

**Housing Commission to Protect and
Preserve Dynamic and Diverse Neighborhoods**
Housing Bond and Funding Subcommittee

Wednesday, April 13, 2016

11:30 AM – 1:00 PM

1400 South Flores

Call to Order – 11:32 AM

Present: Gil Piette, Jackie Gorman (arrived 11:45), Richard Milk, Rod Radle, Mu Son Chi

Absent: Jennifer Gonzalez, Debra Guerrero

- **Staff Present:**

Michael Taylor, Department of Planning & Community Development

Bridgett White, Department of Planning & Community Development

Christopher Lazaro, Department of Planning & Community Development

Tom Morgan, Department of Planning & Community Development

Continuation of briefing and discussion on a framework for a potential affordable housing bond

Michael Taylor presented.

Austin Program Administration

Austin Underwriting Criteria

Austin GO Repair

Jim Plummer stated the Housing Finance Corporation consists of 5 city council members, districts 1 – 5. The organization does not have the man power to handle large number of contracts. The only program that is unusual in the Austin structure is the home repair program. That program seems like it might be more appropriately set up within the city and all the other single family type of programs.

Mu Son Chi stated how a person qualifies and what they are required to do with the funds is important. We should have a framework of recommendations.

Michael Taylor stated the charge of this committee is the framework.

Rod Radle stated there will have to be a different mode of thinking when you get to the nuance of a structure that is beyond repair. It is critical when setting up guidelines.

Administrative Infrastructure

Richard Milk asked for clarification on CCDO's part in OUR SA.

Ramiro Gonzales, CCDO, stated CCDO ultimately manages the operations of OUR SA.

Christopher Lazaro presented.

Recap of Subcommittee Meetings

Loan Programs

Gap Financing for New Construction: Affordable Rental Housing

Jim Plummer stated the number of units are very low. Gap funding doesn't run on a subsidy per unit basis it runs on what the gap of the project. The gap should run no more than 2 – 3 million. With 100% tax credit, 250 units should be funded for every 2 million invested at 4%. It is important to demonstrate to people is the number of units you are producing for the dollar. Leverage investment should be 24-25 million dollars on the 2-3 million investment. Standard 250 unit project is about 27-28 million dollars, 2 million dollar gap, leaves you with 25 million of leverage.

Jackie Gorman stated when talking about affordable rental, it should be specific language to ensure we are serving the intended population.

Gap Financing for New Construction: Senior & Veteran Housing

Rod Radle stated there should be discussion on dealing with the proposed 40 million, could we possibly be biting off more than we can chew with adding too many categories.

Jackie Gorman stated some categories can be designated as demonstration projects.

Mu Son Chi stated a bond package price was never really discussed. There is a conversation to be had between the 40 and 60 million.

Gap Financing for new Construction: For-Sale Housing

Rod Radle stated

Jackie Gorman stated

Approval of March 9, 2016, Housing Bond and Funding Subcommittee minutes.

COMMITTEE ACTION:

The motion was made by Richard Milk and seconded by Mu Son Chi to approve the March 9, 2016, Housing Bond and Funding Subcommittee minutes as submitted.

AYES: Piette, Gorman, Milk, Radle, Chi

NAYS: None

THE MOTION CARRIED

Adjourn – 1:13 PM