

HOMELESS STRATEGY OFFICE

STAFF RESPONSE TO RESOLUTION NO. 20250130-083

April 28, 2025



HOMELESS
STRATEGY
OFFICE

RESOLUTION NO. 20250130-083

ADOPTED JANUARY 30, 2025

RESOLUTION NO. 20250130-083

WHEREAS, according to the State of the Homelessness Response System report, the Ending Community Homelessness Coalition (ECHO) highlights our local Homelessness Response System is in need of approximately \$350 million over the next 10 years; and

WHEREAS, all remaining American Rescue Plan Act (ARPA) funding is encumbered and unable to fund any additional investments in the homeless response system in the future; and

WHEREAS, during the October 22, 2024 work session, the budget office identified an estimated annual cost for ongoing needs for rapid rehousing and emergency shelters at a minimum of \$15.4 million; and

WHEREAS, Austin has a higher rate of people experiencing chronic homelessness than most other cities; and

WHEREAS, the City's Fiscal Year 2024-2025 Budget strategic priorities include optimizing investments, partnerships, and service delivery to reduce the number of people experiencing homelessness in Austin; and

WHEREAS, the City has identified alleviating homelessness as a key priority; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City of Austin adopts the State of Homelessness Response System report and modeling as a guideline to inform investments in the homelessness response system.

State of Homelessness Response System (HRS) Report and Modeling
Adopted as a guidance to inform homeless response system investments.

Balanced Interventions

Emphasized matching clients with appropriate intervention best suited for their success.

Explore Partnerships and Funding Sources for HRS Investments

Directed staff to produce recommendations regarding American Rescue Plan Act (ARPA) programs, HSO staffing, increasing utilization of existing interventions, and capital and service funding for future HRS investments.

Permanent Supportive Housing (PSH) Developments

Sought policy and administrative recommendations to finish current PSH pipeline and bring more units online.

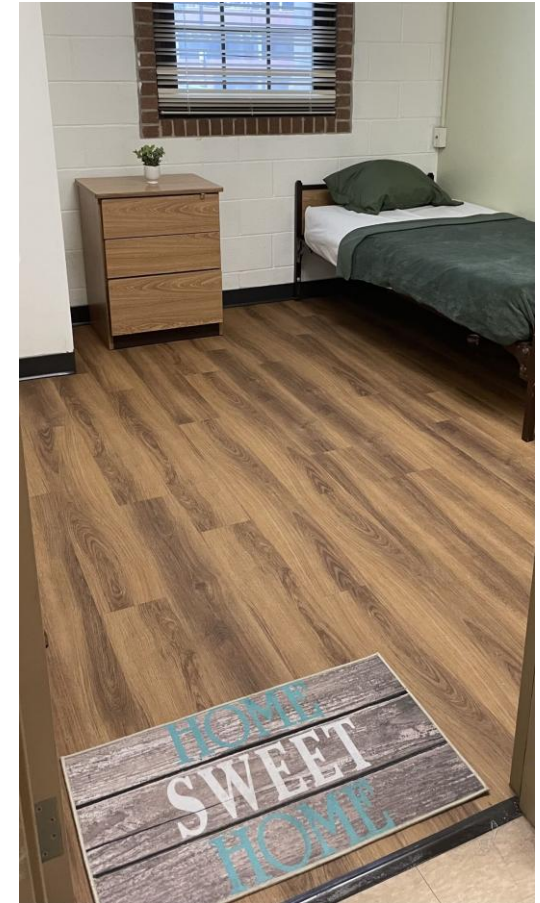
KEY TENETS

Produce a measurable reduction in the prevalence of homelessness.
Investments must reduce overall homeless count in Austin.

Focus across the HRS spectrum – from Prevention to PSH.
Multiple upstream and downstream opportunities to serve households.

Match interventions to the needs of those experiencing homelessness.
Investments must be used in a manner that serves people with the most appropriate interventions for their needs.

Partner with other entities to fund homeless-related initiatives.
Financial support for existing and future HRS initiatives must leverage other funding sources, including other taxing agencies, philanthropic organizations, and the business community.



Room at Eighth St. Women's Shelter

BOTTOM LINE UP FRONT: \$100.45M

PLUS CAPITAL AND SERVICE COSTS, AND \$23M ANNUAL PSH INCREASE



Prevention, Diversion, and Rapid Exit \$3.8 million

\$2.2 million for homeless prevention
\$0.5 million for homeless diversion
\$1.1 million for landlord engagement
Policy and program changes



Navigation \$TBD (capital and operating costs)

Relocate existing Nav. Center
Open at least two more Nav Centers



Outreach & Encampment Mgmt. \$5 million

\$2 million for outreach partnerships
\$3 million for Bridge shelter housing
Policy and program changes



Emergency Shelter \$32.3 million (plus capital cost for new beds)

\$8 million for Marshalling Yard
\$3.5 million for Eighth St. Women's Shelter
\$18.8 million for 550 new beds (services)
\$2 million for community shelters



Rapid Rehousing \$23.65 million

\$650K for DACC RRH Program
\$23M for 575+ new placements
Policy and program changes



Permanent Supportive Housing \$12.7 million + \$23 million annual increase

\$4.8 million to replace one-time funding
\$7.9 million for services in PSH pipeline units
\$23 million annual for PSH post 2027
Shift to global leasing/tenant-based PSH
Max PSH production with '26 bond funds
Policy and program changes



HRS Funders Call to Action \$16.2 million + \$17 million annual increase

\$11 million for RRH services
\$5.2 million for PSH pipeline units
\$17 million annual for PSH units post 2027
Nav. Center capital and operating funds
Enhance funding for street-based services
Shelter capital and operating funds



