard Control	LEAD	1,785,000		1,785,000	29
Holly Good Neighbor	A/E	1,074,971		1,074,971	30
Materials Grants Program	HTF	55,275		55,275	20
Subtotal, Homeowner Assistance		<u>7,295,968</u>	<u>1,852,013</u>	<u>9,147,981</u>	<u>1,189</u>
Housing Developer Assistance					
Rental Hsg. Development Assistance	HOME	2,521,301	700,000	3,221,301	
	CDBG	752,857	275,000	1,027,857	
	HOME (CHDO)		479,415	479,415	
	UNO	996,589	161,430	1,158,019	
	GF-CIP	823,293		823,293	
	GO Bonds	6,885,918	980,000	7,865,918	
	HTF	849,929	168,748	1,018,677	
<i>Subtotal, Rental Housing Dev. Assist</i>		<u>12,829,887</u>	<u>2,764,593</u>	<u>15,594,480</u>	<u>225</u>
Acquisition & Development	CDBG	383,905	843,905	1,227,810	
	HOME	2,079,441	776,435	2,855,876	
	GF-CIP	374,936		374,936	
	GO Bonds	4,593,848	6,320,000	10,913,848	
	HTF	418,765	112,499	531,264	
	HOME (CHDO)	332,665		332,665	
<i>Subtotal, Acq. & Development</i>		<u>8,183,560</u>	<u>8,052,839</u>	<u>16,236,399</u>	<u>75</u>
CHDO Operating Expenses Grants	HOME (CO)	125,297	75,000	200,297	7
Developer Incentive Based Programs					
S.M.A.R.T. Housing	SF		83,063	83,063	
"S.M.A.R.T. Housing Initiative"	EDI	68,079		68,079	
<i>Subtotal, Developer Incentive Bd. Pr.</i>		<u>68,079</u>	<u>83,063</u>	<u>151,142</u>	<u>750</u>
Subtotal, Housing Developer Assistance		<u>21,206,823</u>	<u>10,975,495</u>	<u>32,182,318</u>	<u>1,057</u>
Commercial Revitalization					
East 11/12th Streets Revitalization	GF	110,000		110,000	
	SF		55,854	55,854	
Acquisition and Development	CDBG	2,034,755		2,034,755	7
Historic Preservation	CDBG	253,328	87,287	340,615	
	EDI II	136,717	-	136,717	
<i>Subtotal, Historic Preservation</i>		<u>390,045</u>	<u>87,287</u>	<u>477,332</u>	<u>2</u>
Parking Facilities	CDBG	250,046	53,954	304,000	4,668
Subtotal, Commercial Revitalization		<u>2,784,846</u>	<u>197,095</u>	<u>2,981,941</u>	<u>4,677</u>

FY 2009-10: ACTION PLAN BUDGET - ALL FUNDING SOURCES

	Funding Source	FY 08-09 Estimated Carry Forward	Funding FY 09-10	Total Estimated Funding FY 09-10	Households Served
Small Business Assistance					
Community Development Bank	CDBG	9,264	150,000	159,264	6
Microenterprise Technical Assistance	CDBG		200,000	200,000	33
Neighborhood Commercial Mgmt	CDBG	154,811		154,811	
	CDBG-Rev. Ln.	16,749		16,749	
	Section 108	553,440		553,440	
<i>Subtotal, Neighborhood Commercial Mgmt</i>		<u>725,000</u>	<u>-</u>	<u>725,000</u>	<u>14</u>
Façade Improvement Program	EDI III	147,000		147,000	7
Community Preservation & Revitalization	GF	75,000		75,000	2
Subtotal, Small Business Development		<u>956,264</u>	<u>350,000</u>	<u>1,306,264</u>	<u>62</u>
Debt Service					
Homeless Shelter, Debt Service	Section 108	526,800		526,800	
Neighborhood Commercial Mgmt	CDBG	33,899	134,222	168,121	
East 11/12th Streets Revital., Debt Service	CDBG	63,069	300,612	363,681	
	Section 108	531,759		531,759	
<i>Subtotal, East 11th/12th</i>		<u>594,828</u>	<u>300,612</u>	<u>895,440</u>	
Millennium Youth Center, Debt Service	CDBG	301	763,115	763,416	
Subtotal, Debt Service		<u>1,155,828</u>	<u>1,197,949</u>	<u>2,353,777</u>	

