

Special Report

Homelessness Assistance Follow-Up

March 2021



This is a special report to follow up on recommendations from the Homelessness Assistance and City Social Service Contracting Process audits we previously issued. The City has taken many actions to address homelessness. The City amended policies that did not effectively connect people experiencing homelessness to services and hired a Homeless Strategy Officer to address a lack of coordination around homelessness assistance efforts.

The City has worked to improve the quality of data collected about people experiencing homelessness in Austin and to develop and implement strategies to meet the current need for housing. The City has also taken steps to improve contracts for homelessness assistance efforts. However, the City can do more to address issues we found in our audits on homelessness assistance and social service contracting. The implementation of some of our recommendations is on hold due to COVID-19.

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Objective

The objective of this special report was to follow up on the City's actions to implement recommendations from the Homelessness Assistance and City Social Service Contracting Process audits.

Background

We conducted four audits of the City's homelessness assistance efforts from 2017 to 2019. The specific topics we focused on were City policies related to homelessness, coordination of the City's homelessness assistance efforts, allocation of resources to address homelessness, and the outcomes of the City's efforts to address homelessness. We audited these topics because City Council had identified addressing homelessness as a top priority. We issued 10 recommendations as part of these audits.

We conducted an audit on the City's social service contracting processes in 2019 because stakeholders were concerned that social service contracts were not sufficiently funded or meeting the community's needs. Stakeholders were also concerned that the City's efforts to address homelessness through social service contracts were not effective and were not resulting in desired outcomes. We issued three recommendations as part of this audit.

We followed up on the City Social Service Contracting Process audit along with the Homelessness Assistance audits because the recommendations we issued regarding social services impact how the City provides homelessness assistance. However, the City's social service contracting processes impact many topics other than homelessness assistance such as basic needs, behavioral health, health equity, child and youth, community planning, HIV, and workforce development.

If you are interested in following the City's progress to implement recommendations from audits on other topics, you can visit the [City's open data portal page about audit recommendations](#).

What We Learned

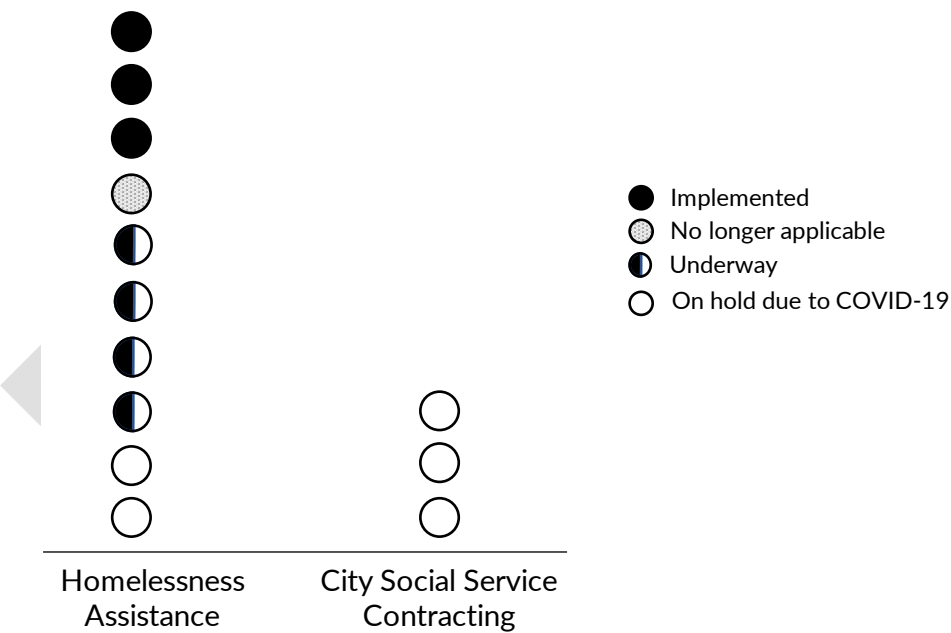
Summary

We issued ten recommendations through the Homelessness Assistance audits from 2017 to 2019. We verified that the City implemented three of these recommendations, and one is no longer applicable. The City's implementation of four of the recommendations is still underway, and two are on hold.

