



SECTION 3 OTHER REPORTS

New Programs and Policy Initiatives
Community Involvement
Neighborhood Projects
Other Actions

New Programs and Policy Initiatives

The City of Austin continues to search for new ways to meet its mission to provide housing, community development, and economic development services to benefit eligible residents and businesses to increase opportunities for self-sufficiency. The following is an update on some of the new programs and policy initiatives of the City of Austin Neighborhood Housing and Community Development Office.

General Obligation Bonds

Citizens of Austin approved the use of General Obligation Bonds to increase homeownership and rental opportunities for low-to-moderate income households. The bond package, which includes \$55 million for affordable housing, was approved by voters on November 7, 2006. The bonds are apportioned into \$33 million for rental and \$22 million for homeownership over a seven year period. Rental projects that receive General Obligation Bonds serve households with yearly incomes of no more than 50 percent median family income (MFI) with a goal of assisting households at 30 percent MFI and below. Homeownership projects that receive General Obligation Bonds serve households with yearly incomes of no more than 80 percent MFI with a goal of serving households between 50 percent and 65 percent MFI.

Rental projects must remain affordable for no fewer than 40 years. Homeownership projects are preferred to have a 99-year shared equity model with right of first refusal or a Community Land Trust model to preserve affordability. These preservation tools maximize public dollars by ensuring long-term affordability of funded projects.

NHCD began spending General Obligation Bond funds in fiscal year 2007-08 through two programs: Acquisition and Development and Rental Housing Development Assistance. Approximately \$10 million in General Obligation funds will be allocated to 11 different projects in fiscal year 2007-08. The average cost per unit for approved projects is currently \$31,000. The funds are allocated as follows:

- 75 percent of funds go to competitive awards to non-profits or for-profit developers of affordable housing.
- 20 percent goes to City Council priorities.
- 5 percent is set aside for rapid acquisition of real estate for non-profits.

(Also see page 3-21.) (See Appendix V for a map of locations and descriptions of General Obligation Bond housing projects.)

Preserving Affordable Housing in Austin

NHCD issued the report, *Preserving Affordable Housing in Austin, A Platform for Action*, in April 2008 in order to proactively address the loss of affordable housing stock in the community. The report encompasses feedback from

New Programs and Policy Initiatives

five focus groups with more than 50 participants, industry experts, and the Community Development Commission.

The report highlights the following critical facts regarding affordability in Austin:

- **Subsidized units are at risk.** Austin has almost 1,350 of Project-Based Section 8 units with mortgages that will expire by 2011, with about 73 percent expiring in 2010. In addition, developments financed with federal housing tax credits and elderly/disabled grants will begin to expire in a decade.
- **Most of Austin affordable housing is privately-owned and not subsidized.** Austin has more than 156,000 multifamily housing units. Less than 8,000 are publicly subsidized and 79 percent (123,678) are in small complexes with 2 to 49 units.
- **Most of multifamily stock is old but occupied.** More than 55 percent of duplexes and 79 percent of small and medium-sized apartment building were built before 1980. Of these 22 percent of apartments are more than 20 years old and have high-occupancy rates.
- **Redevelopment is underway.** From 1995-2007, there was a 30 percent increase in the number of multifamily units built. More than 2,000 rental units were converted to condominiums in 2007 and 2008.
- **Collecting data on housing inventory posed a significant challenge.** Data regarding the condition of Austin's housing units is largely unavailable. In addition, reliable data sources have conflicting unit counts for subsidized properties.

The report provides a snapshot of affordable housing in Austin and along with data and statistics, profiles best practices from other cities. The report suggests the following action steps:

- Develop and share data.
- Create adequate funding for preservation.
- Identify creative partnerships.
- Pursue new strategies.
- Protect tenants and consumers.

A copy of the report can be found at:

http://www.cityofaustin.org/housing/downloads/2008_preservation_study.pdf.

John D. and Catherine T. MacArthur Foundation

In November 2007, the MacArthur Foundation announced that it would provide \$35 million for public sector initiatives to preserve and improve affordable rental housing. This new funding is part of a national \$150 million

New Programs and Policy Initiatives

initiative, Window of Opportunity: Preserving Affordable Rental Housing, which the Foundation launched in 2003.

The City of Austin will submit an application June 10, 2008, for \$5 million for grants and low interest loans to the MacArthur Foundation. The grant and loan funds will be used for data gathering, analysis and the creation of a Rapid Strike Preservation Fund to help preserve affordable rental housing through the Austin Housing Finance Corporation.

The City of Austin was one of 80 Letters of Interest submitted to the Foundation in connection with its new Awards for State and Local Housing Preservation Leaders. The applicants included a wide range of city, county and state governmental bodies, as well as several multi-jurisdiction collaborations.

The City was one of 21 applicants invited to submit full proposals and participate in an in-depth evaluation process. The Foundation intends to select up to ten awardees in November 2008.

Comprehensive Housing Market Study

In response to recommendations from numerous stakeholders and citizen groups, including the African American Quality of Life Initiative and the Affordable Housing Incentives Task Force, the City will complete a comprehensive housing market analysis.

NHCD has issued a Request for Proposal (RFP) to conduct this study, which is scheduled for completion by December 2008. The study will identify data on current housing uses and trends in Austin, including projections of future demographic and housing growth. Findings will be presented to the Austin City Council and the citizens of Austin. Results of the comprehensive housing market study will determine a long-term strategy for meeting Austin's housing needs, including the conditions, challenges, and opportunities in the City's housing market.

(For more information, see

<http://www.cityofaustin.org/housing/apr08chms.htm>.)

Community Preservation & Revitalization Report (CP&R)

The CP&R Policy established programs for mitigating gentrification pressures in Central East Austin neighborhoods. The Austin City Council established the CP&R Policy by passing a resolution on April 28, 2005, which created an affordable housing and economic development program. Presently, the affordable housing incentives of the CP&R Program have not been utilized. The City Council adopted amendments to the Land Development Code on November 29, 2007, and January 31, 2008, that could enhance affordable housing opportunities within the CP&R Zone.

New Programs and Policy Initiatives

The resolution created the CP&R Business Loan Program to support the development, implementation, and sustainability of economic development activities in Central East Austin neighborhoods. The program attracts public and private investment, maintains and develops existing commercial districts, provides access to capital through gap financing for existing and start-up businesses, and is a catalyst in support of workforce and employment development.

The CP&R Business Loan Program retains, expands and relocates small businesses to and within the CP&R Zone. From September 2007 to February 2008, four businesses were approved for the program for a total of \$55,000 in funding. Combined with other public and traditional bank financing, CP&R Business loans have assisted in attracting over \$887,500 of investment within the CP&R Zone. In addition, on February 14, 2008, the City Council approved vital modifications to the CP&R guidelines that increased the maximum loan amount up to \$30,000 and incorporated standard commercial underwriting guidelines. These modifications strengthen CP&R as a viable commercial financing partner to existing City of Austin and other public and private lending institutions.