FY 2009-10: ACTION PLAN BUDGET - ALL FUNDING SOURCES

	Funding Source	FY 08-09 Estimated Carry Forward	Funding FY 09-10	Total Estimated Funding FY 09-10	Households Served
STIMULUS FUNDS					
<i>Homeless Prevention and Rapid-Rehousing Program</i>					
Financial Assistance	HPRP		1,967,840	1,967,840	
Housing Relocation and Stabilization	HPRP		840,000	840,000	
Data Collection and Evaluation	HPRP		101,839	101,839	
Administration	HPRP		153,141	153,141	
<i>Subtotal, HPRP</i>		-	3,062,820	3,062,820	
<i>Community Development Block Grant - Recovery</i>					
East Austin Youth and Family Center	CDBG-R		500,000	500,000	
Center for Economic Opportunity	CDBG-R		500,000	500,000	
African-American Cultural Facility	CDBG-R		550,000	550,000	
East Austin Sidewalks	CDBG-R		250,000	250,000	
Administration	CDBG-R		203,003	203,003	
<i>Subtotal, CDBG-R</i>		-	2,003,003	2,003,003	
<i>Neighborhood Stabilization Program</i>	NSP		1,260,538	1,260,538	
Subtotal, Stimulus		-	6,326,361	6,326,361	
Administration					
	CDBG		1,504,648	1,504,648	
	HOME		455,317	455,317	
	ESG		16,026	16,026	
	HOPWA		29,610	29,610	
	SF		1,508,366	1,508,366	
Subtotal, Administration		-	3,513,967	3,513,967	-
Total, Programs, Debt Service, and Admin Cost		34,027,531	29,547,118	63,574,649	17,921

FY 2009-10 ACTION PLAN BUDGET

	Funding Source	FY 08-09 Estimated Carry Forward	Funding FY 09-10	Total Estimated Funding FY 09-10
Funding Source: Community Development Block Grant				
Homeless/Special Needs Assistance				
Child Care Services	CDBG	-	650,000	650,000
Senior Services	CDBG	-	21,781	21,781
Youth Support Services	CDBG	-	203,700	203,700
<i>Subtotal Homeless/Special Needs Assistance</i>		-	875,481	875,481
Renter Assistance				
Architectural Barrier Removal Program	CDBG	-	230,000	230,000
Tenants' Rights Assistance	CDBG	10,995	253,005	264,000
<i>Subtotal, Renters Assistance</i>		10,995	483,005	494,000
Homeowner Assistance				
Architectural Barrier Removal Program	CDBG	515,692	937,200	1,452,892
Emergency Home Repair Program	CDBG	85,187	914,813	1,000,000
<i>Subtotal, Homeowner Assistance</i>		600,879	1,852,013	2,452,892
Housing Developer Assistance				
Rental Hsg. Development Assistance	CDBG	752,857	275,000	1,027,857
Acquisition & Development	CDBG	383,905	843,905	1,227,810
<i>Subtotal, Housing Developer Assistance</i>		1,136,762	1,118,905	2,255,667
Commercial Revitalization				
East 11/12th Streets Revitalization				
Acquisition and Development	CDBG	2,034,755	-	2,034,755
Historic Preservation	CDBG	253,328	87,287	340,615
Parking Facilities	CDBG	250,046	53,954	304,000
<i>Subtotal, Commercial Revitalization</i>		2,538,129	141,241	2,679,370
Small Business Assistance				
Community Development Bank	CDBG	9,264	150,000	159,264
Microenterprise Technical Assistance	CDBG	-	200,000	200,000
Neighborhood Commercial Mgmt	CDBG	154,811	-	154,811
<i>Subtotal, Small Business Assistance</i>		164,075	350,000	514,075
Debt Service				
Homeless Shelter, Debt Service	CDBG			-
Neighborhood Commercial Mgmt	CDBG	33,899	134,222	168,121
East 11/12th Streets Revital., Debt Service...	CDBG	63,069	300,612	363,681
Millennium Youth Center, Debt Service	CDBG	301	763,115	763,416
<i>Subtotal, Debt Service</i>		97,269	1,197,949	1,295,218
Administration				
	CDBG		1,504,648	1,504,648
TOTAL, CDBG Funding		4,548,109	7,523,242	12,071,351