We issued three recommendations through the City Social Service Contracting Process audit in 2019, and all three are on hold.

For all five recommendations on hold, Austin Public Health was assigned lead to coordinate cross-departmental response and implementation. These activities are on hold due to reassignment of key Austin Public Health staff to COVID-19 response efforts.

Exhibit 1: The City has made progress on eight of the recommendations in the Homelessness Assistance and City Social Service Contracting audits



Source: Auditor analysis of City actions to address homelessness assistance and social service contracting recommendations, January 2021

What has the City done to address the issues we identified?

The City has implemented two of the recommendations from this audit, and one is no longer applicable.



The City has implemented the recommendation from this audit.



The City has taken many actions to address homelessness and social service contracting. However, the City can continue to take action to address these issues.

Homelessness Assistance: City Policies Related to Homelessness Audit

In the Homelessness Assistance: City Policies Related to Homelessness audit, we found the City's enforcement of various ordinances did not appear to effectively connect people experiencing homelessness to services and may increase the risk the City will be sued.

We recommended the City:

- Reassess the City's camping, sit/lie, and panhandling ordinances to determine what legal risk they pose to the City
- Determine if the City's camping, sit/lie, and panhandling ordinances are still aligned with the City Council's vision for addressing homelessness
- Make various changes to the ordinances if they are not repealed to make enforcement of the ordinances more effective and efficient

In 2019, City Council amended the camping, sit/lie, and panhandling ordinances to be less restrictive for people experiencing homelessness. In 2021, City Council passed the Housing-Focused Homeless Encampment Assistance Link (HEAL) initiative to create a path to permanent housing for people experiencing homelessness and, over time, eliminate the necessity of unsheltered camping in Austin. All recommendations from this audit have been implemented or are no longer applicable. We will review the status of these recommendations as needed if there is future City action regarding these ordinances.

Homelessness Assistance: Coordination of the City's Homelessness Assistance Efforts Audit

In the Homelessness Assistance: Coordination of the City's Homelessness Assistance Efforts audit, we found the City does not have a position or office to coordinate its homelessness assistance efforts.

We recommended the City designate a position whose primary responsibility is coordinating homelessness assistance efforts in Austin.

The City implemented the recommendation from this audit by creating a Homelessness Strategy Officer position in 2019 to coordinate homelessness response efforts. The City's Homelessness Strategy Officer started in January 2021.

Homelessness Assistance: Allocation of Resources Audit

In the Homelessness Assistance: Allocation of Resources audit, we found the City does not fully know how many people are experiencing homelessness, and the City is not meeting the long-term needs of people experiencing homelessness.

We recommended the City:

- Work with the Ending Community Homelessness Coalition (ECHO) and other partners to improve the quality and accuracy of data collected about people experiencing homelessness
- Develop and implement strategies to meet the current need for people transitioning out of homelessness

The City has worked with ECHO to improve the quality and accuracy of data collected about people experiencing homelessness in Austin. ECHO made improvements to how they conducted the 2020 Point-In-Time Count, a count of sheltered and unsheltered people experiencing homelessness on one night in January. ECHO increased the number of volunteers conducting the count, created an online form to collect results, and reorganized the geographic sections used for the count to allow for more detailed analysis. Due to the COVID-19 pandemic, ECHO will not be conducting an in-person Point-In-Time Count for 2021.

The City also created the [Austin Homelessness Dashboard](#) to provide more accurate and updated data to City employees and the public about homelessness in Austin.

The City has worked to develop and implement strategies to meet the need for housing for people transitioning out of homelessness. The Housing and Planning Department has supported at least six completed or upcoming permanent supportive housing builds for a total of at least 564 units. The Austin Strategic Housing Blueprint sets a goal for the Housing and Planning Department to support the production of 50 permanent supportive housing units each year, and they appear to be meeting that goal.

Additionally, Council has authorized the purchase of several motels since 2019 to serve as housing for people experiencing homelessness. Some of these properties appear to be currently in use as temporary shelter options for people who do not have a safe place to quarantine from COVID-19, including people experiencing homelessness.

