

# **THE HOUSING AUTHORITY OF THE CITY OF AUSTIN**



## **BOARD OF COMMISSIONERS**

**Chairperson - Carl S. Richie, Jr.**

**Charles Bailey**

**Mary Apostolou**

**Tyra Duncan-Hall**

**Edwina Carrington**

**Michael G. Gerber, President & CEO**

## **BOARD OF COMMISSIONERS**

**Regular Meeting**

**Thursday, November 15, 2018**

**12:00 PM**

**HACA Central Offices**

**1124 S. IH 35 Austin, TX**

**Austin, TX**

**PUBLIC NOTICE OF A MEETING  
TAKE NOTICE OF A BOARD OF COMMISSIONERS  
REGULAR BOARD MEETING  
OF THE HOUSING AUTHORITY OF THE CITY OF AUSTIN**

**TO BE HELD AT  
HACA Central Offices  
1124 S. IH 35 Austin, TX  
Austin, TX  
(512.477.4488)**

**Thursday, November 15, 2018  
12:00 PM**

**CALL TO ORDER, ROLL CALL**

**CERTIFICATION OF QUORUM**

**Pledge of Allegiance**

**Citizens Communication (Note: There will be a three-minute time limitation)**

**Citywide Advisory Board Update**

**Board Member Tyra Duncan-Hall will brief the Board on her International Research activities through the National Association of Redevelopment Officials (NAHRO)**

**Update on Health and Wellness Initiatives**

**CONSENT ITEMS**

1. Presentation, Discussion, and Possible Action regarding the Approval of a Board Minutes Summary for the Board Meeting held on October 17, 2018
2. Presentation, Discussion, and Possible Action regarding Resolution No. 2575: Approval of the Board of Commissioners Meeting Schedule for 2019

**ACTION ITEMS**

3. Presentation and Discussion of Independent Auditor's Report for Fiscal Year Ending March 31, 2018
4. Presentation, Discussion, and Possible Action regarding Resolution No. 2576: Approval of the Adoption of the Housing Choice Voucher Program's Payment Standards
5. Update on HACA's Rental Assistance Demonstration Program
6. Presentation, Discussion, and Possible Action regarding Resolution No. 2577: Approval to Submit an Application for Disposition of 22 Public Housing Scattered Site Units to HUD's Special Applications Center (SAC)
7. Presentation, Discussion, and Possible Action regarding Resolution No. 2578: Approval of the Revisions to HACA's Safe Workplace and Risk Control Policy Statement
8. Presentation, Discussion and Possible Action regarding Resolution No. 2579: Revised Operating Budgets for the Fiscal Year April 1, 2018 to March 31, 2019

## **EXECUTIVE SESSION**

The Board may go into Executive Session (close its meeting to the public) Pursuant to:

- a. 551.071, Texas Gov't Code, consultations with Attorney regarding legal advice, pending or contemplated litigation; or a settlement offer;
- b. 551.072, Texas Gov't Code, discussion about the purchase, exchange, lease or value of real property;
- c. 551.074, Texas Gov't Code, discuss the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.
- d. 551.087, Texas Gov't Code, discuss certain economic development negotiations.

## **OPEN SESSION**

If there is an Executive Session, the Board will return to Open Session for discussion, consideration and possible action of matters discussed in Executive Session.

## **REPORTS**

The Board accepts the following reports:

- President's Report
- Other Staff Reports
- Commissioners' Reports/Questions to the Department Staff
  
- President's Report
- Other Staff Reports
- Commissioners' Reports/Questions to the Department Staff

## **ADJOURNMENT**

"Pursuant to 30.06, Penal Code, (trespass by holder of license with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not attend this meeting with a concealed handgun."

"Pursuant to 30.07, Penal Code (trespass by holder of license with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not attend this meeting with a handgun that is carried openly."

"En virtud del 30.06, Código Penal, (traspaso titular de licencia con una pistola), una persona bajo el subcapítulo H, capítulo 411, código de gobierno (Ley de licencia de arma o pistola), no se permiten en esta reunión con una arma o pistola.

"En virtud de 30.07, Código Penal (prevaricación por titular de la licencia con un arma o pistola abiertamente llevado), una persona bajo el subcapítulo H, capítulo 411, código de gobierno (Ley de licencia de arma o pistola), no se permiten en esta reunión con un arma o pistola que lleva abiertamente.

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\*The Housing Authority of the City of Austin (HACA) Board of Commissioners reserves the right to discuss and consider items out of order on the agenda on an as needed basis.

The Housing Authority of the City of Austin is committed to compliance with the Americans with Disability Act. Reasonable modifications and equal access to the communications will be provided upon request. Meeting locations are planned with wheelchair access. If requiring Sign Language Interpreters or alternative formats, please give notice at least 2 days (48 hours) before the meeting date. Please call Judy Paciocco or Nidia Hiroms at HACA at 512.477.4488, for additional information; TTY users route through Relay Texas at 711. For more information on HACA, please contact Nidia Hiroms at 512.477.4488 x 2104.

# HOUSING AUTHORITY OF THE CITY OF AUSTIN

## BOARD ACTION REQUEST

### EXECUTIVE

### ITEM NO. 1.

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**MEETING DATE:** November 15, 2018

**STAFF CONTACT:** Michael Gerber, President & CEO

**ITEM TITLE:** Presentation, Discussion, and Possible Action regarding the Approval of a Board Minutes Summary for the Board Meeting held on October 17, 2018

**BUDGETED ITEM:** N/A

**TOTAL COST:** N/A

### ACTION

The Board is being asked to review and approve the Board Minutes Summary for the Board Meeting held on October 17, 2018.

### ATTACHMENTS:

- ▣ **20181017 HACA Minutes Summary**

# HOUSING AUTHORITY OF THE CITY OF AUSTIN BOARD OF COMMISSIONERS REGULAR BOARD MEETING

OCTOBER 17, 2018

## SUMMARY OF MINUTES

**THE HOUSING AUTHORITY OF THE CITY OF AUSTIN (HACA) BOARD OF COMMISSIONERS PUBLIC MEETING NOTICE WAS POSTED FOR 12:00 NOON ON WEDNESDAY, OCTOBER 17, 2018, AND WAS HELD AT THE HACA CENTRAL OFFICE, 1124 S. IH 35, AUSTIN, TX**

### CALL TO ORDER, ROLL CALL, CERTIFICATION OF QUORUM

The Board of Commissioners Regular Board Meeting of the Housing Authority of the City of Austin, of October 17, 2018, was called to order by Carl S. Richie, Jr., HACA Chairperson, at 12:09 pm. The meeting was held at the HACA Central Office, 1124 S. IH 35, Austin, TX

Roll call certified a quorum was present.

#### MEMBERS PRESENT:

Carl S. Richie, Jr., Chairperson  
Tyra Duncan-Hall, 2<sup>nd</sup> Vice Chairperson  
Edwina Carrington, Commissioner  
Mary Apostolou, Commissioner

#### MEMBER(S) ABSENT:

Charles Bailey, Vice Chairperson

#### STAFF PRESENT:

Ann Gass, Andrea Galloway, Dylan Schubitz, Judy Paciocco, Kelly Crawford, Lisa Garcia, Martha Ross, Michael Cummings, Michael Gerber, Nidia Hiroms, Pilar Sanchez, Ron Kowal, Suzanne Schwertner, and Sylvia Blanco

#### ALSO IN ATTENDANCE:

Wilson Stoker, Cokinos, Bosien & Young  
Arthur Troilo, Troilo Law Firm  
Bill Walter, Coats Rose

**Sylvia Blanco**, HACA Executive Vice-President, thanked HACA Jobs Plus Director, **Barbara Jackson**, for assuming the role of Acting Community Development (CD) Director, during the CD Director selection process, and welcomed new HACA Community Development Director, **Leilani Lim-Villegas**. **Ms. Lim-Villegas** introduced herself as a product of Section 8 housing, and a first generation college graduate, therefore, she feels personally connected to the crisis and looks forward to working with everyone.

### OVERVIEW OF INTERNATIONAL HOUSING RESEARCH THROUGH THE NATIONAL ASSOCIATION OF HOUSING REDEVELOPMENT OFFICIALS (NAHRO)

**Mike Gerber**, HACA President and CEO, introduced **Gerrit** and **Ali Tunis**. The Tunis' are from the Netherlands, where **Mr. Tunis** is a leader on the NAHRO International Relations Global Exchange Committee (IRGE). A few years back, **Mr. Gerber** traveled to the Netherlands as part of the IRGE, and toured many different areas. As host of the tour, **Mr. Tunis** introduced the group to some very impressive social housing and a different cultural approach to helping people in need. **Mr. Tunis**, will soon lead the Netherlands NAHRO as President, and has previously been awarded the Lang Award, which is the top award that an international representative can receive for their commitment to global exchange into international education. **Mr. Tunis** gave an update on housing in Europe, and what the effects are on the housing market as a whole.

**CITIZENS COMMUNICATION – NONE.**

**CITYWIDE ADVISORY BOARD (CWAB)** - The Citywide Advisory Board attended security training in lieu of the monthly meeting. A full report will be brought to the Board in November.

### CONSENT AGENDA

#### APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS:

**ITEM 1: Presentation, Discussion, and Possible Action regarding the Approval of a Board Minutes Summary for the Board Meeting held on September 20, 2018**

**Commissioner Carrington** moved to Approve the Board Minutes Summary for the Board Meeting held on September 20, 2018 as presented. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

## **ACTION ITEMS**

### **APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS**

#### **ITEM 2: Presentation, Discussion, and Possible Action regarding Resolution No 2569: Resolution Authorizing the Housing Authority of the City of Austin to take such Actions Necessary or Convenient to Facilitate the Development of the Elysium Grand Apartments**

Austin Affordable Housing Corporation was presented with an opportunity to partner with HLD Texas, LLC (an entity of LDG Multifamily, LLC), Saigebrook Development, LLC, and O-SDA Industries, LLC to develop a 7.1 acre tract of land located at 3300 Oak Creek Drive and Mopac Expressway in Austin. The development, Elysium Grand Apartments, will be in an extremely high opportunity area where the average median income is \$85,417.

This 90 unit family project will consist of 69 units targeting 30%-60% of median family income and 21 units for market rate housing. The development will be home to 25 project based HUD-VASH vouchers from HACA. The VASH vouchers will include a 15-year HAP contract from the Department of Housing and Urban Development (HUD) with a 15-year option to extend. An onsite case manager will be provided by the Veteran's Administration and will be available to Elysium residents. Unit Distribution will consist of the following mix: 19 – One Bedrooms; 53 –Two Bedrooms; and 18 –Three Bedrooms.

The financing for this development will be a combination of 4% Housing Tax Credits, Tax Exempt Bonds, City of Austin General Obligation Bonds (GOB) and a conventional first mortgage. The City of Austin has approved a GOB amount of \$3,320,000.

**2<sup>nd</sup> Vice-Chairperson Duncan-Hall** moved to Approve the Authorization of the Housing Authority of the City of Austin to take such Actions Necessary or Convenient to Facilitate the Development of the Elysium Grand Apartments. **Commissioner Apostolou** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

#### **ITEM 3: Update on HACA's Rental Assistance Demonstration Program (RAD)**

**Ann Gass**, HACA Director of Strategic Housing Initiatives, provided an update to the Board regarding progress with HACA's Rental Assistance Demonstration Program, ongoing construction and rehabilitation of units in HACA's public housing portfolio, and implications for residents and the broader community.

#### **ITEM 4: Presentation, Discussion, and Possible Action regarding Resolution No. 2570: Award of a contract to CVR to provide relocation, implementation and consulting services for the redevelopment of Chalmers Courts East through the Rental Assistance Demonstration Program**

In October 2016, the U.S. Department of HUD awarded a Commitment to Enter into a Housing Assistance Contract (CHAP) for Chalmers Courts under the Rental Assistance Demonstration (RAD) Program.

To complete the RAD conversion for Chalmers Courts, HACA applied for, and was awarded 9%, competitive, low-income housing tax credits through the Texas Department of Housing and Community Affairs (TDHCA). The redevelopment will involve demolition of the existing buildings and the construction of a new, larger property with additional units and modern amenities in its place. In order to complete this redevelopment, residents must relocate from Chalmers Courts for 14-18 months. Chalmers residents will relocate primarily to Pathways at Chalmers South, a newly-constructed, 86-unit property that is directly across the street from Chalmers Courts. This will minimize the disruption and inconvenience to residents by allowing them to stay in their neighborhood, close to schools, places of worship, doctors, etc.

In order to implement this plan in compliance with all the federal regulations outlined in the RAD notice and the Uniform Relocation Act (URA), HACA is asking for the Board of Commissioners' approval of the contract with CVR to provide relocation implementation and consulting services at Chalmers Courts East, in a contract amount for this work will not exceed \$200,000.

A request for qualifications (RFQ) was issued on 5/10/18 and closed on 6/7/18. The request was advertised in the Austin American Statesman on two Sundays and posted on the HACA website. HACA sent the RFQ to five interested entities and received three proposals. The evaluation committee, made up of four HACA team members, evaluated the proposals and interviewed the top two candidates twice before arriving at the recommendation.

HACA staff finds CVR to have exemplary experience and knowledge of the regulations, as well as extensive reporting and tracking capabilities. They also share HACA's commitment to the utmost care and respect for the residents we serve.

**2<sup>nd</sup> Vice-Chairperson Duncan-Hall** moved to Approve the Award of a contract to CVR to provide relocation, implementation and consulting services for the redevelopment of Chalmers East through the Rental Assistance Demonstration Program, in an amount not to exceed \$200,000. **Commissioner Apostolou** offered the Amendment, that the Board of Commissioners authorizes HACA staff, should they not be able to reach an agreement with CVR, to negotiate and enter into an agreement with Overland Pacific and Cutler (OPC) to provide relocation, implementation and consulting services for the redevelopment of Chalmers Courts East through the Rental Assistance Demonstration Program. **2<sup>nd</sup> Vice-Chairperson Duncan-Hall** accepted the Amendment to the motion. **Commissioner Carrington** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

**ITEM 5: Presentation, Discussion, and Possible Action regarding Resolution No. 2571: Authorizing the Housing Authority of the City of Austin to take such Actions Necessary or Convenient to Facilitate the Development and Rehabilitation of Pathways at Salina Apartments**

Resolution No. 2571 authorizes the Housing Authority of the City of Austin to take such actions necessary or convenient to facilitate the development and rehabilitation of the Pathways at Salina Apartments.