FY 2009-10 ACTION PLAN BUDGET

	Funding Source	FY 08-09 Estimated Carry Forward	Funding FY 09-10	Total Estimated Funding FY 09-10
Funding Source: Community Development Block Grant - Revolving Loan Fund				
Homeowner Assistance				
Homeowner Rehabilitation Loan Program	CDBG-Rev. Ln.	358,568	-	358,568
Small Business Assistance				
Neighborhood Commercial Mgmt	CDBG-Rev. Ln.	16,749		16,749
TOTAL, CDBG Rev. Loan Funding		375,317	-	375,317

FY 2009-10 ACTION PLAN BUDGET

	Funding Source	FY 08-09 Estimated Carry Forward	Funding FY 09-10	Total Estimated Funding FY 09-10
Funding Source: HOME Investment Partnership Grants				
Renter Assistance				
Tenant-based rental assistance	HOME	181,348	567,000	748,348
Homebuyer Assistance				
Down Payment Assistance	HOME	-	1,500,000	1,500,000
Homeowner Assistance				
Homeowner Rehabilitation Loan Program	HOME	1,421,275	-	1,421,275
Housing Developer Assistance				
Rental Hsg. Development Assistance	HOME	2,521,301	700,000	3,221,301
	HOME CHDO		479,415	479,415
<i>Subtotal, Rental Housing Dev. Assist.</i>		2,521,301	1,179,415	3,700,716
Acquisition & Development	HOME	2,079,441	776,435	2,855,876
	HOME CHDO	332,665		332,665
<i>Subtotal, Acquisition & Development</i>		2,412,106	776,435	3,188,541
CHDO Operating Expenses Grants	HOME (CO)	125,297	75,000	200,297
<i>Subtotal, Housing Developer Assistance</i>		5,058,704	2,030,850	7,089,554
Administration				
	HOME		455,317	455,317
Total HOME Programs		6,661,327	4,553,167	11,214,494

FY 2009-10 ACTION PLAN BUDGET

	Funding Source	FY 08-09 Estimated Carry Forward	Funding FY 09-10	Total Estimated Funding FY 09-10
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Funding Source: Emergency Shelter Grant

HOMELESS/SPECIAL NEEDS ASSISTANCE

Homeless/Emergency Shelter

Shelter Operation and Maintenance	ESG		260,087	260,087
Homeless Essential Services:	ESG		52,233	52,233
<i>Subtotal, Homeless/Emergency Shelter</i>		-	312,320	312,320

HOMELESS/SPECIAL NEEDS ASSISTANCE

Administration	ESG		16,026	16,026
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TOTAL, ESG Funding

-	328,346	328,346
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Funding Source: Housing Opportunities for Persons with AIDS

HOMELESS/SPECIAL NEEDS ASSISTANCE

Rent, Mortgage, and Utility Assistance	HOPWA	56,794	684,530	741,324
Permanent Housing Placement	HOPWA		41,001	41,001
Short Term Supportive Housing	HOPWA		42,086	42,086
Transitional Housing Assistance	HOPWA		159,985	159,985
Supportive Services	HOPWA		71,874	71,874
<i>Subtotal, HOPWA</i>		56,794	999,476	1,056,270

HOMELESS/SPECIAL NEEDS ASSISTANCE

Administration	HOPWA		29,610	29,610
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TOTAL, HOPWA Funding

56,794	1,029,086	1,085,880
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FY 2009-10 ACTION PLAN BUDGET

	Funding Source	FY 08-09 Estimated Carry Forward	Funding FY 09-10	Total Estimated Funding FY 09-10
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Funding Source: Section 108

SMALL BUSINESS ASSISTANCE

Neighborhood Commercial Mgmt	Section 108	553,440		553,440
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DEBT SERVICE

Homeless Shelter, Debt Service	Section 108	526,800		526,800
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East 11/12th Streets Revital., Debt Service	Section 108	531,759		531,759
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<i>Subtotal, Debt Service</i>		1,058,559	-	1,058,559
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TOTAL, Section 108 Funding		1,611,999	-	1,611,999
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Funding Source: Economic Development Initiative

HOUSING DEVELOPER ASSISTANCE

"S.M.A.R.T. Housing Initiative"	EDI	68,079		68,079
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SMALL BUSINESS ASSISTANCE

Façade Improvement Program	EDI III	147,000		147,000
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Commercial Revitalization

East 11/12th Streets Revitalization				
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Historic Preservation	EDI II	136,717	-	136,717
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TOTAL, EDI Funding		351,796	-	351,796
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Funding Source: Lead Hazard Control Grant