HSO Staffing

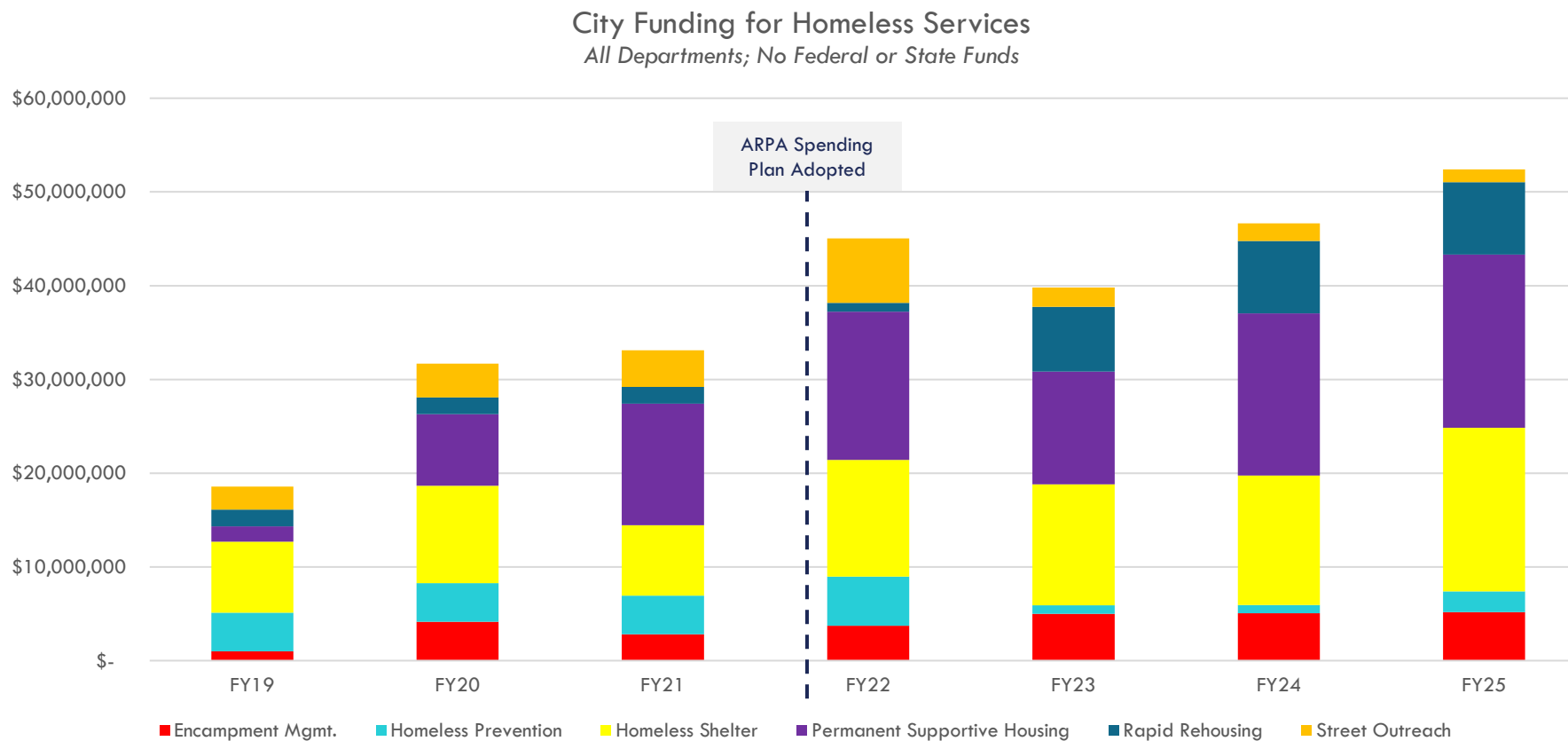
40 new HSO personnel,
including 20 for enforcement
and outreach

AMERICAN RESCUE PLAN ACT FUNDING RECOMMENDATIONS



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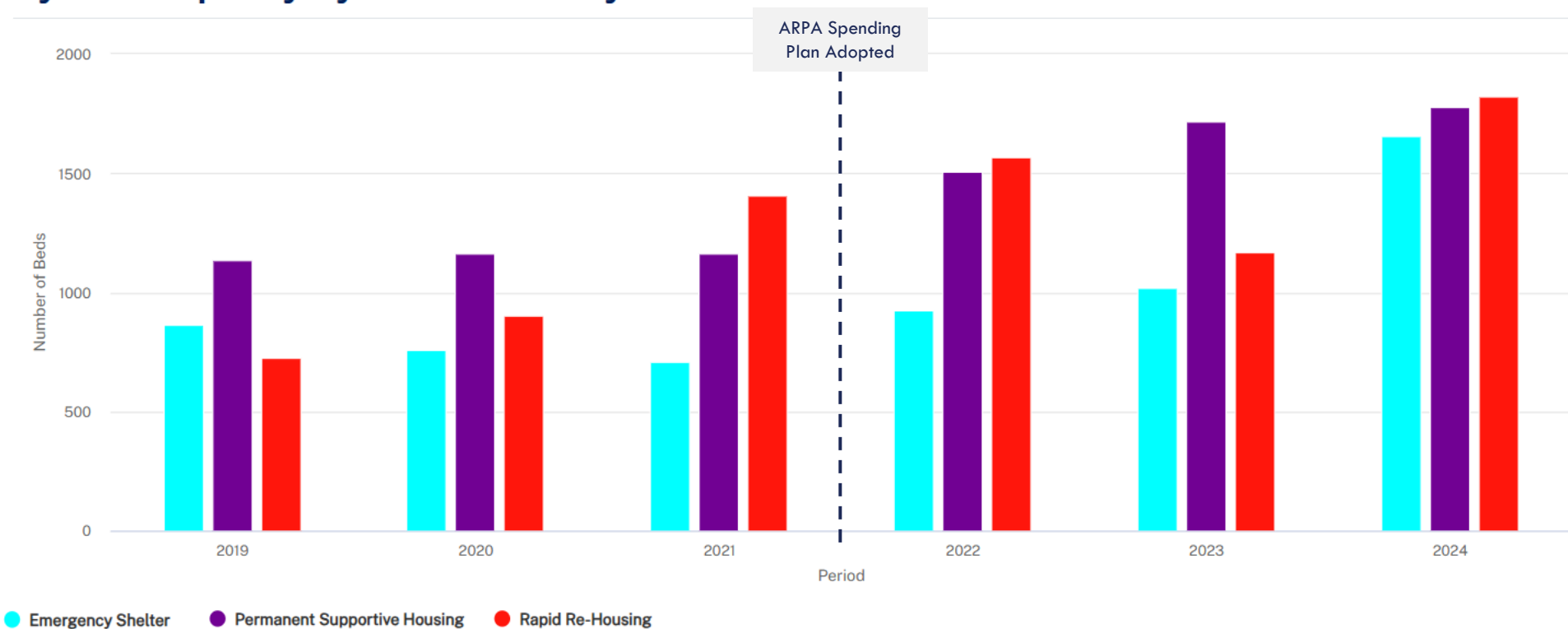
CONTEXT: CITY'S HRS SPENDING



Note: Program names and funding sources have changed across fiscal years.