The City has made progress on addressing the issues noted in the Homelessness Assistance: Allocation of Resources audit, but full implementation of the two recommendations is still underway. The City can continue to improve data collection to fully understand the needs of the people experiencing homelessness, such as increasing the number of people who take the coordinated assessment. The City can also continue to develop and implement strategies to meet the current housing need.

The City's implementation of the two recommendations from this audit is still underway.



Homelessness Assistance: Outcomes of City Efforts Audit

In the Homelessness Assistance: Outcomes of City Efforts audit, we found that the City does not effectively ensure that outcomes related to homelessness assistance are met and does not determine the long-term success of homelessness assistance efforts. The audit found that the City's efforts to prevent homelessness and efforts to provide case management to people currently experiencing homelessness may not be sufficient to meet needs. The audit also found that opportunities exist for the City to enhance current efforts to assist people experiencing homelessness.

We recommended the City:

- Review how the City measures the long-term success of homelessness assistance efforts to ensure all goals are measurable and include appropriate timeframes
- Ensure contracts related to homelessness assistance require tracking outcomes, require incorporating client feedback, establish methods to prioritize clients, set realistic performance goals, and provide appropriate resources to achieve these efforts
- Enhance the capacity of existing homeless prevention programs and develop new programs to prevent homelessness
- Work with stakeholders to design and implement changes to improve coordination and collaboration among all entities providing case management services in Austin

In 2020, the City contracted with a homelessness consulting team that published a report recommending ways to improve performance measures for contracts related to homelessness assistance and establishing a more results-oriented approach to contract management. Austin Public Health staff report they are improving their contracts for homelessness assistance by proposing implementation plans, aligning goals and performance measures with the City's strategic direction, and more clearly defining the impact of achieving or missing milestones. Austin Public Health is planning to pilot these and other improvements to homelessness assistance contracts in fiscal year 2022.

The City has made progress on addressing some of the issues noted in the Homelessness Assistance: Outcomes of City Efforts audit. However, full implementation of these efforts is still underway. The City can make additional progress using long-term success metrics for addressing homelessness. The City can also continue to improve social service contracts by requiring vendors to track long-term outcomes, incorporating client feedback, establishing a method to prioritize clients, and setting realistic performance goals.

The City has taken action to address homelessness in light of the COVID-19 pandemic. These actions include increasing temporary shelter, case management, and outreach to the public about homelessness, as well as expanding services to meet the basic needs of people experiencing homelessness such as food and waste disposal.

The City's implementation of two of the recommendations from this audit is underway, and two are on hold due to COVID-19.



However, COVID-19 has impacted the City's progress on two of the recommendations we issued through the Homelessness Assistance: Outcomes of City Efforts audit. The City's implementation of the recommendations to enhance homelessness prevention programs and improve coordination of case management services is on hold due to COVID-19.

City Social Service Contracting Process Audit

The City's implementation of the three recommendations from this audit is on hold due to COVID-19.



We followed up on the City Social Service Contracting Process audit along with the Homelessness Assistance audits because the recommendations we issued regarding social services impact how the City provides homelessness assistance. However, the City's social service contracting processes impact many topics other than homelessness assistance such as basic needs, behavioral health, health equity, child and youth, community planning, HIV, and workforce development.

In the City Social Service Contracting Process audit, we found that the City has not fully funded all community needs, and some stakeholders perceive that the social service contracting process is not equitable or transparent.

The City's efforts to address the recommendations from the City Social Service Contracting audit are on hold due to the City's response to the COVID-19 pandemic. The City still needs to make progress on:

- Developing a social services procurement policy
- Developing a social services funding strategy
- Determining if the Anti-Lobbying Ordinance applies to social services

See Appendix A for more detail on the findings we issued as part of these audits. See Appendix B for more detail on the recommendations we issued as part of these audits, including the implementation status of the recommendations.