HOMEOWNER ASSISTANCE

Lead Hazard Control Grant	Lead	1,785,000	-	1,785,000
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TOTAL, Lead Funding		1,785,000	-	1,785,000
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FY 2009-10 ACTION PLAN BUDGET

	Funding Source	FY 08-09 Estimated Carry Forward	Funding FY 09-10	Total Estimated Funding FY 09-10
Funding Source: Housing Trust Fund				
RENTER ASSISTANCE				
Tenant-based rental assistance	HTF	135,969		135,969
HOMEBUYER ASSISTANCE				
Housing Smarts (Counseling)	HTF	149,077		149,077
Down Payment Assistance		60,188		60,188
<i>Subtotal, Homebuyer Assistance</i>		209,265	-	209,265
HOMEOWNER ASSISTANCE				
Materials Grants	HTF	55,275		55,275
HOUSING DEVELOPER ASSISTANCE				
Rental Housing Development Assistance	HTF	849,929	168,748	1,018,677
Acquisition and Development	HTF	418,765	112,499	531,264
TOTAL, Housing Trust Fund		1,669,203	281,247	1,950,450

Funding Source: University Neighborhood Overlay Housing Trust Fund

HOUSING DEVELOPER ASSISTANCE				
Rental Housing Development Assistance	UNO	996,589	161,430	1,158,019
TOTAL, UNO		996,589	161,430	1,158,019

FY 2009-10 ACTION PLAN BUDGET

	Funding Source	FY 08-09 Estimated Carry Forward	Funding FY 09-10	Total Estimated Funding FY 09-10
Funding Source: General Fund and Sustainability Fund				
HOMELESS/SPECIAL NEEDS ASSISTANCE				
Child Care Services	SF		38,250	38,250
Senior Services	SF		114,469	114,469
Youth Support Services	SF		30,631	30,631
<i>Subtotal Homeless/Special Needs Assistance</i>			<u>183,350</u>	<u>183,350</u>
RENTER ASSISTANCE				
Tenant Based Rental Assistance	SF		70,000	70,000
Architectural Barrier Program	GF	33,431		33,431
Tenants' Rights Assistance	SF		35,791	35,791
<i>Subtotal, Renters Assistance</i>		<u>33,431</u>	<u>105,791</u>	<u>139,222</u>
HOMEBUYER ASSISTANCE				
Housing Smarts	SF		107,815	107,815
HOUSING DEVELOPER ASSISTANCE				
S.M.A.R.T. Housing TM	SF		83,063	83,063
COMMERCIAL REVITALIZATION				
East 11/12th Streets Revitalization	GF	110,000		110,000
	SF		55,854	55,854
<i>Subtotal, East 11/12th Streets Revitalization</i>		<u>110,000</u>	<u>55,854</u>	<u>165,854</u>
SMALL BUSINESS ASSISTANCE				
Community Preservation & Revitalization	GF	75,000		75,000
Total, All Programs		<u>218,431</u>	<u>535,873</u>	<u>754,304</u>
ADMINISTRATION				
	SF		1,508,366	1,508,366
Total General Fund and Sustainability Fund		<u>218,431</u>	<u>2,044,239</u>	<u>2,262,670</u>

FY 2009-10 ACTION PLAN BUDGET

	Funding Source	FY 08-09 Estimated Carry Forward	Funding FY 09-10	Total Estimated Funding FY 09-10
Funding Source: General Fund - Capital Improvement Fund				
HOUSING DEVELOPER ASSISTANCE				
Rental Hsg. Development Assistance	GF-CIP	823,293		823,293
Acquisition & Development	GF-CIP	374,936		374,936
Total, GF-CIP		1,198,229	-	1,198,229
Funding Source: General Obligation Bonds				
HOMEOWNER ASSISTANCE				
Home Repair Program	GO Bonds	2,000,000		2,000,000
HOUSING DEVELOPER ASSISTANCE				
Rental Hsg. Development Assistance	GO Bonds	6,885,918	980,000	7,865,918
Acquisition and Development	GO Bonds	4,593,848	6,320,000	10,913,848
<i>Subtotal, Housing Developer Assistance</i>		<u>11,479,766</u>	<u>7,300,000</u>	<u>18,779,766</u>
Total, GO Bonds		13,479,766	7,300,000	20,779,766
Funding Source: Austin Energy				
HOMEOWNER ASSISTANCE				
Holly Good Neighbor Program	AE	1,074,971		1,074,971
Total, Austin Energy		1,074,971	-	1,074,971
Funding Source: HUD Stimulus Funds				
STIMULUS FUNDS				
<i>Homeless Prevention and Rapid-Rehousing Program</i>				
Financial Assistance	HPRP		1,967,840	1,967,840
Housing Relocation and Stabilization	HPRP		840,000	840,000
Data Collection and Evaluation	HPRP		101,839	101,839
Administration	HPRP		153,141	153,141
<i>Subtotal, HPRP</i>		<u>-</u>	<u>3,062,820</u>	<u>3,062,820</u>
<i>Community Development Block Grant - Recovery</i>				
East Austin Youth and Family Center	CDBG-R		500,000	500,000
Center for Economic Opportunity	CDBG-R		500,000	500,000
African-American Cultural Facility	CDBG-R		550,000	550,000
East Austin Sidewalks	CDBG-R		250,000	250,000
Administration	CDBG-R		203,003	203,003
<i>Subtotal, CDBG-R</i>		<u>-</u>	<u>2,003,003</u>	<u>2,003,003</u>
<i>Neighborhood Stabilization Program</i>	NSP		1,260,538	1,260,538
Subtotal, Stimulus		-	6,326,361	6,326,361

