



MEMORANDUM

TO: Mayor and Council Members

THROUGH: Veronica Briseño, Assistant City Manager *VB*

FROM: Mandy DeMayo, Interim Director, Housing Department *Mandy DeMayo*
Kerri Lang, Budget Officer, Financial Services Department *KL*

DATE: April 5, 2024

SUBJECT: Tenant Stabilization Funding Update

During the February 20, 2024, [Housing and Planning Committee](#) meeting, staff presented the status of a Tenant Stabilization Services contract, the *I Belong in Austin* program. Housing staff reported on the estimated dollar of requests for households seeking assistance and the remaining funding available through the *I Belong in Austin* contract.

The *I Belong in Austin* contract, which is administered by El Buen Samaritano, is \$9,600,000. Approximately \$7.5 million will be paid in direct rental assistance, with \$1 million reserved for eviction cases. This contract is funded through the Budget Stabilization Reserve Fund as one-time funding. As such, there is not an ongoing source of funds. To date, \$2,711,135 has been paid, with an additional \$1,724,405 in current obligations. The program has received 7,853 applications, and 76% or 5,956 meet the preliminary eligibility requirements of geographic and income restrictions. Over 88% of households served to date have been at 30% Median Family Income (MFI) and below.

The Financial Services Department worked with the Housing Department and the Homeless Strategy Office to identify an additional \$2 million in current year funding to extend the program through the end of this fiscal year. It is estimated that this additional funding will allow the program to serve an additional 320 households through September 2024.

While the *I Belong in Austin* program provides the vast majority of rental assistance for low-income households in the City of Austin, it is important to note that Austin Public Health (APH) also provides rental assistance through APH's Neighborhood Centers. City Council approved the five-year contract with Austin Area Urban League (AAUL) on November 2, 2023: [Legislation Text - 24-3251](#). Through this contract, APH will provide AAUL \$775,946/year in funds for direct financial assistance and payments to landlords and utility companies on behalf of neighborhood center clients. These funds will help eligible individuals avoid eviction. The funding has assisted 67 households to date, with an average amount of \$2,383/household. Nearly three-quarters of the households assisted are at or below 30% MFI. This

funding is provided in part with remaining U.S. Treasury dollars from the Emergency Rental Assistance program and is also not part of an ongoing source of funds.

In the coming months, staff will prepare an update on all tenant stabilization programs supported by the City and recommendations for council consideration on the appropriate level of ongoing investments for this program.

Should you have any questions regarding the identified funding, please contact Kerri Lang, Financial Services Department Budget Officer, at Kerri.Lang@austintexas.gov or Mandy DeMayo, Housing Department Interim Director, at Mandy.DeMayo@austintexas.gov.

cc: Jesús Garza, Interim City Manager
Stephanie Hayden-Howard, Assistant City Manager
Ed Van Eenoo, Chief Financial Officer
Adrienne Sturup, Director, Austin Public Health