Appendix A - Findings Issued

| Audit | Findings | Date Issued |
|---|---|---------------|
| Homelessness Assistance: City Policies Related to Homelessness | Finding 1: Select City ordinances may create barriers for people attempting to exit homelessness, do not appear to effectively or efficiently connect people experiencing homelessness to services, and may increase the risk the City will be sued. | November 2017 |
| Homelessness Assistance: Coordination of the City's Homelessness Assistance Efforts | Finding 1: The City does not have a position or agency to coordinate its homelessness assistance efforts, resulting in reduced effectiveness and efficiency and potential missed opportunities to aid people experiencing homelessness. However, limited coordination efforts are underway. | December 2017 |
| Homelessness Assistance: Allocation of City Resources | Finding 1: The City does not have a complete understanding of how many people are experiencing homelessness or their needs, which limits its ability to effectively allocate resources. | May 2018 |
| Homelessness Assistance: Allocation of City Resources | Finding 2: The City is not meeting the long-term needs of the homeless population and it is unclear if it is effectively meeting the short-term needs. | May 2018 |
| Homelessness Assistance: Outcomes of City Efforts | Finding 1: The City does not effectively ensure outcomes are met and does not determine the long-term success of homelessness assistance efforts. | February 2019 |
| Homelessness Assistance: Outcomes of City Efforts | Finding 2: Efforts to prevent people in Austin from experiencing homelessness may not effectively serve people with the highest risk and are insufficient to meet the needs of the population. | February 2019 |
| Homelessness Assistance: Outcomes of City Efforts | Finding 3: Case management services in Austin may not be efficient or adequate, making it harder to connect people to services and increasing the length of time people experience homelessness. | February 2019 |
| Homelessness Assistance: Outcomes of City Efforts | Finding 4: The City has made significant efforts to assist people experiencing homelessness, and opportunities exist to enhance current efforts. | February 2019 |
| City Social Service Contracting Process | Finding 1: While the City has allocated sufficient funding to meet Council's 2016 funding policy goal for social service contracts, it has not funded some of the additional community needs for these services due to budget constraints and other competing City priorities. | December 2019 |
| City Social Service Contracting Process | Finding 2: There are similarities and differences in the way the City of Austin provides funding for social services compared to other cities. | December 2019 |
| City Social Service Contracting Process | Finding 3: While the majority of stakeholders perceive that the City's social service contracting process is adequately equitable and transparent, some stakeholders expressed concerns. | December 2019 |

Appendix B – Implementation Status of Recommendations

We issued 10 recommendations through the Homelessness Assistance audits. We verified that the City implemented three of these recommendations, and one is no longer applicable. Of the remaining recommendations, four are underway, and two are on hold.

We issued three recommendations through the City Social Service Contracting Process audit, and all three are on hold.

For all five recommendations on hold, Austin Public Health was assigned lead to coordinate cross-departmental response and implementation. These activities are on hold due to reassignment of key Austin Public Health staff to COVID-19 response efforts.

| Audit | Recommendations | Implementation Status |
|---|--|-----------------------|
| Homelessness Assistance: City Policies Related to Homelessness | Recommendation 1: The City Attorney should reassess the City's camping, sit/lie, and panhandling ordinances to determine what legal risk they post to the City. Further, the City Attorney should report on the results of this review to City Council. | Implemented |
| Homelessness Assistance: City Policies Related to Homelessness | Recommendation 2: The City Manager should work with City Council to determine if the City's camping, sit/lie, and panhandling ordinances are still aligned with City Council's vision for addressing the issue of homelessness, or whether the ordinances should be revised or repealed. | Implemented |
| Homelessness Assistance: City Policies Related to Homelessness | Recommendation 3: If the ordinances are not repealed, the City Manager should identify and implement changes to make the enforcement of the City's camping, sit/lie, and panhandling ordinances more effective and efficient. Changes may include, but are not limited to: <ul style="list-style-type: none">• Expanding DACC case management resources and ensuring that all citations involving people experiencing homelessness are handled by DACC• Implementing strategies to encourage more people experiencing homelessness to accept case management services• Implementing strategies to reduce arrest warrants issued in response to people experiencing homelessness who fail to appear in court following citation• Implementing strategies to reduce the number of people experiencing homelessness in jail for violating these ordinances | No longer applicable |
| Homelessness Assistance: Coordination of the City's Homelessness Assistance Efforts | Recommendation 1: The City Manager should designate a position within the City whose primary responsibility is coordinating the homelessness assistance efforts in Austin. This position should: <ul style="list-style-type: none">• Develop a strategic plan to address homelessness• Coordinate City departments' efforts related to homelessness | Implemented |
| Homelessness Assistance: Allocation of City Resources | Recommendation 1: The Assistant City Manager leading the City's Homelessness Task Force should work with ECHO and other partners to improve the quality and accuracy of data collected about the homeless population. This may include, but should not be limited to: <ul style="list-style-type: none">• Improving identification of people experiencing homelessness• Improving the percentage of people experiencing homelessness who receive a coordinated assessment• Collecting and analyzing information about the short-term needs of people experiencing homelessness | Underway |

