

# HOUSING 101

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Studies  
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# INCOME LEVELS

- **Median Family Income (MFI)**
  - **Low-Income (80% of MFI)**
  - **Very Low-Income (50% of MFI)**
  - **Extremely Low-Income (30% of MFI)**
- **Supplemental Security Income (SSI)**
  - **\$710/month (individual) = \$8,520/year**
  - **\$1,066/month (couple) = \$12,792/year**

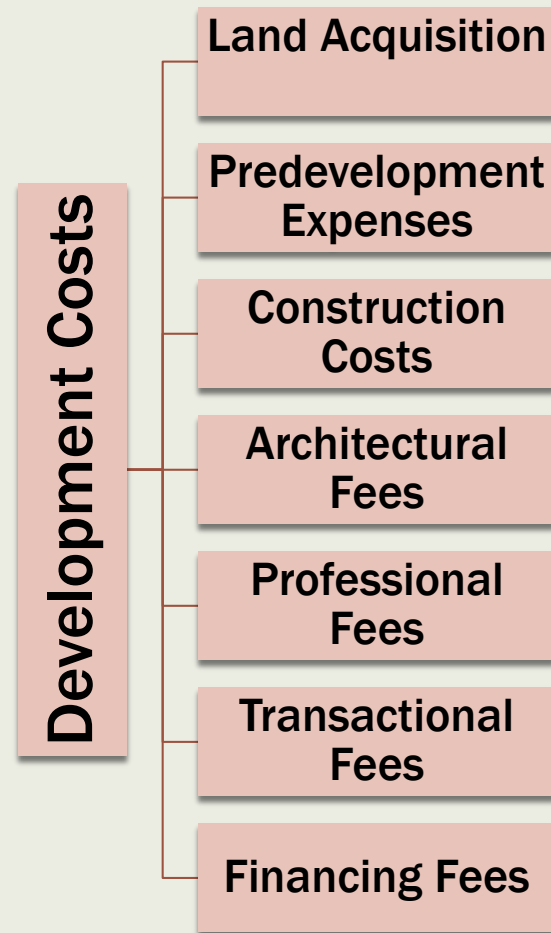
# 2013 AREA MEDIAN FAMILY INCOME (AUSTIN)

HH#	1	2	3	4	5	6	7	8
30% MFI	\$15,390	\$17,580	\$19,770	\$21,960	\$23,730	\$25,500	\$27,240	\$29,010
50% MFI	\$25,650	\$29,300	\$32,950	\$36,600	\$39,550	\$42,500	\$45,400	\$48,350
60% MFI	\$30,780	\$35,160	\$39,540	\$43,920	\$47,460	\$51,000	\$54,480	\$58,020
80% MFI	\$41,040	\$46,880	\$52,720	\$58,560	\$63,280	\$68,000	\$72,640	\$77,360

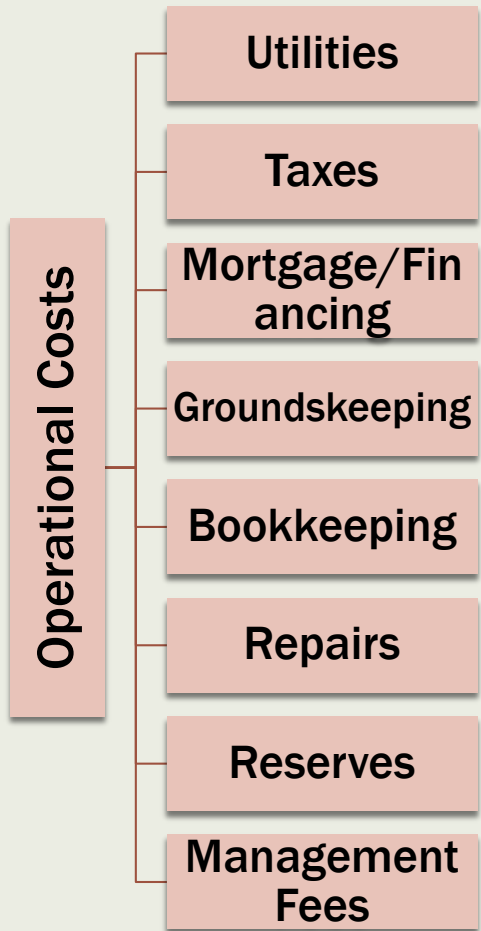
# WHAT IS AFFORDABLE?

