



City of Austin

Recommendation for Action

File #: 26-2108, **Agenda Item #:** 66.

7/23/2026

Posting Language

Authorize negotiation and execution of an agreement with Foundation Communities to provide site-based supportive housing services to individuals at Arbor Terrace, a City-owned supportive housing community, for an initial 13-month term beginning on September 1, 2026, in an amount not to exceed \$1,000,000, with up to two 12-month extension options each in an amount not to exceed \$1,000,000, for a total agreement amount not to exceed \$3,000,000. Funding: \$777,378 is available in the Fiscal Year 2025-2026 Neighborhood Housing-Housing Trust Fund. \$222,622 is available in the Fiscal Year 2025-2026 Austin Homeless Strategies and Operations Social Services Budget. Funding for the remaining years of the agreement is contingent upon available funding in future budgets.

Lead Department

Austin Homeless Strategies and Operations.

Fiscal Note

Funding in the amount of \$777,378 is included in the Fiscal Year 2025-2026 Neighborhood Housing-Housing Trust Fund.

Funding in the amount of \$222,622 is included in the Fiscal Year 2025-2026 Austin Homeless Strategies and Operations Social Services Budget.

Funding for the remaining years of the agreement is contingent upon available funding in future budgets.

For More Information:

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Additional Backup Information:

This action will authorize Austin Homeless Strategies and Operations to negotiate and execute an initial 13-month agreement with Foundation Communities beginning on September 1, 2026, with two 12-month extension options, for a total agreement amount of \$3,000,000, to provide site-based supportive housing services at Arbor Terrace, a City-owned supportive housing community. Foundation Communities operates Arbor Terrace under a long-term ground lease with the City. The property is home to 120 residents, many of whom have experienced homelessness and require ongoing support to maintain housing stability. Funding will support resident services that help individuals remain successfully housed, improve health and well-being, strengthen financial security, and build community connections. Services include adult education classes, money management and financial literacy training, yoga and walking groups, nutrition and healthy cooking classes, health education programming, and free healthy food deliveries through Keep Austin Fed. These services address barriers that can place housing at risk, promote long-term self-sufficiency, and reduce the likelihood that residents will return to homelessness. By helping residents remain stably housed and avoid crises that can lead to housing loss, these services protect the City's investment in supportive housing and advance Austin's goal of making homelessness rare, brief, and nonrecurring.

If authorization of this agreement is not approved, it will limit Austin Homeless Strategies and Operation's ability to provide supportive housing services.