CDBG Administration			
IDIS Project #: 31			
PROJECT DESCRIPTION			
Funds provide administrative costs for programs.			
FUNDING			
Fund Source(s) CDBG FY 2009-10 Total Funding \$1,504,648			
PROJECT INFORMATION			
Project Primary Purpose:		Matrix Codes	
<input type="checkbox"/> Help the Homeless <input type="checkbox"/> Help Persons with HIV/AIDS <input type="checkbox"/> Help Persons with Disabilities <input type="checkbox"/> Address Public Housing Needs		21A General Program Administration 570.206 ▼	
		Priority Need Category	Eligibility
		Planning/Administration ▼	Not Applicable ▼
Objective Category	Outcome Categories	Subrecipient	Local Government
Not Applicable ▼	Not Applicable ▼	Expected Completion Date	9/30/2010
		Citation	570.206
		Location	Community Wide

HOME Administration			
IDIS Project #: 32			
PROJECT DESCRIPTION			
Funds provide administrative costs for programs.			
FUNDING			
Fund Source(s) HOME FY 2009-10 Total Funding \$455,317			
PROJECT INFORMATION			
Project Primary Purpose:		Matrix Codes	
<input type="checkbox"/> Help the Homeless <input type="checkbox"/> Help Persons with HIV/AIDS <input type="checkbox"/> Help Persons with Disabilities <input type="checkbox"/> Address Public Housing Needs		21A General Program Administration 570.206 ▼	
		Priority Need Category	Eligibility
		Planning/Administration ▼	Not Applicable ▼
Objective Category	Outcome Categories	Subrecipient	Local Government
Not Applicable ▼	Not Applicable ▼	Expected Completion Date	9/30/2010
		Citation	570.206
		Location	Community Wide

ESG Administration		
IDIS Project #: 33		
PROJECT DESCRIPTION		
Funds provide administrative costs for programs.		
FUNDING		
Fund Source(s) ESG FY 2009-10 Total Funding \$16,026		
PROJECT INFORMATION		
Project Primary Purpose:	Matrix Codes	
<input type="checkbox"/> Help the Homeless <input type="checkbox"/> Help Persons with HIV/AIDS	21A General Program Administration 570.206 ▼	
<input type="checkbox"/> Help Persons with Disabilities <input type="checkbox"/> Address Public Housing Needs	Priority Need Category	Eligibility
	Planning/Administration ▼	Not Applicable ▼
Objective Category	Outcome Categories	Subrecipient Local Government
Not Applicable ▼	Not Applicable ▼	Expected Completion Date 9/30/2010
		Citation 570.206
		Location Community Wide

HOPWA Administration		
IDIS Project #: 34		
PROJECT DESCRIPTION		
Funds provide administrative costs for programs.		
FUNDING		
Fund Source(s) HOPWA FY 2009-10 Total Funding \$29,610		
PROJECT INFORMATION		
Project Primary Purpose:	Matrix Codes	
<input type="checkbox"/> Help the Homeless <input type="checkbox"/> Help Persons with HIV/AIDS	21A General Program Administration 570.206 ▼	
<input type="checkbox"/> Help Persons with Disabilities <input type="checkbox"/> Address Public Housing Needs	Priority Need Category	Eligibility
	Planning/Administration ▼	Not Applicable ▼
Objective Category	Outcome Categories	Subrecipient Local Government
Not Applicable ▼	Not Applicable ▼	Expected Completion Date 9/30/2010
		Citation 570.206
		Location Community Wide