(See Appendix V for a map of the CP&R Zone.)

Shared Equity

The City of Austin, through the Austin Housing Finance Corporation (AHFC), uses the shared equity model to preserve affordable housing. The “Affordability Protection Policy” allows income-eligible buyers and homeowners to obtain substantial mortgage assistance and housing reconstruction services in exchange for two provisions that preserve housing affordability in Austin:

- 1) A “Right of First Refusal” allows AHFC the first option to buy the home at resale for the appraised value.
- 2) Homeowners are required to share the appreciation realized at resale with AHFC.

A portion of the appreciated value of the home is then returned to the AHFC to allow another low- to-moderate-income buyer to purchase the home. (Also see page 3-22.)

Community Land Trust

Austin City Council directed staff to move forward with implementation of a Community Land Trust (CLT) in Summer 2005. The CLT is a tool to preserve the public investment in affordability and to preserve the affordable units in perpetuity. The CLT will retain ownership of the land, while the

New Programs and Policy Initiatives

homeowner owns the improvements. The CLT limits the sales price of the home and requires that subsequent buyers be income-eligible. Homeownership is an important avenue of wealth creation for many low-income households. CLT homeowners will receive a share of the appreciation when the affordable unit changes hands in order to allow the homeowner a fair return. This model provides an opportunity for future low- to moderate-income households to buy the home at an affordable price.

Without this type of mechanism in areas that are rapidly gentrifying, the subsidy given to a low-income household is lost to future residents when the house is sold. In addition, the CLT will allow AHFC to reach greater levels of affordability for lower-income homeowners.

AHFC has completed subdivision infrastructure development of the Frontier at Montana subdivision, an 81-lot single-family affordable housing subdivision in the Montopolis neighborhood. This new subdivision will include 16 CLT units, in addition to the 15 homes completed by AHFC in fiscal year 2007-08. (Also see page 3-22.)

Community Involvement

The Neighborhood Housing and Community Development Office coordinates and maintains relationships with neighborhood groups, policy groups, and service providers in low- to moderate-income communities in order to reach its agency goals.

Community Development Commission

The Community Development Commission's (CDC) role is to "advise the City Council in the development and implementation of programs designed to serve the poor and community at large with an emphasis on federally funded programs." Through the Citizens Participation Plan, the CDC is charged with securing broad community involvement in policy discussions about community needs that benefit low- to moderate-income households and to make recommendations to the City Council on the allocation of federal funds, including CDBG and HOME. The CDC also acts as the oversight entity for state and federal requirements related to the Community Services Block Grant (CSBG).

Community Action Network

There are numerous subgroups that meet under the Community Action Network (CAN) framework in order to complete the needs assessment. These groups are: Youth Services, Victim Services, Workforce Development, Aging Services, Basic Needs, Early Education and Care, Education, Homelessness, Housing, Mental Retardation/Developmental Disabilities, Public Safety, Wellness, Physical Health, Adult Mental Health and Substance Abuse, and Children's Mental Health. NHCD has representatives on the Administrative Team and Resource Council and has been the lead agency in producing the Frequently Asked Questions (FAQ) for the housing issue area. (Also see page 3-26.)

Community Action Network: ECHO

Two community groups that address homeless issues, the Ending Chronic Homelessness Organizing Committee and the Homeless Task Force, merged in fiscal year 2006-07 to form the Ending Community Homelessness Coalition (ECHO). The new ECHO actively engages in ending community homelessness through collaborative planning with more than 90 community volunteers, business leaders, service providers, and City staff support. Together, social service organizations form a continuum of services that range from preventing homelessness to assisting people who are in homeless situations to obtain permanent housing and achieve independent living. ECHO's Planning and Evaluation Subcommittee is the primary planning body for the annual Continuum of Care application to HUD. (Also see page 3-21.)

Community Involvement

Urban Renewal Board – East 11th/12th Street

The City partners with the Urban Renewal Agency and the Austin Revitalization Authority (ARA) to help develop land in Central East Austin. On November 19, 1997, the City Council adopted a resolution declaring the East 11th and 12th Streets Revitalization Area to be a slum and blighted area and designated this area appropriate for an urban renewal project. Subsequently, the Austin City Council approved an Urban Renewal Plan. The Plan allows the Urban Renewal Agency to use funds for acquisition and to provide fair and adequate relocation benefits to individuals displaced due to acquisition, aiding in the elimination of the slum and blight influences in the area.

Public Housing Authorities

Representatives from the Travis County Housing Authority, the Housing Authority of the City of Austin, and the City of Austin meet regularly to coordinate programs, such as the Tenant-Based Rental Assistance program, the Resident Support Services programs at HACA, and other community initiatives. NHCD coordinates with HACA to inform public housing residents of affordable housing programs offered through the City of Austin. (Also see page 3-26.)

African American Quality of Life Initiative

The results of the African American Quality of Life Scorecard were presented to the Austin City Council in March 2005. The scorecard was based on community dialogue about race relations and the quality of life for African Americans and other ethnic groups. The scorecard focused on two basic questions:

1. Is the quality of life for African Americans in Austin different than that of other Austinites?
2. Is the quality of life for African Americans in Austin markedly different than the quality of life of African Americans in other cities?

The results of the scorecard facilitated numerous community discussions about the quality of life for African Americans. In October 2005, the City Manager reported recommendations to address the concerns of African Americans living in Austin. The recommendations included forming an advisory commission of nine stakeholders and subcommittees to address the six major concerns outlined: health; police and safety; arts, culture and entertainment; neighborhood sustainability; and employment and education. NHCD serves as the primary contact for the Neighborhood Sustainability Subcommittee. Staff works closely with subcommittee members to implement the objectives identified by the community.

Community Involvement

In 2007, the Austin City Council approved \$300,000 to conduct a Housing Market Study which will provide a foundation for planning for the NHCD's five year Consolidated Plan. This action was a direct result of recommendations from the Neighborhood Sustainability Subcommittee, the Affordable Housing Incentives Task Force, and other community groups. Also a result of recommendations from the Neighborhood Sustainability Subcommittee, House Bill (HB) 470 – the Homestead Preservation District, went into effect in September 2007. The subcommittee recommended that a land bank be developed to help homeowners in East Austin.

With the rising number of home foreclosures across the country, the City wanted to assist East Austin residents with education on the foreclosure process. With the help of local African American organizations and the City of Austin a Foreclosure Education Forum was held in February 2008, targeting the neighborhoods east of IH-35 and south of Ed Bluestein Boulevard.

