



City of Austin

Recommendation for Action

File #: 25-1687, **Agenda Item #:** 66.

8/28/2025

Posting Language

Authorize negotiation and execution of an amendment to the agreement with Urban Alchemy to provide emergency shelter and supportive services to those experiencing homelessness at the ARCH and Eighth Street Shelters, to add one-time funding in the amount of \$500,000 for a revised total agreement amount not to exceed \$20,701,542. Funding: \$500,000 is available in the Fiscal Year 2024-2025 Social Services Contracts Budget of the Homeless Strategy Office.

Lead Department

Homeless Strategy Office.

Fiscal Note

Funding in the amount of \$500,000 is available in the Fiscal Year 2024-2025 Social Services Contracts Budget of the Homeless Strategy Office.

Prior Council Action:

October 10, 2024 - Council ratified an amendment to the agreement with Urban Alchemy on a 10-0 vote. Council Member Harper-Madison was absent.

September 26, 2024 - Council approved the negotiation and execution of Amendment No. 1 to an agreement with Urban Alchemy on a 10-0 vote. Council Member Harper-Madison was off the dais.

December 14, 2023 - Council approved the negotiation and execution of an agreement with Urban Alchemy on a 10-0 vote. Council Member Ryan Alter was absent.

For More Information:

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Additional Backup Information:

Urban Alchemy is a nonprofit that organization operates shelters, street outreach programs, hygiene services, and non-police crisis response efforts in cities nationwide. Urban Alchemy is known for employing practitioners with lived experience and for creating safe, welcoming environments that prioritize dignity, healing, and trust. Their approach emphasizes relationship-building, de-escalation, and connection to supportive services, to help people stabilize and move toward permanent housing.

Urban Alchemy operates several key homeless services in Austin, including the ARCH Shelter and the Eighth Street Women's Shelter. In the first half of 2025 alone, these shelters provided over 675 overnight stays and helped nearly 100 guests transition to permanent housing. Urban Alchemy also operates the adjacent ARCH Oasis, which offers essential amenities like showers, food, water, and weather protection, serving as a welcoming point of contact and community-building hub. Together, these facilities form a trauma-informed, low-barrier care pathway that supports individuals in moving toward long-term housing stability.

This action will authorize the Homeless Strategy Office's to execute an amendment to the agreement with Urban Alchemy, to add one-time funding in the amount of \$500,000, beginning September 1, 2025. This funding is critical to cover operational funding gaps in the current fiscal year and to continue to provide emergency and supportive services to those experiencing homelessness at the shelters.

Amendment No.1 exercised the first extension option in the amount of \$1,199,220 for the period of October 1, 2022, to September 30, 2023.

The original agreement was approved for a term of eight months ending on September 30, 2024, in the amount of \$1,558,200, with four extension options each in the amount of \$3,531,944, for a revised total agreement not to exceed \$16,776,734.