

FY 2026-2027 BUDGET QUESTION

Response to Request for Information

DEPARTMENT(S): Austin Housing;

CBQ NO.: 131

REQUESTED BY: (District 1) Natasha Harper-Madison

DATE REQUESTED: Monday, August 3, 2026 2:41 PM

DATE POSTED: Tuesday, August 11, 2026

REQUEST:

Please explain how the proposed FY27 budget changes are expected to affect displacement-prevention services—including home repair programs, emergency rental assistance, and eviction-related legal assistance—and highlight program capacity, District 1-specific impacts, and remaining gaps.

RESPONSE:

Below is a summary of anti-displacement programs with either new FY27 funding or expected carryforward funding from FY26 or prior.

Anti-Displacement Initiatives/Programs - FY27	FY27 Budget	Funding Source	New Funding (Y/N)
I Belong in Austin (Emergency Rental Assistance/Negotiated Settlement payment)	\$2,250,000	HOPE Fund	Yes – New funding
Eviction Services Program	\$460,000	HTF - Operating	Yes – Housing Trust Fund
Displacement Prevention	\$2,500,000	Project Connect	Yes – FY27 Allocation
Displacement Prevention Outreach	\$881,086	Project Connect	No – Unspent in FY26
Tenant Stabilization Services	\$248,999	Project Connect	No – Unspent in FY26
Homeowner Preservation	\$1,639,949	Project Connect	No – Unspent in FY26
Economic Mobility	\$2,800,000	Project Connect	No – Unspent in FY26

The FY27 proposed budget includes a \$750,000 reduction in emergency rental assistance funding compared to FY26. This reduction means that the rent assistance program will serve approximately 130 less families than in FY26. Home repair programs will not be impacted because they are funded from federal sources (CDBG), and local sources (Austin Water and GO Bonds).

Information below is from El Buen Samaritano, the nonprofit organization responsible for managing the rent assistance program. The report covers activities from January through December 2025 and was previously shared with D1 staff:

District 1 Financial Rental Assistance Impact Report

January – December 2025 Report

El Buen Samaritano appreciates the opportunity to provide this update on the impact of our Financial and Rental Assistance Program in District 1. This work continues to stabilize families experiencing acute housing insecurity while also illuminating the ongoing systemic pressures shaping residents' financial lives. During this reporting period, District 1 received the largest share of Financial and Rental Assistance, reflecting both the scale of need and the critical role of targeted emergency support

Executive Summary

From January 1 to December 2025, El Buen Samaritano delivered financial and rental assistance to approximately **633 District 1 families**, supporting a **total of 1,848 individuals**. The vast majority of households served were low-income families of color, **with 98.29% of households earning below 50% of AMI** confirming the program's deep reach into the community's most economically vulnerable residents.

While most families remained housed six months after receiving assistance, follow-up data indicates that their stability remains highly fragile, often maintained through debt, skipped essentials, and other unsustainable trade-offs. These findings underscore the urgent need for long-term, layered support strategies beyond emergency assistance alone.

This report presents preliminary data covering January 1 through December 10, 2025, as program activities and follow-up efforts are still ongoing.

Funding Sources and Total Assistance Provided

In total, **\$3,138,228** in assistance was provided to District 1 families. This was made possible through:

- **City of Austin "I Belong in Austin" Initiative: \$1,785,940 (56.9%)**
- **Travis County: \$1,259,720 (40.1%).**

This partnership-based funding structure demonstrates the importance of coordinated public investment in preventing displacement and promoting housing stability.

Who We Served: Household Reach and Demographics

El Buen supported **633 households** representing **1,848 individuals** (average household size: 3). Among those served:

- **931 were children**
- **145 were individuals with disabilities**
- **112 were older adults**

Demographic Characteristics of Heads of Household

The program primarily served **female-headed households** and **families of color**, consistent with District 1 demographics and longstanding inequities in wages, caregiving burdens, and cost-of-living pressures. These patterns reinforce that housing instability is inseparable from gender and racial inequity and that targeted support remains essential, see Figures 1 and 2 below.