As part of the recommendations to improve the quality of life for African Americans in Austin, the subcommittee also recommended educating the community on the importance of homeownership. In October 2006, the Housing Smarts Homebuyer Education program was implemented. Since its inception, more than 448 people participated in the class, with 357 graduating. Nearly 20 percent of the graduates are African American; and more than 20 percent have purchased or are in the process of purchasing their first home.

Several City of Austin departments presented the *African American Quality of Life Final Report: Addressing Community Needs Together* to the Austin City Council in April 2008. The report provides highlights of the 56 initiatives set forth by the implementation teams of the African American Quality of Life Committee during the two-year period of January 2006 to January 2008. (For more information, see: <http://www.cityofaustin.org/aaql>)

Housing Task Forces

NHCD staff actively participates in City planning processes and task forces that impact affordable housing. NHCD provided technical assistance to the following:

Affordable Housing Incentives Task Force (AHITF)

The City Council appointed a task force comprised of real estate professionals, affordable housing developers, for-profit developers, affordable housing advocates, academics, and neighborhood representatives to explore ways to provide incentives for the construction of affordable housing in Austin. The AHITF reviewed, developed, and recommended to the Austin City Council enhancements to the City's policies and procedures.

Community Involvement

These included the S.M.A.R.T. Housing™ program incentives to builders to include on-site affordable housing in their developments and dedicated resources for the development of off-site affordable housing in the downtown area. The AHITF Report was presented to the City Council on May 17, 2007. NHCD provided the primary staff support for the task force.

On November 29, 2007, and January 31, 2008, the City Council amended the Land Development Code to implement some of the AHITF's recommendations. Amendments include the following:

- Single-family builders who provide more long-term affordability may increase subdivision density without a zoning change.
- Multi-family builders who provide more long-term affordability may increase the number of apartments on a site without a zoning change.
- Downtown developments who receive increases in floor-to-area ratio and/or height must provide either a percentage of affordable housing or pay a fee-in-lieu for other affordable housing development within two miles of downtown.
- Developments of fewer than four units can now apply for S.M.A.R.T. Housing™ without making all units affordable.
- Incentives were created for developers for the use of Community Land Trust and Shared Equity to encourage preservation of affordability of homeownership units.
- The amount of household income spent on housing was increased to allow a household to spend 35 percent of their income on housing if the homebuyer receives City-approved homebuyer counseling.
- Accessibility requirements were increased for the Central Business District, Downtown Mixed-Use, and Vertical Mixed-Use to five percent.
- Income limits for households were increased to be consistent with Council policy regarding vertical mixed-use projects.
- Certification and fee waivers are now allowed for multi-family rehabilitation, condominium conversions, and other changes of uses to residential.

Based on the AHITF recommendations, the Austin City Council approved the budget to implement a comprehensive housing market study previously mentioned in the Action Plan. (Also see page 3-23.)
(For more information, see: <http://www.cityofaustin.org/council/ahitf.htm>.)

Commercial Design Standards/Vertical Mixed Use Development

The Commercial Design Standards Ordinance was adopted by City Council on August 31, 2006, and included vertical mixed use standards that provide incentives for affordable housing. NHCD staff is overseeing drafting rules

Community Involvement

with the Law Department and is working with the Neighborhood Planning and Zoning Department (NPZD) on a series of amendments to the vertical mixed-use standards. The City Council is reviewing neighborhood recommendations to opt-in or opt-out of incentives in the Vertical Mixed Use Ordinance and possible rental housing affordability standards. (For more information, see:

<http://www.cityofaustin.org/planning/designstandards.htm>)

Residential Design and Compatibility Standards Task Force

On September 28, 2006, City Council adopted the Single Family Residential Design and Compatibility Code Amendments ordinance (also known as the McMansion ordinance) upon recommendation of the Residential Design and Compatibility Standards Task Force. This ordinance restricts the size of homes relative to lot size in the urban core. NHCD provided technical assistance to the task force. The City Council is considering a series of amendments recommended by the Residential Design and Compatibility Standards Task Force and the Affordable Housing Incentives Task Force. (For more information, see:

http://www.cityofaustin.org/zoning/sf_regs.htm.)

Downtown Master Planning

In December 2005, the Austin City Council adopted a resolution directing the City Manager to initiate the process of creating a Downtown Master Plan. The City of Austin has hired two consulting firms for the plan: the ROMA Design Group, and Diana McIver & Associates. The firms have identified strategies and best practices for affordable housing in downtown that are under consideration as part of the Downtown Master Planning process. The City has also hired the ROMA Design Group to develop recommendations for a downtown density bonus ordinance with an affordable housing requirement that will include a fee-in-lieu of option. (Also see page 3-19 and 3-23.)

(For more information, see:

<http://www.cityofaustin.org/downtown/downtownaustinplan.htm>.)

Comprehensive Plan

The City of Austin is currently updating the Austin Tomorrow Plan, a Comprehensive Plan adopted by City Council thirty years ago. NHCD is updating the housing affordability elements of the Plan. These updates reflect Council policies adopted over the past three decades. These policies include recommendations by the Affordable Housing Incentives Task Force including linking density bonuses to housing affordability goals. (For more information, see: http://www.cityofaustin.org/zoning/com_plan.htm.)

Community Involvement

Families and Children Task Force

The City Council appointed the Families and Children Task Force to make recommendations to improve the quality of life for families with children in Austin. NHCD staffs the housing subcommittee of the task force. In addition to reviewing issues such as schools, parks, and safety, the task force is addressing housing issues that affect families' decisions about whether to live in Austin, especially families with lower incomes. The task force is expected to provide recommendations to the Austin City Council in summer 2008. (For more information, see: <http://www.cityofaustin.org/council/fctf.htm>.)

RMMA Healthy Community Initiative

The Robert Mueller redevelopment is a mixed-use community and was planned to be a model for responsible urban planning and development. The redevelopment plan includes many sustainability and green building standards that directly align with community health. This project will analyze the current design plan to identify community health gaps that may exist and develop a plan to address those gaps. The plan will also include an analysis of the linkages to Mueller from surrounding neighborhoods and make recommendations to improve those linkages. Recommendations will be evaluated for feasibility. Those selected will be integrated into the Mueller redevelopment design plan for implementation. Selected health indicators will be tracked to measure the redevelopment's effects on health outcomes for Mueller and surrounding area residents. Upon completion, the Mueller redevelopment will be assessed using a "Healthy Community" rating system that will be applied as a model for other communities in Austin. Short-term goals will be completed by June 30, 2008.