The Housing Authority of the City of Austin (HACA) submitted applications and received a “Commitment to enter into a Housing Assistance Payment Contract” (CHAP) award for Salina Apartments. The conversion process to RAD will allow HACA to address the needed repairs and renovations determined by a third party physical needs assessment. With the RAD conversion, Salina Apartments will receive updates to the common areas including the community building, laundry room and courtyard, as well as work in the maintenance shop

**Commissioner Carrington** moved to Approve Authorizing the Housing Authority of the City of Austin to take such Actions Necessary or Convenient to Facilitate the Development and Rehabilitation of Pathways at Salina Apartments. **Commissioner Apostolou** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

**ITEM 6: Presentation, Discussion, and Possible Action regarding Resolution No. 2572: Approving the Award of Contract for RAD Phase II Construction Services at Salina Apartments**

This award is to approve a contract for work associated with the Rental Assistance Demonstration Program (RAD) at Salina Apartments. Salina received significant and major upgrades including rehabilitation of every unit in four phases between 2004 and 2008. This work was funded through the Capital Fund Program. Accordingly, major renovations are not needed at this time. A more extensive redesign may be considered in the future. Improvements to be made as part of the RAD conversion include updates to the common areas including the community building, laundry room and courtyard, as well as work in the maintenance shop.

The Invitation for Bid was advertised in the Austin American Statesman on multiple Sundays in September 2018, and faxed to the minority/small business organizations designated in the HACA Procurement Policy. The Invitation for bid was also distributed to nine plan rooms and placed on the HACA website. The bid opening took place on 10/4/18 and one bid was received from Unity Contractor Services, Inc.

Unity is a long-time, highly satisfactory contractor to HACA, having performed more than \$8.5M in renovations, and services over 20 years with HACA, including two separate phases of the highly successful Thurmond Heights property-wide unit and site renovations. Workmanship has always been of excellent quality. Unity is currently under contract for the BTW & Meadowbrook RAD project. All work has been exemplary and compliant with all contract requirements. Additionally, Unity is an MBE/HUB and a Section 3 business. The recommendation of bid acceptance is made with firm trust in Unity’s ability to provide a project that will meet our budget, project needs, and that the agency can be proud of.

**Commissioner Apostolou** moved to Approve the Award of Contract for RAD Phase II Construction Services at Salina Apartments to Unity Contractor Services, Inc., in an amount not to exceed \$298,700. **2<sup>nd</sup> Vice-Chairperson Duncan-Hall** seconded the motion. The motion (4-Ayes and 0-Nays).

**ITEM 7: Presentation, Discussion, and Possible Action regarding Resolution No. 2573: Approval of Revisions to the Housing Choice Voucher Administrative Plan**

The Housing Choice Voucher (HCV) Administrative Plan is required by HUD, and establishes policies for carrying out the programs in a manner consistent with HUD requirements and local goals and objectives contained in HACA's agency plan. The Administrative Plan is a supporting document to HACA's agency plan and is available for public review as required by CFR 24 Part 903. The HACA Board of Commissioners must approve the original policy and any subsequent changes to comply with HUD regulations.

The proposed changes to the HCV Administrative Plan incorporate updates to the criminal background eligibility requirements. In addition, Nan McKay's revision service provided updates with clarifying language regarding a number of policy items. All changes were summarized and provided to the Board. In November 2015, HUD issued Notice PIH 2015-19 providing guidance to housing authorities on how to address the use of arrest records in housing decisions. HACA made policy changes to meet the requirements of this notice by adopting changes to the criminal screening criteria in the HCV Administrative Plan in December 2017. Since that time, it has become evident that the current screening criteria still creates a barrier to housing homeless individuals and families. A recent review of 287 sample criminal history reports, made available by ECHO, showed that 37% of the sample applicants experiencing homelessness would have been denied admissions to the HCV program with application of HACA’s current screening criteria. The majority of the denials would have been for assault, drug possession, and a pattern of alcohol-related criminal activity such as public intoxication. Recently, HACA applied for and received 89 Mainstream Vouchers to provide housing to non-elderly disabled homeless households and to non-elderly disabled individuals who are currently living in a nursing, rehab, medical facility, psychiatric hospital or another type of congregate setting. Considering the known barriers in housing individuals and families experiencing homelessness, the use of our current criminal screening criteria could potentially result in the denial of 37% of Mainstream Voucher referrals. Staff is therefore recommending changes to the criminal history screening criteria. The changes would reduce the denial percentage from approximately 37% to 18% for homeless

individuals referred through the current homeless preference and/or those being referred through future programs that seek to provide housing to persons experiencing homelessness. The proposed changes were informed by the Austin/Travis County Reentry Roundtable's criminal screening recommendations with full consideration of how adjustments to the criminal history screening criteria could be made while continuing to provide safe housing for all and allow a better opportunity for individuals and families experiencing homelessness to move from the streets into stable housing. Lifetime look-back periods remain intact for convictions of the following: capital murder, kidnapping, rape or crimes of a sexual nature, indecency with a child, first degree felony injury to a child and felony crimes involving terrorism.

The following summarizes changes as a result of updates provided by Nan McKay's revision service: Additional changes with respect to the Lead-Based Paint final rule. Updates to Project-based Voucher policies as a result of Notice PIH 2017-21 and FR Notice 1/18/17. Other clarifications and corrections to bring the content current with HUD regulations and guidance. Policies were also added with regard to wait list preferences and the referral process for eligible Mainstream voucher individuals and families.

On August 23, 2018, the notice of proposed changes was publicly posted and sent to Texas RioGrande Legal Aid, Austin Tenants' Council and ECHO (Ending Community Homeless Coalition). The 30-day public comment period ended at 5:00 p.m. on September 21, 2018. HACA received written comments from Austin Tenants' Council, the Reentry Round Table, and ECHO. Additionally, at the August Board of Commissioners meeting, HACA received oral comments in support of the proposed changes to the criminal screening criteria from leaders of Austin Tenants' Council, Integral Care, the Reentry Round Table, ECHO and the Austin Apartment Association. While HACA thoroughly reviewed and took all comments under careful consideration, at this time HACA will proceed with its proposed revisions as posted. These revisions reflect substantive changes that will greatly reduce barriers to housing for homeless individuals and families while striking a sensitive balance with community safety.

**2<sup>nd</sup> Vice-Chairperson Duncan-Hall** moved to Approve Revisions to the Housing Choice Voucher Administrative Plan. **Commissioner Apostolou** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

**ITEM 8: Presentation and Discussion of the Draft 2019 Public Housing Authority (PHA Annual Plan and 2019-2024 Five-Year Plan)**

Presentation of the Draft 2019 Public Housing Authority (PHA) Annual Plan and 2019-2024 Five-Year Plan which will go out for public comment for 45 days beginning Friday, October 19, 2018. No formal vote was required of the Board at this time. The Board was asked to review the Plans, approve staff taking the documents out for a 45-day public comment period, and returning the Plan to the Board for final consideration at the December 2018 Board Meeting.

The Five-Year and Annual PHA Plans provide a ready source for interested parties to locate basic housing authority policies, rules, and requirements concerning its operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the housing authority's mission, goals and objectives for serving the needs of low-income, very low-income, and extremely low-income families. High Performer housing authorities such as HACA utilize Form HUD-50075-HP to submit annual changes to its PHA Plans.

The draft 2019 PHA Plan incorporates proposed changes from both the Admissions and Continued Occupancy Policy and the Housing Choice Voucher Administrative Plan along with updates regarding the Rental Assistance Demonstration program and the agency's 5-Year Plan Goals and Objectives.

The following are the updates to the Plan: The criminal background eligibility requirements, the policies regarding project-based vouchers, RAD and updates to the Agency's 5-Year Plan Goals and Objectives. Staff is bringing these proposed changes to the Board for discussion and input. After incorporating any Board recommendations, HACA will invite public comment on the proposed changes beginning at 8:00 a.m. on Friday, October 19, 2018 through 5:00 p.m. on Monday, December 3, 2018. HACA will send the proposed changes to Texas Rio Grande Legal Aid, the Austin Tenants' Council and the residents at the remaining Public Hearing properties. After receiving all comments, the proposed changes will be presented to the Board for final approval at the December 2018 Board Meeting.

**ITEM 9: Presentation, Discussion, and Possible Action regarding Resolution No. 2574: Approving Write-Off of the Uncollectible Accounts of Vacated Tenants for the six-month period Ending August 31, 2018**

The regulations of the U.S. Department of Housing and Urban Development require the Commissioners of the Housing Authority of the City of Austin to approve the write-off of the uncollectible accounts of vacated tenants. The amount of \$28,889.22 is due by tenants who moved from the developments, and covers the six-month period ending August 31, 2018. The Finance Department sent notification to the former tenants by certified mail of the amounts due and informed them that they will be reported to the credit bureau. None of the tenants have responded.

**2<sup>nd</sup> Vice-Chairperson Duncan-Hall** moved to Approve the Write-Off of the Uncollectible Accounts of Vacated Tenants for the six-month period Ending August 31, 2018, in the amount of \$28,889.42. **Commissioner Apostolou** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

The Board did not recess into Executive Session.

#### **REPORTS**

**Mr. Gerber** acknowledged two University of Texas Journalism students who were in the audience.

**Mr. Gerber** and several Board Members acknowledged and thanked **Judy Paciocco**, HACA Senior Director of Operations, for her service to HACA. Judy will be leaving HACA after 21 years of service. Judy has been an indispensable part of the HACA team for many years, and will be deeply missed. Judy expressed gratitude to the Board and staff. We wish her the best.

**Chairperson Richie** reported on an industry concern, and recent victory regarding the regulatory issues surrounding the HUD Annual Contract/Grant.

**Mr. Gerber** announced that there would be a major announcement at the NAHRO meeting in Atlanta, regarding a National NAHRO and LDG Development Scholarship Program. The announcement will really transform how we provide scholarships and opportunities for kids in public housing all across the country.

**Chairperson Richie** announced that Mike Gerber would be receiving the National Association of Housing and Redevelopment Officials (NAHRO) highest honor, the prestigious M. Justin Herman Memorial Award. The award will be presented to Mr. Gerber on October 25 at the NAHRO National Conference and Exhibition in Atlanta, Ga. The M. Justin Herman Memorial Award is given annually to a NAHRO member who has made outstanding contributions to their community's quality of life through service in the field of housing or community development. Established in 1975, the award recognizes the standard of excellence that M. Justin Herman brought to the San Francisco Housing Authority and housing and community development industry. **Chairperson Richie** also announced that **Commissioner Edwina Carrington** would be receiving the Elizabeth B. Wells Memorial Award at the October 25<sup>th</sup> Conference as well. The Award is given to a current commissioner, or one who has served within the past 12 months, who has demonstrated excellence in advocating for and developing the financial, political, and community support necessary to ensure the continuation and expansion of housing or community development programs. The award was established in 1987 in the name of Elizabeth B. Wells to provide a living acknowledgment of the outstanding contributions she made to the housing field as a member of the Board of Commissioners of the King County (WA) Housing Authority and as NAHRO's first Vice President of the Commissioners Committee

#### **ADJOURNMENT**

**Commissioner Carrington** moved to Adjourn the meeting. **Commissioner Apostolou** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

The meeting adjourned at 2:33 pm.

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**Michael G. Gerber, Secretary**

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**Carl S. Richie, Jr., Chairperson**

# HOUSING AUTHORITY OF THE CITY OF AUSTIN

## BOARD ACTION REQUEST

### RESOLUTION NO. 2575

#### EXECUTIVE

#### ITEM NO. 2.

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**MEETING DATE:** November 15, 2018

**STAFF CONTACT:** Michael Gerber, President & CEO

**ITEM TITLE:** Presentation, Discussion, and Possible Action regarding Resolution No. 2575: Approval of the Board of Commissioners Meeting Schedule for 2019

**BUDGETED ITEM:** N/A

**TOTAL COST:** N/A

#### SUMMARY

##### ***Background:***

Per the HACA Bylaws, each year the Board of Commissioners is to adopt by resolution a meeting schedule for the following year. This schedule is to be posted and given to the City Clerk's office and posted on the HACA's website and all public housing management community bulletin boards.

A comprehensive list was created to show all future conference dates of state, regional and national associations. This list also includes the dates for the Austin Independent School District's Spring Break for 2019. Based on these dates, the 2019 HACA Board of Commissioners Meeting Schedule has been created.

##### ***Staff Recommendation:***

Staff requests Board approval of the proposed dates as listed in the attached 2019 HACA Board Meetings Schedule.

#### **ATTACHMENTS:**

- ▣ **Exhibit 2: Schedule List of 2019 Association Meetings**
- ▣ **Exhibit 1: Posting for 2019 Board of Commissioners Meetings**

**RESOLUTION NO. 2575**

**Approval of the Board Of Commissioners Meeting Schedule for 2019**

**WHEREAS**, the Housing Authority of the City of Austin has established Bylaws for the operation of the Housing Authority of the City of Austin;

**WHEREAS**, to be in compliance with the Bylaws, the Housing Authority is to maintain a schedule of the Board of Commissioners meeting date and times to be posted at Housing Authority developments;

**WHEREAS**, a list of dates and times have been compiled for the 2019 calendar year to ensure a quorum is met;

**NOW, THEREFORE, BE IT RESOLVED**, the Housing Authority of the City of Austin Board of Commissioners approves and adopts the HACA Board Meeting Schedule for the 2019 calendar year effective this 15th day of November, 2018.