- **Affordable Rent**
  - 30% of gross income toward rent and utilities
  - Individual on SSI = \$213/month for rent and utilities
  - Couple on SSI = \$320/month for rent and utilities
- **Fair Market Rent**
  - Determined by HUD annually
  - \$834/month for one-bedroom in Austin
  - \$1,050/month for two-bedroom in Austin
- So someone on SSI in Austin would need to spend more than 100% of their entire income on housing costs.

# COST OF HOUSING - DEVELOPMENT



# COST OF HOUSING - OPERATIONAL



# BASIC MATH: HOW CAN WE MAKE HOUSING AFFORDABLE?

Loan Amount	Interest Rate	Term (Years)	Principal & Interest (Monthly)	Operating Expenses (Monthly)	Rent (Per Unit)
\$1,000,000.00	8%	20	\$8,364.40	\$2,500	\$1,087
\$1,000,000.00	7%	20	\$7,752.99	\$2,500	\$1,026
\$750,000.00	5%	20	\$4,949.67	\$2,500	\$745
\$500,000.00	4%	30	\$2,387.08	\$2,500	\$489
\$0	\$0	n/a	\$0	\$2,500	\$250

# TYPES OF SUBSIDIES

- **Development**
  - **Grants/Equity**
  - **Below Market Loan/Debt**
- **Operating**
  - **Rental Subsidies**