Neighborhood Projects

A significant part of Austin's housing strategy is implementing housing affordability components of neighborhood plans and master plans adopted by the City Council. The City identified this strategy during the 2004-09 Consolidated Plan. (See strategy I, on page 1-7.)

The Neighborhood Planning process and Master Plan process includes extensive community input prior to City Council adoption and may include goals related to housing affordability and gentrification mitigation. During the process of developing the plans, members of the community work with City staff to address the local issues and concerns. All stakeholders of the neighborhood are invited to participate – business owners, renters, residents, property owners, and various community organizations and institutions. The neighborhood planning process addresses land use, transportation, services, infrastructure, and urban design issues. The goal of neighborhood planning is for diverse interests to come together and develop a shared vision for their community. A neighborhood plan:

- Represents the views of all the stakeholders that make a community.
- Identifies neighborhood strengths and assets.
- Identifies neighborhood needs and concerns.
- Establishes goals for improving the neighborhood.
- Recommends specific action items to reach those goals.

NHCD will work to respond to the housing affordability components of adopted neighborhood plans and City task force reports by providing S.M.A.R.T. Housing™ incentives and other housing program resources for new single-family and multi-family developments. In addition, NHCD will offer other housing services in order to implement the goals of the respective plans and task force reports.

Fiscal Year 2008-09 Annual Action Plan

Section 3: OTHER REPORTS

Neighborhood Projects

The City of Austin has Acquisition and Development and Rental Housing Development Assistance projects planned in the following neighborhoods outlined in the fiscal year 2008-09 Action Plan. Some of the projects are in neighborhoods with adopted neighborhood plans and some of the neighborhoods have areas of minority concentration. Efforts in areas without adopted neighborhood plans or Master plans may also be in priority neighborhoods. The City defines a priority neighborhood as a specific neighborhood or geographic area designated by the City that has priority, but not exclusive, consideration for funding for projects or activities. Priority neighborhoods are defined by the amount of eligible census tracts in each neighborhood area.

HUD defines an eligible census tract as having the following components:

- 50 percent or more of its households with incomes below 80 percent of the Area Median Family Income; or
- Having at least a poverty rate of 25 percent.

To the greatest extent feasible, designated priority areas are given first consideration for funding for like activities or projects in other eligible areas. However, the City retains the flexibility to fund projects or activities outside of priority areas when it is in the best interest of the City and its programs. The City funds acquisition and development projects and rental housing development projects with federal and local funding sources. (See Appendix V for a map of adopted neighborhood planning areas.)

Central East Austin Neighborhood Planning Area

NHCD currently has projects in the following neighborhoods in the Central East Austin Neighborhood Planning Area:

Rosewood Neighborhood

The City, through Austin Housing Finance Corporation (AHFC), is partnering with Community Partners for the Homeless (CPH) to develop six single-family units, in the Rosewood Neighborhood. This complex is Glen Oaks. Construction of the units broke ground in fiscal year 2007-08 on City of Austin surplus land. AHFC will maintain ownership of the land and lease the land to CPH.

Anderson Hill Neighborhood

The City finished development of 13 single-family affordable homes in fiscal year 2007-08. All 13 units use a shared-equity model with a “right of first refusal” to preserve affordability in the Anderson Hill neighborhood.

11th/12th Streets Revitalization

This revitalization project, along the East 11th and 12th Street commercial corridors, makes physical improvements to the corridor, creates jobs for low-income people, and provides assistance to small businesses along the

Neighborhood Projects

corridor. Revitalization efforts along the corridor began in 2000 by NHCD in partnership with the Austin Revitalization Authority (ARA).

Guadalupe Neighborhood

The Guadalupe Neighborhood Development Corporation (GNDC), in partnership with AHFC, is developing a 22-unit affordable rental housing facility for low- and moderate-income families in Central East Austin. The development is La Vista de Guadalupe. The complex will serve families at 60 percent or below of MFI, including 18 units for families at 50 percent or below of MFI, and three units for families at 30 percent or below of MFI.

Blackshear Neighborhood

Blackshear Neighborhood Development Corporation (BNDC), in partnership with AHFC, will develop six units of affordable rental housing for low-income families in the Blackshear neighborhood. Two of the units will be developed on City-owned surplus land. Two of the six units will serve families at 60 percent or below of MFI, three units will serve families at 50 percent or below of MFI, and one unit will serve a family at 30 percent or below of MFI.

Montopolis Neighborhood

The Montopolis neighborhood is the site of the Frontier at Montana single-family subdivision. Construction of new homes began in October of 2006. NHCD, through AHFC, is partnering with several non-profit housing builders to construct 81 homes that will provide homeownership opportunities for families at 80 percent or below of MFI. Austin Habitat for Humanity plans to complete 25 single-family homes in Frontier at Montana by the end of fiscal year 2007-08 and construct five additional homes in fiscal year 2008-09. American Youthworks will construct five single-family homes in Frontier at Montana and plans to complete two of those homes in fiscal year 2008-09. AHFC developed 15 single-family homes in fiscal year 2007-08 and plans to develop 15 additional homes in fiscal year 2008-09. The AHFC homes use a shared equity model along with a “right of first refusal” to preserve long-term affordability.

Robert Mueller Municipal Airport Redevelopment

The City provides assistance in the redevelopment of the former Robert Mueller Municipal Airport (RMMA). The master plan for the development requires 25 percent of the planned owner-occupied housing units be affordable to 80 percent or below of MFI and at least 25 percent of the rental housing be affordable for households to 60 percent or below of MFI. All affordable units must be S.M.A.R.T. Housing™ certified. Construction of Phase I of housing at RMMA began in fiscal year 2007-08. Seventy one affordable ownership units will be constructed as part of Phase I. The first market-rate rental housing at RMMA, developed by Simmons Vedder, is

Neighborhood Projects

underway. Ten percent of the 442-unit property will be provided to households at 60 percent or below of MFI for 50 years.

(For more information, see Appendix VI and www.muelleraustin.com.)

In addition to the affordable housing in the RMMA development, the Austin Children's Shelter, in partnership with the City's Rental Housing Development Assistance program, will develop a 28-bed transitional housing facility for homeless children at the eastern edge of RMMA. The transitional cottages will serve as long-term temporary housing for children, 8 to 17 years of age, with specialized long-term needs due to having experienced acute physical and/or emotional trauma.

St. Johns Neighborhood

The City, through AHFC, partners with Neighborhood Housing Services of Austin (NHS) to provide affordable housing in the St. Johns neighborhood. In fiscal year 2007-08, NHS finished three single-family homeownership units. In fiscal year 2008-09, NHS will develop two single-family rental units in the neighborhood.