**PASSED, APPROVED AND ADOPTED** this 15th day of November, 2018.

**Michael G. Gerber, Secretary**

**Carl S. Richie, Jr., Chairperson**

## 2019 Conferences/Meetings

January 6-9	PHADA	Commissioner's Conference	Miami, FL
January 13-18	NSCHA	HFA Institute	Washington, DC
January	HACA-CWAB	Citywide Advisory Board Meeting	
<b>January 17</b>	<b>HACA</b>	<b>Regular Meeting</b>	<b>HACA Central</b>
January 23-25	SWNAHRO	Winter Committee Meetings	Grapevine, TX
January 30-Feb 1	NLHA	Mid-Year Meeting	Naples, FL
February 3-6	NERC	Mid-Winter Conference	Uncasville, CT
February	HACA-CWAB	Citywide Advisory Board Meeting	
<b>February 21</b>	<b>HACA</b>	<b>Regular Meeting</b>	<b>HACA Central</b>
March 2-5	NAHMA	Spring	Washington, DC
March 11-13	NSCHA	Legislative Conference	Washington, DC
March	HACA-CWAB	Citywide Advisory Board Meeting	
<b>March 14</b>	<b>HACA</b>	<b>Annual Meeting</b>	<b>HACA Central</b>
March 18-22	AISD Spring Break		
March 21-22	CLPHA	Spring Membership Meeting	Washington, DC
April	HACA-CWAB	Citywide Advisory Board Meeting	
April 7-9	NAHRO	Washington Conference	Arlington, VA
April 15-17	TXNAHRO	Annual Conference	Grapevine, TX
<b>April 18</b>	<b>HACA</b>	<b>Regular Meeting</b>	<b>HACA Central</b>
	AHF Live	Housing Developers Forum	
April 2-4	CHRA	Housing & Homelessness	Victoria, BC
April 16-18	NCRC	NCRC Conference	Omaha, NE
April 23-24	SWAHMA	Conference	Fort Worth, TX
April 28-29	PNRC	Annual Conference	Portland, OR
May 31-June 1	PHADA	Annual Convention & Exhibition	Ft. Lauderdale, FL
May	HACA-CWAB	Citywide Advisory Board Meeting	
May	MPRC	MPRC/Colorado NAHRO Conference	
May 16-17	CLPHA	Education and Health Summit	Washington, DC
May 19-20	GAHRA	Spring Workshop	Jekyll Island, GA
May 20-21	PSWRC	Annual Conference	Anaheim, CA
<b>May 23</b>	<b>HACA</b>	<b>Regular Meeting</b>	<b>HACA Central</b>
June	HACA-CWAB	Citywide Advisory Board Meeting	
June 10-13	SWNAHRO	Annual Conference	Kansas City, MO
June 11-14	NCSHA	Housing Credit Connect	San Francisco, CA
June 12-14 or	CLPHA	Summer Meeting	Puerto Rico
June 19-21	CLPHA	Summer Meeting	Puerto Rico
June 19-21	NLHA	Annual Meeting	Washington, DC
June 23-26	SHRM	Annual Conference	Las Vegas
June 23-26	SERC	SERC-NAHRO Annual Conference	Orlando, FL
<b>June 27</b>	<b>HACA</b>	<b>Optional Meeting</b>	<b>HACA Central</b>
June	NERC	NERC-Annual Conference	
June	MARC	MARC-NAHRO Annual Conference	
July	HACA-CWAB	Citywide Advisory Board Meeting	
July 11-13	NAHRO	Summer Conference	Boston, MA
<b>July 18</b>	<b>HACA</b>	<b>Regular Meeting</b>	<b>HACA Central</b>
July 22-24	TAAHP	Annual Conference	Austin, TX
August	HACA-CWAB	Citywide Advisory Board Meeting	
<b>August 15</b>	<b>HACA</b>	<b>Regular Meeting</b>	<b>HACA Central</b>
September	SWAHMA	Conference	San Antonio, TX

September 6-7	PHADA	Legislative Forum	Washington, DC
September	HACA-CWAB	Citywide Advisory Board Meeting	
September 15-18	GAHRA	Annual Conference	Savannah, GA
<b>September 19</b>	<b>HACA</b>	<b>Regular Meeting</b>	<b>HACA Central</b>
October	HACA-CWAB	Citywide Advisory Board Meeting	
October	SWAHMA	Conference	Little Rock, AR
October 10-12	NAHRO	National Conference & Exhibition	San Antonio, TX
<b>October 17</b>	<b>HACA</b>	<b>Optional Meeting</b>	<b>HACA Central</b>
October 17-18	NLHA	Fall Seminar	Washington, DC
October 19-22	NCSHA	Annual Conference	Boston, MA
October 24-25	CLPHA	Fall Meeting	Washington, DC
October 27-29	NAHMA	Fall Meeting	Washington, DC
November 3-5	SERC	SERC-NAHRO Fall Workshop	Hilton Head, SC
November	HACA-CWAB	Citywide Advisory Board Meeting	
<b>November 21</b>	<b>HACA</b>	<b>Regular Meeting</b>	<b>HACA Central</b>
December	HACA-CWAB	Citywide Advisory Board Meeting	
<b>December 19</b>	<b>HACA</b>	<b>Regular Meeting</b>	<b>HACA Central</b>

# Housing Authority of the City of Austin

*Established in 1937*

## Housing Authority of the City of Austin Board of Commissioners Regular Board Meetings for the Year 2019

Regular Board meetings are generally scheduled on the 3<sup>rd</sup> Thursday of each month to be held at the Central Office or at various housing development sites. The Annual Board meeting for 2019 has been moved to the 2nd Thursday of March. The Board of Commissioners may reschedule a meeting date/time to ensure a quorum is met or to address an urgent matter on an “as needed basis.”

### **ALL BOARD MEETINGS WILL COMMENCE AT 12:00 P.M.**

*(or unless otherwise indicated by the Posting of the Meeting)*

<b><i>DAY/DATE</i></b>	<b><i>TYPE OF MEETING</i></b>	<b><i>ADDRESS</i></b>
Thursday, January 17	Regular Board Meeting 12:00 PM	Central Office 1124 S. IH 35
Thursday, February 21	Regular Board Meeting 12:00 PM	Central Office 1124 S. IH-35
Thursday, March 14	Annual Meeting 12:00 PM	Central Office 1124 S. IH-35
Thursday, April 18	Regular Board Meeting 12:00 PM	Central Office 1124 S. IH-35
Thursday, May 23	Regular Board Meeting 12:00 PM	Central Office 1124 S. IH-35
Thursday, June 27 <i>*Optional</i>	Regular Board Meeting 12:00 PM	Central Office 1124 S. IH-35
Thursday, July 18	Regular Board Meeting 12:00 PM	Central Office 1124 S. IH-35
Thursday, August 15	Regular Board Meeting 12:00 PM	Central Office 1124 S. IH-35
Thursday, September 19	Regular Board Meeting 12:00 PM	Central Office 1124 S. IH-35
Thursday, October 17 <i>*Optional</i>	Regular Board Meeting 12:00 PM	Central Office 1124 S. IH-35
Thursday, November 21	Regular Board Meeting 12:00 PM	Central Office 1124 S. IH-35
Thursday, December 19	Regular Board Meeting 12:00 PM	Central Office 1124 S. IH-35

The Housing Authority of the City of Austin is committed to compliance with the Americans with Disability Act. Reasonable modifications and equal access to the communications will be provided upon request. Please call (512) 477-4488, extension 2104 for information.

Michael G. Gerber  
President & CEO

1124 IH-35 South, Austin, TX 78704 • (512) 477-4488 • Fax (512)477-0953

**HOUSING AUTHORITY OF THE CITY OF AUSTIN**  
**BOARD ACTION REQUEST**  
**FINANCE**  
**ITEM NO. 3.**

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**MEETING DATE:** November 15, 2018

**STAFF CONTACT:** Martha Ross, Vice President & Chief Financial Officer

**ITEM TITLE:** Presentation and Discussion of Independent Auditor's Report for Fiscal Year Ending March 31, 2018

**BUDGETED ITEM:** N/A

**TOTAL COST:** N/A

**ACTION**

Motion to Approve item, accepting the Independent Auditor's Report for the Fiscal Year ending March 31, 2018.

**SUMMARY**

***Background:***

The Fiscal Year 2018 audited financial report for the Housing Authority of the City of Austin is presented for approval. The audit firm of Berman, Hopkins, Wright and LaHam CPAs and Associates, LLP performed the audit. Audit Partner, Brian Nemeroff, CPA, will brief the Board and address any audit questions.

***Process:***

As noted in the audit report that will be presented to the Board, there are no findings. In the firm's opinion, the financial statements "present fairly, in all material respects, the respective financial position of the Authority's business-type activities as of March 31, 2018, and the respective changes in financial position and cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

***Staff Recommendation:***

Approval is recommended.

# HOUSING AUTHORITY OF THE CITY OF AUSTIN

## BOARD ACTION REQUEST

### RESOLUTION NO. 2576

#### ASSISTED HOUSING ITEM NO. 4.

---

**MEETING DATE:** November 15, 2018

**STAFF CONTACT:** Lisa Garcia, Vice President of Assisted Housing

**ITEM TITLE:** Presentation, Discussion, and Possible Action regarding Resolution No. 2576: Approval of the Adoption of the Housing Choice Voucher Program's Payment Standards

**BUDGETED ITEM:** No

**TOTAL COST:** N/A

#### ACTION

The Board is being asked to review and approve Resolution No. 2576, which will update the Housing Choice Voucher Program's Payment Standards.

#### SUMMARY

##### ***Background:***

Housing Authorities are required to adopt Payment Standards for the Housing Choice Voucher Program between 90 and 110 percent of the currently published fair market rents.

##### ***Staff Recommendation:***

The 2019 fair market rents (FMRS) reflect a 4 to 8 % increase over last year's published FMRS, with efficiency units increasing by 8%, one bedrooms increasing 6%, two bedrooms 5% and three and four bedrooms 4%.

On November 1, 2017, the payment standards were approved by the Board at 100% of published fair market rents.

The rising Austin rental rates continue to make it difficult for housing choice voucher families to locate affordable homes in the Austin area. In analyzing the factors outlined below, staff's recommendation is to adjust the payment standards to 100% of the recently published fair market rents for all bedroom sizes. Staff will continue to exercise the flexibility to approve payment standards up to 120% of the published fair market rents as a reasonable accommodation for persons with disabilities.

The recommendation is proposed in consideration of the following information:

- By adjusting the payment standards as recommended, HACA is helping to ensure that rental assistance provided is competitive with the rising rents in the Austin metropolitan area and that families can locate affordable housing.

- An analysis of the following reports reflect that proposed Payment Standards are below market rents:
- GoSection 8 Payment Standards Analysis report
- Austin Multi-Family Trend Report 3rd quarter 2018
- Austin Board of Realtors Multiple Listing Service Analysis of market rate units

**Proposed Payment Standards Chart**

No. of bedrooms	0 br	1 br	2 br	3br	4 br	5 br
Current Pmt Standards	\$860	\$1023	\$1255	\$1679	\$2018	\$2321
Proposed Payment Standards	<b>\$931</b>	<b>\$1086</b>	<b>\$1315</b>	<b>\$1734</b>	<b>\$2099</b>	<b>\$2414</b>
FMRs 10-1-2018	\$931	\$1086	\$1315	\$1734	\$2099	\$2414

**The New Payment Standards, if approved, will go into effect March 1, 2019.**

**ATTACHMENTS:**

- ▣ **Exhibit 1 FY 2019 Fair Market Rents**
- ▣ **Exhibit 2 Austin Trend Report 3rd Quarter**

**RESOLUTION NO. 2576**

**WHEREAS**, the Housing Authority of the City of Austin is responsible for adopting payment standards between 90 and 110 percent of the published fair market rents;

**WHEREAS**, the Housing Authority of the City of Austin strives to ensure that rental assistance provided is competitive with rents in the Austin metropolitan area and that families can locate affordable housing;

**WHEREAS**, based on analysis of the Austin rental market compared to fair market rents, the Housing Authority of the City of Austin requests approval to adopt payment standards at 100% of the currently published fair market rents for all bedroom unit sizes.

The proposed payment standards are as follows:

No. of bedrooms	Eff.	1 br	2 br	3br	4 br	5 br
Payment Standards	<b>\$931</b>	<b>\$1086</b>	<b>\$1315</b>	<b>\$1734</b>	<b>\$2099</b>	<b>\$2414</b>

**NOW, THEREFORE, BE IT RESOLVED**, that the Housing Authority of the City of Austin's Board of Commissioners adopts payment standards as outlined above.

**PASSED, APPROVED and ADOPTED** this 15th day of November, 2018.

**Carl S. Richie, Jr., Chairperson**

**Michael G. Gerber, Secretary**



## FY 2019 FAIR MARKET RENT DOCUMENTATION SYSTEM

### The FY 2019 FMRs for All Bedroom Sizes

Final FY 2019 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2019 FMR	\$931	\$1,086	\$1,315	\$1,734	\$2,099
FY 2018 FMR	\$860	\$1,023	\$1,251	\$1,679	\$2,018

Travis County, Texas is part of the Austin-Round Rock, TX MSA, which consists of the following counties: Bastrop County, TX; Caldwell County, TX; Hays County, TX; Travis County, TX; and Williamson County, TX. All information here applies to the entirety of the Austin-Round Rock, TX MSA.

#### Fair Market Rent Calculation Methodology

##### Show/Hide Methodology Narrative

Fair Market Rents for metropolitan areas and non-metropolitan FMR areas are developed as follows:

1. 2012-2016 5-year American Community Survey (ACS) estimates of 2-bedroom adjusted standard quality gross rents calculated for each FMR area are used as the new basis for FY2019 provided the estimate is statistically reliable. For FY2019, the test for reliability is whether the margin of error for the estimate is less than 50% of the estimate itself and whether the ACS estimate is based on at least 100 survey cases. HUD does not receive the exact number of survey cases, but rather a categorical variable known as the count indicator indicating a range of cases. An estimate based on at least 100 cases corresponds to a count indicator of 4 or higher.

If an area does not have a reliable 2012-2016 5-year, HUD checks whether the area has had at least minimally reliable estimate in any of the past 3 years, or estimates that meet the 50% margin of error test described above. If so, the FY2019 base rent is the average of the inflated ACS estimates.

If an area has not had a minimally reliable estimate in the past 3 years, the estimate State for the area's corresponding metropolitan area (if applicable) or State non-metropolitan area is used as the basis for FY2019.