# AFFORDABLE HOUSING RESOURCES DEVELOPMENT AND OPERATIONS



**Federal**

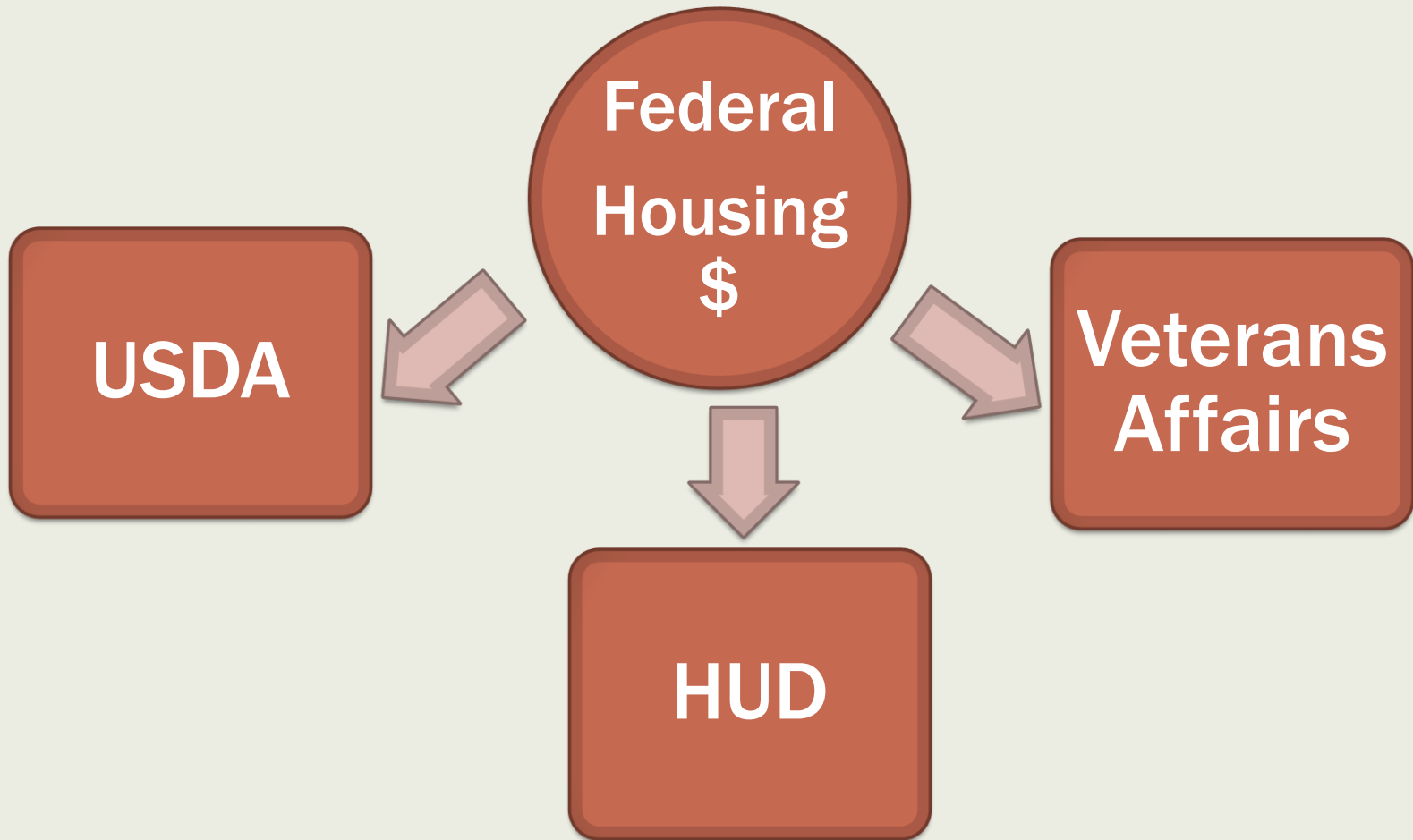


**State**



**Local**

# HOUSING AT THE FEDERAL LEVEL

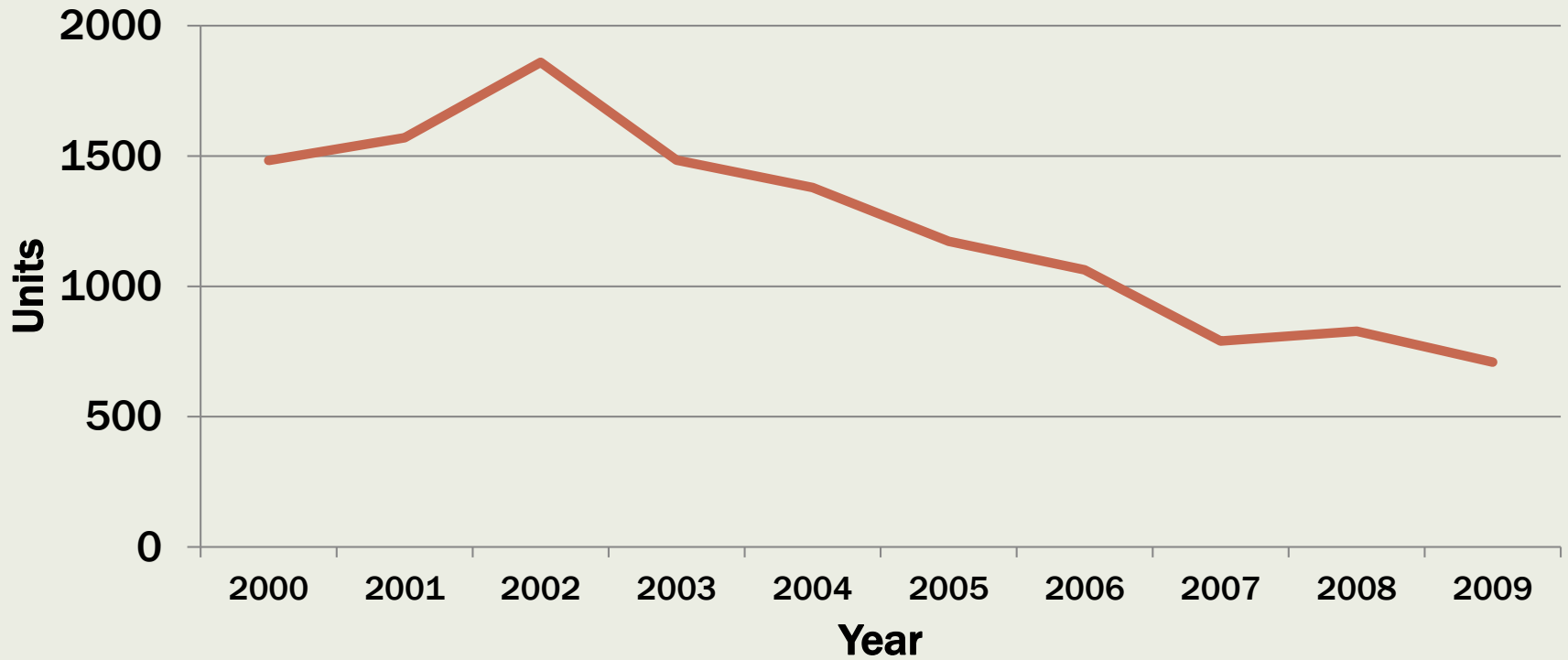


# FEDERAL LEVEL HUD SECTION 811

- **Section 811**
  - National Affordable Housing Act of 1990
  - Nonprofit Sponsor
  - Dual Subsidy
    - Capital Advance
    - Operating Subsidy
- **Development Type**
  - New Construction, Acquisition, or Rehab
  - Group Home or Independent Living Facility
- **Accessible**
  - Section 504
  - Fair Housing Act
- **Tenant Profile**
  - Low-Income (<50% MFI)
  - Qualified Disability

