

CITY COUNCIL BUDGET WORK SESSION
AUGUST 15, 2018 DISCUSSION TOPICS

Budget Adoption Process

1. Discussion of the budget adoption process Council will use this year (Budget)

Economic Opportunity & Affordability

2. Overview and discussion of funding in budget for homelessness (Austin Public Health, Emergency Medical Services, Downtown Austin Community Court, Austin Police Department, Neighborhood Housing and Community Development, Austin Public Library, Watershed Protection)
3. Additional funding for a second HOST team (Emergency Medical Services, Austin Police Department, Downtown Austin Community Court)
4. Additional funding for Pay for Success program (Austin Public Health, Law)
5. Funding for residential and small business ombudspersons (Development Services)

Health & Environment

6. Funding for Expanded Mobile Crisis Outreach Team (Austin Police Department, Emergency Medical Services)
7. Additional funding for Parks & Recreation programs (Parks and Recreation)

Culture & Lifelong Learning

8. Additional funding to address the artist space crisis (Economic Development)

Government that Works

9. Increase in the senior exemption (Budget)
10. Increase General Fund reserves by \$5.2 million, to a total of 12.5% (Budget)

Discussion Topic 1

Budget Adoption Timeline



August 6
City Manager
Presents
Proposed
Budget

August 15
1st Budget
Work Session

August 22
First Budget
and Tax Rate
Public
Hearings
(1:00 PM)

August 29
2nd Budget
Work Session

August 30
Second Budget
and Tax Rate
Public
Hearings
(4:00 PM)

**September 5
or 6**
3rd Budget
Work Session
(Tentative)

September 11
Budget
Adoption

Discussion Topics 2 and 3

Homeless Services Strategies



Stephanie Y. Hayden, LMSW, Director
Austin Public Health



Alignment with Strategic Priorities

Economic Opportunity & Affordability: *Having economic opportunities and resources that enable us to thrive in our community*

Indicator: Homelessness

- Number and percentage of persons who successfully exit from homelessness

Reported Program Performance: October 2016 – September 2017

- 3,055 Unduplicated clients served in emergency shelters, rapid rehousing and permanent supportive housing services
- 77.4% Case-managed households transitioned from homelessness into housing
- 83.4% Households at-risk of homelessness that maintained housing



Homeless Services Portfolio

➤ Outreach and Navigation

- ECHO: *Housing Navigation Program*
- *New - Integral Care: *Peer Support Specialists for HOST Team*

➤ Emergency Shelter

- Front Steps: *Austin Resource Center for the Homeless (ARCH)*
- Salvation Army: *Austin Shelter for Women & Children*
- Salvation Army: *Pathways & Partnerships Emergency Shelter*
- The SAFE Alliance: *SafePlace & Children's Shelter*
- Casa Marianella: *Shelter and Re-housing*
- Foundation for the Homeless: *Shelter and Re-housing*
- LifeWorks: *Youth Shelter, Street Outreach, Housing Programs*
- Easter Seals: *Downtown Workers Pilot*



Homeless Services Portfolio

➤ Rapid Re-Housing/Housing Placement Services

- Caritas + 11 Partner Agencies: *Best Single Source Plus (BSS+)*
- Front Steps, Downtown Community Court, & Communicable Disease Unit: *federal Emergency Solutions Grant (ESG)*
- *New - Family Eldercare, Casa Marianella and LifeWorks Rapid Rehousing Programs
- AIDS Services of Austin: *Housing for People with AIDS (HOPWA)*

➤ Permanent Supportive Housing (PSH) Services

- Integral Care & Foundation Communities: *PSH 1115 Waiver*
- Front Steps: *Front Steps PSH*
- Foundation Communities: *Arbor Terrace PSH and Supported Employment*
- Integral Care: *Oak Springs PSH*
- Caritas: *Behavioral Health Services for PSH*
- VinCare: *Saint Louise House Supportive Housing*