2. HUD calculates a recent mover adjustment factor by comparing a 2016 1-year 40th percentile recent mover 2-bedroom rent to the 2012-2016 5-year 40th percentile adjusted standard quality gross rent. If either the recent mover and non-recent mover rent estimates are not reliable, HUD uses the recent mover adjustment for a larger geography. For metropolitan areas, the order of geographies examined is: FMR Area, Entire Metropolitan Area (for Metropolitan Sub-Areas), State Metropolitan Portion, Entire State, and Entire US; for non-metropolitan areas, the order of geographies examined is: FMR Area, State Non-Metropolitan Portion, Entire State, and Entire US. The recent mover adjustment factor is floored at one.
3. HUD calculates the appropriate recent mover adjustment factor between the 5-year data and the 1-year data and applies this to the 5-year base rent estimate.
4. Rents are calculated as of 2017 using the relevant (regional or local) change in gross rent Consumer Price Index (CPI) from annual 2016 to annual 2017.
5. All estimates are then inflated from 2017 to FY2019 using a trend factor based on the forecast of gross rent changes through FY2019.
6. FY2019 FMRs are then compared to a State minimum rent, and any area whose preliminary FMR falls below this value is raised to the level of the State minimum.
7. FY2019 FMRs may not be less than 90% of FY2018 FMRs.

## The results of the Fair Market Rent Step-by-Step Process

1. The following are the 2016 American Community Survey 5-year 2-Bedroom Adjusted Standard Quality Gross Rent estimate and margin of error for Austin-Round Rock, TX MSA.

Area	ACS <sub>2016</sub> 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent	ACS <sub>2016</sub> 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent Margin of Error	Ratio	Sample Size Category	Result
Austin-Round Rock, TX MSA	<u>\$1,061</u>	\$9	$\frac{\$9}{\$1,061} = 0.008$	6	$0.008 < .5$ $6 \geq 4$ Use ACS <sub>2016</sub> 5-Year Austin-Round Rock, TX MSA 2-Bedroom Adjusted Standard Quality Gross Rent

Since the ACS<sub>2016</sub> Margin of Error Ratio is less than .5, the ACS<sub>2016</sub> Austin-Round Rock, TX MSA value is used for the estimate of 2-Bedroom Adjusted Standard Quality Gross Rent:

Area	FY2019 Base Rent
Austin-Round Rock, TX MSA	\$1,061

2. A recent mover adjustment factor is applied based on the smallest area of geography which contains Austin-Round Rock, TX MSA and has an ACS<sub>2016</sub> 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5.

Area	ACS <sub>2016</sub> 1-Year Adjusted Standard Quality Recent-Mover Gross Rent	ACS <sub>2016</sub> 1-Year Adjusted Standard Quality Recent-Mover Gross Rent Margin of Error	Ratio	Sample Size Category	Result
Austin-Round Rock, TX MSA - 2 Bedroom	<u>\$1,205</u>	\$38	0.032	6	$0.032 < .5$ $6 \geq 4$ Use ACS <sub>2016</sub> 1-Year Austin-Round Rock, TX MSA 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent

The smallest area of geography which contains Austin-Round Rock, TX MSA and has an ACS<sub>2016</sub> 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5 and with a sufficient number of sample cases is Austin-Round Rock, TX MSA.

3. The calculation of the relevant Recent-Mover Adjustment Factor for Austin-Round Rock, TX MSA is as follows:

ACS <sub>2016</sub> 5-Year Area	ACS <sub>2016</sub> 5-Year 40th Percentile Adjusted Standard Quality Gross Rent	ACS <sub>2016</sub> 1-Year 40th Percentile Adjusted Standard Quality Recent-Mover Gross Rent
Austin-Round Rock, TX MSA - 2 Bedroom	<u>\$1,061</u>	<u>\$1,205</u>

Area	Ratio	Recent-Mover Adjustment Factor
Austin-Round Rock, TX MSA	$\frac{\$1,205}{\$1,061} = 1.136$	$1.136 \geq 1.0$ Use calculated Recent-Mover Adjustment Factor of 1.136

4. The calculation of the relevant CPI Update Factors for Austin-Round Rock, TX MSA is as follows: HUD updates the 2016 intermediate rent with the ratio of the annual 2017 local or regional CPI to the annual 2016 local or regional CPI to establish rents as of 2017.

Update Factor	Type
CPI Update Factor	<u>1.0323</u> Region CPI

5. The calculation of the Trend Factor is as follows: HUD forecasts the change in national gross rents from 2017 to 2019. This makes Fair Market Rents "as of" FY2019.

National Trend Factor
<u>1.0572</u>

6. The FY 2019 2-Bedroom Fair Market Rent for Austin-Round Rock, TX MSA is calculated as follows:

Area	ACS <sub>2016</sub> 5-Year Estimate	Recent-Mover Adjustment Factor	Annual 2016 to 2017 CPI Adjustment	Trending 1.0572 to FY2019	FY 2019 2-Bedroom FMR
Austin-Round Rock, TX MSA	\$1,061	1.136	1.0323	1.0572	$\$1,061 * 1.136 * 1.0323 * 1.0572 = \$1,315$

7. In keeping with HUD policy, the preliminary FY 2019 FMR is checked to ensure that it does not fall below the state minimum.

Area	Preliminary FY2019 2-Bedroom FMR	FY 2019 Texas State Minimum	Final FY2019 2-Bedroom FMR
Austin-Round Rock, TX MSA	\$1,315	<u>\$700</u>	$\$1,315 \geq \$700$ Use Austin-Round Rock, TX MSA FMR of \$1,315

8. Bedroom ratios are applied to calculate FMRs for unit sizes other than two bedrooms.

Click on the links in the table to see how the bedroom ratios are calculated.

FY 2019 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2019 FMR	\$931	\$1,086	\$1,315	\$1,734	\$2,099

9. The FY2019 FMR must not be below 90% of the FY2018 FMR.

	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY2018 FMR	\$860	\$1,023	\$1,251	\$1,679	\$2,018
FY2018 floor	\$774	\$921	\$1,126	\$1,511	\$1,816
FY 2019 FMR	\$931	\$1,086	\$1,315	\$1,734	\$2,099
Use FY2018 floor for FY2019?	No	No	No	No	No

#### Final FY2019 Rents for All Bedroom Sizes for Austin-Round Rock, TX MSA

The following table shows the Final FY 2019 FMRs by bedroom sizes.

Final FY 2019 FMRs By Unit Bedrooms

	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Final FY 2019 FMR	\$931	\$1,086	\$1,315	\$1,734	\$2,099

The FMRs for unit sizes larger than four bedrooms are calculated by adding 15 percent to the four bedroom FMR, for each extra bedroom. For example, the FMR for a five bedroom unit is 1.15 times the four bedroom FMR, and the FMR for a six bedroom unit is 1.30 times the four bedroom FMR. FMRs for single-room occupancy units are 0.75 times the zero bedroom (efficiency) FMR.

Permanent link to this page: [http://www.huduser.gov/portal/data sets/fmr/fmrs/FY2019\\_code/2019summary.odn?&year=2019&fmrtype=Final&selection\\_type=county&fips=4845399999](http://www.huduser.gov/portal/data%20sets/fmr/fmrs/FY2019_code/2019summary.odn?&year=2019&fmrtype=Final&selection_type=county&fips=4845399999)

#### Select a different area

Press below to select a different county within the same state (same primary state for metropolitan areas):

Anderson County, TX  
 Andrews County, TX ^  
 Angelina County, TX  
 Aransas County, TX v  
 Archer County, TX

Select a new county

Press below to select a different state:

Select a new state

Select a Final FY 2019 Metropolitan FMR Area:

Austin-Round Rock, TX MSA v

Select Metropolitan FMR Area

[HUD Home Page](#) [HUD User Home](#) [Data Sets](#) [Fair Market Rents](#) [Section 8 Income Limits](#) [FMR/IL Summary System](#) [Multifamily Tax Subsidy Project \(MTSP\) Income Limits](#) [HUD LIHTC Database](#)

Prepared by the [Economic and Market Analysis Division](#), HUD. Technical problems or questions? [Contact Us](#).



# The Austin Multi-Family

# TREND REPORT

3<sup>rd</sup> Quarter 2018

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TC 324315

## Just the Facts...

Average Occupancy:	93.3%
Average Rent:	\$1,249
Average Square Feet:	861
Average \$/SF:	\$1.45
New Units Added (conventional):	2,065
Average Sales Price/Unit:	\$203,960

## Did you know?

The statistics in this report are based on conventional properties unless otherwise noted. For further information, all of our data can be searched on the website.

### 3Q18 Affordable Housing Stats:

17,531 Units – 94.3% - \$1.05psf

### 3Q18 Senior Housing Stats:

4,812 Units – 87.6% - \$1.31 psf

### 3Q18 Student Housing Stats:

12,533 Units – 94.7% - \$1.83 psf

## Inside...

Occupancy	Page 2
Rental Rates	Page 2
Absorption	Page 3
Unit Mix Averages	Page 3
New Construction	Page 4
Construction Comparison	Page 5
Sales	Page 6
Population/Job Growth	Page 7
Borders & Parameters	Website

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## Third Quarter Echoes the Positive Second

While the second quarter came in with a bang, the third quarter was the sounding echo. All numbers reflected positive movement, although they didn't quite resonate the heights seen last quarter.

Occupancy and effective rental rates were both up 1% to reach \$1.45 and 93.3%, respectively. Absorption blew away typical trends with a 34% increase to reach 3,800 more occupied units – a level that was not only almost twice the number of quarterly unit additions, but also unseen in over three years. Even the average square footage was up slightly over the quarter to reach 861 sf.

It was a good, solid quarter for any market, but especially for one that has received an abundance of new unit additions and a steady supply continuing to complete. And the market shows no signs of slowing. In fact, history was made this quarter as a total of 19 new projects (in all property types), with over 4,100 units began construction during the quarter – the largest number of starts in a single quarter. There are now 92 projects, with 20,992 units remaining, currently under construction in the Austin area. The last time a near figure of this level of development occurred was in 1984.

Not getting left behind, the number of sales also increased over the quarter, with 22 properties changing hands. A few of these were ground leases on affordable properties, with the idea to allow investment in distressed properties and maintain affordability. The latest increase in interest rates will hold some back, but so far, the price adjustments have been enough. With that, the heightened number of sales is expected to continue through the remainder of the year.

Although occupancy was up, management personnel report some losses in tenant retention due to home buying. The latest interest rate hikes spurred many that were on the fence to make the jump. ABOR backs this up with the latest home sales statistics that report July 2018 had the highest volume of sales since 2011, with the highest price on record at a median rate of \$320,000. Overall a 6% annual increase is noted. This median price roughly averages out to \$1700/mo and is in direct competition with the upper tier rents. However, if interest rates continue to rise, those left undecided will mostly likely continue to rent.

Expect to see the fourth quarter reflect typical seasonal adjustments, while 2019 will continue to usher in another wave of new unit additions.

*Thank you to all who helped with the launch of the new website! Opening to rave reviews, the new site is now live and fully functioning with ultra speedy research at your fingertips. We look forward to introducing you to your newest partner in research!*

**Published By:**



**Austin**

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# Multi-Family Market

## OCCUPANCY & RENTAL RATES

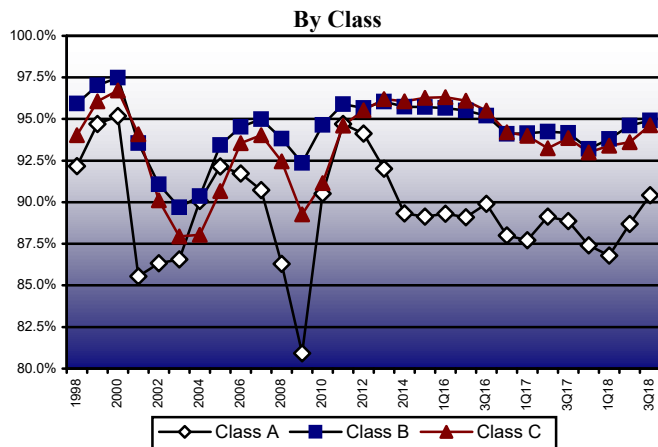
3Q18	CLASS A		STAB CLASS A		CLASS B		CLASS C		TOTALS		QTR CHANGE		ANN CHANGE	
	OCC	RENT	OCC	RENT	OCC	RENT	OCC	RENT	OCC	RENT	OCC	RENT %	OCC	RENT %
BAS	97.5%	\$1.45	97.5%	\$1.45	96.5%	\$1.20	99.1%	\$0.90	97.6%	\$1.19	1.62%	9.02%	0.91%	7.08%
C	95.8%	\$1.95	96.0%	\$1.96	95.4%	\$1.87	92.5%	\$1.67	94.4%	\$1.84	0.49%	0.97%	0.51%	2.32%
CBD	95.3%	\$3.00	95.3%	\$3.00	95.0%	\$2.34	96.2%	\$1.75	95.2%	\$2.81	1.11%	3.80%	2.14%	8.46%
CP/L	88.5%	\$1.35	93.8%	\$1.38	96.1%	\$1.21	87.5%	\$1.15	91.7%	\$1.29	1.28%	1.87%	1.12%	2.98%
E	-	-	-	-	-	-	92.3%	\$1.12	92.3%	\$1.12	-0.79%	2.84%	-1.18%	3.30%
EC	91.4%	\$2.07	94.5%	\$2.09	95.9%	\$1.91	92.7%	\$1.70	91.8%	\$2.02	5.09%	0.03%	6.86%	6.13%
HAYS	87.5%	\$1.33	94.4%	\$1.33	-	-	-	-	87.5%	\$1.33	1.78%	1.03%	-3.53%	-0.50%
N	90.9%	\$1.39	91.9%	\$1.38	93.4%	\$1.29	94.4%	\$1.30	93.8%	\$1.30	0.27%	1.06%	0.63%	2.60%
NC	86.7%	\$1.85	93.8%	\$1.80	95.3%	\$1.70	95.6%	\$1.41	90.4%	\$1.71	1.86%	0.55%	-2.18%	5.54%
NE	86.4%	\$1.29	93.1%	\$1.28	95.9%	\$1.24	96.4%	\$1.22	92.0%	\$1.26	0.20%	0.81%	0.33%	-0.64%
NEC	-	-	-	-	94.9%	\$1.24	93.0%	\$1.27	93.1%	\$1.27	-0.08%	3.05%	-1.05%	5.78%
NW	93.1%	\$1.50	94.9%	\$1.52	94.9%	\$1.27	94.6%	\$1.31	94.5%	\$1.31	0.74%	0.97%	1.53%	4.05%
NWC	-	-	-	-	94.4%	\$1.42	94.3%	\$1.40	94.3%	\$1.40	1.72%	1.44%	-0.23%	2.00%
RR	93.0%	\$1.24	93.8%	\$1.24	95.9%	\$1.20	92.7%	\$1.23	94.0%	\$1.22	0.43%	0.90%	0.76%	0.63%
S	90.7%	\$1.43	94.6%	\$1.41	95.4%	\$1.32	95.1%	\$1.40	93.5%	\$1.38	2.57%	2.03%	-0.58%	1.42%
SC	94.1%	\$2.24	95.1%	\$2.25	94.1%	\$1.74	94.5%	\$1.66	94.3%	\$1.89	2.69%	-1.02%	2.95%	2.89%
SE	89.4%	\$1.37	93.9%	\$1.37	93.0%	\$1.29	95.3%	\$1.23	92.1%	\$1.31	-0.22%	2.19%	5.22%	2.17%
SEC	94.4%	\$2.02	94.1%	\$2.01	94.3%	\$1.47	94.8%	\$1.38	94.7%	\$1.52	2.61%	1.36%	3.63%	4.55%
SM	89.3%	\$1.38	93.6%	\$1.39	93.9%	\$1.32	97.4%	\$1.21	94.8%	\$1.28	0.54%	-1.41%	-2.44%	-0.80%
SW	91.8%	\$1.48	95.5%	\$1.47	95.5%	\$1.40	96.0%	\$1.08	94.2%	\$1.43	0.01%	1.14%	0.90%	3.23%
UT	95.3%	\$2.29	95.3%	\$2.29	100.0%	\$2.09	94.7%	\$1.95	95.2%	\$2.14	0.79%	-2.69%	-0.23%	2.22%
W	92.5%	\$1.47	93.9%	\$1.46	94.3%	\$1.28	98.9%	\$1.73	93.5%	\$1.40	-1.15%	5.36%	2.44%	1.48%
WMS	77.6%	\$1.28	92.2%	\$1.33	94.2%	\$1.16	95.3%	\$1.48	85.4%	\$1.25	-0.68%	-1.62%	-6.52%	-1.99%
Travis Co.	91.3%	\$1.76	94.4%	\$1.78	94.9%	\$1.38	94.6%	\$1.40	93.6%	\$1.51	1.11%	1.12%	1.43%	3.37%
Austin MSA	90.4%	\$1.63	94.3%	\$1.66	94.9%	\$1.33	94.6%	\$1.37	93.3%	\$1.45	1.04%	1.02%	0.83%	2.74%
% of Total	242 props (30%) 64,512 uts (34%)		191 props 53,065 uts		206 props (26%) 62,942 uts (33%)		346 props (44%) 62,845 uts (33%)		794 props 190,299 units					

