

Special Report

# Homelessness Assistance Outcomes Follow-Up

July 2024



This is a special report to follow up on six recommendations from two audits we previously issued on the City's homelessness assistance efforts. The City has implemented one recommendation to improve the quality and accuracy of data collected about the homeless population. However, while the City has made significant progress, there is still work to be done to fully implement the remaining five recommendations. The City can continue to make progress implementing strategies to meet the current housing need, measuring long-term success, improving contracting, developing prevention programs, and strengthening coordination between case management entities.

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Cover: Pecan Gardens, Office of the City Auditor

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# Objective

The objective of this special report was to follow up on the City's actions to implement two recommendations from the 2018 Allocation of City Resources audit and four recommendations from the 2019 Outcomes of City Efforts audit.

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# 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 assistance efforts, allocation of resources, and the outcomes of the City's efforts. We issued 10 recommendations as part of these audits.

In 2021, we conducted follow-up work on the 10 issued recommendations. We verified that the City implemented three recommendations, four recommendations were still underway, two recommendations were on hold, and one recommendation was no longer applicable. This work focuses on the six recommendations that were underway or on hold, which are from the 2018 Allocation of City Resources audit and the 2019 Outcomes of City Efforts audit. See Appendix A for information on the audits' findings.

These recommendations are:

- Work with the Ending Community Homelessness Coalition (ECHO) and other partners to improve the quality and accuracy of data collected about the homeless population. (2018 Allocation of City Resources)
- Develop and implement strategies to meet the current need for housing for those transitioning out of homelessness. (2018 Allocation of City Resources)
- Review how the City measures the long-term success of homelessness efforts, ensure all goals are measurable, and include appropriate timeframes. (2019 Outcomes of City Efforts)
- Ensure each contract related to homelessness requires vendors to track and report long term outcomes, captures and incorporates client feedback, establishes a client prioritization method, sets realistic performance goals, and provides appropriate resources. (2019 Outcomes of City Efforts)
- Enhance the capacity of existing homelessness prevention programs and develop new homelessness prevention programs. (2019 Outcomes of City Efforts)
- Work with stakeholders to design and implement changes to improve coordination and collaboration among case management entities in Austin. (2019 Outcomes of City Efforts)

In 2019, the City hired its first permanent Homeless Strategy Officer to coordinate the City's homeless response activities among multiple departments to ensure a seamless approach and response. The Homeless Strategy Officer worked under the direction of the Assistant City Manager responsible for the City's Homelessness Initiatives.

In 2020, the Homeless Strategy Division within Austin Public Health was created to coordinate homelessness efforts across the City and with community partners. The division was responsible for ensuring City Council priorities and direction were aligned with homelessness assistance spending.

In December 2023, the Interim City Manager created the Homeless Strategy Office (HSO) to be a standing office separate from other City departments and serve as a focal point for homelessness efforts in the City. The HSO's objective is to ensure homelessness is rare, brief, and non-recurring, while ensuring efficient and effective utilization of resources designated to meet the needs of those experiencing homelessness.

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## What We Learned

### Summary

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The Ending Community Homelessness Coalition (ECHO) was selected by the TX-503 Austin-Travis County Continuum of Care (CoC) Leadership Council to serve as the CoC's Lead Agency. The U.S. Department of Housing and Urban Development (HUD) designates CoC's to promote community-wide commitments for ending homelessness.

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The City has taken many actions to address recommendations from the 2018 Allocation of City Resources and 2019 Outcomes of City Efforts audits. The City has improved data collection by working with ECHO to increase the resources dedicated to identifying the homeless population. Additionally, ECHO has created a data strategy to guide the collection of data related to the homeless population in Austin. While the City has made progress on the remaining recommendations, including increasing the housing supply, developing prevention programs, and improving coordination, the City is still working to fully implement 5 of the 6 recommendations. The City should continue to implement strategies to meet the current need for housing, establish a plan to measure long-term success, improve contract management, enhance homelessness prevention efforts, and improve collaboration among case management entities.

