



MEMORANDUM

TO: Mayor and Council Members

FROM: Dianna Grey, Homeless Strategy Officer
Sylvia Holt-Rabb, Director Economic Development Department

THROUGH: Rodney Gonzales, Assistant City Manager

DATE: April 28, 2022

SUBJECT: Workforce Development and Capacity Building for Case Managers
(Fiscal Year 2022-2023 Council Member Tovo Budget Rider 3)

On August 11, 2021, Council approved [Ordinance No. 20210811-001](#) adopting the Fiscal Year 2022-2023 budget which included Council Member Tovo's Budget Rider 3 regarding Workforce Development and Capacity Building for Case Managers.

In a previous memo to Council dated April 5th, the Economic Development Department provided an update regarding contracts with the Workforce Solutions Capital Area Workforce Board related to workforce development and capacity building for case managers.

Budget Rider 3 also contained direction to implement the decree provided in [Resolution No. 20210610-077](#) to use the American Rescue Plan Act (ARPA) or other sources of funding to support organizational capacity for nonprofits that serve individuals experiencing homelessness through the training and recruitment of additional case managers. The following update is from the Homeless Services Office.

The City's \$106.7M ARPA allocation for homelessness is being directed to advance the following goals established as part the "The Summit to Address Unsheltered Homelessness in Austin":

- House an additional 3,000 individuals.
- Add 1,300 new units of affordable housing for the population experiencing homelessness.
- Build a better Homelessness Response System (HRS) by ensuring program access and outcomes are equitable, investing in social service provider capacity building, and developing stronger system oversight and performance management functions.

Accomplishing these objectives will require, among other things, expanding the pipeline of case managers and building the capacity of organizations that support individuals experiencing homelessness. Below is a summary of the activities the Homeless Strategy Division (HSD), in partnership with other City Departments, is initiating to support these underlying needs.

- **Hiring Case Managers:** ARPA funds will be used to significantly expand the number of case managers in the HRS. In late January, Austin Public Health (APH) initiated the first in a series of three solicitations that will collectively allocate approximately \$65 million in ARPA funds for

programs and services that will help house our unhoused neighbors. The first solicitation, which closed on March 15th and included \$45 million in ARPA funds, will fund core housing stabilization programs, including Rapid Rehousing and Permanent Supportive Housing. Case managers are critical to the success of these housing stabilization programs. APH is currently in the process of reviewing applications for the first solicitation, but we expect funded projects to considerably expand case management services. There is currently a second solicitation open for crisis services, and a third, for services such as employment, behavioral health, and benefits enrollment, will likely be released in May. While these solicitations are smaller in size, we anticipate that they will support further expansion of staffing among nonprofit service providers.

- **Capacity Building:** The City's ARPA spending framework includes \$3.0 million for organizational capacity building. HSD is working with the City's Innovation Office to initiate a small grants program to help organizations prioritize organizational capacity investments, receive technical assistance to quickly implement short-term capacity investments, and/or participate in a cohort-based accelerator program. The goal of the small grants program is to accelerate HRS providers', particularly small and minority-led organizations, ability to scale services and deepen impact. In addition to the small grants program, the City will be issuing a second organizational capacity building solicitation in May with a portion of the \$3.0 million of ARPA funding to support more intensive organizational capacity investments that aligns with the Summit's goals. These funding opportunities will allow proposers to request funds to support staff training and/or recruitment for individual service providers or system wide.

HSD will be able to provide a more robust updates on these two initiatives in the coming months, as the funding is deployed.

Please feel free to contact me at Sylvia.Holt-Rabb@austintexas.gov or 512.974.3131 or Dianna Grey, Homeless Strategy Officer at Dianna.Grey@austintexas.gov or 512.972.4424 if you have any questions.

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