Homeless Services Portfolio

➤ Homelessness Prevention

- Caritas + 11 partner agencies: *Best Single Source Plus (BSS+)*
- Catholic Charities of Central Texas: *Financial Stability Program*
- Texas Rio Grande Legal Aid: *Housing Rights & Resident Advocacy*
- Austin Tenants Council: *Housing Stability*
- AIDS Services of Austin (ASA): *Housing Opportunities for People with AIDS (HOPWA)*

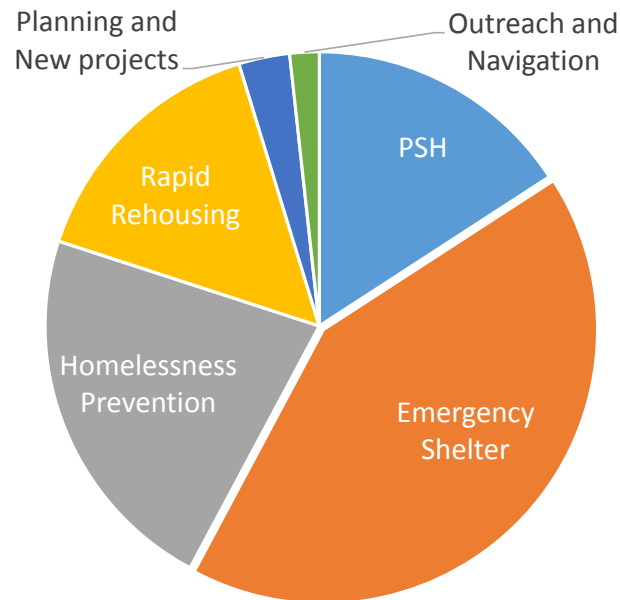
➤ Community Planning

- ECHO: *Coordinated Assessment, Homeless Management Information System (HMIS), Continuum of Care Lead Agency*

FY 2018 APH Investment

- \$325,000: Outreach/Navigation
- \$7,869,940: Emergency Shelter
- \$2,861,151: Rapid Re-housing
- \$2,971,002: Permanent Supportive Housing
- \$4,163,494: Homelessness Prevention
- \$562,747: Planning & Admin

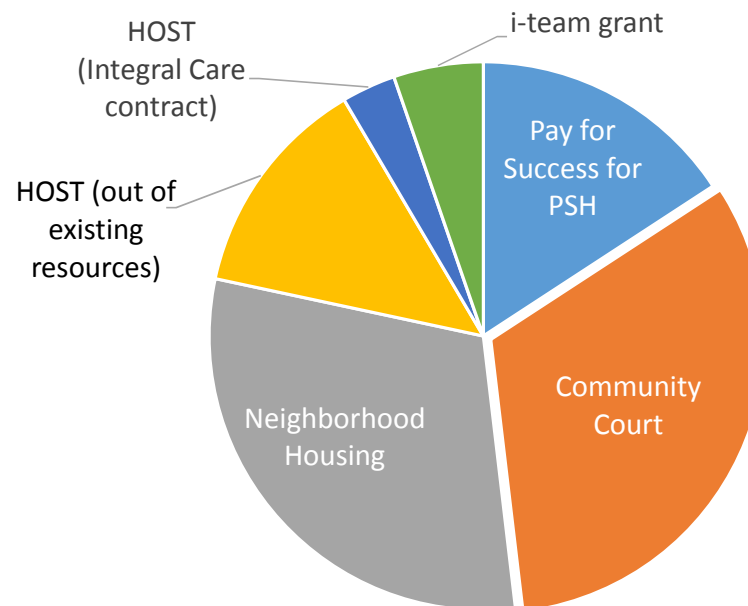
**\$18,753,334 – Total Investment,
General Funds & Grant Funds**



FY 2018 Other Investments

- \$1,200,000: Pay for Success for PSH
- \$2,455,840: Community Court
- \$2,296,712: Neighborhood Housing
- \$1,000,000: HOST (out of existing resources)
- \$242,000: HOST (Integral Care contract)
- \$402,000: i-team grant