# DECLINING FUNDING:

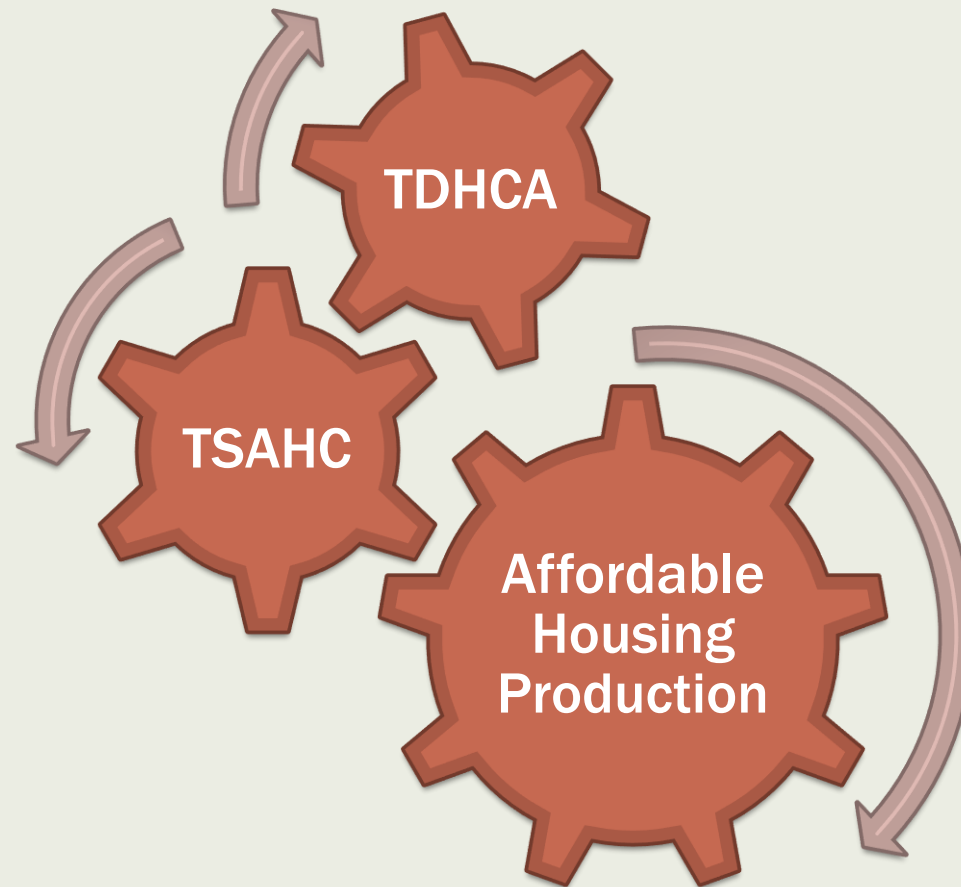
**Section 811 Units  
2000 - 2009**



# SECTION 811 MELVILLE ACT PROJECT RENTAL ASSISTANCE OPTION:

- **“Three-legged stool” for Supportive Housing**
  - Capital (HFA)
  - Operating (HUD)
  - Services (Medicaid, HHS)
- **30-year use restriction (5 year PRA + renewal)**
- **30% MFI income targeting**
- **New integration rule (<25% units reserved for people with disabilities)**
- **TDHCA awarded \$12 million under the Section 811 Project Rental Assistance Demonstration Program**
  - **385 units**
  - **Layered with TDHCA-financed multifamily developments**
  - **Finalizing contract with HUD**