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

## Status of recommendation #1 of the 2018 Allocation of City Resources audit: Implemented

This recommendation includes the following actions:

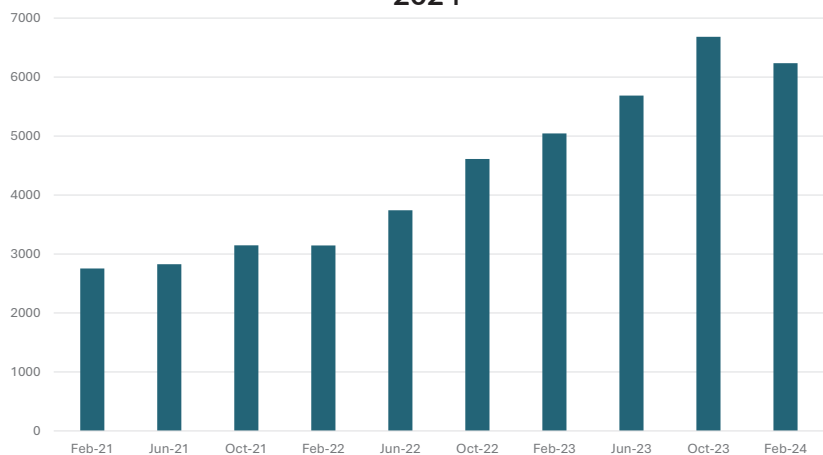
1. Work with the Ending Community Homelessness Coalition (ECHO) and other partners to improve the quality and accuracy of data collected about the homeless population, which may include, but is not limited to:

- Improving the identification of people experiencing homelessness
- Improving the percentage of people experiencing homelessness who receive a coordinated assessment, and
- Collecting and analyzing information about the short-term needs of people experiencing homelessness

The City has worked with the Ending Community Homelessness Coalition (ECHO) to improve the quality and accuracy of data collected about people experiencing homelessness in Austin. In the 2021 follow-up report, we reported that the City and ECHO improved the process by which people experiencing homelessness are identified and increased resources dedicated to identifying homeless individuals.

The number of identified people experiencing homelessness has increased each year since 2021. In February 2021, 2,755 individuals were identified as homeless in Austin. As of February 2024, this number has increased to 6,235, an increase of 126%. City staff report that much of the increase is due to improved data collection.

### Exhibit #1: Homeless Population Growth from February 2021 to February 2024



Source: Ending Community Homelessness Coalition (ECHO), May 2024

The Point in Time (PIT) Count is a physical count of people experiencing homelessness in Austin and Travis County on a single night at least every other year. The PIT Count is a requirement for the City to receive federal funding for housing.

The Homeless Management Information System is a community-wide database where agencies providing services to people experiencing homelessness enter client information. The HMIS is used to refer clients to housing, supportive services, and for the community to coordinate and plan.

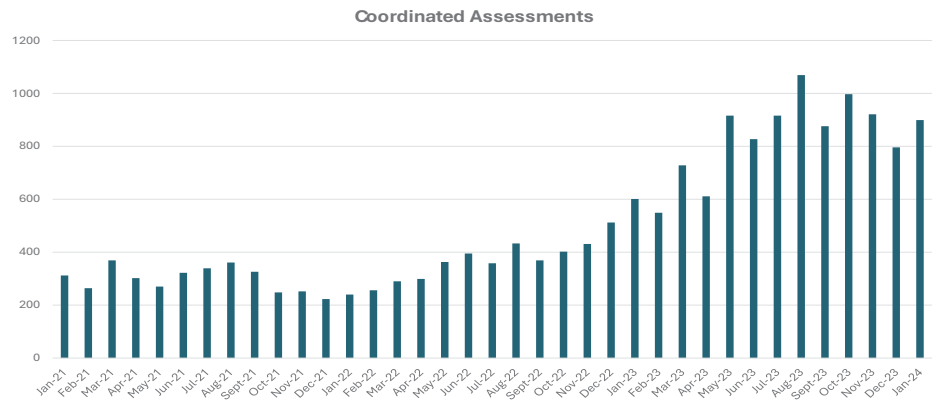
While the City used Point-in-Time count data in past years to assess the number of people experiencing homelessness in Austin, the City has shifted to using Homeless Management Information System (HMIS) data, which relies on coordinated assessments. The City, ECHO, and community organizations have improved the percentage of people who receive a coordinated assessment. In 2022, ECHO dedicated funds to help build a stronger infrastructure to serve unaddressed coordinated assessments. Additionally, the City is currently soliciting contractors to reduce barriers to coordinated assessments through implementing online and phone-based resources.