**\$7,596,552 – Total Investment,
General Funds & Grant Funds**





FY 2019 New Funding for Homelessness

- **\$3.1 million of new funding for homelessness programs**
 - \$600,000 to support alternatives to panhandling and expand community based services (APH)
 - \$315,000 and 3 positions – 1 FTE to coordinate homeless services citywide and 2 FTEs to manage homeless contracts (APH)
 - \$178,000 and 2 positions for wraparound services program (Austin Public Library)
 - \$1.0 million and 5 positions to enhance the Homelessness Outreach Street Team (HOST)
 - \$1.0 million for citywide homeless camp cleanup contract (Watershed Protection)



Second HOST Team

Total of \$1.6 million:

- Police requires 2 police officers, vehicle, equipment, fuel and fleet maintenance: \$313,000
- Downtown Austin Community Court includes 3 Case Managers, rehabilitative services, vehicle, fuel and fleet maintenance: \$884,000
- Emergency Medical Services needs 2 medics, 2 vehicles, equipment, fuel and fleet maintenance: \$387,000

Discussion Topic 6

RESOLUTION NO.

WHEREAS, the health, well-being, and safety of our city is directly connected to the effectiveness of our first responders; and

WHEREAS, the Expanded Mobile Crisis Outreach Team (EMCOT), a program of Integral Care, Travis County's Local Mental Health Authority, provides a team of mental health professionals who co-respond with law enforcement or Emergency Medical Services (EMS) when a 911 call involves a psychiatric crisis; and

WHEREAS, EMCOT was dispatched to 3,244 crisis situations in Fiscal Year 2017 alone, connecting members of our community with appropriate treatment for psychiatric crises, resulting in a 98% diversion rate from jails and a 75% diversion rate from emergency rooms; and

WHEREAS, EMCOT also provides regular training to law enforcement and EMS medics to improve their ability to respond appropriately to individuals experiencing mental health concerns or using drugs or alcohol; and

WHEREAS, EMCOT was established in 2013 with funding from the 1115 Medicaid Waiver (Waiver), however, changes to the Waiver have resulted in EMCOT being ineligible for those funds after August 31, 2018; and

WHEREAS, if the City of Austin approves a budget measure to provide at least 60% of EMCOT's \$1.8 million budget for Fiscal Year 2019, then Integral Care could continue this vital crisis response program; and

WHEREAS, the Travis County Behavioral Health and Justice Advisory Committee, whose mission is to promote justice and public safety, strongly supports the request for EMCOT funding from the City; **NOW, THEREFORE**,

BE IT RESOLVED BY THE CITY OF AUSTIN CITY COUNCIL:

City Council directs the City Manager to identify potential sources of funding for the continuation of EMCOT and to return to Council with the City Manager's findings at the August 29, 2018 Budget Work Session.

ADOPTED: _____, 2018 **ATTEST:** _____
Jannette S. Goodall
City Clerk

Expanded Mobile Crisis Outreach Team

Integral Care’s Expanded Mobile Crisis Outreach Team (EMCOT) serves people in psychiatric crisis. Austin-Travis County Emergency Medical Services (EMS), Austin Police Department (APD), and Travis County Sheriff’s Office (TCSO), as well as other law enforcement agencies, can request EMCOT through the 911 call center for real-time co-response for psychiatric crises. EMCOT connects people to treatment appropriate for psychiatric crises, diverting them from emergency rooms and jails. This improves health outcomes and ensures first responders can return to what they do best – responding to medical emergencies and public safety issues.

What are the services and impacts?

EMCOT works to connect individuals, on a voluntary basis, to community based, residential or inpatient services depending on the need and can provide follow-up services for up to 90 days. EMCOT provides the following services:

- Assessments
- Screening and Triage
- Case management
- Medication Management
- Crisis Services
- Counseling
- Psychosocial Rehabilitation
- Rehabilitation Skills Training

Since inception in 2013, EMCOT has effectively served 6,859 individuals and successfully diverted individuals from emergency rooms, jail, and involuntary commitments to psychiatric facilities. When EMCOT co-responds with law enforcement, they are able to not only avoid an arrest but also an involuntary commitment in the majority of cases.

