

FY 2026-2027 BUDGET QUESTION
Response to Request for Information

DEPARTMENT(S): Austin Homeless Strategies & Operations; Austin Housing;

CBQ NO.: 19

REQUESTED BY: (District 2) Vanessa Fuentes

DATE REQUESTED: Friday, July 17, 2026 12:16 PM

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REQUEST:

Given the elimination of the General Fund transfer to the Housing Trust Fund, what is the anticipated impact to the funding amount for tenant assistance and permanent supportive housing services?

RESPONSE:

With the elimination of the General Fund transfer to the Housing Trust Fund, Downtown Density Bonus program revenue is now the primary source of revenue for the Housing Trust Fund. Downtown Density Bonus program revenue is dependent on development activity in the downtown area and therefore is not a consistent revenue stream. Eligible programs or services funded by this revenue source are budgeted as a one-time expense to account for the unpredictability of the revenue stream. Beginning in FY27, the permanent supportive housing wraparound services budget is transitioning from the Housing Trust Fund to the General Fund to provide an ongoing funding source for these services.

In FY26, the Housing Trust Fund included \$3,460,000 for tenant assistance programs, including \$3,000,000 for emergency rental assistance and \$460,000 for tenant eviction services. In the FY27 Proposed budget, the House Our People Endowment Fund includes \$2,250,000 in one-time funding for emergency rental assistance, and the Housing Trust Fund includes \$460,000 for tenant eviction services.

In FY26, the Housing Trust Fund (HTF) included one-time funding in the amount of \$2,057,474 for permanent supportive housing (PSH) wraparound services. In FY27, the HTF includes \$4,000,000 in one-time funding and \$2,000,000 in ongoing general fund for permanent supportive housing wraparound services. This additional funding will support the expansion of PSH wraparound services at several PSH communities that have already begun lease-up or will begin lease-up in this fiscal year. The FY28 planned year does not include any HTF funding for PSH wraparound services, although it does increase the ongoing general fund budget to a total of \$3,000,000. HSO is currently exploring other funding sources to close this gap in FY28.