Govalle/Johnston Terrace Neighborhood

The Guadalupe Neighborhood Development Corporation (GNDC), in partnership with KRDB (Krager-Robertson-Design-Build), will develop the Solutions Oriented Living (SOL) community in the Johnston Terrace neighborhood. SOL will be a mixed-income development that will include affordable rental and homeownership opportunities. The SOL Community will consist of 38 units and is planned as a net-zero energy development. AHFC will be investing a total of \$1.47 million with GNDC to buy eight new single-family rental units for low- to moderate-income households and to provide homebuyer assistance for another eight low- to moderate-income families purchasing new homes in the SOL Community.

East Martin Luther King Jr. Boulevard

East Martin Luther King Jr. Boulevard planning area will be the site of new affordable housing opportunities on surplus city land and private lots deeded to the AHFC. The Chestnut Redevelopment Corporation will develop 21 affordable senior housing units in this neighborhood that will serve households at 50 percent or below of MFI. This project will be complete in fiscal year 2008-09.

University Neighborhood Overlay

In 2004, the Austin City Council adopted the University Neighborhood Overlay (UNO) that established housing affordability goals for new housing built in the West Campus neighborhood located adjacent to the University of Texas. All new housing developments that receive incentives must provide at least 10 percent of new units to households at 80 percent or below of MFI

Neighborhood Projects

for at least 15 years. West Campus builders must provide an additional 10 percent for households at 65 percent or below MFI or pay a fee-in-lieu. In fiscal year 2007-08, 503 units were complete, of which 50 are affordable. In fiscal year 2008-09, 800 additional units are expected to be complete, of which 80 will be affordable. If developers had built the units instead of paying the fee-in-lieu, UNO would have 18 units for households at 65 percent of below of MFI. Since inception, there have been no applicants for the \$365,739 collected as a fee-in-lieu for the UNO program.

Sendero Hills

Habitat for Humanity of Austin, in partnership with the AHFC, will use General Obligation housing bond funds to assist with the construction of up to 65 homeownership units in the Sendero Hills neighborhood of East Austin. These homes will provide affordable homeownership opportunities in a mixed-income S.M.A.R.T.TM Housing community.

East Riverside/Oltorf Neighborhood

The City, through AHFC, will partner with the for-profit developer, Kaplan Acquisitions, LLC, to provide affordable housing in a market rate rental property in the East Riverside/Oltorf neighborhood. The Sunnymead Apartments, a 215 unit rental development, will receive General Obligation housing bond financing to provide 22 rental units affordable to households at 50 percent or below of MFI for 40 years.

Allendale Neighborhood

AHFC has partnered with a private developer and United Cerebral Palsy (UCP) to provide affordable rental units in a market rate condominium development, called The Allendale. The Allendale converts an extended stay hotel in Allendale into residential condominiums. UCP, partially through 811 HUD financing, has acquired 10 rental units in The Allendale that will be affordable to households at 50 percent or below of MFI. AHFC provided funding guarantees for the 10 units.

Zilker Neighborhood

In the Zilker neighborhood, at the former Stone Ridge Apartments, AHFC will partner with a private developer to provide affordable rental units within a previously planned market rate project. AHFC anticipates that a minimum of 30 of the 300 units (10 percent) of the development will be reserved for families at 50 percent or below of MFI for a 40-year period.

Garrison Park Neighborhood

VinCare Services of Austin will partner with AHFC to provide transitional housing in the Garrison Park neighborhood. General Obligation housing bond funds will be used to acquire and complete repairs and accessibility modifications to an existing apartment complex. The property will allow

Neighborhood Projects

VinCare to expand its St. Louise House transition housing program. With this addition, the St. Louise House II will allow VinCare to serve approximately 35 families, or 105 individuals, annually. Rents will be based on a sliding scale relative to income not to exceed 30 percent of a household's monthly income. Tenants will receive on-site case management and supportive services.

The following neighborhood projects are in various stages of planning, and will not complete housing development in fiscal year 2008-09.

The balance of neighborhood planning areas that have adopted housing affordability components will receive assistance based on City Council priorities and funding availability. The City will continue to assist Community Housing Development Organizations (CHDOs) and other non-profit organizations that implement the housing affordability strategies in the respective neighborhood planning areas.

Colony Park

The Colony Park project will be located on 208 acres of land approximately ten miles northeast of downtown Austin. The Colony Park development will create a sustainable, mixed-use, mixed-income community with a strong neighborhood identity that will mesh with the character of the existing nearby residential areas. The City, through AHFC, will increase opportunities for homeownership and encourage the presence of a variety of income levels, thereby enriching the fiber of the neighborhood. The residents of Colony Park will live within walking distance of a new City park, a new recreational center, a new elementary school that opened in fall of 2007, and retail space that will be developed as part of the project. The City, in fiscal year 2007-08, contracted with an engineering firm for analysis of the site and expects recommendations for development before the end of the fiscal year.

Transit-Oriented Development

In 2005, the Austin City Council adopted the Transit-Oriented Development (TOD) Ordinance, establishing station areas for a commuter rail line scheduled to begin service in 2008. The ordinance also established non-binding affordable housing goals for new development or redevelopment in the half-mile areas surrounding the commuter rail stations. The overall goal is for 25 percent of all new housing units in TOD areas to be occupied by households at 80 percent or below of MFI (for homeownership units) or at 60 percent or below of MFI (for rental units). Other sub-goals also apply, including a goal to serve lower-income levels within the Community Preservation and Revitalization Zone (CP&R), also established by the Austin City Council in 2005.

Neighborhood Projects

The TOD ordinance states that for each TOD area, a station-area plan will establish specific standards and include a housing affordability analysis and feasibility review that describes the potential strategies for achieving affordable housing goals. NHCD engaged a consulting firm to produce a housing affordability analysis and feasibility study for these sites and actively participates in the following two station-area planning areas located in priority neighborhoods. The consultant conducted a public meeting focused on affordable housing in TODs in November 2007 and provided staff with an Executive Summary including financial analyses and potential strategies for the implementation of the TOD housing goals. The data provided by the consultant suggests that substantial subsidies would be required in order to achieve the TOD goals.

NHCD participates in the following two station area planning areas located in priority neighborhoods:

1) Saltillo Station Area Plan – East Cesar Chavez Neighborhood Planning Area

The Saltillo TOD district is located close to downtown Austin, between IH-35 and Chicon Street and along the future commuter rail line. The City anticipates that significant development will occur along this important East Austin corridor. The integration of new developments with the existing neighborhood and other revitalization efforts will be critical to ensuring its ultimate success. The Capital Metro Transportation Authority, the largest landowner in this corridor, will be an important stakeholder in future decisions for this area. Planning for redevelopment of the Capital Metro property will occur following the adoption of the Saltillo Station Area Plan. A draft Station Area Plan for this area is complete, including land use recommendations as well as density and height bonuses with affordability requirements.