A review of FY2017 data offers the opportunity to delve into more detail on the program. EMCOT was dispatched 3,244 times with an average of 9 times per day with a high of 42 dispatches/day and low of 1 dispatch/day during the year.

EMCOT Dispatches by 911 and Diversion Rates FY2017

911 Call Center Referrals	Diversion	% of Referrals	Diversion Rate
Law Enforcement	Arrest	44.6%	98.7%
Law Enforcement	Involuntary Placement	44.6%	93.3%
EMS	Emergency Dept. Transfer/Admission	30.30%	75.1%
Central Booking/Travis County Corrections	See explanation below	25.54%	

Law Enforcement includes: APD & Pflugerville PD, TCSO, Capitol DPS, ACC District Police.

EMCOT was dispatched to cases involving 2,695 distinct individuals with services being delivered to 2,298 individuals (85%). Of those individuals served, on average a person was served for 21 days per crisis episode and received an average of 2.8 services. The maximum number of services provided was 46 in an episode and the minimum was 1. An individual may have more than one episode of care in a given year. To better understand the impact of EMCOT, an analysis of the total episodes of care – 3,138 in FY17 – showed the following.

- 29% of individuals were already open to Integral Care services when crisis episode occurred
- Of individuals not already open to Integral Care:
 - ~27% were connected to ongoing outpatient services
 - ~13% were connected to non-hospital residential services
 - ~12% were connected to inpatient hospital services

EMCOT also receives referrals from Central Booking Counseling Staff and Travis County Correctional Complex (TCCC) to connect individuals post – release to services in order to prevent future engagement with the criminal justice system. The following information shows the Disposition after referral from Booking/TCCC:

• Emergency detention to inpatient hospitalization: 8 %	• Linkage to community services: 43%
• Psychiatric Inpatient Hospitalization: 3 %	• Linkage to Integral Care services: 13 %
• Emergency Department Admission: 2 %	• Screened and assessed, no indication for higher level of service, referrals provided: 23%
• Admission to Crisis Residential or Respite: 8 %	

In the future, the goal is to divert individuals before they are booked when the predominant issue is mental health related and the person is not a threat to the community.

Lastly, EMCOT staff play an important role in providing training to staff from law enforcement agencies, EMS and others. Through this training, officers, deputies and EMTs are better able to identify and respond to individuals experiencing a mental health crisis or using drugs or alcohol.

Future of EMCOT Funding

EMCOT was established through Integral Care’s Delivery System Reform Incentive Payments (DSRIP) program through the 1115 Medicaid Transformation Waiver. The DSRIP program’s initial six year demonstration period ended December 2017. Due to changes in the Waiver, future DSRIP funding will be allocated differently in order to meet the requirements of the new Waiver. Dollars previously allocated to individual projects such as EMCOT will now be focused on addressing the health needs of our population in services. Crisis services and outcomes are not part of the reportable measures in the new Waiver.

This means that this important service is at risk of being discontinued. The budget for EMCOT for FY2018 is \$1.4 million with just over 23 FTEs. However this is a reduction in service from when the project was

fully operational at \$1.8 million. Integral Care has funded the reduced project for FY18.

What is at stake due to funding change?

Beginning in FY19, Integral Care will no longer be able to fund EMCOT due to the changes in the Waiver. The loss of EMCOT would be a setback for our community. As indicated, EMCOT has:

- diverted individuals from emergency rooms and jails and connected them to appropriate, more effective systems;
- saved significant time in the field for responding law enforcement officers and emergency medical technicians; and
- increased the availability of training for law enforcement, EMS and others.

Individuals in crisis recover more quickly when they are connected to appropriate services rather than ending up in emergency rooms or jails. EMCOT is an important tool for our community to support diversion to appropriate care.

