



City of Austin

Recommendation for Action

File #: 25-2602, **Agenda Item #:** 62.

12/11/2025

Posting Language

Authorize negotiation and execution of an agreement with The Other Ones Foundation, Inc., to provide emergency shelter and support services to individuals exiting homelessness at the Esperanza Community, for an initial nine-month term, in an amount not to exceed \$2,900,000, with four authorized extension options, each in an amount not to exceed \$2,900,000, for a total agreement amount not to exceed \$14,500,000. Funding: \$2,900,000 is available in the Fiscal Year 2025-2026 Social Services Budget of Austin Homeless Strategies and Operations. 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 \$2,900,000 is available in the Fiscal Year 2025-2026 Social Services Budget of Austin Homeless Strategies and Operations. 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 agreement with The Other Ones Foundation, beginning January 2026, for a total contract amount of \$14,500,000 to provide shelter and support services at the Esperanza Community.

The Esperanza Community is a non-congregate emergency shelter community in East Austin. The Esperanza Community's low-barrier, trauma-informed, and workforce development-oriented nature makes it a unique and integral part of Austin's continuum of care. The physical shelter and associated services respond to the needs of people who have not engaged with, or been adequately served by, more traditional shelter services.

The goal of the Esperanza Community is to assist community members in transitioning out of homelessness. Community members are offered a safe environment where they can move into the next phase of their housing journey, and receive holistic supportive services, including on-site work opportunities, substance use support, highly personalized case management and housing navigation, and 24-hour crisis management. Through this mix of social outlets, wellness services, and work opportunities, the Esperanza Community creates a space for people to learn how to build and engage in their community.

The Esperanza Community is located on land owned by the State of Texas. The Texas Department of Housing and Community Affairs (TDHCA) is considering awarding HOME-ARP funding to The Other Ones Foundation for a shelter expansion project called Esperanza II. A decision regarding this award is scheduled for vote at TDHCA's governing board meeting on Thursday, December 11. Should TDHCA's funds be awarded to The

Other Ones Foundation, this contract will support operations at Esperanza I and later support operations at Esperanza II once that project is online. The anticipated open date for Esperanza II is 2027-2028. Austin Homeless Strategies and Operations will have the right to assign the operating contract to TDHCA in case The Other Ones Foundation is no longer able to operate the shelter following Esperanza II's opening.