

City of Austin



Recommendation for Action

File #: 25-1646, **Agenda Item #:** 3.

8/28/2025

Posting Language

Authorize negotiation and execution of a one-year contract with the Housing Authority of the City of Austin to fund and administer the Tenant-Based Rental Assistance Program, which provides housing opportunities through subsidies to individuals and families experiencing homelessness, in an amount not to exceed \$1,419,448, with four one-year extension options contingent upon the availability of funds in future years through the HOME Investment Partnership Program. Funding: \$1,419,448 is available in the Fiscal Year 2025-2026 Operating Budget of the Austin Housing Finance Corporation through federal HOME Investment Partnership Program funds.

Lead Department

Housing Department.

Fiscal Note

Funding in the amount of \$1,419,448 is available in the Fiscal Year 2025-2026 Operating Budget of the Austin Housing Finance Corporation through federal HOME Investment Partnership Program funds. Funding for each extension option is contingent upon available funding in future budgets.

For More Information:

Mandy DeMayo, Treasurer, Austin Housing Finance Corporation, 512-974-1091.

Council Committee, Boards and Commission Action:

May 8, 2025 - The Austin Housing Finance Corporation (AHFC) Board authorized negotiation and execution of a one-year contract with the Housing Authority of the City of Austin (HACA) to fund and administer the Tenant Based Rental Assistance (TBRA) Program, which provides housing opportunities through subsidies to families and individuals experiencing homelessness, in an amount not to exceed \$1,280,112, with four one-year extension options, each in an amount not to exceed \$1,280,112, for a total contract amount not to exceed \$6,400,560.

March 07, 2024 - The AHFC Board approved negotiation and execution of an amendment to the agreement with the HACA to fund and administer the TBRA Program in an amount not to exceed \$175,000, for a total contract amount not to exceed \$1,467,971.

December 14, 2023 - The AHFC Board approved a 12-month contract with HACA to fund and administer the TBRA Program in the amount of \$1,292,971.

December 8, 2022 - The AHFC Board approved an 11-month contract with HACA to fund and administer the TBRA Program in the amount of \$1,264,779.

December 9, 2021 - The AHFC Board approved an 11-month contract with HACA to fund and administer the TBRA Program in the amount of \$1,133,205.

December 10, 2020 - The AHFC Board approved a 10-month contract with HACA to fund and administer the TBRA Program in the amount of \$1,140,849.

September 19, 2019 - The AHFC Board approved a one-year contract with HACA to fund and administer the TBRA Program in the amount of \$626,954.

September 19, 2019 - The AHFC Board approved a one-year contract with HACA to fund and administer the TBRA Program in the amount of \$508,411.

Additional Backup Information:

On May 8, 2025, the AHFC Board approved negotiation and execution of a one-year contract with HACA to fund and administer the TBRA Program in an amount not to exceed \$1,280,112. Since then, City Council has budgeted additional funds for the TBRA Program under the Fiscal Year 2025-2026 Action Plan. If approved, this item will align the contract amount with the amount budgeted for the TBRA Program in the Fiscal Year 2025-2026 Action Plan and replace the item from May 8, 2025.

The TBRA Program provides housing subsidies for rent, utilities, and security deposits to eligible households who would otherwise be homeless. To be eligible for the TBRA Program, households must be working towards self-sufficiency with a case manager and have a total household income at or below 50 percent of the Austin area Median Family Income (currently \$58,400 for a family of four). The TBRA Program will serve all the City of Austin addresses including those in both the City's full purpose and extra-territorial jurisdictions. Households can receive assistance through the TBRA Program for up to 24 months. Each household will pay no more than 30 percent of its monthly income towards rent. The TBRA Program will pay the difference between what the household can afford and the actual rent amount. As a household's income increases, the amounts paid by the program decrease accordingly. All payments made by the TBRA Program are paid directly to the landlord.

HACA has more than 25 years of experience with providing TBRA services. HACA verifies client and property eligibility, manages leasing terms, and makes rental subsidy payments directly to landlords each month. HACA also serves as a liaison between clients and landlords to ensure that landlords understand clients are only eligible for TBRA Program services so long as the household meets regulatory and program requirements. This program will serve up to 65 households.

Source of Funding: HOME Funds.