How has DSRIP Changed?

Texas received an 1115 Medicaid Waiver that allowed communities to develop and implement transformational projects (DSRIP) across the state. The original Waiver is changing from a project focus to a system focus which impacts the future of the projects implemented in Travis County. Below is a chart that explains how the Waiver changes over the next 4 years, beginning January 2018.

Original DSRIP vs. DSRIP 2.0		
Time Period	DSRIP YEAR 1- 6 2012 - 2017	DSRIP YEAR 7 - 10 2018 - 2022
Menu of Options	Providers choose projects to pilot innovative services or address the needs of underserved populations (e.g. meet individuals where they are to reduce the inappropriate use of hospitals and jails.)	Providers choose measures, set by national standards such as Certified Community Behavioral Health Clinic guidelines, to improve the health outcomes of individuals in care (e.g. increase routine screenings to identify and treat conditions such as obesity).
Use of DSRIP Funds	Providers invest in activities that increase project participation such as project staffing and project outreach.	Providers invest in activities that achieve population health outcomes such as care coordination for individuals with co-occurring issues.
Achievement of Funds	Achievement is linked to increasing the number of people served.	Achievement is linked to improvement of health outcomes for a defined population in services.



Travis County
Behavioral Health and
Criminal Justice
Advisory Committee

To Whom It May Concern:

It is with pleasure that the Travis County Behavioral Health and Justice Advisory Committee (BHCJAC) write this letter of support for Integral Care's request for funding for their Expanded Mobile Crisis Outreach Team (EMCOT). The BHCJAC is a collaborative association comprised of 24 representatives from various criminal justice and behavioral health stakeholders, chaired by Judge Tamara Needles, and our mission is to develop and sustain a planning partnership to support persons with behavioral health needs and to promote justice and public safety.

We strongly support Integral Care's request for funding from the City of Austin and Travis County in accordance with our guiding principles, particularly our assertion that the dignity and rights of individuals with behavioral health disorders are safeguarded by seeking alternative solutions to traditional criminal justice responses at each intercept on the Sequential Intercept Model when appropriate; further, a commitment to the pursuit of a just, safe, and healthy community requires a robust array of community-based behavioral health services. Integral Care's EMCOT focuses its work on the critical Intercept One of the Sequential Intercept Model by preventing the overuse and misuse of arrests during a mental health crisis by providing on-site assessment, crisis intervention, and alternative dispositions to safely address the crisis while avoiding detention/incarceration.

EMCOT was established with DSRIP funding from the 1115 Medicaid Transformation Waiver which allowed communities like ours to develop and implement transformational healthcare projects and receive federal matching funds to support the projects. The original Waiver has changed from a waiver focused on metrics for individual projects to one that is focused on metrics for Integral Care's system of services. This means that Integral Care no longer has a sustainable funding source for EMCOT as they must shift resources to meet requirements of the new waiver. They have funded EMCOT for the remainder of FY18 and are seeking support for the continuation of this program.

Individuals identified through EMCOT would have linkages to Integral Care's nationally certified and recognized services. Integral Care is accredited by the Joint Commission and recently designated as a Certified Community Behavioral Health Clinic (CCBHC).

There are no other behavioral health teams in Travis County that are dispatched via first responders for immediate, on-site response during a mental health crisis to provide appropriate assessment and intervention with a goal of preventing unnecessary arrests and hospitalizations. In FY 2017 (September 2016 – August 2017), EMCOT received 4,480 referrals from crisis calls to 911, law enforcement and EMS. The reduction of capacity for EMCOT response, or the loss of EMCOT, would be detrimental to our community and a step backwards for people living with behavioral health disorders—in the absence of EMCOT, the first opportunity for diversion for an individual would not be until they had already been



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arrested and detained at Central Booking, which is a much longer, more legally complicated process that can further deteriorate an individual's mental health and social circumstances.