Sustainability Fund Administration		
IDIS Project #: Not Applicable with Non-Federal Funds		
PROJECT DESCRIPTION		
Funds provide administrative costs for programs.		
FUNDING		
Fund Source(s) Sustainability Fund FY 2009-10 Total Funding \$1,508,366		

LEVERAGING

HUD requires that the City estimate the amount of funds leveraged by City federal and non-federal funds. Federal requirements define leveraging as other public and private resources that address needs identified in the Consolidated Plan. Exhibit 7.2-1 shows the estimated funds to be leveraged by the City's funds and the estimated funds leveraged by the City's tax-exempt bond financing (multi-family and single-family).

For the Acquisition and Development Program, the Down Payment Assistance Program, and the Single Family Bonds homeownership program, leveraging is the total amount of the mortgage loan minus the amount of City assistance. For the Rental Housing Development Assistance and Multi-family Bond program, leveraging is the total project funding minus the amount of City assistance.

**Exhibit 7.2-1
FY 2009-10 Estimated Leverage**

Program	Estimated Units	Estimated Leveraging
Acquisition and Development	75	\$ 3,300,198
Down Payment Assistance	50	\$ 5,349,301
Rental Housing Dev. Assist.	225	\$ 6,352,535
Total-Housing Federal Programs	315	\$ 15,002,035
Single Family Bonds*	35	\$ 5,250,000
Multi-Family Bonds**	130	\$ 5,200,000
Total-Non-Federal Programs	165	\$ 10,450,000
Total-All Housing Programs	480	\$ 25,452,035

*Estimated Single-family Bond units are reported in the Acquisition and Development Program.

** Estimated Multi-family Bond units are reported in the Rental Housing Development Assistance Program.

HOME INVESTMENT PARTNERSHIPS MATCHING FUNDS

HUD requires that participating jurisdictions (PJs) that receive HOME funds match 25 cents of every dollar. The matching requirement mobilizes community resources in support of affordable housing. Exhibit 7.2-2 calculates the total required contribution of matching funds from the City of Austin for 2009-10 funding.

Exhibit 7.2-2
HOME Match

Calculation	FY 2009-10
Grant Allocation	\$4,553,167
Administration	-\$455,317
Amount Incurring Repayment	\$0
Total Match Obligation	\$ 4,097,850
Matching Requirement Percentage	x 25%
Match Requirement	\$ 1,024,463
Sources	2009-10
Non-Federal Matching Funds	\$768,347
Bond Proceeds (25% Max.)	\$256,116
Total Sources of Match	\$ 1,024,463

EMERGENCY SHELTER GRANT MATCHING FUNDS

The Emergency Shelter Grant Program requires each local government grantee to match dollar-for-dollar the ESG funding provided by the U.S. Department of Housing and Urban Development (HUD). These matching funds must come from other public or private sources. For fiscal year 2009-10, the City of Austin’s preliminary ESG Grant Allocation is \$328,346; thus another \$328,346 is needed from the City and the subrecipients/contractors for matching funds.

Any of the following may be included in calculating the matching funds requirement: 1) cash; 2) the value or fair rental value of any donated material or building; 3) the value of any lease on a building; 4) any salary paid to staff to carry out the program of the recipient; and 5) the value of the time and services contributed by volunteers to carry out the program of the recipient at a current rate of five dollars per hour.

**Exhibit 7.2-3
ESG Match**

IDIS Activity	Consolidated Plan Priority	Fund Source	Estimated Carry Forward	2009-10 Projected Funding	Projected Program Level	Match	Proposed Accomplishments
Shelter Operation and Maintenance Austin Resource Center for the Homeless	High	ESG	0	\$260,087	\$260,087	\$260,087	8,500 people
Essential Services Communicable Disease Unit	High	ESG	0	\$52,233	\$52,233	\$52,233	35 people
Grant Administration costs	N/A	ESG	0	\$16,026	\$16,026	\$16,026	N/A
Total Match:				\$328,346	\$328,346	\$328,346	8,535 people

For fiscal year 2009-10 (ESG fiscal year 2009-11 allocation) HHSD, local providers of homeless services and the Ending Community Homelessness Coalition are working to coordinate funding from several sources to make the most efficient and effective use of all the funds across the entire continuum of homeless services. HHSD plans to allocate ESG funds to shelter operations and maintenance, homeless essential services, and ESG grant administration.