CONTEXT: HRS SYSTEM CAPACITY

System Capacity By Intervention By Year



Source: HRS Dashboard, ECHO.

Note: Many providers braid local, state, and federal funds.



ARPA: HOMELESS SERVICE INVESTMENT PLAN

Investment Area	Final Allocations
Capital Investment: Housing Development	\$11.1 M
Targeted Prevention	\$3.3 M
Emergency Shelters and Crisis Services	\$26.8 M
Rapid Rehousing	\$42.3 M
Supporting Providers (Capacity Building)	\$2.0 M
Landlord Engagement and Move-In	\$1.5 M
Other Homeless Supportive Services	\$6.8 M
Homeless System Support (HSO Staff)	\$3.4 M
TOTALS	\$97.3 M

STAFF RECOMMENDATIONS: ONGOING ARPA PROGRAM FUNDING - \$15.65M



HEAL Initiative Client with HSO Staff

Marshalling Yard Emergency Shelter: \$8,000,000

Continued operations at the Marshalling Yard Emergency Shelter.

BRIDGE Shelter Housing Programs: \$3,000,000

Continued housing support for 80-100 individuals through the HEAL Initiative.

Street Outreach Initiatives: \$2,000,000

Contracting with local organizations to support street outreach citywide.

Community-Based Emergency Shelters: \$2,000,000

Support community-based shelters with capacity building.

Downtown Austin Community Court Rapid Rehousing Program: \$650,000

Clinical case management support for 100 clients annually.

STRATEGIES TO INCREASE EXISTING INTERVENTIONS' POSITIVE OUTCOMES



ENHANCING EXISTING INTERVENTIONS

Homeless Prevention

- *Utilize screening tools to identify and direct assistance to households at-risk of homelessness.
- *Provide case management to at-risk households so they may stabilize in their current housing.
- Strengthen partnerships across prevention programs, social services, healthcare providers, etc.
- Grant providers flexibly to deploy homeless prevention funds to meet households' unique needs.

Street Outreach

- *Prioritize employing individuals with lived experiences of homelessness for street outreach roles.
- *Increase shelter bed capacity so outreach workers have more access to beds.
- *Tailor street outreach programs to meet needs of unique populations (e.g., youth, veterans, etc.).
- *Use a geographic deployment strategy that prioritizes outreach to areas with higher homeless densities.
- *Leverage mobile apps allowing real-time data entry and service coordination for outreach teams.
- *Standardize data and key performance metrics to uniformly assess impact and outcomes.
- Place outreach workers inside of City facilities (e.g., libraries, recreation centers).
- Increase the number of medical practitioners that provide care directly on the street or in encampments.

* HSO is currently phasing-in or piloting these strategies.

ENHANCING EXISTING INTERVENTIONS



HEAL Initiative Encampment Closure at Ben White Blvd. & Menchaca Rd.

Encampment Management

- *Decrease reliance on external cleaning crews by building internal staff capacity to facilitate timely encampment closures.
- *Leverage technology to prioritize service requests and automate project scheduling and GIS mapping.
- *Launch a public-facing dashboard with real-time cleanup/closure info.
- Revise HEAL Initiative to customize housing solutions for shelter clients.

Diversion/Rapid Exit

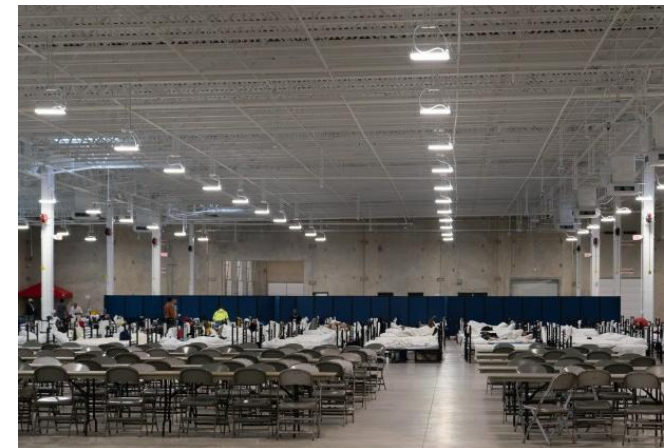
- *Strengthen partnerships with landlords to increase availability of housing for households at-risk or recently homeless.
- *Develop a citywide model for homeless diversion and rapid exit.
- Hire or assign housing navigators and case managers specifically for diversion/rapid exit program administration.

** HSO is currently phasing-in or piloting these strategies.*

ENHANCING EXISTING INTERVENTIONS

Emergency Shelters

- *Use technology to track real-time bed availability across shelter system.
- *Implement proactive, housing-focused exit planning for all clients beginning day one.
- *Ensure sufficient on-site support is available and accessible to all clients.
- Convert underutilized city properties into engagement hubs or low-capacity micro-shelters (15 to 20 beds).
- Improve holistic care by ‘rounding’ on clients with teams of shelter staff, medical providers, and case managers.



Marshalling Yard Emergency Shelter

** HSO is currently phasing-in or piloting these strategies.*

ENHANCING EXISTING INTERVENTIONS



Southbridge Shelter

Rapid Rehousing (RRH)

- *Work with CoC Leadership Council to consider data-driven Coordinated Entry revisions to ensure proper client placements for this intervention.
- *Ensure RRH providers assess client needs and begin addressing barriers at program entry and regular intervals.
- *Implement landlord recruitment strategies and incentive programs to boost unit availability.
- *Strengthen supportive services to ensure appropriate case manager-to-client ratio (1:20).
- Enhance housing stability by providing education regarding tenants' rights, budgeting, good neighbor expectations, etc.