We sincerely support your decision to fund Integral Care's EMCOT as our community strives to strengthen pre-arrest diversion opportunities for those experiencing mental health crises. Thank you for your consideration.

A handwritten signature in blue ink, appearing to read 'Tamara Needles', written over the text 'your consideration.'.

Judge Tamara Needles

Chair

Travis County Behavioral Health / Criminal Justice Advisory Committee



Travis County
Behavioral Health and
Criminal Justice
Advisory Committee

To Whom It May Concern:

This letter is being submitted by the Travis County Behavioral Health and Justice Advisory Committee (BHCJAC) in support of Pretrial Services' request for funding the Mental Health Jail Diversion (MHJD) program. The BHCJAC is a collaborative association comprised of 24 representatives from various criminal justice and behavioral health stakeholders, chaired by Judge Tamara Needles, and our mission is to develop and sustain a planning partnership to support persons with behavioral health needs and to promote justice and public safety.

We strongly support Pretrial Services' request for funding in accordance with our guiding principles, particularly our assertion that the dignity and rights of individuals with behavioral health disorders are safeguarded by seeking alternative solutions to traditional criminal justice responses at each intercept on the Sequential Intercept Model when appropriate; further, a commitment to the pursuit of a just, safe, and healthy community requires a robust array of community-based behavioral health services. Pretrial Services' MHJD program focuses its work within Intercept Two of the Sequential Intercept Model by identifying individuals in jail with mental health needs, and by assessing and coordinating services in the community to secure their release on personal bond. The program seeks to bolster their success at complying with Court requirements and address their mental health needs. The program achieves this by assessing their needs; establishing a release plan and coordinating their release; and by providing intensive support and case management services.

The Mental Health Jail Diversion program was funded by Travis County as a three year pilot program starting October of 2015. The program works in close collaboration with Integral Care's Mental Health Bond Program. The collaboration consists of two caseworkers funded by Travis County and two caseworkers employed by Integral Care and funded through the Texas Correctional Office on Offenders with Medical or Mental Impairments (TCOOMMI).

The program allows for individuals to be safely released from jail into the community with assurances that Court obligations will be met and thereby reducing the number of days individuals are incarcerated while awaiting trial and avoiding the associated costs of detaining these individuals. In addition, the program provides intensive support to these defendants to address their mental health and social needs to minimize future jail involvement. Absent the specially-trained caseworkers in the program, identifying and coordinating the release of mentally ill defendants would be challenging. There is also no alternative supervision to ensure these clients can find and access community resources to assist in their treatment and stabilization in the community. It is likely that this population would remain in jail until their case disposition. For defendants with mental health diagnoses who are awaiting the disposition of their cases, the county achieves better criminal justice and clinical outcomes, and



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generates potential cost avoidances, if these defendants, where appropriate, are provided case management and services in the community rather than in the county jail.

The Behavioral Health and Justice Advisory Committee strongly encourages that a program evaluation be conducted to monitor the effectiveness of the Mental Health Jail Diversion program. The total FY 2019 budget request for the MHJD program is \$131,342.

We are supportive of the decision to move forward with funding Pretrial Services' MHJD program which further strengthen jail diversion opportunities for defendants with mental illness. Thank you for your consideration.

A handwritten signature in blue ink, appearing to read 'Tamara Needles'.

Judge Tamara Needles

Chair

Travis County Behavioral Health / Criminal Justice Advisory Committee

Discussion Topic 7

Parks and Recreation Department



General Fund

**FY 2017-18:
\$83.7 million**

**FY 2018-19:
\$91.9 million**

Parks and Recreation Department

General Fund Increase	Dollars	FTEs
Base cost drivers including wage increases for full-time employees and the \$15/hour living wage, funding support for completed capital projects, and asbestos abatement.	\$4.9 million	2.50
Americans with Disabilities Act (ADA) Compliance Support implement the department's ADA transition plan.	\$382,000	1.00
Grounds and Facilities Maintenance to provide service at trailheads, parks, recently added park amenities, and renovated recreation centers.	\$411,000	5.00
Lower Onion Creek Project Support to prepare the Lower Onion Creek site for public use and to provide ongoing maintenance.	\$316,000	2.00
Playground Maintenance for a contract to annually replace playground safety surfaces as required by accessibility standards.	\$200,000	--
Waller Creek Improvements to support ongoing projects as approved by Council in May 2018 (75% offset by CIP).	\$326,000	3.00

