

Austin/Travis County
Leadership Committee
on

Permanent Supportive Housing
Finance

City Council Meeting
May 24, 2012

PSH Strategy Timeline

- March 25, 2010: Resolution directs City Manager to devise strategy to create 350 PSH units by YE 2014
- September 30, 2010: Council briefing on PSH Strategy
- January 13, 2011: Resolution directing the city manager to research best practices on engaging communities and building support for permanent supportive housing projects and report his findings and recommendations
- March 10, 2011: Resolution adopting PSH Strategy as working document and calls for creation of Leadership Committee on PSH Finance
- October 20, 2011: Resolution affirming City's support of the 100 Homes Campaign

City Council Resolution #20110310 – 025

March 10, 2011

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Council hereby adopts the City of Austin Permanent Supportive Housing Strategy as a working document.

BE IT FURTHER RESOLVED:

The City Manager shall facilitate the creation of a Leadership Committee on Supportive Housing Finance to include, but not to be limited to, designated representatives from the Ending Community Homelessness Coalition; the City of Austin; Travis County; Seton; the St. David's Foundation; Central Health; Austin-Travis County Integral Care; the Housing Authority of the City of Austin; Travis County Housing Authority, and the United States Department of Veterans Affairs.

BE IT FURTHER RESOLVED:

Representatives from additional entities not listed should be considered to serve on the Leadership Committee.

BE IT FURTHER RESOLVED:

The Leadership Committee shall work together to review and analyze the report given to Council; and recommend a comprehensive public and private financing strategy for the City Council to consider for action; and provide Council with quarterly updates on their progress beginning in May 2011.

City of Austin PSH Strategy

- Austin PSH Strategy Program Definition:
 - Rental Housing that is Targeted to Long-term Homeless, Lease-Based, Non-Time Limited, Deeply Affordable @ 30% AMI, with Coordinated, Comprehensive, Voluntary Services
- Total Community Need:
 - 1889 Units based on literally homeless
- Council-Approved Short Term Goal:
 - 350 Units by YE2014
- Unit Mix:
 - 100 Leased/ 250 New Construction or Rehab

City of Austin PSH Strategy: Subpopulation Targets

- **Eligible Populations:** Chronically homeless, Non-Chronically Homeless/Institutionalized 90+ Days, and unaccompanied youth or families and youth aging-out at risk of literal homelessness
- **Targets by Tenant Selection Method (Total 350)**
 - At least 225 households identified as Frequent Users of public systems
 - At least 75 households identified using a method linked to 'vulnerability'
 - An additional 50 units for eligible tenants under any screening method, or meeting other subpopulation goals
- **Targets by Household Composition (Total 350)**
 - At least 270 single adults
 - At least 30 Families Total
 - At least 10 Unaccompanied Youth Total
 - At least 20 "Youth Aging Out" of foster care and/or juvenile probation (target 10 single adults/10 families)
 - 20 units open to any household size
- **Additional Population Targets (Does Not Total to 350)**
 - 300 Individuals with Severe & Persistent Mental Illness
 - 150 Individuals with Co-occurring Disorder
 - 70 Veterans

PSH Strategy Elements

- Deeper subsidy, preferences, or set-asides for providers with demonstrated practices intended to lower screening barriers to house targeted population
- Funding preferences for housing first and harm reduction
- Diversity of housing settings
- Low case management ratios
- Development of siting policies

Overall Costs

- One-Time Capital Costs: \$21.57M
- 350 Annual Rental Subsidies: Value \$3M
 - (At Full Occupancy)
- Annual Service Funding \$4.13M
 - (At Full Occupancy)

Bricks & Mortar for 250 units

Capital Financing Expenditures:

\$21,568,173

Projected Sources

Texas Department of Housing and Community Affairs: Neighborhood Stabilization Program	\$3,000,000
Texas Department of Housing and Community Affairs: Low Income Housing Tax Credits	\$4,070,000
Texas Department of Housing and Community Affairs: State Housing Trust Fund	\$200,000
City of Austin federal funds: HOME, CDBG	\$800,000
City of Austin: General Obligation Bonds FY2011/2012	\$2,775,000
City of Austin: General Obligation Bonds: 2012 Bond Issue (for subject 350 only- add'l funds on request)	\$7,300,000
Travis County General Fund	\$650,000
Federal Home Loan Bank Affordable Housing Program:	\$2,200,000
Philanthropic	\$576,000
TOTAL FINANCING EXPENDITURES:	\$21,571,000

Rental Subsidies

Recommended PSH Annual Rental Subsidy Strategy

Front Steps 2009 HUD Continuum of Care grant (committed)	26
Caritas 2010 & 2011 HUD Continuum of Care grants (committed)	45
HUD Continuum of Care 2012/2013 (anticipated)	40
Travis County Housing Authority (board authorized) (Tenant-based vouchers: 17/Project-based Vouchers: 23)	40
Veterans' Affairs Veterans Affairs Supportive Housing (VASH)	75
Housing Authority City of Austin (committee recommendation)	124
Total Rental Subsidies	350

Service Funding

Total Annual Costs at Full Occupancy

Services Financing Expenditures:	\$4,130,000
• Veterans Affairs Supportive Housing	\$300,000
• City of Austin (new funding)	\$500,000
• Travis County (BJA, new County funding thereafter)	\$500,000
• New Medicaid leveraged via Medicaid 1115 Waiver (via Central Health, ATCIC & other providers)	\$2,530,000
• Philanthropy/Other Sources	\$300,000
• TOTAL FINANCING EXPENDITURES:	\$4,130,000

Process Recommendation

- Leadership Committee on PSH Finance Continues with charge to secure financing
- Committee charged to work with City staff to recommend incentives or set-asides for capital funding
- All sources require low barrier approach for frequent users and/or vulnerable populations, specifying target subpopulations
- ECHO and City track and report progress toward subpopulation goals