** HSO is currently phasing-in or piloting these strategies.*

ENHANCING EXISTING INTERVENTIONS

Permanent Supportive Housing

- *Track causes of move-in delays and work with outreach to ensure client move-in is efficient.
- Launch Bridge-to-PSH to streamline lease-up and prepare clients for housing opportunities.
- Strengthen supportive services by ensuring low case manager-to-client ratios (1:15).
- Implement “Moving On” program strategies for clients who no longer require intensive services.



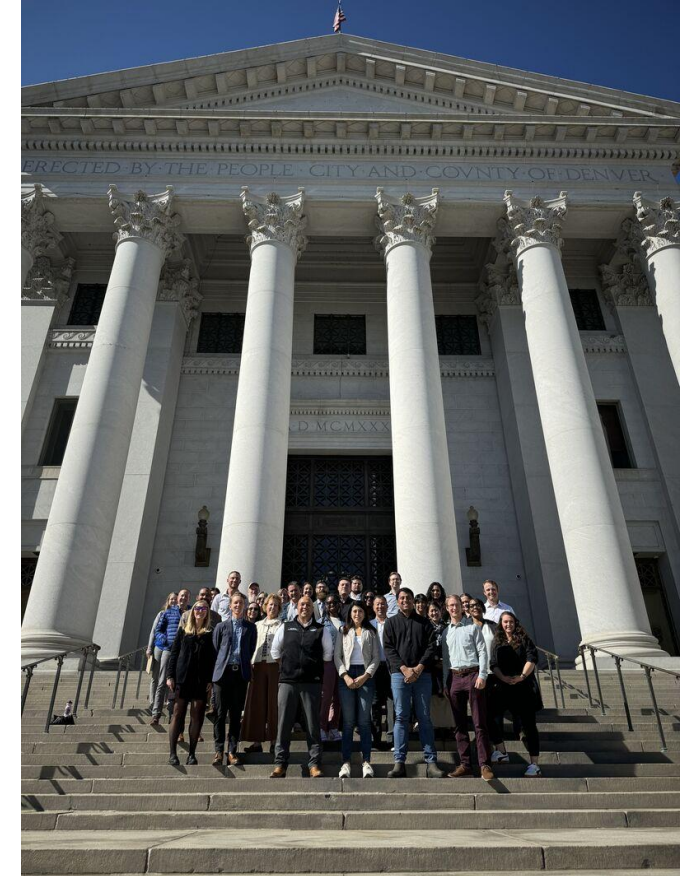
Pecan Gardens (PSH for Clients Age 55+)

** HSO is currently phasing-in or piloting these strategies.*

ENHANCING EXISTING INTERVENTIONS

Additional Homeless Response System Support

- *Implement continuous quality improvement methods and prioritize data-informed decision making.
- *Collaborate with HRS system funders to improve alignment of funding streams and requirements across interventions.
- *Develop in-house performance management tools to support active monitoring and assessment program activities.
- *Schedule recurring intervention-specific provider meetings to strengthen networks, address common challenges, and enable more opportunities for capacity-building.



Austin HRS Partners Learning Exchange in Denver

** HSO is currently phasing-in or piloting these strategies.*

CAPITAL AND SERVICE INVESTMENT CONSIDERATIONS FOR THE HOMELESS RESPONSE SYSTEM



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HRS FUNDING PARTNERS

HSO regularly meets with major Homeless Response System (HRS) funding partners, including:

Travis County Health and Human Services Department

Funds a range of initiatives, including prevention/diversion, shelter/transitional housing, supportive housing, and other system initiatives (e.g., food access, workforce). These programs are available to residents at-large but focus on low-income residents and those at-risk of or experiencing homelessness.

Central Health

Focused on healthcare including specialty care for those experiencing homelessness, including medical respite beds, treatment and support services, mental health care, substance use, and MAP and SSDI enrollment. Also supports PSH providers with navigating their residents' medical needs.

Ending Community Homeless Coalition (ECHO)

ECHO is the Lead Agency, Collaborative Applicant, and HMIS manager for the Austin-Travis County Continuum of Care (CoC). ECHO also administers the Coordinated Entry system (which makes referrals to housing programs), and it conducts reports and analysis on the outcomes of the HRS.

HRS FUNDING PARTNERS

HSO regularly meets with major Homeless Response System (HRS) funding partners, including:

Integral Care

Supports people experiencing homelessness in Travis County with mental illness, substance use disorder, and intellectual and developmental disabilities through a range of programs including the Homeless Outreach Street Team, peer support and wellness initiatives, and permanent supportive housing.

Philanthropic Partners

Provides funding, technical assistance, and other resources to organizations that assist individuals and families at all stages of homelessness, from prevention and crisis response to long-term housing solutions. Also supports organizations with strengthening infrastructure and improving service delivery.

Business and Corporate Partners

Contributes financial support, in-kind resources, and volunteer engagement to local homeless service organizations. Examples include funding workforce development programs, in-kind capacity-building assistance, contributing to capital campaigns, and facilitating volunteer opportunities for their staff.

CONSIDERATIONS FOR PREVENTION, DIVERSION, AND RAPID EXIT: \$3.8M



FP HSO 2024-002 Homelessness Diversion Demonstration Project

The City of Austin (COA) Homeless Strategy Office seeks proposals in response to this Request for Proposals (RFP) from qualified service providers (Applicants) with demonstrated experience in providing services and distributing information to individuals and households experiencing homelessness.