Rates include properties under construction with rentable units. Please refer to [www.apartmenttrends.com](http://www.apartmenttrends.com) for property specific information. Stabilized Class A statistics have been broken out and include properties that are greater than 12 months old. Totals include all Class A properties.

The third quarter continued to bring solid gains to the local apartment market, with both occupancy and effective rental rates increasing 1%, reaching 93.3% and \$1.45 psf. While this was only a .83% annual increase for occupancy, it was a 3.7% increase for rents.

New unit additions, which previously pushed rental rates higher, are now having little effect, as the new product is located in lower priced sectors and averaging only \$1.50 psf. The effect on occupancy is still relevant, as stabilized figures show an overall average of 94.5%.

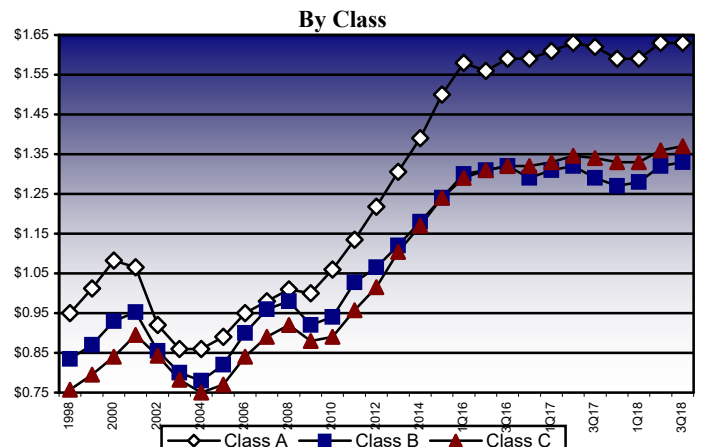
### HISTORICAL OCCUPANCY



The EC, NC, HAYS and WMS, all areas that added over 10% of their inventory in the last year, continued to report low occupancy, however the quarter brought significant gains in both rent and occupancy to all except WMS.

Student migration in the third quarter typically brings a sharp rise in rent and occupancy to the UT, C, EC, NWC, SC, SEC and SM areas. However, only the C and SEC remained true to trend, while the others gave up rent for occupancy or vice versa. Most reported an annual decrease in occupancy as well, as students sought price over location.

### HISTORICAL RENTAL RATES



# Multi-Family Market

## UNIT MIX AVERAGES

3Q18	Efficiency		1 Bedroom		2 Bedroom		3 Bedroom		4+ Bedroom		Overall		Concess	#
	SF	RENT	SF	RENT	SF	RENT	SF	RENT	SF	Rent	SF	Rent	Adjust	
BAS	-	-	664	\$820	939	\$900	1,224	\$1,290	-	-	863	\$1,026	-0.0%	6
C	482	\$1,053	702	\$1,308	1,044	\$1,742	1,322	\$2,356	-	-	813	\$1,497	-1.0%	36
CBD	562	\$1,616	821	\$2,192	1,324	\$3,502	2,242	\$6,163	-	-	985	\$2,766	-0.1%	18
CP/L	538	\$978	757	\$1,021	1,109	\$1,294	1,324	\$1,519	1,689	\$1,743	939	\$1,211	-2.0%	35
E	500	\$763	788	\$1,340	1,069	\$1,449	-	-	-	-	854	\$956	-0.4%	2
EC	439	\$1,074	720	\$1,492	1,126	\$1,953	1,566	\$2,577	-	-	808	\$1,636	-2.6%	22
HAYS	525	\$831	695	\$932	1,018	\$1,213	1,228	\$1,528	-	-	859	\$1,143	-3.2%	17
N	442	\$717	672	\$926	992	\$1,163	1,233	\$1,420	1,917	\$2,600	797	\$1,039	-1.5%	81
NC	512	\$1,102	717	\$1,242	1,035	\$1,528	1,283	\$1,744	-	-	799	\$1,366	-2.6%	30
NE	515	\$831	727	\$961	1,065	\$1,224	1,377	\$1,498	1,725	\$1,778	880	\$1,106	-2.2%	47
NEC	413	\$728	652	\$834	928	\$1,083	1,188	\$1,382	1,500	\$1,550	777	\$986	-1.1%	20
NW	494	\$829	732	\$1,010	1,067	\$1,265	1,394	\$1,529	1,901	\$1,887	893	\$1,173	-0.9%	94
NWC	434	\$789	692	\$956	1,033	\$1,286	1,418	\$1,674	1,800	\$1,992	844	\$1,185	-0.1%	24
RR	516	\$764	738	\$951	1,038	\$1,198	1,296	\$1,466	1,786	\$1,912	918	\$1,124	-1.6%	45
S	438	\$830	706	\$999	1,038	\$1,249	1,335	\$1,539	1,417	\$1,520	852	\$1,176	-2.1%	57
SC	506	\$1,169	709	\$1,389	1,013	\$1,655	1,352	\$2,317	1,201	\$2,235	806	\$1,527	-1.6%	60
SE	452	\$794	689	\$928	1,019	\$1,177	1,237	\$1,295	1,193	\$1,129	852	\$1,117	-2.8%	20
SEC	466	\$952	668	\$1,011	983	\$1,259	1,259	\$1,532	1,267	\$1,560	786	\$1,197	-0.9%	55
SM	427	\$725	662	\$922	913	\$1,074	1,177	\$1,418	1,821	\$2,814	821	\$1,049	-0.6%	36
SW	566	\$970	776	\$1,116	1,095	\$1,375	1,331	\$1,660	-	-	924	\$1,318	-2.7%	33
UT	454	\$1,098	685	\$1,325	975	\$1,865	1,200	\$2,630	2,155	\$5,532	801	\$1,717	-0.0%	13
W	423	\$999	804	\$1,151	1,207	\$1,543	1,587	\$2,015	2,179	\$1,942	1,046	\$1,462	-2.0%	19
WMS	617	\$873	727	\$982	1,033	\$1,228	1,334	\$1,437	1,099	\$1,304	900	\$1,128	-4.8%	22
TRAVIS	475	\$1,044	714	\$1,159	1,048	\$1,455	1,362	\$1,807	1,820	\$2,434	851	\$1,287	-1.5%	605
AUSMSA	482	\$1,018	716	\$1,123	1,044	\$1,396	1,345	\$1,696	1,778	\$2,242	861	\$1,249	-1.6%	792
% of TTL	6,063 Units 3.2%		105,300 Units 55.3%		69,731 Units 36.6%		8,445 Units 4.4%		735 Units .4%		Please refer to Apartmenttrends.com for property specifics.			

Overall, Class A properties average a unit size of 897 square feet. These mid-sized units experienced a 1.8% increase in occupancy over the quarter to reach 90.4%. Rental rates followed suit, rising .34% to \$1.63 psf or \$1,465/mo.

Class B properties hold the largest unit size at 940 square feet. These units also had positive movement in both rent and occupancy, with rates up 1.4% to reach \$1.33 psf, or \$1,254/mo, while occupancy rose .34%, to 94.9%.

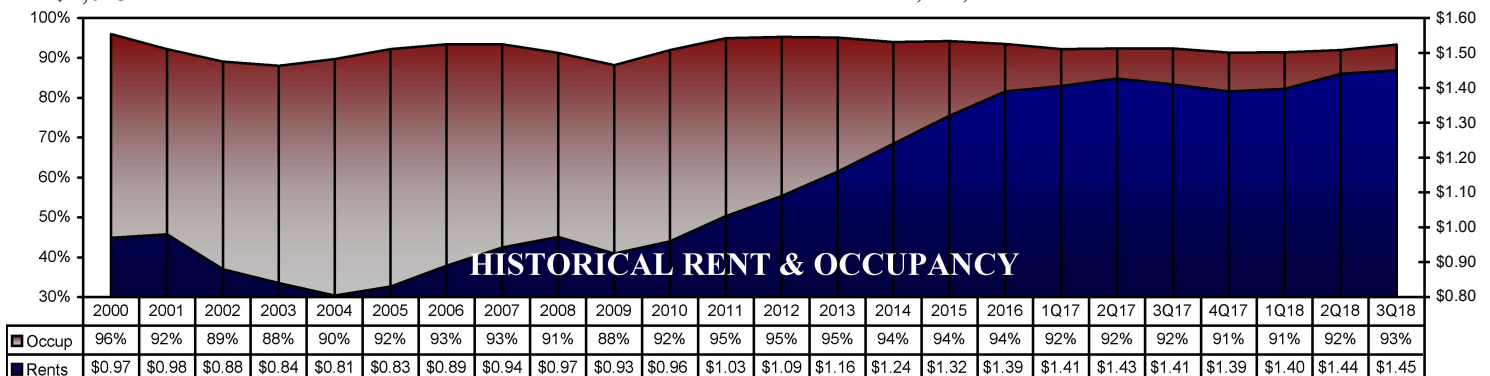
Class C properties have a unit size 17% less than their Class A and B counterparts at 774 square feet and have been the “go-to” for the student population. These properties were boosted up over the last 90 days, with occupancy up 1% to a rate of 94.6%, while rents increased 1.2% to reach \$1.37 psf, or \$1,023/mo.

The Austin apartment market offers a little something for everyone and is as diverse as its new culture. Students and millennials gravitate toward the C, EC, SC and UT sectors - areas that command some of the highest prices per month yet offer the smallest average unit size.

Families tend to seek out the properties that offer larger floorplans and square footages, found in the outlying suburbs in the W, CP/L, RR, WMS and the SW.

Downtown dwellers flock to the CBD, which boasts the highest average monthly rent, at \$2,766, and the second largest average square footage, at 985 per unit.

For those seeking a middle ground, affordable pricing with reasonable proximity to work and entertainment, the answer lies in the NE, SE, N and the S sectors.