Each contract/award agreement includes the requirement that subcontractors/awardees will provide a one-to-one match of the ESG funds. The City will match administrative costs using an in-kind match of salaries of City personnel who administer the grant.

Changes in FY 2009-2010 ESG Program

- Fiscal year 2009-10 ESG funding has been increased from the previous fiscal years by \$108. The increase was applied to ESG Administration.
- In FY 2009-10, the Bill Payer program's funding source was shifted from ESG Essential Services to City of Austin General Funds. The Bill Payer program will continue to be funded with General Funds at the same level and with the same program requirements and goals to serve the chronically homeless. The ESG funds were transferred to the Maintenance and Operations of the Austin Resource Center for the Homeless (ARCH). In FY 2009-10, ARCH increased their goal from 7,000 to 8,500.

HOUSING TAX CREDITS

The Texas Department of Housing and Community Affairs (TDHCA) administers the Housing Tax Credit (HTC) Program for the State of Texas. The HTC Program provides a valuable affordable housing resource to the Austin community. The HTC Program receives authority from the U.S. Treasury Department to provide tax credits to investors that ultimately assist housing developers with the equity that will result in affordable housing.

The program's purpose is to:

- Encourage the development and preservation of rental housing for low-income families,
- Provide for the participation of for-profit and non-profit organizations in the program,
- Maximize the number of units added to the state's housing supply, and
- Prevent losses in the state's supply of affordable housing.

HTC is allocated annually in 13 state service regions; and each service region is further distributed into rural and urban categories. The City of Austin resides in Region 7. Projects that apply for tax credits in Austin compete against other applications in the urban area of Region 7. Region 7 includes Llano, Burnet, Blanco, Travis, Williamson, Hays, Caldwell, Bastrop, Lee, and Fayette counties.

In 2009, TDHCA will allocate approximately \$1.1 million in housing tax credits in the urban areas of Region 7. TDHCA manages the application process for these competitive housing tax credits. For more information regarding housing tax credits, visit the TDHCA web site at www.tdhca.state.tx.us.

MULTI-FAMILY BOND PROGRAM

The Austin Housing Finance Corporation (AHFC) administers the Multifamily Bond Program that provides below-market interest rate financing for the acquisition and rehabilitation or the new construction of apartment communities. Funding is provided through the sale and issuance of tax-exempt multifamily conduit bonds, which provide the equity investment for a potential affordable housing development. Federal law requires that for the bonds to retain tax-exempt status, at least 20 percent of the units financed must be leased to families at or below 50 percent of median family income (MFI); or 40 percent of the units must be leased to families with incomes below 60 percent of MFI.

Private developers have two options when applying for bonds through the Austin Housing Finance Corporation. The first option is to apply for Private Activity Bonds, which are combined with four percent Housing Tax Credits issued by the Texas Department of Housing and Community Affairs. The Texas Bond Review Board determines the schedule by which these Private Activity Bonds are allocated. The second option is to apply for bonds without the need for private activity bond authority or the use of Housing Tax Credits. Those bonds are 501(c)3 bonds and are also awarded throughout the year.

AHFC manages the application process to secure these funds. For more information, see: <http://www.cityofaustin.org/ahfc/bond.htm>.

HOUSING CHOICE VOUCHER PROGRAM (FORMERLY SECTION 8)

Two public housing authorities administer Housing Choice Voucher Programs (previously Section 8) in the City of Austin: the Housing Authority of the City of Austin (HACA) and the Housing Authority of Travis County (HATC). Administered by public housing authorities, the Housing Choice program is designed to increase the housing choices available to very low-income households by making privately-owned rental housing affordable. Housing Choice provides rent subsidies, either rental certificates or vouchers, on behalf of eligible tenants. These subsidies usually equal the difference between 30 percent of the household's adjusted income and the HUD-approved fair market rent (for certificates) or the PHA-approved payment standard (for vouchers).

HATC has 564 Housing Choice Vouchers, with approximately 800 individuals and families on the wait list to receive a voucher. HACA provides 5,127 vouchers citywide and has 4,800 households on a waiting list.