Date Issued:	Friday, May 3, 2024
Intent to Apply Due Date:	Thursday, May 16, 2024 at 3 PM CST
Proposal Due Date:	Tuesday, June 4, 2024, at 3 PM CST
Anticipated Start date of contracts:	August 1, 2024
Questions regarding the RFP are due on or before:	Tuesday, May 28, 2024 at 3 PM CST Questions & Answers will be posted here: QA & A-24
Technical Assistance regarding submission of the RFP in Partnergrants are due on or before:	Tuesday, June 4, 2024, at 2 PM CST
Questions must be submitted in writing to the or through Partnergrants.	Authorized Contact Person: Nashia Ponczek Shoemaker Business Process Consultant Homeless Strategy Division HSOCompetitions@austintexas.gov
Optional Pre-Bid Meeting Dates, Times and Registration Locations:	Thursday, May 9, 2024 at 11 AM: Registration Closed Pre-Bid Meeting Attendance Link

Context:

- HSO has one-time funding for several initiatives:
 - \$2.2 million for an upcoming homeless prevention solicitation,
 - \$0.5 million for the Sunrise Wayfinder rehousing program, and
 - \$2.2 million for a biennial contract with Housing Connector.
- HSO and ECHO secured philanthropic funds for homeless prevention.
- HSO authorized City shelters to provide clients diversion and rapid exit support.

Investment Consideration:

- Convert the one-time funding highlighted above to ongoing funding, which will to sustain these prevention, diversion, and rapid exit programs.
 - Note: Annual cost for Housing Connector partnership is \$1.1 million
- HSO will continue monitoring and evaluating these programs.
- HSO will modify program guidelines, as necessary.

CONSIDERATIONS FOR NAVIGATION: \$TBD

Context:

- Sunrise Navigation Center is the only full-scale navigation center in Austin.
 - Several other organizations provide some navigation services, but those efforts are limited.
- One full-scale navigation center creates challenges including:
 - High demand on a single site – affecting residents, businesses, etc., and
 - Accessibility barriers for individuals traveling from other communities.

Investment Consideration:

- HRS Funders should collaborate with the City to establish a robust network of navigation centers.
 - This would more effectively connect individuals to housing, services, etc.
 - This would alleviate the impact experienced by any single community.
- There are several options to achieve this goal including:
 - Incorporating navigation centers into their existing facilities and/or expansion plans.
 - Contributing funds for one-time capital and ongoing operating funds.
 - Both capital and operating cost will depend on the size, services rendered, and acquisition/repurposing needs of the facility.

CONSIDERATIONS FOR STREET OUTREACH AND ENCAMPMENT MANAGEMENT (HEM)

Context:

- HSO has limited capacity to conduct daily street outreach across Austin's 300+ sq. mi. area.
- HSO partners with 11 City departments and 15+ partners for outreach and HEM support.
 - HSO contracts with Urban Alchemy for HEART through a mix of one-time (\$480K) and recurring (\$440K) funds.

Summer 2024 Pilot

- HSO used one-time funds to pilot a coordinated response structure in Summer 2024.
- The Pilot was successful due to a coordinated system, frequent collaboration, and ability leverage collective strengths to address urgent needs.

HEM and Outreach Partners

			HEM Partners	Outreach Partners
City of Austin (COA)				
1	Homeless Strategy Office	HSO	X	X
2	Parks and Recreation Department	PARD	X	
3	Watershed Protection Department	WPD	X	
4	Austin Public Health	APH		X
5	Austin Police Department	APD	X	X
6	Austin Fire Department	AFD	X	
7	Transportation and Public Works Department	TPW	X	
8	Austin Travis County - Emergency Medical Services	EMS		X
9	Development Services Department (DSD) Code Compliance	CODE	X	
10	Austin Resource Recovery	ARR	X	
11	Austin 3-1-1	311	X	
12	Downtown Austin Community Court Community Service Team	DACC	X	X
Formal Partnerships/Contracts				
1	Clean-Up Vendors ¹	Various	X	
2	Urban Alchemy	HEART		X
3	Homeless Outreach Street Team (Integral Care, APD, EMS, DACC)	HOST		X
External Partners				
1	Community-based Homeless Outreach Providers (not presently contracted)	Various		X
2	Veterans Affairs	VA		X
3	Texas Department of Transportation	TxDOT	X	X
4	Travis County	Constables		X
5	Healthcare Providers (Integral Care, CommUnityCare, Dell Med, Central Health)	Various		X

CONSIDERATIONS FOR STREET OUTREACH AND ENCAMPMENT MANAGEMENT: \$5M

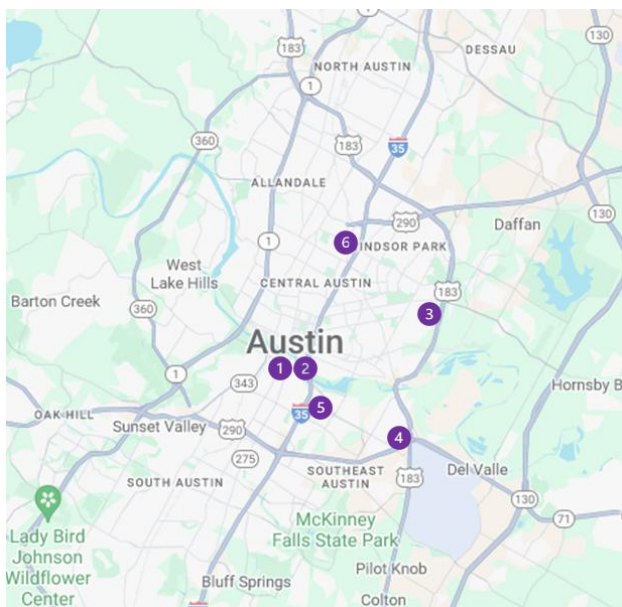
Investment Consideration:

- Add positions to HSO for outreach and enforcement.
- Extend ARPA-funded initiatives by allocating \$2 million for external partners to conduct outreach and encampment management, and by allocating \$3 million for BRIDGE shelter housing programs.
- Administrative change: Mandate coordination between partners to ensure quality-control and connect unhoused individuals with the appropriate outreach service level.