# Multi-Family Construction

<b>New Conventional Construction:</b>	<b>Submarket</b>	<b>3,635 units</b>
1 – Amlis South Shore Ph. II	SEC	75 units
2 – Alexan Capitol	CBD	370 units
3 – Anthem at Ledgestone	HAYS	292 units
4 – Carroll at Rivery Ranch	WMS	360 units
5 – Domain Block L	NC	179 units
6 – Hollybrook Ranch	RR	336 units
7 – Mansions of Georgetown	WMS	438 units
8 – Mont, The	SEC	288 units
9 – Quest Village	CP/L	336 units
10 – Santa Clara	NE	300 units
11 – Society	S	262 units
12 – South Shore Highline	SEC	102 units
13 – St. John's West	NC	297 units

<b>Continued Conventional Construction:</b>	<b>Submarket</b>	<b>13,936 units</b>
1 – 22 North	CP/L	240 units
2 – Ace, The	RR	330 units
3 – Alden at Cedar Park	CP/L	349 units
4 – Alexan Garza Ranch	S	370 units
5 – Alta Tech Ridge	NE	230 units
6 – Ariza Plum Creek	HAYS	344 units
7 – Aura Riverside	SEC	360 units
8 – Austin Flatiron	NC	372 units
9 – Austin Waters	NE	300 units
10 – Broadstone Burnet	NC	352 units
11 – Caliza	CP/L	270 units
12 – Clark, The	C	226 units
13 – Copeland, The	NC	423 units
14 – Creekside on Parmer	NE	300 units
15 – Davies Ranch Apartment Homes	NE	336 units
16 – Edison, The	SEC	353 units
17 – Elizabeth at Presidio, The	CP/L	373 units
18 – Estraya Georgetown	WMS	270 units
19 – Fitzroy	SM	146 units
20 – Flora, The	C	194 units
21 – Foremost Soco	S	300 units
22 – Guthrie, The	EC	322 units
23 – Hanover Oak Hill	SW	370 units
24 – Hermosa Village	CP/L	238 units
25 – Highland Phase II - North Tract	NC	390 units
26 – Hunters Crossing Apartments	BAS	182 units
27 – Lenox Oaks	SEC	342 units
28 – Lenox Ridge	N	350 units
29 – McCarty Commons	SM	249 units
30 – North Creek	WMS	258 units
31 – Palo Verde	SW	296 units
32 – Park at Crystal Falls Ph. II	CP/L	242 units
33 – Park at Estancia, The	S	320 units
34 – Platform Ph. II	EC	200 units
35 – Plaza Saltillo Ph. I & II	EC	534 units
36 – Plum Creek Vue	HAYS	180 units
37 – Republic Square	CBD	221 units
38 – Saint Mary	SW	240 units
39 – Santal, The Ph. II	SW	206 units
40 – Sarah, The	WMS	264 units
41 – Shadow Ridge	RR	316 units
42 – Springs at Sunfield	HAYS	256 units
43 – Stonehaven at Cedar Park	CP/L	108 units
44 – Terra	SE	372 units
45 – Travis at the Lake	W	312 units
46 – Walnut Park	N	277 units
47 – Wells Junction	NE	264 units
48 – Westerly 360	W	189 units

For development details see the Development Pipeline Report [www.apartmenttrends.com](http://www.apartmenttrends.com)

After a slight reprieve during the second quarter, the development pipeline resumed its intensity over the last 90 days.

Quarterly submittals were up a whopping 108% from the second quarter and accounted for 4,552 units, bringing the current total to 18,104 units in 72 projects awaiting a permit.

While delays remain prominent, new starts included 13 new projects totaling 3,635 units. These, coupled with those already under construction, bring the total unit count to 17,571 units in 61 projects. Of these 2,238 have completed, leaving 15,333 units to come. Over a third of these properties are mid- to high-rise properties.

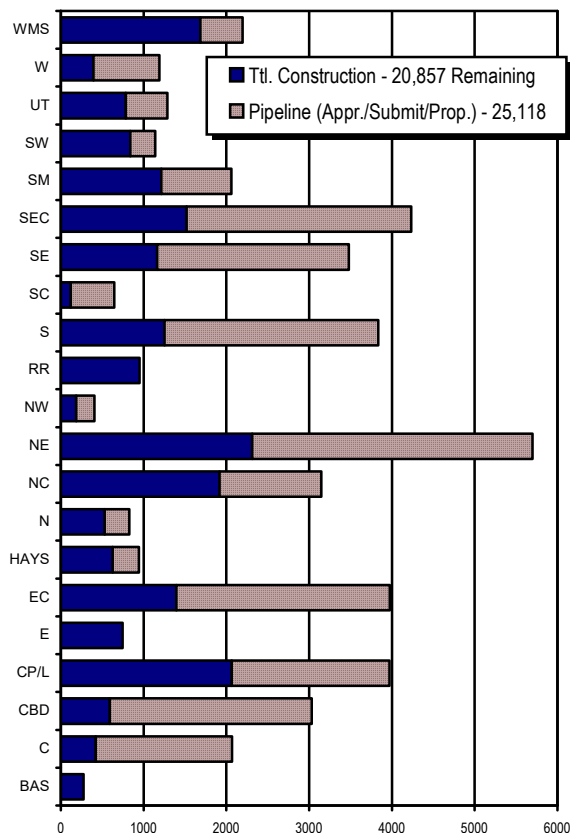
Non-conventional construction includes 31 projects with a remaining unit count of 5,524. Of this total, affordable housing/tax credit units, that have seen submittals on the rise, accounted for 3,037 units in 16 properties.

In all, current construction is distributed fairly well, with the largest portions located in the NE, SEC, EC, NC, WMS and CP/L sectors.

(Space limitations prevent the inclusion of non-conventional properties. A complete list can be obtained on our website).

## CURRENT NEW CONSTRUCTION

### Conventional and Non-conventional



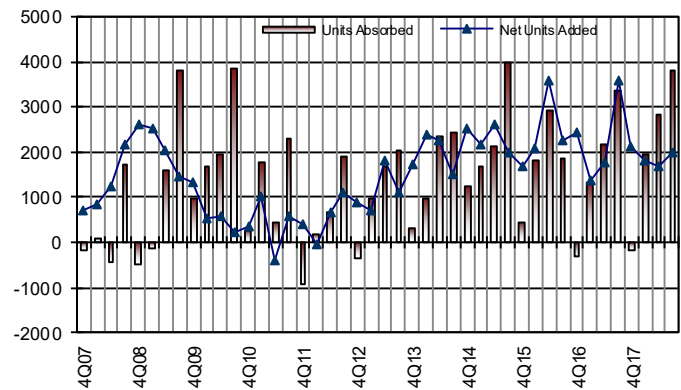
# Multi-Family Construction

Despite a development pipeline that is overflowing with potential new projects, continued delays and untraceable plan changes make construction starts tentative.

For now, the next 12 months are projected to see 33 conventional properties, with 9,258 units, break ground. As shown in the chart below, the new starts remain dominant in the S, the CBD and the eastern sectors. Developers estimate a third of these units will start over the next 90 days.

Delays also extend to projects already underway, as many expected completions were pushed back. Despite the impediments, 2,065 conventional units finished, bringing the annual total to 8,776 new units. Developer expectations for completions over the next 12 months include 7,321 conventional units with many more to come the following year.

## OVERALL ABSORPTION



3Q18	3Q18				CNV: New Development Summary		
	CNV HSG: Absorption & Units Added				Last 12 Months	Next 12 Months	
	Rentable Units	New Uts Added*	Net Unit Change*	Absrbd Units	New Units Added	Est Starts	Est Complete
BAS	679	-	-	11	-	-	-
C	5,314	-	-	26	-	612	420
CBD	4,245	-	-	47	-	1,442	-
CP/L	10,320	297	133	252	1,047	862	711
E	508	-	-	-4	-	-	-
EC	4,571	-	-1	232	575	1,306	1,311
HAYS	3,526	326	326	342	682	-	334
N	20,434	67	-85	-23	97	298	180
NC	8,328	-	174	309	732	837	1,052
NE	13,466	406	406	400	1,039	1,258	1,010
NEC	3,961	-1	-1	-4	-1	-	-
NW	27,836	-8	-8	199	308	-	-
NWC	5,991	-	-	103	-	-	-
RR	11,697	-	-	50	530	-	128
S	13,236	132	17	355	1,307	1,020	-
SC	12,524	-25	-172	173	277	74	-
SE	5,788	147	147	123	298	539	132
SEC	12,198	2	251	550	152	418	713
SM	5,412	144	144	165	360	-	146
SW	9,686	134	134	127	272	300	364
UT	1,404	-	2	13	-	80	56
W	4,751	61	61	3	188	318	395
WMS	4,424	383	446	354	913	264	369
TRAVIS	146,573	1,045	1,053	2,589	5,244	8,273	5,779
AUSMSA	190,299	2,065	1,974	3,803	8,776	9,258	7,321

Absorption continued at a robust pace and was up 34% during the third quarter, to gain 3,803 more occupied units. So not only was the absorption rate positive, but it exceeded the new units added by over 1,738 units.

Annual figures reflect the absorption of 8,815 units, an increase of over 37%, since this same time last year.

Areas that fared the best during the quarter included the CP/L, EC, NC, NE, S, SEC, HAYS and WMS, all of which sported noteworthy absorption rates whether they had new inventory or not.

Not faring as well were NEC, N and the E submarkets, all reporting declines during the quarter.

Units taken off the market because of property type changes, upgrades or a switch to condominiums countered the new unit additions, leaving a net unit gain of 1,974 units for the quarter and 7,758 for the year.

## HISTORICAL CONSTRUCTION ACTIVITY

Quarter-by-Quarter Comparisons

Activity	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18
Starts (TTL)	2,547	1,403	2,760	2,474	2,326	2,998	3,554	2,516	2,509	1,333	3,726	2,316	3,635
Submittals (TTL)	3,543	5,117	3,443	3,972	2,585	4,633	1,497	3,420	2,458	3,259	2,362	2,186	4,552
New Units Added (CNV)	2,070	1,755	2,028	3,282	2,366	2,258	1,488	2,094	2,998	2,395	1,822	2,385	2,065
Net Unit Change (CNV)	2,195	1,733	2,061	3,541	2,132	2,529	1,358	2,460	2,965	2,060	2,041	1,678	1,974
Absorption (CNV)	4,146	492	1,837	2,842	1,746	-191	1,332	2,209	3,134	-141	2,316	2,837	3,803
Occupancy (CNV)	94.8	94.2	94.1	93.8	93.7	92.2	92.2	92.4	92.4	91.3	91.4	92.3	93.3

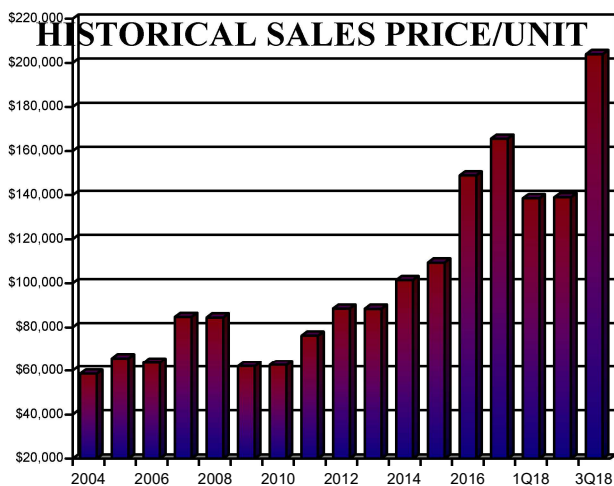
# Multi-Family Sales

Sales activity continued to prosper during the third quarter, with 22 properties trading hands. A large portion of these sales occurred in the SEC and the N submarkets and all were Class A and C.

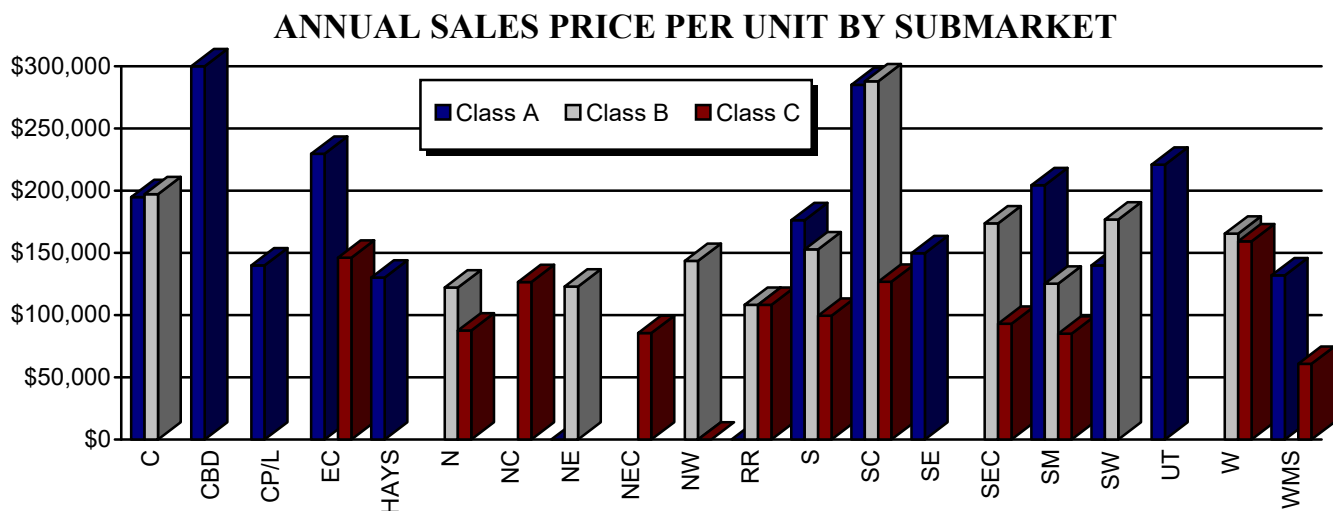
At \$203,960, the overall average price per unit was higher than the norm due to the heightened number of Class A sales which accounted for nearly half the total transactions. Of the prices obtained, Class A units averaged a colossal price per unit at over \$346,000. Class C, on the other hand, averaged a price per unit at \$110,000.

Active listings picked up over the last 90 days, with 44 properties on the market and nine reported to be under contract. Off market transactions continued in nearly 25% of the sales. Over half the current investors are Texas buyers.

Despite the continued increase in interest rates that will impact some investments, sales are expected to remain high for the remainder of the year.



