



MEMORANDUM

TO: Mayor and Council Members

THROUGH: Stephanie Hayden-Howard, Assistant City Manager *S.H. Howard*

FROM: Dianna Grey, Homeless Strategy Officer *Dianna Grey*

DATE: June 1, 2021

SUBJECT: Sanctioned Encampments, Resolution No. 20210506-070

On May 6, 2021, Austin City Council adopted Resolution No. 20210506-070, directing the City Manager to provide information and analysis regarding possible sanctioned encampments for people experiencing homelessness in the City of Austin. This memo is a continuation of updates on our efforts regarding this resolution.

As background, the following information has been provided to City Council:

- May 14, 2021 – Memo providing estimated costs and criteria for encampment locations
- May 18, 2021 – Work Session presentation providing best practices information and initial list of City-owned land options under review

This update covers the following information:

- Initial and Secondary Criteria for encampment locations
- A projected implementation timeline for increased encampment/shelter capacity
- A proposed funding source

Initial and Secondary Criteria for Encampment Locations

To develop the preliminary list of City-owned land options, staff applied the following:

Initial Criteria:

- Potential 2-year temporary use
- At least 2 acres per 50 people
- At least 4 acres per 100 people
- Access to public transportation is sufficient, or opportunities for improvement may exist.

- Access to basic retail services is adequate (grocery store, convenience stores), or can be facilitated
- Wildfire/Fire Risk is low, or may be mitigated
- Property is located outside of the flood plain

At the May 18th Work Session, City Council provided feedback on the initial criteria and preliminary list of City-owned land options. Based on the feedback, staff developed a list of secondary criteria which would be applied to any options under consideration.

Secondary Criteria:

Potential Disqualifier

- Environmental sensitivity (e.g., designation as a nature preserve, presence of endangered species, and/or risks related to invasive species spread, water quality, or wildlife habitat)
- Restricts citizen access to high-use public amenities or programming
- Proximity to schools (e.g., not within 300 ft.)
- Lacks access to utilities, and improvements are likely to require significant capital investment
- Property is in active City operation or there is a current agreement for the property's use
- Active solicitation for city services or property redevelopment

Additional Considerations:

- Legal or financial risks, including rate payer/bond funding risk (restrictions imposed by the terms of City of Austin acquisition or financing)
- Other ordinances and/or regulations impacting potential projects
- Zoning considerations

Applying all of the Secondary Criteria articulated by Council Members at the May 18 presentation and thereafter severely limits the use of City-owned land as an option for consideration. Additionally, more time is needed to better understand the legal, engineering, utility, environmental aspects, and any zoning changes needed for each City-owned land option. Staff needs further policy direction from City Council to refine the Secondary Criteria.

If Council modifies the Secondary Criteria to allow for some City-owned land options to be considered for encampments, staff will continue our analysis of any identified properties and will build the framework for a community engagement process.

Encampment Implementation Schedule

The schedule below is premised on the assumption that City Council provides policy direction on Secondary Criteria on or before June 10th. Designated encampments, restoration of reduced capacity in existing congregate shelters, and/or conversions of ProLodges to bridge shelter may

be short-term strategies for assisting people experiencing unsheltered homelessness (PEH). The short-term strategies will include services for PEH and will not replace the City's commitment to permanent housing and a Housing First approach.

Phase I: June 2021

- Designated Encampments
 - Continue to assess the most viable options for designated encampments for City-owned land and other potential properties.
 - Continue to compile information on entities that have, over time, reached out to the Homeless Strategy Officer, other staff, and Council offices about possible land options, contractual services, and/or equipment, including individual shelter structures.
- Restoration of Congregate Shelter Capacity
 - In acknowledgement of the community's entry into a lower (Stage 2) COVID risk level, request new occupancy guidelines for congregate shelter from the Health Authority.
 - Establish timeline and protocols for restoring capacity, where feasible.
- Conversion of Leased Motel(s) to Bridge Shelter
 - Demobilize remaining ProLodge operations under the emergency public health response, per direction of public health officials.
 - If feasible, execute leases on one or more motel properties for one year.
 - Consider contracting with existing site managers and service providers for ongoing operations.

Phase II: July 2021

- Designated Encampments
 - Work with the Office of Real Estate to execute lease agreements on any non-City of Austin property identified.
 - Plan initial project or projects assuming an operational period of two-years.
 - To allow for a coordinated and public process, work with Purchasing to issue a Request for Information (RFI). The RFI process will allow the City to identify:
 - Potential partners that might provide property, equipment, operational capacity, and/or services.
 - Projected costs of any contracted services, including opportunities to leverage non-City resources.
- Congregate Shelters
 - Expand capacity, depending on COVID Risk Stage guidance.
- Conversion of Leased Motel(s) to Bridge Shelter
 - Finalize any agreements needed for operations and services.
 - Target occupancy of first hotel by July 15th.

Phase III: August 2021

- Designated Encampments
 - Negotiate agreements/contracts for up to a two-year period.
 - Operationalize at least one designated encampment site.
- Conversion of Leased Motel(s) to Bridge Shelter
 - Open any additional bridge shelter, if applicable.

Proposed Funding Source

Staff recommend appropriating \$4.7 million of American Rescue Plan Act (ARPA) in June, which would provide funds for both short-term shelter strategies and nonprofit capacity building. Four million two hundred thousand dollars (\$4.2 million) will cover the rental cost of Bridge Shelter(s), food, behavioral health services, and social services. This funding will provide services to an estimated number of 400 people experiencing homelessness. In addition, \$500,000 would be dedicated towards early capacity-building efforts for existing and/or new non-profit homeless services providers and contract management staff, in expectation of the need to substantially scale up service capacity over the next two to three years.

Next Steps

Staff seeks City Council policy guidance by June 10th regarding:

- Approval of encampment location criteria; and
- Funding amount and source for short-term strategies including encampments

By July 1, 2021, staff will provide a written update to Council.

cc: Spencer Cronk, City Manager
Anne Morgan, Interim Deputy City Manager
CMO Executive Team
Kimberly McNeeley, Director, Parks and Recreation Department