



City of Austin

P.O. Box 1088, Austin, TX 78767 -1088
www.austintexas.gov/housing

MEMO

Date: January 27, 2014

To: Mayor and Council

From: Betsy Spencer, Director, Neighborhood Housing and Community Development
Carlos Rivera, Director, Health and Human Services Department

Subject: Update on Permanent Supportive Housing Strategy and Goal

This memorandum provides an update on the City of Austin's Permanent Supportive Housing (PSH) Strategy, and in particular an update on the community progress towards the 350-unit goal laid out in Council Resolution 20100325-053 as well as an update on current efforts towards conducting an evaluation of the Strategy. The Strategy can be found at: www.austintexas.gov/housing.

Background

The Resolution approved by the Austin City Council on March 25, 2010, directs staff in both the Neighborhood Housing and Community Development Office and the Health and Human Services Department to develop a comprehensive strategy to construct and operate 350 new units of permanent supportive housing (PSH) over four years. In addition, the resolution directs City staff to prioritize funding for PSH that targets the most vulnerable populations, specifically those residents with annual incomes at or below 30 percent median family income (MFI) who are dealing with chronic homelessness and disabilities, while also continuing to fund affordable home ownership, home repair and rental projects. Finally, the Strategy that was adopted by Council as a working document in September of 2010, prescribes conducting an independent evaluation of cost avoidance to determine the overall effect of this model in Austin.

Update on Units in the Pipeline

The City's partnership with the Ending Community Homelessness Coalition (ECHO) continues to strengthen the City's efforts to address the needs of PSH in Austin. In April 2012, the Leadership Committee on PSH Finance presented to Council an update on the community effort to produce 350 new units of Permanent Supportive Housing by the end of 2014.

The group identified a model for how the units could be funded, including outstanding needs for capital, operational and social services funding. This model included participation by organizations and agencies such as: City of Austin, Travis County, Veterans Affairs Commission, Central Health, Austin/Travis County Integral Care, U.S. Department of Housing and Urban Development Continuum of Care recipients, the Housing Authority of the City of Austin and the Housing Authority of Travis County.

The model also proposed capital funding that would have been made possible through the failed November 2012 affordable housing bond measure; and may be funded through the November 2013 affordable housing bonds. Furthermore, the City's Health and Human Services Department has identified new sources of funding through the 1115 Medicaid Waiver program, and is evaluating the Social Services Contract priorities to identify funds for PSH.

As of November 2013, **343** units have been identified that will be operational by the end of 2014, with **206** units currently operational and occupied as reflected in Exhibit 1. Additionally, units have been funded that will come online beginning in 2015, but not counted in this inventory:

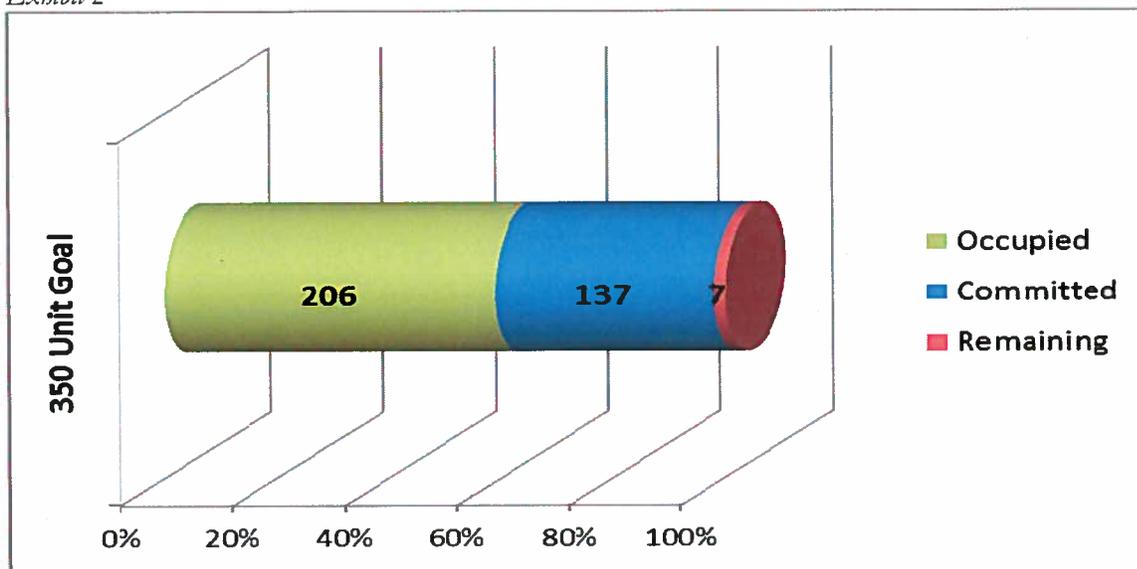
Exhibit 1

Permanent Supportive Housing Inventory

Primary Service Provider	Housing Provider	Property Name	Occupied Units	Anticipated Units		
Front Steps	Travis County Housing Authority	Scattered Site	17	1		
Front Steps	Green Doors	Pecan Springs Commons I	8	0		
Front Steps	Palms/Mulholland Group	Palms	11	0		
Front Steps	Scattered	Scattered Site	7	0		
Caritas	Foundation Communities	Spring Terrace	9	1		
Caritas	Foundation Communities	Arbor Terrace	10	0		
Caritas	Foundation Communities	Arbor Terrace	37	3		
Caritas	Summit Housing Partners	Marshall Apartments	7	13		
Veterans Affairs	Green Doors	Pecan Springs Commons I	10	0		
Veterans Affairs	Green Doors	Pecan Springs Commons II	17	0		
Veterans Affairs	Green Doors	Pecan Springs Commons III	28	0		
Veterans Affairs	Green Doors	Treaty Oaks	26	0		
SafePlace	Green Doors	Glen Oaks Corner	6	0		
Lifeworks	Lifeworks	Works at Pleasant Valley	0	20		
SafePlace	Captuity Investments III	Retreat at North Bluff	2	4		
TBD	Foundation Communities	Capital Studios	0	34		
Foundation Communities	Travis County Housing Authority	Spring Terrace/ Garden Terrace	6	16		
ATCIC	TX Dept of State Health Services	Scattered	0	30		
ATCIC	TX Dept of Housing & Comm Services via TX Dept of State Health Services & TX Dept of Aging and Disability Services	Scattered	5	0		
ATCIC	City of Austin/Housing Authority of the City of Austin	Scattered	0	15		
<i>City of Austin Neighborhood Housing and Community Development - last updated 11/1/13</i>			Total	206	137	343

Over 250 of the units referenced in Exhibit 1 were funded through 2006 General Obligation Bonds. Community partnerships are also working to create true “Housing First” PSH, that reduces barriers to housing, such as criminal backgrounds, treatment requirements and identification prerequisites, in order to more quickly house those who have been identified for PSH programs. With nearly 60 percent of the desired units occupied and 98 percent committed and at least partially funded, the City is well on its way to reaching the 350-unit goal. Exhibit 2 reflects progress toward the 350-unit PSH goal.

Exhibit 2



Collaborative Efforts

Work continues in order to identify and connect new sources of funding to current models for PSH in Austin. During the 2013 calendar year, multiple new sources of funding were identified and paired together to realize new units of Housing First PSH.

In September 2013, the City of Austin Health and Human Services Department was successful in establishing an 1115 Medicaid Waiver program and contracting with ATCIC to offer high-intensity case management and health services to 15 tri-morbid, chronically homeless individuals. The City funded service provision, offered an opportunity for the City’s Neighborhood Housing and Community Development Office to partner in the operating expenses, offering short-term rental subsidies for all of the participants for the life of the program. NHCD’s rental subsidies will be administered through a partnership with the Housing Authority of the City of Austin, with the expectation that these 15 participants are prioritized in receiving permanent housing vouchers through HACA as they become available. This unique opportunity was made possible through the continued work and partnerships established through the Leadership Committee on PSH Finance.

Other new sources of funding that have been realized this year include State-funded mental health services coupled with housing vouchers. ATCIC, our local mental health authority, has been successful in securing funding to create over 30 units of Housing First PSH from the Texas Departments of Housing and Community Affairs, Aging and Disability Services and State Health Services.

Furthermore, through the leadership of ECHO, local non-profit service and housing providers have continued to work closely to understand the changing needs and expectations of the community surrounding chronic homelessness and PSH.

Through City leadership, several local providers, developers and governmental agency representatives toured

PSH programs in New York City in September in order to better understand the Low-Barrier, Housing First models that have been successful in some of the oldest PSH programs in the country.

Evaluation

Finally, recognizing that PSH is a resource-intensive intervention, studies have indicated the high public costs of homelessness mean that it costs essentially the same amount of money to house someone in stable, supportive housing as it does to leave that person homeless and cycling through high-cost crisis care and emergency housing. City staff understands the need to bring a data-driven analysis to the community to further enhance the PSH educational campaign “Roof Over Austin” and infuse support for a sustained financial strategy to fund PSH in the long-term.

NHCD identified an unmet need in its Fiscal year 2013 budget for funding to support an Independent Evaluation in order to address the action identified in the PSH Strategy. The Strategy calls on an independent evaluator to assess the effectiveness and cost-benefit comparison of the program overall, indicating study results will be presented to City Council and other funding partners no later than June 30, 2014.

Though the City has not realized the funding requested to conduct an Independent Evaluation Study, NHCD and HHSD are working closely with ECHO to manage and interpret evaluative efforts in the community. ECHO has been working with community partners to better share and compile before and after PSH participant data available through various public systems, such as Austin Travis County EMS, Hospital emergency departments, Downtown Community Court, Jails, Prisons and Shelters. Since the PSH Strategy was written in 2010, ECHO’s expansion and usage of the Homeless Management Information System (HMIS) has become a much more robust and useful tool for the community. ECHO is formalizing relationships with the Integrated Care Collaboration (ICC) and various other service providers in the community to better share usage data through HMIS that can be used for both intake and evaluative purposes, and in partnership with the City, will publish a comprehensive evaluation of the PSH Strategy’s objectives by June 30, 2014.

Overall, the evaluation will determine the extent to which local investment of funds has resulted in avoidance of costs associated with individuals’ utilization of specific public systems and public systems as a whole. NHCD and HHSD are exploring how best to utilize and present the results of the analysis ECHO will provide.

Next Steps

NHCD and HHSD continue to collaborate with the members of the Leadership Committee on PSH Finance to address the number of items recommended in the 2010 PSH Strategy. Staff will continue to report progress while working with the numerous community partners required to meet the goals set forth by the Austin City Council and the objectives outlined in the PSH Strategy.

NHCD and HHSD staff continues to remain available to provide information as requested.

cc: Marc A. Ott, City Manager
Bert Lumbreras, Assistant City Manager
Ann Howard, Ending Community Homelessness Coalition
Leadership Committee on PSH Finance