Head Of Household Demographic
January 2025-December 2025

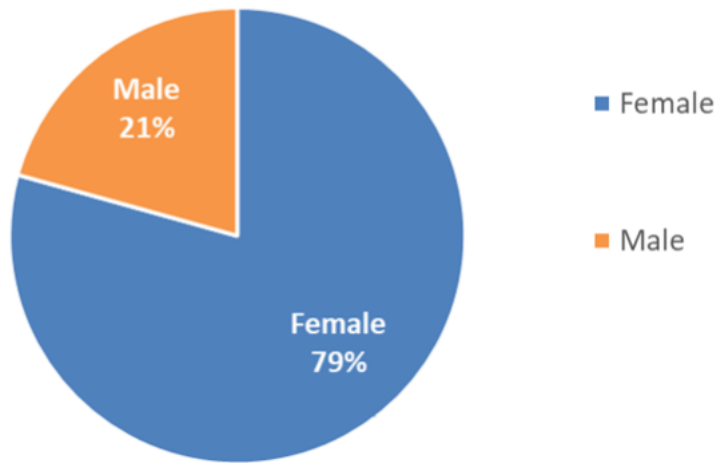


Figure 1. Head of Household by Gender

Head of Household Race & Ethnicity
January – December 2025

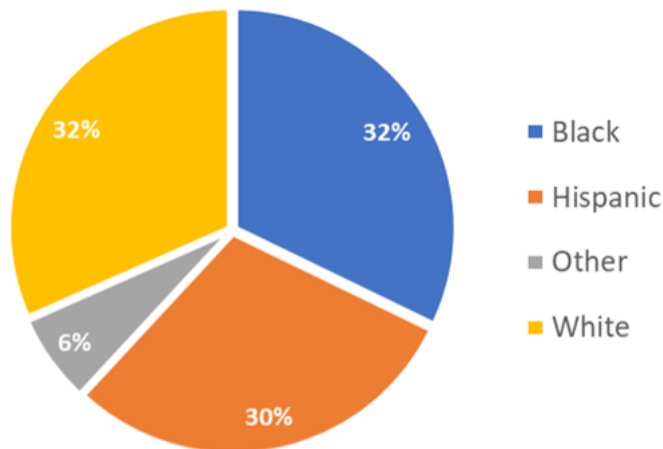


Figure 2. Head of Household by Race & Ethnicity

Income Levels of Households Served: Deep Reach Into the Lowest-Income Families

The program served families in District 1 earning well below the local median income. 98% of all households earned under 50% AMI (less than \$60,000/year for a family of three). These families face severe rent burdens and are one financial shock away from housing instability. Supporting these households is not only emergency relief but a strategic investment in preventing displacement and preserving community stability in District 1.

Geographic Distribution of Financial Support Across District 1 ZIP Codes

Between January 1 and December 10, 2025, assistance totaled **\$3,138,228** distributed across ZIP codes as follows:

District 1 Zip Codes	Assistance Provided
78753	\$739,278
78724	\$469,209
78723	\$461,009
78702	\$298,181
78752	\$259,185
78754	\$246,672
78660	\$221,355
78653	\$184,252
78721	\$183,987
78705	\$39,227
78722	\$28,873
78725	\$7,000

The distribution of financial assistance across District 1's ZIP codes highlights significant concentrations of need, with some areas experiencing notably higher housing instability. The largest share of support was directed to ZIP code 78753, which received \$739,278 more than any other ZIP in the district. This aligns with its high population density, increased rent burdens, and limited access to deeply affordable housing.

Substantial assistance also reached 78724 and 78723, receiving \$469,209 and \$461,009 respectively. These ZIP codes represent historically underserved areas where families often face compounded economic pressures, including rising housing costs and limited access to living-wage employment.

Notably, 78702, a rapidly gentrifying area, received \$298,181 in support underscoring ongoing displacement pressures despite increasing development. ZIP codes such as 78752, 78754, and 78660 also saw significant assistance levels, ranging from \$221,000 to \$259,000, reflecting broader affordability challenges across the district.

Smaller but still important levels of support were delivered to 78653, 78705, 78721, 78722 and 78725.

Assistance Provided by Type

Families required a range of supports to prevent eviction or maintain stable housing:

- **Rental Assistance:** **\$2,402,157**
Continues to be the most urgent need, reflecting the disproportionate share of income residents spend on rent.
- **Negotiated Settlements:** **\$715,457**
Helped families resolve back rent and avoid entering the eviction court system, preventing long-term financial harm.
- **Relocation Assistance:** **\$13,989**
Supported families needing to relocate to safer or more affordable housing when remaining in place was no longer viable.

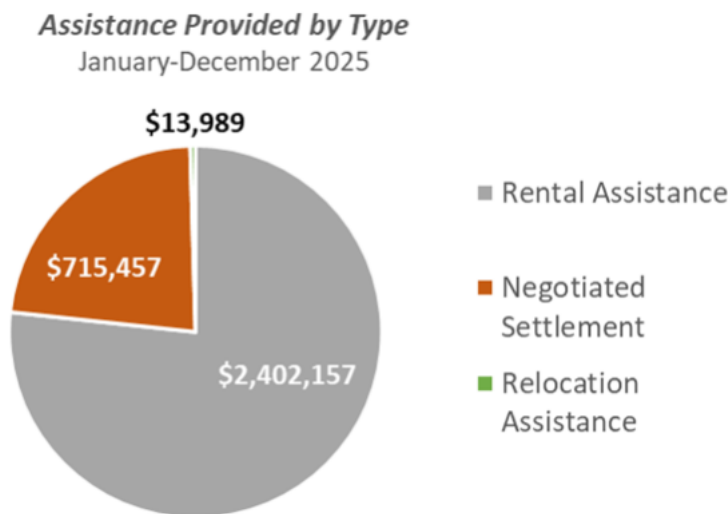


Figure 3. Assistance Provided by Type

Deeper Findings: Housing Stability Is Real - But Extremely Fragile

Our six-month follow-up survey provides a critical look beyond immediate outcomes. While most families remained housed, a testament to the effectiveness of the program, this stability is tenuous, sustained only through difficult and often harmful financial decisions.