# HOUSING AT THE STATE LEVEL



# TEXAS STATE AFFORDABLE HOUSING CORPORATION (TSAHC)

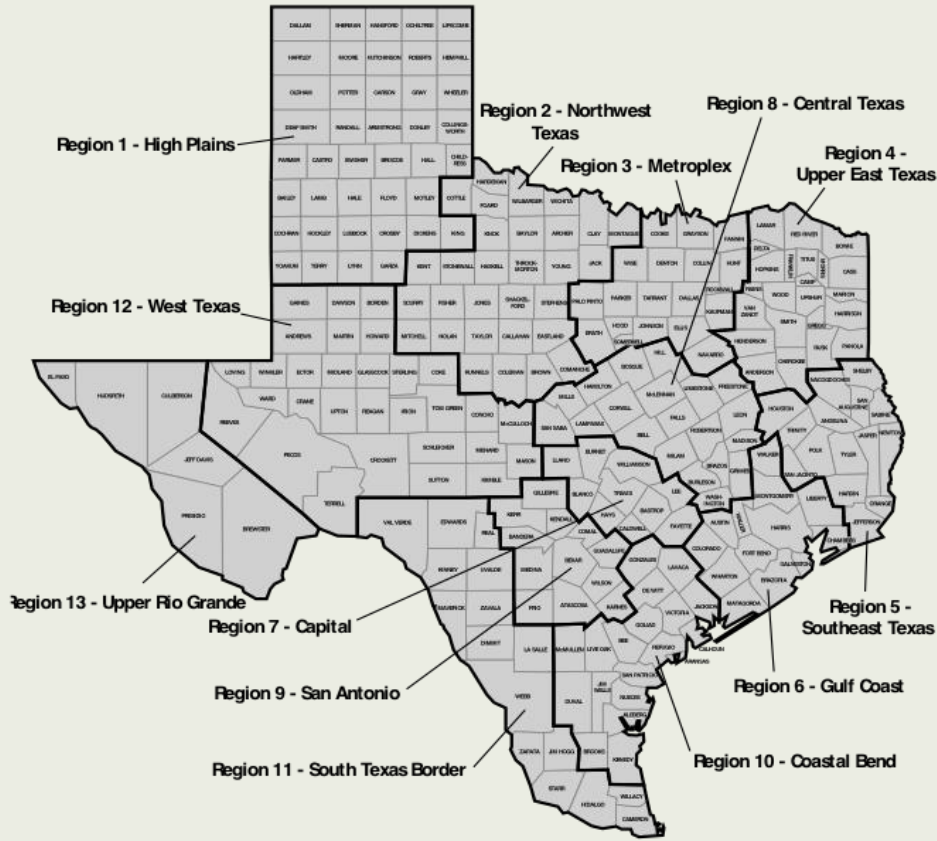
- **TSAHC Homeownership**
  - **The Professional Educators Home Loan**
  - **The Homes for Texas Heroes Home Loan Program**
  - **The Home Sweet Texas Loan Program**
- **Direct Lending (Multifamily and Single Family)**
- **Affordable Communities of Texas Land Bank**
- **Asset Oversight and Compliance**
- **Foreclosure Prevention**
- **Homebuyer Education Certification (TSHEP)**

# TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS (TDHCA)

- ❑ **State Housing Finance Agency**
- ❑ **Administers variety of affordable housing programs (single-family and multifamily):**
  - **My First Texas Home**
  - **Low Income Housing Tax Credits**
  - **Multifamily Bonds**
  - **HOME**
  - **Housing Trust Fund**
  - **Neighborhood Stabilization (NSP)**
- ❑ **Monitoring and Compliance**



# TDHCA SERVICE REGIONS



# TDHCA - RENTAL SUBSIDIES

- **Tenant Based Rental Assistance (HOME)**
- **TDHCA Project Access**

# HOUSING AT THE LOCAL LEVEL

**Municipalities  
Public Housing  
Authorities**

**Receive Funds  
from Federal  
and/or State  
Level**

**Determine Local  
Needs via  
Consolidated  
Plan or Planning  
Process**

**Funding for  
Affordable  
Housing and  
Community  
Development**

# PUBLIC HOUSING AUTHORITIES

- **Receive Funding Directly from HUD**
- **400+ PHAs in Texas**
- **56,000+ units in Texas**
  - **Single-family scattered**
  - **Multifamily**
- **Housing Choice Vouchers**
  - **Tenant-Based (Portable)**
  - **High Demand**
  - **Targeted Vouchers**
    - **HUD-VASH**
    - **Non-Elderly Disabled (NED)**
    - **Mainstream**
    - **Family Unification Program (FUP)**

# OPPORTUNITIES FOR INPUT

## ■ Local

- Consolidated Plan
- PHA Plan

## ■ State

- Consolidated Plan
- PHA Plan
- State Low Income Housing Plan (SLIHP)
- Qualified Allocation Plan

# QUESTIONS?

**Call In Number:**

**1-866-643-5251 (Toll Free)**

**Passcode:**

**512-232-0740**

# SPECIAL THANKS



TEXAS  
Department of Aging and Disability Services



**The Housing and Services Partnership Academy is paid for with 100% federal funding from the Real Choice Systems Change Grant awarded to the State of Texas by the Centers for Medicare and Medicaid Services.**

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