



## MEMORANDUM

**TO:** Mayor and Council Members

**THROUGH:** Stephanie Hayden-Howard, Assistant City Manager *S.H. Howard*

**FROM:** Dianna Grey, Homeless Strategy Officer *Dianna Grey*  
Kimberly McNeeley, Director, Parks and Recreation Department *K. McNeeley*

**DATE:** July 1, 2021

**SUBJECT:** Sanctioned Encampments, Resolution No. 20210506-070

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Austin City Council adopted Resolution No. 20210506-070, directing the City Manager to provide information and analysis regarding possible sanctioned encampments for people experiencing homelessness in the City of Austin. This memo also describes the progress of other efforts to increase the community's emergency shelter capacity for people experiencing homelessness.

A summary of staff activities and reporting since the passage of the resolution is as follows:

- May 6<sup>th</sup> Resolution 20210506-070 adopted
- May 12<sup>th</sup> Work Session Selection Criteria for Designated Encampments Briefing
- May 14<sup>th</sup> [Staff Memo – Sanctioned Encampments - Initial Response to Resolution](#)
- May 30<sup>th</sup> Work Session Briefing
- June 1<sup>st</sup> [Staff Memo – Sanctioned Encampments – Update](#)
- June 8<sup>th</sup> Briefing at Special Called Meeting
- June 9<sup>th</sup> Work Session Briefing
- June 10<sup>th</sup> Briefing at City Council Meeting
- June 14<sup>th</sup> Initial staff consultation on shelter capacity with new Medical Director/Health Authority Dr. Desmar Walkes
- June 21<sup>st</sup> thru June 25<sup>th</sup> Initial zoning review of City-owned properties
- June 25<sup>th</sup> Execution to extend the lease at ProLodge 3 for conversion to bridge shelter

This memorandum serves as a response to the following directives outlined in the resolution:

- Identify criteria for possible locations in all City Council Districts for campsites and parking sites for people in cars.

- Identify publicly owned land or land within the City limits owned by other intergovernmental entities or willing partners that could accommodate home structures to serve as temporary housing.
- Suggest a process for convening public and Council conversations related to possible designated locations.
- A description of and budget for appropriate relocation services and infrastructure for designated encampments inclusive of but not limited to lighting, water, restrooms, showers, storage, mail, laundry services, and security.

### **Bridge and Congregate Shelter Update**

In parallel to the exploration of designated encampments, the Housing Strategy Division has been actively pursuing other avenues for the rapid expansion of available shelter, as detailed below. By the middle of August, these combined efforts are expected to create a minimum of 125 additional shelter beds. However, if existing congregate shelters are able to increase capacity under relaxed COVID-19 risk levels, over 300 beds could be opened.

### **Southbridge Shelter**

The City opened the Southbridge Shelter on June 15<sup>th</sup>. The city-owned property was previously utilized as a ProLodge as part of the community's COVID-19 response. The remaining guests were moved to the other ProLodges prior to demobilization. In keeping with plans established under the HEAL Initiative, the property will initially be reserved for those individuals being relocated from encampments while permanent housing is secured. After setting aside space for offices, 75 rooms will be available as bridge shelters. Approximately 20 individuals from an encampment at the Terrazas Library have now been placed into the shelter. As work continues at additional HEAL encampments, all available rooms are expected to be occupied by the end of July or early August.

### **Conversion of ProLodge 3 to Bridge Shelter**

Three of the remaining ProLodge lease agreements were set to expire by the end of June. ProLodge census numbers have continued to decrease, and two sites were being demobilized, with remaining guests relocated to ProLodges 1 and 4. As such, staff identified an opportunity to renew the lease at one of the sites for conversion to a second hotel-based bridge shelter. ProLodge 3, in District 9, was identified as the most viable option. An extended lease agreement was executed on June 25, 2021. The first year of operations will be funded via the \$4.2M in American Rescue Plan Act funds that City Council approved for the creation of shelter capacity or designated encampments. Repairs and cleaning are currently underway at the facility. The Homeless Strategy Division hopes to initiate operations there with temporary staffing at the beginning of August and will explore the possibility of contracting with an outside service provider for ongoing operations. Given the limited available shelter beds overall, the facility may be reserved for a specific subpopulation of persons experiencing homelessness.