Parks and Recreation Department

General Fund Increase	Dollars	FTEs	Offset	Dollars
Aquatic Maintenance to provide ongoing preventative maintenance, cleaning equipment and minor hardware replacements, and a limited inventory of pool components to reduce unplanned pool closures.	\$1.8 million	0.00	Pool entrance fee increases	\$1.1 million
Park Planning Support to address the increased workload associated with the Parkland Dedication Ordinance revision in 2016.	\$293,000	3.00	Parkland Dedication Revenue	\$293,000
New Staff for Historic Sites, Museums, and Cultural Centers to support events, exhibits, and transportation.	\$991,000	9.00	Historic Preservation Fund Reimbursement	\$604,000
O. Henry, Elisabet Ney, and Suzanna Dickinson operating budgets.	--	--	Historic Preservation Fund Reimbursement	\$610,000

Discussion Topic 8

Economic Development Department

Address Artist Space Crisis





Proposed Funding 2018-19 for Artist Space

➤ Art Space Assistance Program (ASAP):

- \$400,000 in one-time funds for ASAP to deliver emergency financial assistance to arts organizations facing displacement. Financial assistance may be used for tenant improvements and rent stipend

➤ New Chapter 380 Agreements Policy:

- A portion of \$1.2M funding will be used to create a Location Based Incentive Program. Location based projects help support the development of affordable commercial space for creative venues and small businesses

➤ 2012 Bond - Austin Studio Expansion:

- The 2019 \$2.7 million spending plan is for the renovation of the former Armory property on the 20 acre AFS campus at Mueller for a creative media hub



November 2018 Bond Election Funding

- **2018 Bond - Libraries, Museums and Cultural Arts Facilities:**
 - Creative Spaces: \$12 million in the 2018 Bond would provide funding for the acquisition of property for creative spaces
 - Economic Development Department developed a proposed scope for a creative space project for an adaptive reuse project for a variety of creative uses (administration, performance, studio, rehearsal and exhibition spaces)

Discussion Topic 9

Increase to Senior Exemption



Property Tax Exemptions

Current Exemptions	City of Austin	Travis County	Austin ISD	Austin Com. Col.	Central Health
General Homestead	10%	20%	\$25,000	1%	20%
Senior/Disabled	\$85,500	\$85,500	\$35,000 + Freeze (\$25,000 Disabled)	\$160,000	\$85,500

FY19 Median Homeowner Impact
@ \$0.4420 Tax Rate (6%),
including *current* exemptions

- Non-senior homeowner: **\$71.95**
- Senior/disabled homeowner: **\$77.85**

FY19 General Fund Revenue Impact
@ \$0.4420 Tax Rate (6%),
increasing senior/disabled exemption

- Exemption increase of **\$17,500** required to hold senior/disabled harmless
- FY19 revenue reduction of **\$3.0 million**

Senior/Disabled Tax Exemptions

Exemption Increase	Total Exemption	General Fund Revenue Impact	Annual FY19 Median Property Tax Increase (Decrease)
\$2,500	\$88,000	(\$0.4M)	\$67
\$5,000	\$90,500	(\$0.9M)	\$56
\$7,500	\$93,000	(\$1.3M)	\$45
\$10,000	\$95,500	(\$1.7M)	\$34
\$12,500	\$98,000	(\$2.1M)	\$23
\$15,000	\$100,500	(\$2.6M)	\$12
\$17,500	\$103,000	(\$3.0M)	\$0
\$20,000	\$105,500	(\$3.4M)	(\$11)