Outreach Service Levels	
1. Low-Level Services	2. Mid-Level Services
<ul style="list-style-type: none"> ▪ Relationship building ▪ Immediate survival needs (food, water, clothes) ▪ Referral to navigation services ▪ Environmental (cold weather/flood risk/fire prevention) ▪ Hygiene resources ▪ Mobile Coordinated Assessments ▪ Referral to shelter or shelter waitlist ▪ Referral to Diversion/Rapid Exit providers ▪ Other resource sharing 	<ul style="list-style-type: none"> ▪ Motivational interviewing ▪ Coordination of medical and mental health services ▪ Vital documents ▪ Housing-problem solving ▪ Peer-led outreach ▪ Transportation to services/shelter ▪ Benefits referral: MAP, SNAP, SOAR ▪ Workforce development opportunities ▪ CPS and APS referrals
3. Specialized Services	
<ul style="list-style-type: none"> ▪ Individual and housing-focused case management ▪ Permanent Supportive Housing (PSH) enrollment packets (for clients referred to PSH) ▪ Opioid response and other substance use recovery resources ▪ Physical and mental health services including acute crisis response, assertive community treatment, and street medicine ▪ Services tailored to address the unique needs of youth, veterans, victims of partner violence or related crimes, persons with HIV/AIDS, etc. 	

CONSIDERATIONS FOR EMERGENCY SHELTER

City of Austin Owned Shelters



1. Austin Resource Center for the Homeless
2. Eighth St. Women's Shelter
3. Austin Shelter for Women & Children
4. Marshalling Yard Emergency Shelter
5. Southbridge Shelter
6. Northbridge Shelter

Context:

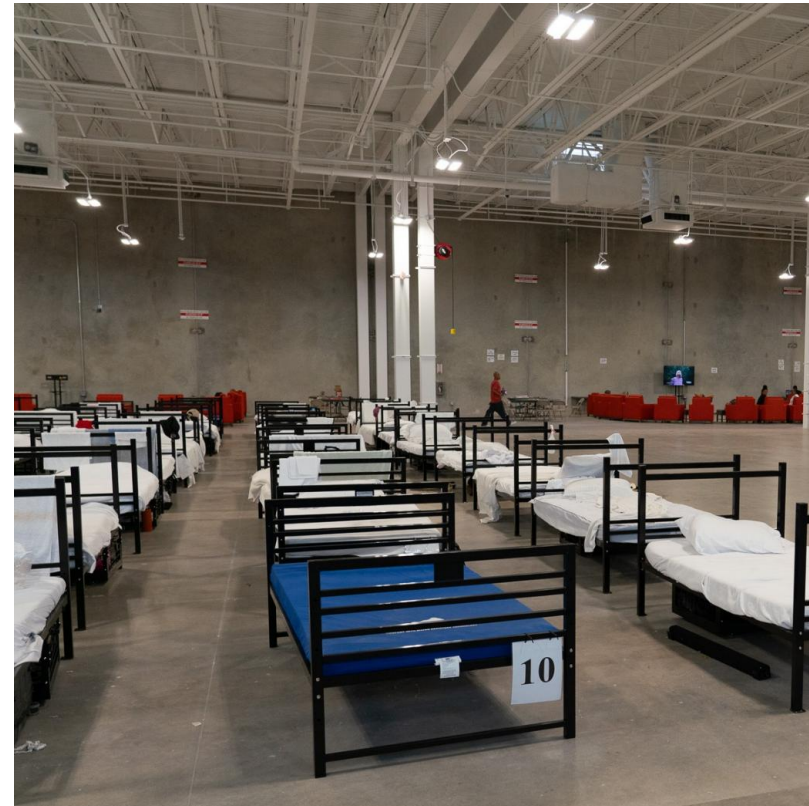
- State of HRS Report recommends adding 550 new shelter beds by 2029.
 - This is consistent with HSO shelter analysis from July 2023.
- HSO's ongoing budget for shelter operations is \$19.4 million annually.
- There is a record number of shelter beds (1,482) in Austin, but still only one bed for every five unhoused individuals.
 - The Other Ones Foundation is currently adding 100 beds at Esperanza.
 - Central Health is creating 50 medical respite beds at Cameron Center.
 - State of Texas is reviewing a joint TOOF, DAA, TxDOT and City of Austin proposal for 400+ beds at Camp Esperanza.
- Cost for housing-focused shelter is \$34,159 per bed annually.
 - Each of these beds serves 3 to 4 clients annually.
- Cost for basic sheltering is \$25,000 per bed annually.
 - Each of these beds serves 1 to 2 clients annually.

CONSIDERATIONS FOR EMERGENCY SHELTER:

\$32.3M (PLUS CAPITAL COSTS)

Investment Consideration:

- Allocate \$11.5 million to stabilize current operations.
 - Marshalling Yard Emergency Shelter: \$8 million
 - Eighth Street Women's Shelter: \$3.5 million
- Develop 550 new shelter beds by 2029.
 - Capital cost will vary by shelter size/composition.
 - Operating cost for these beds will range between \$13.7 million and \$18.8 million.
 - HRS funders should collaborate with City to identify funding mix for capital and operating fundings.
- Extend ARPA support for community shelters via \$2 million "seed fund" initiative.
 - Under this structure, investments in non-City shelters will progressively decrease over time.
 - Recaptured funds can be redistributed to other non-City shelter operators.



Marshalling Yard Emergency Shelter

CONSIDERATIONS FOR RAPID REHOUSING: \$23.65M

Context:

- All City-funded RRH programs are full; no new enrollments expected to occur until 2026.
- HSO's General Fund budget for RRH is \$4.5 million annually.
 - HSO's ARPA funds for RRH (approx. \$12.3 million annually) will be exhausted this year.
- Austin has a soft rental market, marking opportunity to boost landlord engagement and client move-in.
- State of the HRS report recommends 2,355 new units between 2024 and 2034 (275 new units annually).
- Cost for well-resourced RRH programs is \$34,000 for a singles; \$40,000 for households with children.
 - Note: A change in the RRH referral process would lower these costs.

Investment Consideration:

- Allocate \$0.65 million to extend the ARPA-funded DACC Rapid Rehousing Program.
- Allocate \$23 million to support new RRH placements.
 - \$12 million from the City to support the opening of 300 to 350 new units of RRH.
 - \$11 million from other HRS funders towards RRH supportive services and rental assistance – and align with HSO program guidelines.
- Administrative change: Conduct City-funded RRH program placements based on data-driven factors (e.g., historical success rates of clients with varying background factors).

