

Recommendation for Board Action				
Austin Housing Finance Corporation	Item ID	37240	Agenda Number	2.
Meeting Date:	12/11/2014	Department:	Neighborhood and Community Development	
Subject				
Authorize negotiation and execution of an agreement between the Austin Housing Finance Corporation and AUSTIN TRAVIS COUNTY INTEGRAL CARE related to a proposal to design, build, operate, and maintain Housing First Permanent Supportive Housing at 3000 Oak Springs Drive in an amount not to exceed \$3,000,000.				
Amount and Source of Funding				
Funding is available in the Fiscal Year 2014-2015 Capital Budget of the Austin Housing Finance Corporation.				
Fiscal Note				
A fiscal note is attached.				
Purchasing Language:	Best evaluated proposal received.			
Prior Council Action:	March 20, 2014 – Resolution 20140320-048 was approved directing the City Manager to develop a Housing First Permanent Supportive Housing project through a formal solicitation process and prepare a report to Council on recommendations for future Permanent Supportive Housing projects.			
For More Information:	Contact Elizabeth A. Spencer, Treasurer, Austin Housing Finance Corporation, 512-974-3182; or John Hilbun, Contract Development Analyst, Neighborhood Housing and Community Development, 512-974-1054			
Boards and Commission Action:				
MBE / WBE:				
Related Items:				
Additional Backup Information				
<p>As part of the Austin/Travis County Continuum of Care’s commitment to ending chronic homelessness, the Austin City Council in 2010 endorsed a Permanent Supportive Housing (PSH) Strategy to aid with the creation of new PSH units throughout the City. PSH is an evidence-based practice that has been proven to be the most successful intervention for chronically homeless persons. The U.S. Department of Housing and Urban Development has independently verified that more than 80 percent of tenants in permanent supportive housing remain stably housed for more than one year.</p> <p>The PSH model known as “Housing First” provides an option to house the hardest to serve, chronically homeless individuals and families in the community. The model requires rapid placement of identified households into housing units prior to engagement in services. Housing First PSH is designed to make housing available with very low or no barriers to entry. Typical barriers to obtain housing include credit issues, rental history, and prior involvement with the judicial system. On March 20, 2014, the City Council approved Resolution 20140320-048 directing the City</p>				

Manager to develop a solicitation to build and operate a Housing First PSH project.

On September 11, 2014, the Austin Housing Finance Corporation (AHFC) issued a Request For Proposals (RFP) for the City's first Housing First PSH development project. The RFP was issued by AHFC in collaboration with the City's Health and Human Service Department (HHSD). The RFP requested a Respondent team to be led by a for-profit or non-profit developer, in partnership with a homeless services provider, to oversee the design, construction, operation and maintenance of PSH under the Housing First model. The successful firm will own, operate and manage housing that serves the target population and will formally partner with an experienced social services agency to provide ongoing supportive services upon completion of the housing development.

Notification of issuance of a Request for Proposals (RFP) was sent to 1,032 firms on September 11, 2014. The actual RFP was obtained by 87 firms, and three firms submitted proposals.

The Austin Housing Finance Corporation (AHFC) Board of Directors is requested to authorize the negotiation and execution of a contract between AHFC and Austin Travis County Integral Care (ATCIC), not to exceed \$3,000,000, for the design, construction, operation, and maintenance of a Housing First PSH development project. This development project will contain 50 units of Housing First PSH and be built on 1.07 acres currently owned by ATCIC located at 3000 Oak Springs Drive. The development has a projected total cost estimate of \$12,584,000.

The funding approved through Board action is for the capital development; social services funding will be committed at a later date through an HHSD social services contract.