3 <sup>rd</sup> QUARTER SALES		
Project	Submarket	Units
1 – 422 at the Lake	SC	207
2 – Alister	SEC	165
3 – Aura	SM	240
4 – Century Stone Hill Ph. II	NE	415
5 – Century Travesia	N	423
6 – Chesapeake	NW	124
7 – Club Creek	N	160
8 – Emerson	SEC	223
9 – Falls on Bull Creek, The	NWC	344
10 – Farmhouse	SE	249
11 – Hillside Villas	SEC	177
12 – Lamar Place	NC	154
13 – Lantower Edgewater	NE	328
14 – Latitude at Presidio	CP/L	337
15 – Mueller Place	NEC	86
16 – Northshore	CBD	439
17 – Northstar	N	200
18 – Oaks on Lamar	N	176
19 – Preserve Wells Branch	N	308
20 – Riverside Townhomes (AH)	SEC	128
21 – Signature 1909 (SH)	UT	166
22 – Steeplechase Downs	RR	324



# Market Snapshot

3Q18	CURRENT CONSTRUCTION		CNV COMPLETIONS		ABSORPTION		OCCUPANCY		RENTAL RATES		ANNUAL SALES \$ Per Unit
	Rentable Units	CNV Const Remaining	12 MOS	24 MOS	12 MOS	24 MOS	3Q18	Annual Change	3Q18	Annual Change	
BAS	679	420	-	-	-48	-49	97.64%	0.91%	\$1.19	7.08%	-
C	5,314	591	-	-	27	-5	94.43%	0.51%	\$1.84	2.32%	-
CBD	4,245	1,766	-	-15	105	514	95.24%	2.14%	\$2.81	8.46%	\$278,000
CP/L	10,320	-	1,047	2,225	916	1,684	91.73%	1.12%	\$1.29	2.98%	\$163,642
E	508	1,311	-	-	-6	-16	92.32%	-1.18%	\$1.12	3.30%	-
EC	4,571	626	575	1,334	842	1,228	91.82%	6.86%	\$2.02	6.13%	\$205,000
HAYS	3,526	530	682	1,068	496	732	87.46%	-3.53%	\$1.33	-0.50%	\$135,294
N	20,434	1,918	97	520	49	-424	93.77%	0.63%	\$1.30	2.60%	\$122,533
NC	8,328	1,646	732	910	899	1,212	90.41%	-2.18%	\$1.71	5.54%	\$114,286
NE	13,466	-	1,039	2,106	997	1,788	92.02%	0.33%	\$1.26	-0.64%	\$135,032
NEC	3,961	-	-1	-1	-6	105	93.06%	-1.05%	\$1.27	5.78%	\$89,176
NW	27,836	-	308	1,096	505	808	94.54%	1.53%	\$1.31	4.05%	\$140,902
NWC	5,991	780	-	-	-11	366	94.32%	-0.23%	\$1.40	2.00%	\$122,111
RR	11,697	1,252	530	1,320	491	1,002	94.02%	0.76%	\$1.22	0.63%	\$120,255
S	13,236	-	1,307	1,523	1,045	1,331	93.45%	-0.58%	\$1.38	1.42%	\$162,306
SC	12,524	132	277	994	465	679	94.31%	2.95%	\$1.89	2.89%	\$204,615
SE	5,788	1,519	298	1,086	838	1,421	92.05%	5.22%	\$1.31	2.17%	\$140,185
SEC	12,198	395	152	478	829	1,084	94.68%	3.63%	\$1.52	4.55%	\$136,584
SM	5,412	840	360	360	-130	-215	94.83%	-2.44%	\$1.28	-0.80%	\$86,328
SW	9,686	56	272	1,134	344	1,357	94.18%	0.90%	\$1.43	3.23%	\$183,783
UT	1,404	395	-	-	-132	78	95.16%	-0.23%	\$2.14	2.22%	\$220,974
W	4,751	1,244	188	427	287	569	93.54%	2.44%	\$1.40	1.48%	\$194,000
WMS	4,424	10,610	913	976	609	578	85.44%	-6.52%	\$1.25	-1.99%	\$196,927
TRAVIS	146,573	15,421	5,164	12,270	9,411	15,827	93.30%	0.83%	\$1.45	2.74%	\$165,226
AUSMSA	190,299	420	8,776	17,541	9,411	15,827	93.30%	0.83%	\$1.45	2.74%	\$160,063

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This is a comprehensive and concise view of market conditions. Includes vital market/submarket trend information on occupancy, rental rates, new construction, absorption and sales.

### Sales Comparables

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### New Construction

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The all-inclusive and in-depth reporting of properties in the development pipeline. Each property's known status is reported in quarterly detail with contact information and pertinent dates for the development process.

### Management or Ownership Data

*Updated Quarterly Available with the Apartment Data Online Subscription*

Includes detailed contact information for each management company and owner, the majority include the applicable contact name (Supervisor/Owner/Acq. Dir), address, phone, fax, email and associated property(s).

### Apartment Map

*Annual Publication FREE w/Apartment Data Online Annual Subscription*

Wall map measures approximately 3' x 4' and reflects submarket boundaries and each apartment's location. Each property is color-coded by class and indexed. Properties within the construction process are also shown on the map. The new web-based Apartment Program will enable users to search by the key code provided per apartment.

**For additional information, call us or visit our website at [www.apartmenttrends.com](http://www.apartmenttrends.com) or (877) APT-DATA**

**HOUSING AUTHORITY OF THE CITY OF AUSTIN**  
**REPORT**  
**RENTAL ASSISTANCE DEMONSTRATION**  
**ITEM NO. 5.**

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**MEETING DATE:** November 15, 2018

**STAFF CONTACT:** Ann Gass, Director of RAD

**ITEM TITLE:** Update on HACA's Rental Assistance Demonstration Program

**BUDGETED ITEM:** N/A

**TOTAL COST:** N/A

**ACTION**

No action is being requested. Staff will provide an update to the Board regarding progress with HACA's Rental Assistance Demonstration Program, ongoing construction and rehabilitation of units in HACA's public housing portfolio, and implications for residents and the broader community.

# HOUSING AUTHORITY OF THE CITY OF AUSTIN

## BOARD ACTION REQUEST

### RESOLUTION NO. 2577

#### QUALITY CONTROL

#### ITEM NO. 6.

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**MEETING DATE:** November 15, 2018

**STAFF CONTACT:** Kelly Crawford, Director of Compliance Oversight

**ITEM TITLE:** Presentation, Discussion, and Possible Action regarding Resolution No. 2577: Approval to Submit an Application for Disposition of 22 Public Housing Scattered Site Units to HUD's Special Applications Center (SAC)

**BUDGETED ITEM:** N/A

**TOTAL COST:** N/A

#### ACTION

Staff is requesting approval to submit a request to U.S. Department of Housing and Urban Development Special Applications Center (SAC) for the disposition of 22 public housing scattered site units.

#### SUMMARY

##### ***Background:***

As part of HACA's public housing portfolio, HACA owns 22 scattered site single family houses throughout Austin. Over the years, maintenance and management of these houses has been challenging and costly. Building systems upkeep and travel to perform maintenance and repairs has been inefficient. Additionally, residents living in scattered site houses do not have convenient access to onsite programs such as after-school tutoring, job training, and digital literacy courses that residents of our multifamily sites have access to on property.

Pursuant to recent guidance published in Notice HUD 2018-04, PHA's have the opportunity to request a disposition of scattered site inventory. This action will allow HACA to sell the homes at Fair Market Value and use the net proceeds from the sales of these units as gap funding to finance extensive renovations and create additional affordable housing as HACA continues its RAD transition. Each scattered site tenant will have the First Right of Refusal to purchase their unit.

Those tenants not interested or unable to purchase their unit will be provided the option to either transfer to a HACA-owned unit across our 18 properties, or receive a Section 8 tenant protection voucher to move to suitable alternate housing. HACA will work closely with each family to discuss their individual needs and will assist with moving-related costs such as housing search assistance, moving costs, utility hook-up transfers, and other related expenses. Additionally, HACA will work with households with school-aged children to ensure any relocation occurs after the school year has ended.

***Process:***

To meet the specific requirements to remove this property from HUD's public housing portfolio, HACA must be compliant with Chapter 24 Code of Federal Regulations Part 970 and receive resident participation, request and receive acknowledgement from a local government official that the disposition of this property is in accordance with the consolidated plan and meets approval, receive a fair market value appraisal and conduct an environmental review of all the affected land and buildings. In August 2016, HACA revised its 2016 Annual Plan to reflect this planned disposition activity and it was approved by the Board under Resolution No. 2455. HACA must now receive board approval to submit a disposition application to the HUD's SAC acknowledging that all requirements have been met. HACA must also specifically state in a board resolution the type of sale or lease it will be requesting. For this application, HACA will request a sale at fair market value.

Notifications were mailed to all impacted residents regarding the intent to sell these homes. Meetings were held with these residents on November 5th, 6th, and 7th, where their options were discussed and questions were answered. Additionally, HACA has received a letter of support for the disposition activity from the City of Austin Neighborhood Housing and Community Development and is expecting a support letter from the Mayor of the City of Austin. Appraisals were performed on each unit during September 2018, with a combined total appraised value of \$4,919,000. Finally, HACA has completed and submitted our environmental reviews to the City of Austin, which are currently in the City's review process.

Once the application is submitted, the timeline for HUD to review and approve the application process for the disposition of properties may be 60 or more days.

***Staff Recommendation:***

Resolution No. 2577 asks the Board of Commissioners to approve the submission of the application for disposition of 22 public housing scattered site units to HUD's Special Applications Center.

**ATTACHMENTS:****▣ Appraised Value of Public Housing Scattered Site Homes**

**RESOLUTION NO. 2577**

**Approval to Submit an Application for Disposition of 22 Public Housing Scattered Site Units to HUD's Special Applications Center (SAC)**

**WHEREAS**, for the past two fiscal years the Housing Authority of the City of Austin (HACA) has incorporated within its Public Housing Authority Annual Plan, a notice of action to dispose of its 22 public housing scattered site units;

**WHEREAS**, it is HACA's desire to proceed with disposition of its 22 scattered site units; and

**WHEREAS**, consultation with residents of the scattered sites has occurred via mailed notices and in-person meetings and phone consultations; and

**WHEREAS**, although not required by HUD, all scattered site residents have been provided the first right of refusal and offer of sale to purchase their respective rental unit; and

**WHEREAS**, letters of support from all appropriate local government officials have been received; and

**WHEREAS**, prior to submission of a disposition application to the U.S. Department of Housing and Urban Development, approval must be given by the Board of Commissioners, as it pertains to Section 8 Demolition and Disposition and the requirements outline in 24 Code of Federal Regulations §903.7(h);

**NOW, THEREFORE, BE IT RESOLVED**, that the Housing Authority of the City of Austin Board of Commissioners supports and approves the submission of application(s) for the disposition of the 22 public housing scattered site units under AMPs TX001000016, TX001000005, and TX001000017; and

**BE IT FURTHER RESOLVED**, that the President and CEO is authorized to execute documents and provide certifications and submit to HUD for approval the aforementioned disposition request.

**PASSED, APPROVED AND ADOPTED** this 15th day of November, 2018.

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**Michael G. Gerber, Secretary**

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**Carl S. Richie, Jr., Chairperson**

**Appraised Value of Public Housing Scattered Site Homes  
as of 09/12/2018 and 09/13/18**

<b>Address</b>	<b>Appraised Value 2016</b>	<b>COMP 1</b>	<b>COMP 2</b>	<b>COMP 3</b>	<b>Appraised Cost Value 2018</b>	<b>Appraised Sales Value 2018</b>
<b>Milwood Subdivision</b>						
12721 Magnolia Mound TR 78727	<b>185,000</b>	226,100	204,500	238,500	182,327	<b>225,000</b>
12815 Magnolia Mound TR 78727	<b>210,000</b>	270,700	268,000	253,600	206,991	<b>260,000</b>
12817 Magnolia Mound TR 78727	<b>210,000</b>	271,500	270,600	254,300	209,413	<b>260,000</b>
12902 Lazyfield 78727	<b>180,000</b>	250,200	235,700	221,490	184,955	<b>235,000</b>
5912 Green Acres 78727	<b>190,000</b>	247,000	242,500	214,390	195,536	<b>225,000</b>
5919 Green Acres 78727	<b>183,000</b>	220,500	244,200	208,800	192,564	<b>220,000</b>
5916 Richard Carlton 78727	<b>167,000</b>	198,600	186,000	221,300	153,538	<b>198,000</b>
5506 Shreveport 78727	<b>210,000</b>	263,800	262,900	246,600	208,997	<b>255,000</b>
5604 Shreveport 78727	<b>210,000</b>	264,300	263,400	247,100	207,660	<b>250,000</b>
12915 Garfield 78727	<b>209,000</b>	267,900	267,000	250,800	216,292	<b>260,000</b>
13004 Garfield 78727	<b>209,000</b>	267,900	267,000	250,800	214,064	<b>255,000</b>
12906 Odie Lane 78727	<b>210,000</b>	269,200	268,000	252,000	201,806	<b>260,000</b>
12405 Turtleback Lane 78727	<b>230,000</b>	259,600	304,100	296,600	262,985	<b>290,000</b>
<b>Scofield Farms Subdivision</b>						
12821 Meehan DR 78727	<b>168,000</b>	217,200	238,000	225,000	161,333	<b>225,000</b>
<b>Walnut Creek Subdivision</b>						
6701 Shannon 78724	<b>105,000</b>	163,500	153,300	164,500	146,096	<b>160,000</b>
6713 Shannon 78724	<b>112,000</b>	168,500	158,300	170,500	146,096	<b>165,000</b>
6805 Shannon 78724	<b>110,000</b>	164,200	153,000	165,000	147,088	<b>160,000</b>
7104 Shannon 78724	<b>130,000</b>	200,100	253,000	257,500	179,932	<b>210,000</b>
<b>Colony Park Subdivision</b>						
7012 Hillcoft 78724	<b>108,000</b>	163,100	152,900	160,100	138,537	<b>160,000</b>
7021 Hillcroft 78724	<b>108,000</b>	164,300	154,100	161,300	135,870	<b>161,000</b>
<b>Sweet Briar Subdivision</b>						
6515 Starstreak Dr 78745	<b>200,000</b>	251,000	275,000	284,700	209,795	<b>265,000</b>
6104 Waycross 78745	<b>200,000</b>	216,000	223,000	219,470	183,593	<b>220,000</b>
<b>Average Value:</b>	<b>\$ 174,727</b>				<b>\$ 185,703</b>	<b>\$ 223,591</b>
<b>Total Appraised Value:</b>	<b>\$ 3,844,000.00</b>				<b>\$ 4,085,468.00</b>	<b>\$ 4,919,000.00</b>

# HOUSING AUTHORITY OF THE CITY OF AUSTIN

## BOARD ACTION REQUEST

### RESOLUTION NO. 2578

#### HUMAN RESOURCES

#### ITEM NO. 7.

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**MEETING DATE:** November 15, 2018

**STAFF CONTACT:** Gloria Morgan, Human Resources Director

**ITEM TITLE:** Presentation, Discussion, and Possible Action regarding Resolution No. 2578: Approval of the Revisions to HACA's Safe Workplace and Risk Control Policy Statement

**BUDGETED ITEM:** N/A

**TOTAL COST:** N/A

#### ACTION

The Board is being asked to review and approve the proposed revisions to this personnel policy statement before dissemination to all HACA staff.

