

City of Austin



Recommendation for Action

File #: 26-1395, **Agenda Item #:** 1.

4/9/2026

Posting Language

Authorize negotiation and execution of a loan agreement and related documents with Guadalupe Neighborhood Development Corporation, or an affiliated entity, in an amount not to exceed \$150,000 for an ownership housing development to be known as 806 Vargus, located at or near 806 Vargus Road, Austin, Texas 78741. Funding: Funding in the amount of \$150,000 is available in the Fiscal Year 2025-2026 Operating Budget of the Austin Housing Finance Corporation using Project Connect Funds.

Lead Department

Austin Housing Finance Corporation

Fiscal Note

Funding: Funding in the amount of \$150,000 is available in the Fiscal Year 2025-2026 Operating Budget of the Austin Housing Finance Corporation using Project Connect Funds.

For More Information:

Deletta Dean, Treasurer, Austin Housing Finance Corporation, 512-978-1410; or Mandy DeMayo, Deputy Director, Austin Housing, 512-974-1091.

Additional Backup Information:

If approved, Austin Housing Finance Corporation will be authorized to enter into a loan agreement and related documents with Guadalupe Neighborhood Development Corporation, or an affiliated entity, for an ownership housing development to be located in Council District 3.

Current Funding Request: \$150,000 (Project Connect Funds)

Development Information: Funding will be utilized for development costs of a 2-unit ownership housing development. One unit will be available for sale to a household earning at or below 60 percent of the Median Family Income (MFI), and one unit will be available for sale to a household earning at or below 80 percent MFI. The affordability period is 99 years.

Tax Exemption: A 100 percent property tax exemption is anticipated through Community Land Trust (CLT) ownership of the land under Section 11.1827 of the Texas Tax Code. The CLT will retain ownership of the land, while the homeowner will own and remain responsible for the property taxes on the improvements.

Development Application: The proposed development's application to the City may be found here:

<http://www.austintexas.gov/page/current-applications>