CONSIDERATIONS FOR PSH THRU 2027

Context:

- State of HRS Report recommends developing 4,175 new PSH units between 2024 and 2034 (575 units annually).
- HSO's recurring funding for PSH services is \$9.3 million.
 - HSO has a one-time \$4.8 million Budget Stabilization Reserve Fund allocation.
- There are 585 remaining PSH units to open before 2027.
 - 391 of the units do not have service funding.
 - 258 of the units are in the Travis County Supportive Housing Initiative Pipeline (SHIP).
- Well-resourced PSH programs cost \$20,000 per unit.
 - Note: PSH units also receive a \$15,000 rental subsidy, which is funded through housing vouchers.
- Federal-level staffing and funding changes could significantly impact the availability of federal housing vouchers and supportive services for PSH properties.

Project-Based PSH Developments Needing Service Funds

Provider	Project	Lease Up	Total PSH Units	PSH Units w/o Service Funds
SAFE Alliance	The Lancaster ¹	2025	60	43
Caritas	Cairn Point at Cameron ¹	2026	100	30
Endeavors	The Roz	2026	100	85
Foundation Communities	Burleson Studios ^{1,2}	2026	50	30
Foundation Communities	Scattered Site PSH	2026	28	28
LifeWorks	The Works III at Tillery ¹	2027	50	50
Austin Area Urban League	Urban Empowerment Zone ¹	2027	80	55
Family Eldercare	Carin Point at Montopolis ¹	2027	65	50
National CORE	Bailey at Berkman	2027	26	10
National CORE	Bailey at Stassney	2027	26	10
TOTAL UNIT COUNT:			585	391

¹ Project is part of the Supportive Housing Initiative Pipeline (SHIP).

² Project is not in City limits.

CONSIDERATIONS FOR PSH THRU 2027: \$12.7M

Project-Based PSH Developments in Austin-Travis County

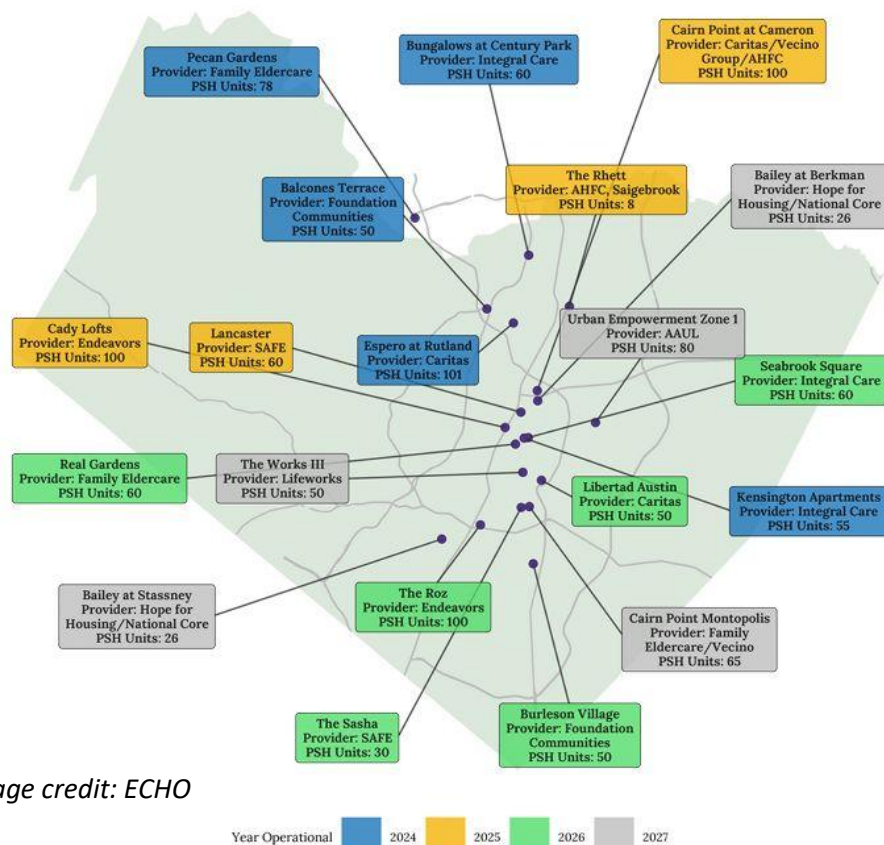


Image credit: ECHO

Investment Consideration:

- Convert \$4.8 million Budget Stabilization Reserve Fund allocation into on-going funding for PSH services.
- Allocate \$7.9 million to fund supportive services for units in the PSH pipeline including:
 - \$2.7 million from the City to fund supportive services
 - \$5.2 million from other HRS funders for services at SHIP-funded properties.
 - Funding can be phased-in based on the fiscal year that a project is forecasted to open.
- HRS funding partners should be prepared to support local organization affected by policy or staffing changes at federal agencies (e.g., HUD, VA, etc.).

CONSIDERATIONS FOR PSH POST-2027

Context:

- Significant capital, operating, and service funds would be needed to build an additional 575-650 units between 2028 and 2034.
- The Texas Department of Housing and Community Affairs (TDHCA) restricts the region to only one PSH project funded through 9% Low-Income Housing Tax Credits annually.

Potential Project-Based PSH Cost, by Subsidy Type

Subsidy Type	Average Unit Cost in 2025	Average Annual Cost for New Units (2028-2034)	Total Cost for New Units (2028-2034)
Capital (One-time Cost)	\$140,000	\$96,289,263 (575 units) \$108,848,732 (650 units)	\$674,024,835 (4,025 units) \$761,941,118 (4,550 units)
Operating (Ongoing Cost)	\$15,000	\$10,316,707 (575 units) \$11,662,365 (650 units)	\$72,216,947 (4,025 units) \$81,636,549 (4,550 units)
Support Services (Ongoing Cost)	\$20,000	\$13,755,609 (575 units) \$15,549,819 (650 units)	\$96,289,262 (4,025 units) \$108,848,732 (4,550 units)

Note: Calculation assumes 3% inflation; does not account for potential tariff impacts.