1. Families Are Housed, But Only Barely

To stay in their homes, families report:

- Delaying or foregoing medical care
- Skipping meals or purchasing inadequate food
- Taking on high-cost debt
- Working multiple jobs or extended hours
- Cutting back on children's school and caregiving needs

These survival strategies show that families are absorbing strain to avoid eviction.

2. Persistent Hardship Is the Dominant Experience

Even after receiving assistance, families face structural challenges:

- Rents rising faster than wages

- Insufficient income to cover basic needs
- Lack of savings or credit access
- Debt from health, childcare, and transportation costs

Emergency assistance buys time but does not change the underlying conditions that create risk.

3. The Data Confirms the Need for Long-Term, Layered Solutions

Families remain one emergency away from crisis. They need:

- Income stabilization pathways
- Workforce development and education opportunities
- Wraparound supports and navigation services
- Access to deeply affordable housing

Short-term assistance is essential but not enough to move families from crisis to stability.

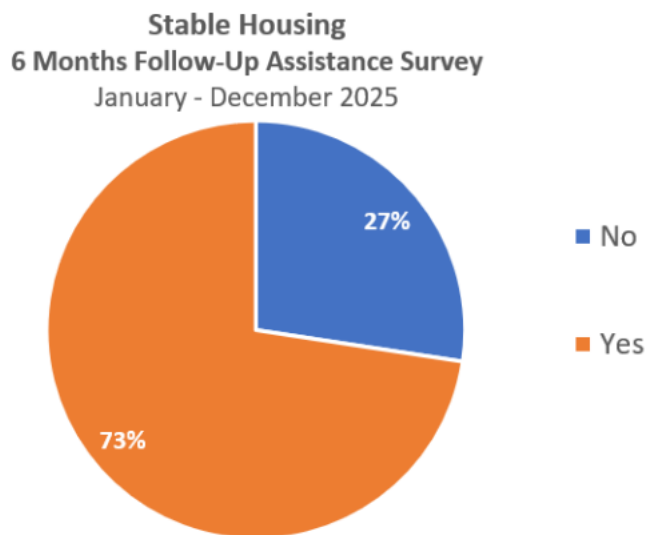


Figure 4. Stable Housing 6 Months Follow-Up Assistance Survey

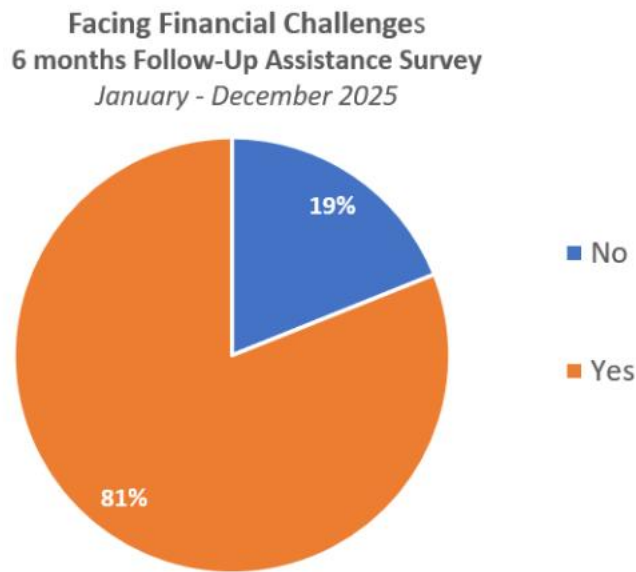


Figure 5. Facing Financial Challenges 6 Months Post Assistance Survey

What's Needed Next: A Path Toward Long-Term Stability

To transition families from fragile stability to real economic security, District 1 needs:

- **Sustained funding** for rental and eviction-prevention programs
- **Income and workforce pathways** that raise wages and expand opportunity
- **Navigation and wraparound services** to prevent crisis cycling
- **Deeply affordable housing** in high-opportunity areas
- **Restored Project Connect community investment**, or equivalent long-term funding

These strategies work best when implemented together and not as isolated interventions.

Conclusion

In 2025, emergency financial assistance played a critical role in preventing displacement and preserving the fabric of our communities. Yet the needs remain urgent, and the path to lasting stability requires ongoing, collaborative investment.

El Buen Samaritano remains a committed partner in this effort and stands ready to work alongside city and county leaders to ensure that all District 1 families have the opportunity to live in safe, stable, and affordable homes.