MCKINNEY-VENTO HOMELESS ASSISTANCE PROGRAMS

Continuum of Care, Fiscal Year 2009-10

HUD adopted the Continuum of Care (CoC) process in 1994 to accommodate a “complete” system of care philosophy to address homelessness based on identified needs, the availability and accessibility of existing housing and services, and opportunities to integrate non-homeless mainstream housing and service resources. With the adoption of the CoC process, HUD bundled three homelessness programs (Supportive Housing Program, Single Room Occupancy and Shelter Care Plus Program) into one funding stream. Unlike other HUD funding allocated directly to the City of Austin, funding from HUD’s Notice of Funding Availability (NOFA) for Continuum of Care Homeless Assistance Program is allocated directly to local homeless services agencies that participate in the CoC application.

The Ending Community Homelessness (ECHO) Coalition serves as the lead planning entity on homeless issues in Austin/Travis County. As part of this responsibility, ECHO coordinates and completes Austin’s CoC application to HUD. ECHO’s Planning and Evaluation Committee leads the planning, data collection, analysis, and writing activities for the annual CoC application. Agencies wishing to apply for CoC funding in Austin submit local applications to the CoC Independent Review Team, which ranks local applications based on criteria decided by ECHO. The community’s CoC application is then submitted to HUD. The application must include a certification that all proposed projects are consistent with the City’s Consolidated Plan.

The Planning and Evaluation committee’s goal is to ensure that Austin submits a competitive national application while also leading a credible local process that meets community needs. The committee meets these goals by conducting the following activities: a) identifying methods for communicating to interested parties how to become involved; b) determining what types of project categories will be prioritized; c) developing the local application process, including evaluation criteria and submission requirements; and d) identifying which entities will be represented on the Independent Review Team.

In 2008, the City of Austin applied for \$5,108,795 in CoC funds and was awarded \$5,085,813 for funding for fiscal year 2009-10. See Exhibit 7.2-4 for the list of CoC-funded agencies in fiscal year 2009-10. Austin successfully scored above the funding threshold, and all new projects were awarded including the Samaritan Bonus Project with Caritas of Austin. The Salvation Army was a recipient of the Rapid Re-Housing Demonstration Project to rapidly re-house homeless families. Only 23 cities nationally were selected for this project.

**Exhibit 7.2-4
FY 2009-10 Continuum of Care Funding**

Agency	Project	Funded Amount
Caritas of Austin	My Home Too: Permanent Supportive Housing for chronically homeless: Lease 21 units of permanent supportive housing at two different apartment complexes	\$397,770
Austin/Travis County Mental Health/Mental Retardation Center	Austin/Travis County HMIS ServicePoint	\$78,533
Caritas of Austin	My Home: lease 30 units, mostly for chronically homeless	\$303,712
HACA/Foundation Communities	10 units Shelter + Care for families who have a disabled adult	\$508,080
LifeWorks	Transitional housing for homeless youth	\$216,236
Caritas of Austin	Spring Terrace: lease 20 units for chronically homeless	\$202,406
Front Steps	Garden Terrace: lease 10 units for chronically homeless	\$97,553
The Salvation Army	Rapid Re-Housing	\$795,540
SafePlace	Spring Terrace Permanent Supportive Housing Project	\$613,003
The Salvation Army	Passages Program	\$538,081
Austin/Travis County Mental Health/Mental Retardation Center	Safe Haven	\$348,007
Housing Authority of the City of Austin/ATCMHMR	Shelter Plus Care	\$169,608
Housing Authority of Travis County /ATCMHMR	Shelter Plus Care	\$475,320
Housing Authority of City of Austin	Shelter Plus Care	\$341,964
Total		\$5,085,813

To improve the competitiveness of Austin's CoC application agencies voluntarily reduced their program budget request or did not request funding for their project in 2008. This allowed \$824,152 to be reallocated for permanent supportive housing projects. See Exhibit 7.2-5 for agencies that made cuts available for reallocation. This resulted in loss of funding for those agencies and the projects that had previously been funded by HUD CoC.

Exhibit 7.2-5
Reductions in Continuum of Care Funding by Agency

Name of Organization	2008-09 Amount	2009-10 Amount Requested	Amount Available for Reallocation
Salvation Army: Passages	\$738,081	\$538,081	\$200,000
SafePlace Supportive Housing	\$792,857	\$613,003	\$179,854
Caritas Re-entry	\$303,216	\$0	\$303,216
LifeWorks Street Outreach	\$141,082	\$0	\$141,082
	Total Available for Reallocation		\$824, 152