#### SUMMARY

##### ***Background:***

In 1997, HACA's insurance carrier recommended that the agency adopt a Risk Control Policy Statement in light of high rates of Worker's Compensation and property claims activity. This statement was adopted in an effort to remind employees that we all have a responsibility in providing and maintaining a safe working environment, not only for ourselves but also for the residents we serve. HACA's current Risk Control Policy Statement was adopted by the Board of Commissioners on November 20, 1997.

A copy of this policy statement is provided to all new employees at new employee orientation. During orientation the importance of this statement is discussed/reviewed with new employees. They are required to sign a form acknowledging they have read and received a copy of the statement.

Upon a recent review of the new employee orientation packet, it was noted that the signature for the President/CEO needed to be updated on the Risk Control Policy Statement to reflect the current President/CEO's name. Additional updates to the statement were made as well.

Periodic safety training and topics are discussed during departmental staff meetings to keep employee safety front of mind for all staff. Additionally, safety equipment such as hazard cones, safety vests, radios have been purchased in the event of emergency situations.

In ongoing efforts to promote a safe workplace, HACA has an active Safety Committee that meets bi-monthly

to discuss and plan periodic fire drills and address safety concerns shared by employees.

***Process:***

Staff is bringing the proposed updates to the Board for discussion and approval. After Board approval, all employees will receive an updated version of the statement and will be required to sign a new acknowledgment form that will be placed in their personnel file.

***Staff Recommendation:***

Staff is asking the Board of Commissioners' approval of the revisions and renaming of the Risk Control Policy Statement to the Safe Workplace and Risk Control Policy Statement.

**ATTACHMENTS:**

- ▣ **Exhibit 1: Previous Risk Control Policy Statement**
- ▣ **Exhibit 2: Edited Safe Workplace and Risk Control Policy Statement**
- ▣ **Exhibit 3: Draft of Safe Workplace and Risk Control Policy Statement**

**RESOLUTION NO. 2578**

**WHEREAS**, the Housing Authority of the City of Austin seeks to revise and rename the Risk Control Policy Statement to the Safe Workplace and Risk Control Policy Statement, to establish clear and thorough guidelines for the employees of HACA, SHCC and AAHC, Austin Pathways and Blueprint Consulting;

**WHEREAS**, the Housing Authority desires that employees report unsafe conditions and to work together to ensure that HACA remains a safe place to work.

**NOW THEREFORE, BE IT RESOLVED**, that the Housing Authority of the City of Austin Board of Commissioners approves and adopts the revisions to the Safe Workplace and Risk Control Policy Statement and authorizes the President/CEO to incorporate this statement revision into the new Employee Orientation packet for the Housing Authority of the City of Austin effective November 15, 2018.

**PASSED, APPROVED AND ADOPTED** this 15th day of November, 2018.

\_\_\_\_\_  
**Michael G. Gerber, Secretary**

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**Carl S. Richie, Jr., Chairperson**



# Housing Authority for the City of Austin

*Established in 1937*

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## **RISK CONTROL POLICY STATEMENT**

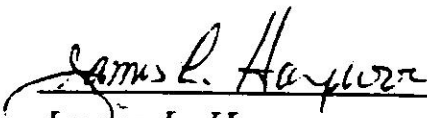
*The responsibility of providing and maintaining a safe working environment begins with each employee of the Housing Authority of the City of Austin (HACA).*

*Minimizing risk to the residents and employees of HACA can only be accomplished if proper safety procedures are known, followed and upheld by the residents and employees alike.*

*It is the intention of HACA to abide by all applicable laws and regulations governing the health and safety of residents, visitors, employees, and property. Safety is the responsibility of all employees of HACA. Safety is also the primary consideration in all work to be undertaken at the Housing Authority. There is no job so important that health and well-being of an employee should be unduly jeopardized.*

*Much of the work undertaken at HACA involves a certain measure of risk. We should each strive to identify those risks associated with our jobs and actively work to reduce the level of risk. HACA's Safety Manual provides guidelines for the implementation of risk control techniques in our everyday work. Each staff member of Authority should read and apply the provisions of HACA's Safety Manual.*

*If you see an unsafe act, question it. If you are not satisfied with the answers, bring it to your supervisor's attention. By working together as a team, we can ensure that HACA remains a safe place to work.*

  
\_\_\_\_\_  
James L. Hargrove,  
Executive Director

11.20.97  
Date



# Housing Authority of the City Of Austin

## Established in 1937

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### ***Safe Workplace and Risk Control Policy Statement***

*The responsibility of providing and maintaining a safe working environment begins with each employee of the Housing Authority of the City of Austin (HACA). Minimizing risk to the residents and employees of HACA can only be accomplished if proper safety procedures are known, followed and upheld by the residents and employees alike.*

*It is the intention of HACA to abide by all applicable laws and regulations governing the health and safety of residents, visitors, employees, and property. Safety is the responsibility of all employees of HACA. Safety is also the primary consideration in all work to be undertaken at the Housing Authority. There is no job so important that health and well-being of an employee should be unduly jeopardized.*

*Much of the work undertaken at HACA involves a certain measure of risk. We should each strive to identify those risks associated with our jobs and actively work to reduce the level of risk. HACA's Safety Manual provides guidelines for the implementation of risk control techniques in our everyday work. Each HACA staff member should read and apply the provisions of HACA's Safety Manual appropriate for their position and responsibilities. However, no HACA employee should ever perform or attempt a task which they feel puts them at risk and which they believe they are not able to perform safely.*

*If you see an unsafe act, question it. If you are not satisfied with the answer, bring it to your supervisor's attention or to a member of HACA's Executive Team. By working together, we can ensure that HACA remains a safe place to work.*

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Michael Gerber  
President & CEO

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Date



# **Housing Authority of the City Of Austin**

*Established in 1937*

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## ***Safe Workplace and Risk Control Policy Statement***

The responsibility of providing and maintaining a safe working environment begins with each employee of the Housing Authority of the City of Austin (HACA). Minimizing risk to the residents and employees of HACA can only be accomplished if proper safety procedures are known, followed and upheld by the residents and employees alike.

It is the intention of HACA to abide by all applicable laws and regulations governing the health and safety of residents, visitors, employees, and property. Safety is the responsibility of all employees of HACA. Safety is also the primary consideration in all work to be undertaken at the Housing Authority. There is no job so important that health and well-being of an employee should be unduly jeopardized.

Much of the work undertaken at HACA involves a certain measure of risk. We should each strive to identify those risks associated with our jobs and actively work to reduce the level of risk. HACA's Safety Manual provides guidelines for the implementation of risk control techniques in our everyday work. Each HACA staff member should read and apply the provisions of HACA's Safety Manual appropriate for their position and responsibilities. However, no HACA employee should ever perform or attempt a task which they feel puts them at risk and which they believe they are not able to perform safely.

If you see an unsafe act, question it. If you are not satisfied with the answer, bring it to your supervisor's attention or to a member of HACA's Executive Team.

By working together, we can ensure that HACA remains a safe place to work.

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Michael Gerber  
President & CEO

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Date

# HOUSING AUTHORITY OF THE CITY OF AUSTIN

## BOARD ACTION REQUEST

### FINANCE ITEM NO. 8.

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**MEETING DATE:** November 15, 2018

**STAFF CONTACT:** Martha Ross, Vice President & Chief Financial Officer

**ITEM TITLE:** Presentation, Discussion and Possible Action regarding Resolution No. 2579:  
Revised Operating Budgets for the Fiscal Year April 1, 2018 to March 31, 2019

**BUDGETED ITEM:** No

**TOTAL COST:** Provision for Reserve and Expenditure amendment

### **ACTION**

The Board is asked to approve Resolution No. 2579, reflecting revisions to the operating budgets for Fiscal Year 2018-19.

### **SUMMARY**

***Background:***

The regulations of the U.S. Department of Housing and Urban Development require the Commissioners of the Housing Authority of the City of Austin to approve the agency's Operating Budget revision.

***Process:***

Staff has evaluated the approved, original fiscal year 2019 budget versus current and forecast revenues, expenses and expenditures, and concluded revisions are necessary. We will present an itemization to the Board during the November 2018 Board Meeting, for amendments related to items such as RAD conversion-related expenses, additional UPCS inspections and post-RAD site reviews, timing of work and other unbudgeted expenses.

***Staff Recommendation:***

Staff recommends approval of the submitted budget amendment.

### **ATTACHMENTS:**

- ▣ **Exhibit 1: Budget Amendment FY2019**

**RESOLUTION NO. 2579.**

**WHEREAS**, the regulations of the U. S. Department of Housing and Urban Development require the Commissioners of a Public Housing Agency to approve Operating Budget revisions; and

**WHEREAS**, the Commissioners of the Housing Authority of the City of Austin have reviewed the revised Operating Budgets and do find:

- 1) That the proposed expenditures are necessary for the efficient and economical operation of the program for the purpose of serving low-income families.
- 2) That the financial plan is reasonable in that:
  - a. It includes sources of funding adequate to cover all proposed expenditures, and
  - b. It does not provide for use of Federal funding in excess of that payable under the provisions of the Annual Contributions Contract
- 3) That all proposed rental charges and expenditures are consistent with provisions of law and the Annual Contributions Contract; and

**WHEREAS**, the Board of Commissioners of the Housing Authority of the City of Austin hereby certify that the Housing Authority of the City of Austin is in compliance with the Annual Contributions Contract; and

**WHEREAS**, the Board of Commissioners of the Housing Authority of the City of Austin hereby certify that the Housing Authority of the City of Austin is in compliance with the requirement of the Annual Contributions Contract, and that rents and utility allowance calculations have been, or will be, adjusted in accordance with current HUD requirements and regulations.

**NOW, THEREFORE, BE IT RESOLVED**, that the Fiscal Year 2019 Revised Operating Budgets, copies of such budgets reviewed in the Board Meeting and attached to the meetings, be hereby approved by the Board of Commissioners of the Housing Authority of the City of Austin.

**PASSED, APPROVED AND ADOPTED** this 15th day of November 2018.

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**Michael G. Gerber, Secretary**

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**Carl S. Richie, Jr., Chairperson**

Exhibit 1: <b>In \$000s</b> Fiscal Year 2019 Budget Amendment		Approved FY19 Budget	Budget Amendment	Less HCV HAP Format Change (no \$)	Incremental Real \$ Budget Change	Revised FY19 Budget	Real \$ % Change	Real \$ Change Summary by Dept
<b>Total Revenues</b>		\$ 114,884	\$ 1,806	\$ 1,679	\$ 127	\$ 116,690	0.1%	Revenue Increase \$127k from HCD - Jobs Plus Grant, timing of funds
<b>Total Expenses</b>		\$ 106,778	\$ 2,408	\$ 1,679	\$ 730	\$ 109,186	0.7%	* < 1% Expense Increase of \$730k: \$340k from HCD, \$160k from RAD, \$225k from COCC and \$5k from Blueprint
<b>Provision for Reserve</b>		\$ 8,106	\$ (602)	\$ -	\$ (603)	\$ 7,504	-7.4%	Net Provision Decrease of \$603k
<b>Other Expenditures in Budget</b>		\$ 3,788	\$ -			\$ 3,788	0.0%	No Change
<b>Net Remaining</b>		\$ 4,318	\$ (602)			\$ 3,716		
<b>* Increase in Expenses</b>		<b>\$ 730</b>		<b>By Dept</b>	<b>Explanation</b>			
HCD	Maintenance Supplies, Expenses & Labor	\$ 42			Includes turnover from RAD hotels and related maintenance, some UPCS inspections & routine.			
HCD	Plumbing Contracts / Repairs	\$ 50			Gaston \$21k, BTW \$13k (\$5k-\$7k/visit), Lakeside \$8k, Meadowbrook \$5k, Northloop \$3k.			
HCD	Other Maintenance Contracts	\$ 54			Elevator, Grounds, HVAC, Door/Window Repair, Custodial.			
HCD	UPCS Inspections	\$ 36			Lakeside \$20k, Shadowbend \$8k, Manchaca Village \$8k.			
HCD	Tree Trimming	\$ 25			Emergency & extra mainenance (\$3k-\$5k each Meadowbrook, Bouldin, Chalmers, BTW and Lakeside).			
HCD	Pest Control	\$ 14			Pest Control contracts and other pest control as needed.			
HCD	Make Ready / Cleaning	\$ 35			Increased hotel units & voucher make readies, outsourcing to cover two FMLA staff & extra HCD work			
HCD	Reasonable Accommodation Expenses	\$ 17			Ramps / sidewalks for various units & also for hotel units for tenants needing accommodations.			
HCD	Audit Fees	\$ 48			Includes \$10k for new Single Audit of Bouldin and Monitoring for TDHCA properties.			
HCD	Legal and Court Costs	\$ 7			Related to evictions and other.			
HCD	Admin Supplies, Equip, Training	\$ 6			Includes thumb drives and printing costs for lease signings.			
HCD	Software Subscription	\$ 7	\$ 340		Project Management and Staff Ticket Management software.			
RAD	Software Expense	\$ 15			Move Tenant Accounting software to the cloud.			
RAD	Consulting & Other Office Expenses	\$ 125			Software Consulting (Right Source \$120k), RAD Consulting (Capstone \$3k) & Other (expensed Furniture)			
RAD	Temporary Staff	\$ 20	\$ 160		Data entry for RAD conversions.			
COCC	Donation to Tax Credit properties	\$ 74			Donation to tax credit properties (not in HACA consolidated financials) for HAP offset.			
COCC	Staff in P&D and Finance (FMLA)	\$ 167			Two staff staying through March 31 due to incremental work.			
COCC	Staff and Temporaries	\$ 35			Admissions -- Convert one position from PT to FT and Admissions Temp (increase in work load).			
COCC	Admissions other expenses	\$ 20			Increased volume of work and Compliance.			
COCC	Staff One-time Incentive pay	\$ 129			August 2018 performance incentive for all staff, previously discussed with the Board.			
COCC	Lower Interest Expense on Debt	\$ (200)	\$ 225		Later RAD conversions & no external Thurmond loan less Eastland refinance (for RAD gap loan proceeds)			
Blueprint	Audit Fees	\$ 5	\$ 5		Annual audit cost not in original budget.			