### **Restoration of Capacity in Congregate Shelters**

In response to the COVID-19 pandemic, capacity for single individuals in Austin’s existing homeless shelters decreased by approximately 220 beds. Based on reduced COVID-19 risk levels, the Homeless Strategy Division has engaged shelter operators to assess the possibility of restoring some portion of this capacity with a goal of increasing before August 8, 2021. Austin Public Health (APH) has created new shelter guidance and will be sharing it with operators. The Health Authority is also going to conduct in-person visits to homeless shelters and provide guidance.

### **City Sanctioned Encampments**

During the City Council Meeting on June 10, 2021, staff shared the base and secondary criteria being utilized to assess City-Owned property for potential use as designated encampment locations. Council provided feedback regarding site suitability and contributed feedback to guide staff in its evaluation of City-owned property and non-City owned property to be considered in the future. The criteria were applied to seventy-eight (78) separate City-owned properties. Through the site suitability evaluation process, two (2) City-owned properties have the potential to serve as campsites. The estimated costs for each site are as follows, not including the cost for utilities.

Site #1 estimated total \$1,331,100

Site #2 estimated total \$1,668,300

Neither of these sites is currently being used as an encampment. The Law Department will provide further guidance on whether rezoning would be required and the timeline for that process. After that analysis is completed, City staff will release the site location information and conduct a community engagement process to gather stakeholder feedback related to the properties. Staff are working working to identify operators for the sites.

### **City-Owned Safe Parking Sites**

In its assessment of overnight parking options, City staff has identified potential City-owned parking lot properties for overnight parking, which would be included in a community engagement process. The criteria for these locations include having a minimum of 50 spaces and good lighting. The annual estimated cost per parking site is \$80,000, which will cover the restrooms, handwashing stations, and security. Proposed operating hours would be 10:00 pm – 6:00 am. This cost is in addition to the encampment site estimates. Staff will provide additional updates later in July.

### **Individual Shelters**

As directed by Council, staff researched the costs and processes associated with placing ‘tiny homes’ or similar structures on the encampment land. The estimated cost of providing individual shelters (without bathrooms or kitchens) ranges from \$5,000 to \$10,000 per structure.

Staff has identified several options that could be utilized to construct or assemble individual shelters or tiny homes in 30 days or less. This timeline does not include securing any change in entitlements, permitting the process, purchasing supplies, or setting up utilities. The cost is in addition to the site estimate listed above for Site 1 and 2.

**Sprung Shelter**

Staff also researched utilizing a product such as a Sprung Shelters in combination with tents, which could allow for better protection from the elements and more efficient climate control. The cost is in addition to the site estimate listed above for Site 1 and 2. In addition to the investments previously mentioned, the estimated costs for these types of temporary shelter are as follows:

| Structure Type                | Purchase Price             | Assembly |
|-------------------------------|----------------------------|----------|
| Pallet Shelter®               | \$8K                       | \$700    |
| Pallet Shelter® without HVAC  | \$6K                       | \$700    |
| Individual Site Built Shelter | \$4K                       | \$4K     |
| Sprung Shelter®               | \$250K                     | \$70K    |
| Sprung Shelter®               | \$19K (Monthly Lease Rate) | \$56K    |

*Note: The costs reflected above include provisions for air conditioning and heating for all options and also include insulation and reinforced panels in the Enclosed/Sprung Shelters.®*

**Community Engagement and Partnerships**

A community engagement process would be conducted for any identified City-owned sites. Following the receipt and assessment of community feedback, City staff will provide a summary report. The engagement process would include:

- Surveys on SpeakUp Austin!
- Community meetings in person and virtually
- Citizen communication at City Council Meetings

City staff continues to explore partnership opportunities to develop campsites and/or temporary shelters with intergovernmental agencies and non-governmental partners. Staff have been in contact with property owners, vendors, and/or service providers and continue assessing feasibility to identify additional opportunities for partnership and leverage non-City funds. Staff are exploring the issuance of a Request for Interest or Request for Proposal, with a broad invitation for public and private partners, and faith-based partners to propose projects or provision of services and equipment. An update on this option will be provided at or before the next City Council Work Session on July 27<sup>th</sup>.

**Next steps**

Staff will provide an update to Mayor and Council on July 22, 2021. This update will include

information and identification of potential encampment locations and potential overnight parking locations, a progress report on shelter expansion, and an update on the costs associated with these efforts. Given the limited available shelter beds overall, the facility may be reserved for a specific subpopulation of persons experiencing homelessness. Staff are utilizing data as well as input from people with lived expertise and homeless service providers to inform recommendations regarding the population to be served.

cc: Spencer Cronk, City Manager  
Anne Morgan, Interim Deputy City Manager  
CMO Executive Team  
Ken Snipes, Austin Resource Recovery