

AGENDA



Thursday, December 10, 2009

**Health and Human Services
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 8

Subject: Approve an ordinance accepting \$1,922,498 in grant funds from the TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS, HOMELESS HOUSING AND SERVICES PROGRAM, and amending the Fiscal Year 2009-2010 Health and Human Services Operating Budget Special Revenue Fund of Ordinance No. 20090914-002 to appropriate \$1,922,498 for the delivery of homeless services.

Amount and Source of Funding: Funding is available from the Texas Department of Housing and Community Affairs Homeless Housing and Services Program Funds. The grant period is December 1, 2009 through August 31, 2011. A City match of 10 percent is required. Related to Item #17.

Fiscal Note: A fiscal note is attached.

For More Information: Vince Cobalis, Asst. Director, Human Services, 972-5011; Susan Gehring, Community Based Resources Manager, 972-5026; Linda Terry, Agenda Coordinator, 972-5023.

Prior Council Action: Approved Fiscal Year 2009-2010 Operating Budget, September 14, 2009.

During the 81st Legislative Session, the Texas legislature appropriated \$20,000,000 over the biennium to be administered by the Texas Department of Housing and Community Affairs (TCHCA) to fund the Homeless Housing and Services Program (HHSP) in the eight largest cities in Texas. HHSP funds are targeted to serving homeless or at-risk individuals; operations of direct services; case management; housing retention; homelessness prevention; rental assistance; or other homelessness related activity as approved by the Department.

The City of Austin has been awarded \$1,922,498 in direct funds from the Texas Department of Housing and Community Affairs (TDHCA) for the Homeless Housing and Services Program (HHSP). Although the City is a direct recipient, TDHCA required an application outlining the Health and Human Services Department's (HHSD) plans for the utilization of the funds.

Based on community feedback and the availability of prevention funds through federal stimulus programs, HHSD has determined it will utilize HHSP for services to eliminate homelessness.

The City of Austin's HHSP is focused on two primary areas: (1) Services for those who are currently homeless: case management, mental health, substance abuse or other services necessary to move people from homelessness to safe and stable housing and (2) Services for those in permanent supportive housing (PSH), including rent subsidies for new PSH units, case management, mental health, substance abuse, employment or other services to help individuals maintain housing.

The program does not include funding for administrative expenses. A 10% match is required. HHSD is providing the match through its existing budget for maintenance and repairs at the Austin Resource Center for the Homeless (ARCH). HHSD is required to expend all grant funds by August 31, 2011. It will be important to show effective, measurable performance as early as possible in order to retain long term funding for this program from the Texas legislature.

HHSP funds in the amount of \$252,000 will provide financial support for case management services at the ARCH. A related RCA for those services is under consideration. A Request for Applications (RFA) has been released for the remaining \$1,670,498. All services recommended through that RFA will respond to the primary focus areas listed above. It is anticipated that an RCA recommending contractors for these services will be provided to Council in January 2010.

Statement Required by Corporate Budget Office: All department grant application requests are reviewed by the Budget Office prior to submission to ensure that the grant minimizes the financial impact to the City.