2) Martin Luther King, Jr. (MLK) Station Area Plan – Chestnut and Rosewood Neighborhood Planning Areas

The MLK TOD district is located adjacent to Martin Luther King, Jr. Boulevard, east of downtown and along the future commuter rail line, in an area where significant reinvestment has occurred in recent years. The area includes significant amounts of vacant land formerly used for light industrial purposes that has redevelopment potential. However, the affordable housing analysis for this area states that, due to high land prices and a lack of publicly-owned properties in the area, the TOD affordable housing goals will be challenging to achieve.

Neighborhood Projects

Downtown Master Planning

In December 2005, the Austin City Council adopted a resolution directing the City Manager to initiate the process of creating a Downtown Austin Plan. The City of Austin has hired two consulting firms for the plan: the ROMA Design Group and Diana McIver & Associates. The firms have identified strategies and best practices for affordable housing in downtown that are under consideration as part of the Downtown Master Planning process. The City has also hired the ROMA Design Group to develop recommendations for a downtown density bonus ordinance with an affordable housing requirement that will include a fee-in-lieu of option. (Also see page 3-10 and 3-23).

(For more information, see:

<http://www.cityofaustin.org/downtown/downtownaustinplan.htm>.)

Other Actions Report

Federal regulations require that jurisdictions include in their annual plans discussion of how the community will use HUD grant funds in conjunction with other HUD monies and community resources to improve the lives of residents who earn low- to moderate-incomes. The federal requirements are below with a brief description of major initiatives underway or planned to begin in fiscal year 2008-09 to meet that directive:

Address obstacles to meet underserved needs

- **Continuum of Housing Services**

In an effort to coordinate services and better leverage housing resources, the City of Austin developed a continuum of housing services according to residents' needs. The continuum includes: homelessness, emergency shelter, transitional housing, public housing, assisted housing, rental housing, first-time homebuyer housing, and owner-occupied housing. The City uses this framework to assess housing needs and encourage the development of programs to address gaps or complement private and non-profit sector activities. Coordination of services to create a "stairway to self-sufficiency" serves as the foundation of an investment strategy for housing activities. (Also see page 3-25.)

- **Renters' Rights Assistance/Fair Housing Counseling**

With the limited stock of affordable homes and apartments in Austin, the City continues its investment in the Austin Tenants' Council (ATC). ATC provides an array of counseling and enforcement services benefiting renters in Austin and is a recipient of HUD Fair Housing Initiatives program funds.

- **S.M.A.R.T. Housing™ Initiative**

An innovative policy adopted by the Austin City Council in April 2000 encourages the development of reasonably priced, mixed-income housing units that meet accessibility standards. The S.M.A.R.T. Housing™ Initiative ensures that new homes are Safe, Mixed-Income, Accessible, Reasonably Priced, and Transit-Oriented and meet the City's Green Building minimum-energy efficiency rating. The policy stipulates that all single-family units certified meet visitability standards reflected in the City's Visitability Ordinance. All multifamily developments must comply with federal, state and local accessibility standards, and at least 10 percent of the multi-family housing units must be accessible. Developments that meet these and other prerequisites are given expedited review under the city's development process and reductions/exemptions for certain development and construction fees. S.M.A.R.T. Housing™ provides a vehicle to achieve neighborhood support for housing that serves low- and moderate-income residents by requiring applicants to meet with neighborhood organizations prior to filing an application for a zoning change.

The S.M.A.R.T. Housing™ Policy is now incorporated as part of Austin's Land Development Code as a result of recommendations from the Council-appointed

Other Actions Report

Affordable Housing Incentives Task Force (AHITF). The City Council has adopted Land Development Code amendments that allow density bonuses in certain single-family and/or multi-family S.M.A.R.T. Housing™ developments without a zoning change. In addition, downtown developments that request and receive additional zoning entitlements must provide a percentage of affordable housing units or pay a fee-in-lieu payment that will fund affordable housing within specified neighborhoods within or adjacent to the downtown area.

- **Ending Community Homelessness Coalition (ECHO)**

Two community groups that address homeless issues, the Ending Chronic Homelessness Organizing Committee and the Homeless Task Force, merged in fiscal year 2006-07 to form the Ending Community Homelessness Coalition (ECHO). The new ECHO actively engages in ending community homelessness through collaborative planning with more than 90 community volunteers, business leaders, service providers, and City staff support. Together, social service organizations form a continuum of services that range from preventing homelessness to assisting people who are in homeless situations to obtain permanent housing and achieve independent living. ECHO's Planning and Evaluation Subcommittee is the primary planning body for the annual Continuum of Care application to HUD. (Also see page 3-6.)

Foster and maintain affordable housing

- **S.M.A.R.T. Housing™ Initiative**

The S.M.A.R.T. Housing™ Initiative provides incentives to for-profit and non-profit builders of single-family and multifamily developments who make a portion of their developments affordable to low- and moderate-income residents. In addition to creating a new supply of housing, the policy incorporates Green Building standards to increase energy efficiency and lower utility bills for residents. As part of the S.M.A.R.T. Housing™ Initiative, the Austin City Council also required that NHCD staff prepare an Affordability Impact Statement (AIS) for all proposed city code amendments and other changes to identify any potential impacts on housing affordability.

- **General Obligation Bonds**

The City Council approved the use of General Obligation Bonds to increase homeownership and rental opportunities for low- to moderate-income households. The bond package, which includes \$55 million for affordable housing, was approved by voters on November 7, 2006. The bonds are apportioned over seven years into \$33 million for rental and \$22 million for homeownership programs. (Also see page 3-1.)

Other Actions Report

- **Community Land Trust (CLT)**

Austin City Council directed staff to move forward with implementation of a CLT. The CLT is a tool to preserve the public investment in affordability and to preserve the affordable units in perpetuity. The CLT will retain ownership of the land, while the homeowner owns the improvements. The CLT limits the sales price of the home and requires that subsequent buyers be income-eligible. Homeownership is an important avenue of wealth creation for many low-income households. CLT homeowners will receive a share of the appreciation when the affordable unit changes hands in order to allow the homeowner a fair return. This model provides opportunities for future low- to moderate-income households to buy homes at affordable prices. (Also see page 3-4.)

- **Shared Equity**

The City of Austin, through the AHFC, also uses another tool to preserve affordability. The “Affordability Protection Policy” allows income-eligible buyers and homeowners to obtain substantial mortgage assistance and housing reconstruction services in exchange for two provisions that preserve housing affordability in Austin: 1) A “Right of First Refusal” allows AHFC the first option to buy the home at the appraised value. 2) The homeowners are required to share the appreciation realized at resale with AHFC. A portion of the appreciated value of the home is then returned to the AHFC to allow another low- to moderate-income buyer to purchase the home. (Also see page 3-4.)