CONSIDERATIONS FOR PSH POST-2027: \$23M ANNUALLY THRU 2034

Investment Considerations:

- Increase PSH operating and supportive services funding by \$23 million annually through 2034:
 - \$6 million from the City to support 150 PSH units.
 - \$17 million from HRS funders to support 425 PSH units.
- Administrative changes:
 - Near-term shift from project-based PSH to alternative approaches (e.g., tenant-based PSH, global leasing).
 - Ensure all PSH program placements are conducted based on site-specific factors that influence a client or household's success (e.g., space for on-site provider services, number of PSH units in property).
 - Maximize PSH production with remaining and future bond funds, while maintaining a balanced approach to affordable housing development.
 - Align capital and service funding strategies for new City-funded PSH developments.



Bungalows at Century Park Community Room

CALL TO ACTION: HRS FUNDING PARTNERS: \$16.2 MILLION + \$17 MILLION ANNUAL INCREASE



Navigation center capital and operating funds



Enhanced funding for street-based services



Homeless shelter capital and operating funds



\$11 million for rapid rehousing services



\$5.2 million for PSH pipeline units

\$17 million annually for PSH units post 2027



RESOURCE AND STAFFING NEEDS WITHIN HOMELESS STRATEGY OFFICE



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CURRENT HSO STAFFING

25 full-time employees and 7 temporary employees.

- Homeless Strategy Officer: 1 FTE
- Exec. Admin Support: 1 FTE
- Policy and Planning: 4 FTEs; 2 Temps
- Shelter Operations & Expansion: 2 FTEs; 1 Temp
- Public Space Mgmt. & Outreach: 5 FTEs; 2 Temps
- Finance & Contracting: 10 FTEs; 2 Temps
- Media Engagement: 1 FTE
- Community Engagement: 1 FTE



CURRENT HSO STAFFING

Lean staffing creates operational challenges:

- Without backup leadership, the department is vulnerable to disruptions in decision-making and coordination when the Officer is unavailable due to leave or other obligations.
- Having two employees conducting daily fieldwork across Austin's 300 square miles is insufficient given the high volume of service requests – resulting in delayed response times.
- Lack of staff dedicated to managing data systems and technology goals limits the department's ability to operate efficiently, share insights with the public, and make data-informed decisions.
- Lack of a fully staffed communications team limits the department's ability to inform and educate the public, engage stakeholders, coordinate messaging across City channels, and offer translation / interpretation services.
- Combining street outreach with public space management within a single unit has created inherent tension in role expectations.
- Having administrative functions (e.g., HR, budget) managed by other departments can delay hiring, contracting, etc. when partner departments are under-resourced or operate on different timelines.

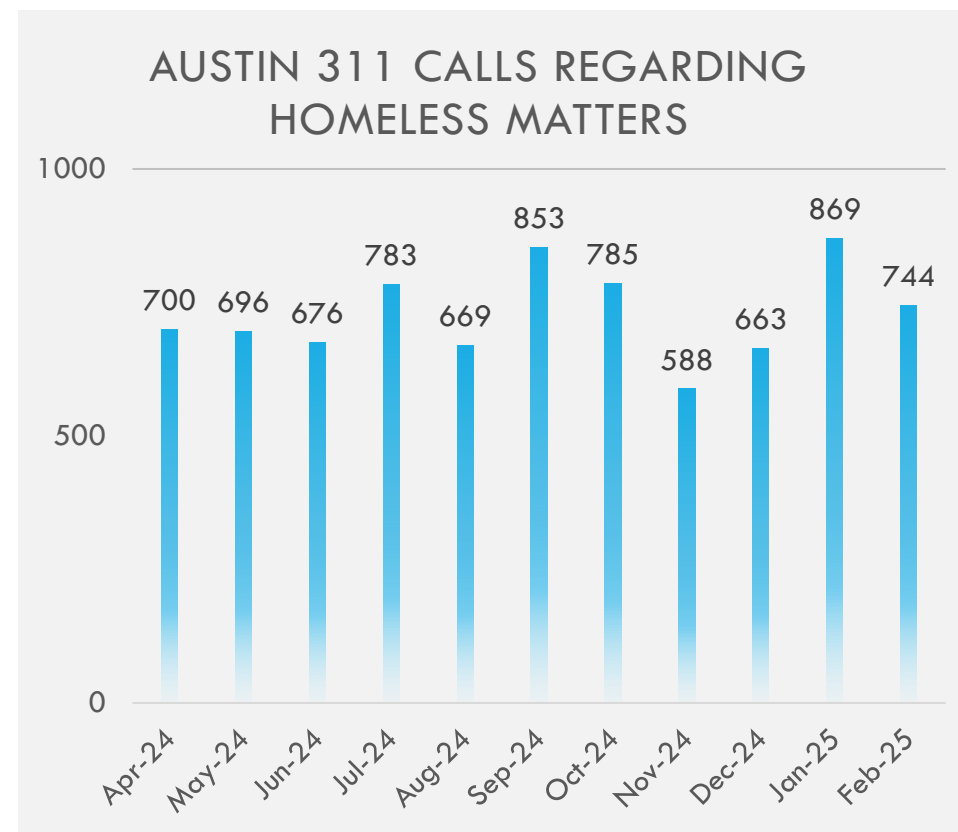
HSO STAFFING CONSIDERATIONS

Recommend allocating 40 new positions to HSO:

- Encampment Management (Enforcement)
- Homeless Outreach
- Homeless Shelter Operations
- Data and Technology
- Administrative Support
- Executive Management

HSO staff need additional resources to fulfill their job duties.

- Case management software
- City vehicles
- Laptops/tablets for fieldwork



Note: Chart does not adjust for duplicative calls/locations.

NEXT STEPS



While this report closes-out the staff response to Council Resolution 20250130-083, HSO will:

- Continue to make progress on implementing the system enhancements.
- Continue internal discussions regarding the investment considerations and staffing needs.
- Continue meetings with HRS funding partners to review and align resources with investment considerations.

HOMELESS STRATEGY OFFICE

STAFF RESPONSE TO RESOLUTION NO. 20250130-083

April 28, 2025



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