| Audit | Recommendations | Implementation Status |
|---|--|-------------------------|
| Homelessness Assistance: Allocation of City Resources | Recommendation 2: The Director of Neighborhood Housing and Community Development should develop and implement strategies to meet current need for housing for those transitioning out of homelessness. | Underway |
| Homelessness Assistance: Outcomes of City Efforts | Recommendation 1: The Assistant City Manager responsible for coordinating the City's homelessness efforts should review how the City measures the long-term success of homelessness assistance efforts, to ensure all goals are measurable and include appropriate timeframes. | Underway |
| Homelessness Assistance: Outcomes of City Efforts | <p>Recommendation 2: The Assistant City Manager responsible for coordinating the City's homelessness efforts should ensure each contract related to homelessness assistance:</p> <ul style="list-style-type: none"> • Requires vendors track and report long-term outcomes • Requires vendors collect, report, and incorporate client feedback • Establishes a method to prioritize clients for services • Sets realistic performance goals • Provides appropriate resources to achieve these efforts | Underway |
| Homelessness Assistance: Outcomes of City Efforts | Recommendation 3: The Assistant City Manager responsible for coordinating the City's homelessness efforts should work with City departments to enhance the capacity of existing homeless prevention programs and develop new programs to prevent homelessness. | On hold due to COVID-19 |
| Homelessness Assistance: Outcomes of City Efforts | Recommendation 4: The Assistant City Manager responsible for coordinating the City's homelessness efforts should work with stakeholders to design and implement changes to improve coordination and collaboration among all entities providing case management services in Austin. | On hold due to COVID-19 |
| City Social Service Contracting Process | <p>Recommendation 1: To strengthen the City's social service contracting and procurement process, the Director of Austin Public Health should work with the City Manager and other responsible departments to develop a Citywide social service procurement policy. The policy should clearly set out the standards and processes for the City's social services contracting activities. At the minimum, the policy should include:</p> <ul style="list-style-type: none"> • Clearly defining the term "social services" and indicating eligible and ineligible services • Stating organizational and program requirements that service providers seeking to access the City social service funding should possess • Explaining the social service solicitation process • Defining the responsibilities of involved parties and the contract award process | On hold due to COVID-19 |
| City Social Service Contracting Process | <p>Recommendation 2: To ensure the City has a clear plan for delivering social services now and in the future, the Director of Austin Public Health should work with the City Manager and other responsible parties to develop a funding strategy for social services. In developing the strategy, the approach should include, but not be limited to:</p> <ul style="list-style-type: none"> • Prioritizing funding of community social services • Examining all possible funding mechanisms • Examining the funding processes of similar cities • Identifying possibilities for fostering coordination and partnerships | On hold due to COVID-19 |
| City Social Service Contracting Process | Recommendation 3: In order to provide a fair and equitable social service contracting process for selection among potential vendors, the City Manager should work with Council to determine whether the City's Anti-Lobbying Ordinance should apply to social service contracts. | On hold due to COVID-19 |

Scope

The project scope included actions taken by Council and City Management to respond to the recommendations in the Homelessness Assistance and City Social Service Contracting Process audits.

Methodology

To complete this special report, we performed the following steps:

- Communicated with City staff in the Housing and Planning Department, Austin Public Health, and the City Manager's Office
- Reviewed Council resolutions and discussions, City memos, budget information, reports from community organizations, news articles, City strategic plans, and other relevant documents
- Evaluated City actions to respond to relevant recommendations

Audit Standards

This project is considered a non-audit project under Government Auditing Standards and was conducted in accordance with the ethics and general standards (Chapters 1-5).

DRAFT

The Office of the City Auditor was created by the Austin City Charter as an independent office reporting to City Council to help establish accountability and improve City services. We conduct performance audits to review aspects of a City service or program and provide recommendations for improvement.

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