Remove barriers to affordable housing

- **Fair Housing**

The City continues to support the Austin Tenants’ Council (ATC) through its public services program. ATC provides an array of counseling and enforcement services for renters in Austin and is a recipient of HUD Fair Housing Initiatives program funds. The City has made fair housing a priority, and the Mayor’s Task Force developed a publicity campaign to alert residents of their rights and the process to file complaints in the case of housing discrimination. NHCD hosted four stakeholder meetings in preparation of the 2004 Impediments to Fair Housing Study for the 2004-09 Consolidated Plan and continues to work with the City’s Human Rights Commission.

- **Homebuyer Counseling (Housing Smarts)**

AHFC began a housing counseling program, called Housing Smarts, in the fall of 2006 to provide homebuyer education and foreclosure prevention counseling to low- to moderate-income households in Austin. The homeownership counseling activities fill gaps in services provided by other homeownership counseling organizations.

Other Actions Report

- **Affordable Housing Incentives Task Force (AHITF)**

The Austin City Council appointed a task force comprised of real estate professionals, affordable housing developers, for-profit developers, affordable housing advocates, academics, and neighborhood representatives to explore ways to provide incentives for the construction of affordable housing in Austin. The AHITF reviewed, developed, and recommended to the Austin City Council enhancements to the city's policies and procedures. These included the S.M.A.R.T. Housing™ program incentives to builders to include on-site affordable housing in their developments and dedicated resources for the development of off-site affordable housing in the downtown area. The AHITF Report was presented to the Austin City Council, the Planning Commission, and the Community Development Commission in fiscal year 2006-07. The NHCD provided the primary staff support for the task force. (Also see page 3-8.) (For more information, see: <http://www.cityofaustin.org/council/ahitf.htm>.)
- **Downtown Master Planning**

In December 2005, the Austin City Council adopted a resolution directing the City Manager to initiate the process of creating a Downtown Master Plan. The City of Austin hired two consulting firms for the plan: the ROMA Design Group, and Diana McIver & Associates. The firms have identified strategies and best practices for affordable housing in downtown that are under consideration as part of the Downtown Master Planning process. The City has also hired the ROMA Design Group to develop recommendations for a downtown density bonus ordinance with an affordable housing requirement that will include a fee-in-lieu of option. (Also see page 3-10 and 3-19.) (For more information, see: <http://www.cityofaustin.org/downtown/downtownaustinplan.htm>.)
- **Web site Development**

AHFC and NHCD have a web site that provides increased access to homebuyer services available through AHFC as well as information regarding community and economic development opportunities and resources for low- and moderate-income persons seeking assistance with housing. (For more information, see: <http://www.cityofaustin.org/housing/default.htm>.)
- **Housing Opportunities for Persons with AIDS grant (HOPWA)**

The program provides housing assistance for income-eligible persons with HIV/AIDS and their families. The goal of the program is to prevent homelessness and to support independent living among persons with HIV/AIDS. The program requires that clients receive case management services in order to take part in the HOPWA program. Case managers consistently play a key role in assisting clients to tap into other housing resources, such as Section 8 housing.

Other Actions Report

Evaluate and reduce lead-based paint hazards

- NHCD received a \$3.7 million grant from the U.S. Department of Housing and Urban Development (HUD) in the spring of 2007 to identify and control lead-based paint hazards in eligible low-income rental and owner-occupied housing over the next three years. The City's Lead Smart Program serves homes built prior to 1978 where children under 6 years of age live or spend a significant amount of time and who have tested positive for lead poisoning. The grant targets funding to communities with the greatest need, specifically those with a high incidence of lead poisoning and older rental housing.
- NHCD continues to conduct significant outreach regarding the Lead Smart Program. The marketing plan includes promotion of Lead Smart stories and events to media outlets, as well as mail outs of Lead Smart post cards to residences and apartment complexes built prior to 1978. The Austin/Travis County Health and Human Services Department tests for high blood lead levels of children and refers qualifying families to lead abatement services through NHCD.

Reduce the number of poverty-level families

- **Economic Development**
The City of Austin continues to provide operating assistance to critical organizations serving minority small businesses. Their primary goal is to create and retain jobs for low- and moderate-income residents.
- **Childcare Services**
The HHSD administers the childcare program to increase the supply of child care to low-income families. Social service contracts provide: childcare vouchers for homeless, near-homeless families, and for families in crisis; direct childcare services for the children of teen parents who are attending middle or high school; and direct childcare services through the Early Head Start child development Program.
- **Housing Activities**
A variety of housing activities operated by the City are designed to reduce the number of families in poverty (see Section 4). The Tenant Based Rental Assistance (TBRA) Activity, for example, provides temporary housing to low-income residents as they move toward self-sufficiency.
- **Local Funding Targeted to Low-Income Households**

Housing Trust Fund

In fiscal year 1999-00, the Austin City Council included \$1 million in the annual budget for the establishment of a Housing Trust Fund (HTF). For several fiscal years, the Austin City Council continued to contribute general fund dollars to the

Fiscal Year 2008-09 Annual Action Plan

Section 3: OTHER REPORTS

Other Actions Report

Housing Trust Fund. While no new funds will be allocated for fiscal year 2008-09, the City continues to use Housing Trust Fund dollars that are carried forward from the previous fiscal year.

University Neighborhood Overlay (UNO) Housing Trust Fund

In fiscal year 2004-05, the Austin City Council adopted the UNO District Housing Trust Fund that generates funds to develop new affordable housing in a targeted area around the University of Texas.

General Obligation Housing Bonds

Citizens of Austin approved the use of General Obligation Bonds to increase homeownership and rental opportunities for low-to-moderate income households. The bond package, which includes \$55 million for affordable housing, is apportioned over a seven year period into \$33 million for rental and \$22 million for homeownership.

Overcome gaps in institutional structures

- **City of Austin – Interdepartmental Coordination**

Several City of Austin departments coordinate to provide the services outlined in this report. NHCD administers community, economic development, and public facilities programs. The City of Austin contracts with the AHFC to develop affordable rental housing, housing for homeownership, and housing rehabilitation of owner-occupied homes, in addition to the Tenant-Based Rental Assistance Program (TBRA), and numerous non-federally funded housing programs. HHSD provides homeless and emergency shelter services using Emergency Shelter Grant (ESG) funds. HHSD and NHCD both administer public service programs. HHSD also provides support to Austin residents living with HIV/AIDS and their families through use of HOPWA grant funds.

- **Continuum of Housing Services**

In an effort to coordinate services and better leverage housing resources, the City of Austin developed a continuum of housing services according to residents' needs. The continuum includes: homelessness, emergency shelter, transitional housing, public housing, assisted housing, rental housing, first-time homebuyer housing, and owner-occupied housing. NHCD uses this framework to assess housing needs and designs programs to address gaps or complement private and non-profit sector activities. Coordination of services between these “stair steps” is critical to the overall goal of moving residents to self-sufficiency. (Also see page 3-20.)

- **Community Housing Development Organizations (CHDOs)**

CHDOs are non-profit housing developers that construct low-income housing. AHFC works closely with CHDOs to meet the housing development goals.

Other Actions Report

Enhance coordination between public and private housing and social services agencies

- **Community Action Network (CAN)**

CAN is a public/private partnership of 15 major community organizations that works to achieve sustainable social, health, educational and economic outcomes for Austin and Travis County. CAN identified 12 Issue Area Groups (IAGs) that range from housing, health, and elderly services to workforce development. These IAGs bring together stakeholders throughout the community to help develop solutions. CAN also maintains a listserv of thousands of community contacts to disseminate information and also convenes and supports public awareness forums and events. NHCD works closely with CAN, including attendance at monthly meetings and the production of reports to coordinate housing and community development activities. NHCD's Director has served on CAN's Administrative Team since 2001. The Administrative Team is the policy and decision implementation group, which is comprised of executives from each partner organization. (Also see page 3-6)
- **Coordination with Public Housing Authorities (PHA)**

Regular contact and collaboration with local PHA officials ensures that the City housing programs are linked to the needs of public housing residents. AHFC also contracts with the Housing Authority of the City of Austin (HACA) for tenant-based rental assistance through Passages Program referrals. (Also see page 3-7.)
- **Public – Private Partnerships**

The City of Austin often partners with private developers to disperse affordable housing geographically around the city and to keep housing affordable in the long-term. AHFC has partnered with a private developer converting an extended stay hotel in Allendale into residential condominiums, called The Allendale. United Cerebral Palsy, partially through 811 HUD financing, has acquired 10 rental units in The Allendale that will be affordable to households at 50 percent or below of MFI. AHFC provided funding guarantee for those units. In the Zilker neighborhood, at the former Stone Ridge Apartments, AHFC will partner with a private developer to provide affordable rental units within a previously planned market rate project. AHFC anticipates that a minimum of 30 of the 300 units (10 percent) of the development will be reserved for families with yearly household incomes of no more than 50 percent of MFI for a 40-year period. AHFC, in the East Riverside/Oltorf neighborhood, is partnering with a for-profit developer, in the former Sunnymead Apartments. The new development will consist of 215 market-rate rental units. Through City financing, 22 of those units will be reserved for a 40 year period for households at 50 percent or below of MFI.

Foster public housing improvements and resident initiatives

Public housing in the Austin area is provided by the Housing Authority of the City of Austin (HACA) and the Housing Authority of Travis County (HATC). Both HACA and HATC share updates on their progress during regular contact and meetings with City officials.

Other Actions Report

Housing Authority of the City of Austin

The Housing Authority of the City of Austin (HACA) gathers input and ideas on capital improvements and resident initiatives through an annual series of meetings with Resident Councils, and surveys are distributed to all public housing residents. This information is incorporated, where appropriate, into HACA's annual plan.

Housing Authority of the City of Austin Budgeted Funding for Fiscal Year 2008-09	
Low Rent Public Housing Subsidy	3,099,047
Housing Choice Voucher HAP	43,082,708
Housing Choice Voucher Admin. Fee	2,830,212
Section 8 Contract Administration Admin. Fee	14,774,218
Austin Affordable Housing Corp. – Business Activities	4,166,300
Capital Fund Program - 2006	2,762,568
Capital Fund Program-2007	2,857,640
Section 8 Mod. Rehab SRO	243,119
2005 Resident Opportunities and Self Sufficiency	349,987
Shelter Plus Care Program - Renewal	350,112

Recent Accomplishments

With more than 1,900 rental units located in several different locations of Austin, HACA is a major provider, if not one of the largest, of affordable housing for lower-income families, disabled persons and seniors in the Austin area. There are 1,928 public housing units and more than 5,000 Housing Choice Vouchers administered by HACA. HACA assisted the City of Austin in helping those families affected by Hurricane Katrina and Rita by administering the Disaster Voucher Program (DVP) and has provided rental assistance to over 250 families displaced by Hurricanes Katrina and Rita. HACA continues to work with assigned caseworkers to assist these families with their transition from the Disaster Housing Assistance Program (DHAP) to programs either offered through the agency or other community partners to ensure these families have safe, decent and affordable housing.

Other Actions Report

HACA continues to be successful with its down payment assistance program to provide assistance to families participating in either the Public Housing or Housing Choice Voucher programs. A qualified applicant may receive a \$10,000 forgivable loan to be applied towards the down payment of a new or pre-existing home. If the applicant meets all the criteria of the program for the first five years, then the loan is forgiven. As of March 25, 2008, HACA has assisted 33 families to become free from public assistance and attain the American Dream of homeownership. HACA has received additional financial support of this program through a \$10,000 grant awarded by State Farm.

HACA also continues to apply for additional grant opportunities and was recently awarded two grants, Grant for Technology Opportunities Program and AT&T Wireless Technology Education. Both grants provide funding for internet/wireless technology networks and services to the youth and residents at three public housing properties. Both programs enable public housing residents computer access to increase computer proficiency and literacy, advanced computer usage, employability and ultimately to self-sufficiency.

Housing Authority of Travis County

The Housing Authority of Travis County (HATC) has a proposed budget for fiscal year 2008-09 of approximately \$8 million dollars. HATC administers 10 housing services programs, the largest of which is 564 units of Section 8 Housing Choice Vouchers. HATC owns and manages 105 units of public housing in Austin, Texas and 49 units of non-HUD affordable housing located in Manor, Texas and Del Valle, Texas. HATC receives a Shelter Plus Care grant for 95 units to provide assistance for homeless individuals and families in the Austin Travis County Metropolitan area. Last year, HATC started construction on one multifamily affordable housing development and two elderly developments. The two elderly developments total 278 units and the multifamily development contains 192 units. Financing for these developments comes from a combination of tax credits and bond issues. In fiscal year 2007-08, the Authority continued with its \$35,000,000 lease purchase program with the first of 170 eligible individuals and families changing their status from renters to home owners by assuming the mortgages on the houses they had chosen through the program. The proceeds from the assumption will be utilized to retire the bonds.