A coordinated assessment is a housing needs evaluation where anyone experiencing homelessness in Austin or Travis County can apply for the majority of the community's housing programs. The program is intended to help people find the right type of housing and supportive services for their needs.

According to ECHO's website, there are currently more than 60 individuals at 21 organizations across Austin and Travis County that are trained to do a coordinated assessment.

The number of coordinated assessments conducted has increased each year since 2021. In 2021, the average number of coordinated assessments given per month was 299. In 2023, the average number of coordinated assessments given per month increased to 817.

**Exhibit #2: Number of Coordinated Assessments Conducted**



Source: Ending Community Homelessness Coalition (ECHO), May 2024

ECHO maintains a public dashboard that uses data from coordinated assessments published in HMIS. Current metrics on the dashboard include system capacity, move-ins, people, entries and returns, and system flow. Some metrics can be filtered by project type, race/ethnicity, household type, and age group. City staff state that they work with ECHO to review modeling based on data collected to predict trends and allocate resources. ECHO's data collection is informed by the ECHO Data Strategy which aligns ECHO's data activity with their strategic plan.

**Status of recommendation #2 of the 2018 Allocation of City Resources audit: In Progress**

This recommendation includes the following actions:

1. Develop and implement strategies to meet the current need for housing for those transitioning out of homelessness.

The Austin Strategic Housing Blueprint is a housing plan adopted by the City in 2017. The ASHB aimed to comprehensively address affordable housing needs for the Austin community.

The City has made progress in developing and implementing strategies to meet the current need for housing for those transitioning out of homelessness. In the 2021 follow-up report, we reported that the Housing Department appeared to be meeting the goal in the 2017 Austin Strategic Housing Blueprint (ASHB) to create Permanent Supportive Housing. Additionally, Council had authorized the purchase of several properties to serve as housing for people experiencing homelessness.

The City's Housing Department uses several strategies to create or support Permanent Supportive Housing units, including the Rental Housing Development Assistance program, financing with local and federal funds, hotel acquisition, and landlord incentivization. As of May 2024, 237 Permanent Supportive Housing units are operating.

The City currently owns three hotels that were purchased for conversion into affordable housing. All three hotels will be operating and contributing 188 units to the total supply of Permanent Supportive Housing by the end of 2024.

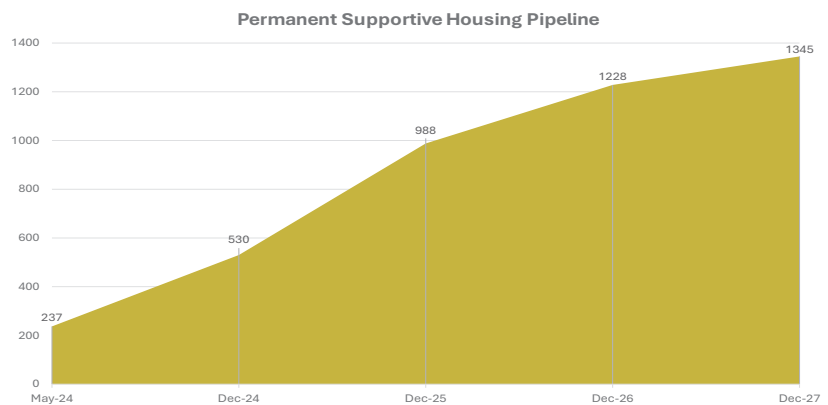
### Exhibit #3: Permanent Supportive Housing Units from Converted Hotels

Property	Permanent Supportive Housing Units
Balcones Terrace	50
Bungalows at Century Park	60
Pecan Gardens	78

Source: Auditor analysis of Housing data related to planned Permanent Supportive Housing, May 2024

The City's efforts to develop Permanent Supportive Housing units are currently planned out until 2027. Between May 2024 and December 2027, the City plans to increase the Permanent Supportive Housing supply from 237 to 1345.

### Exhibit #4: Permanent Supportive Housing, planned growth through 2027



Source: Auditor analysis of Housing Department data related to planned Permanent Supportive Housing, May 2024

However, the City does not have a clear goal to measure efforts against to know if the Housing Department's strategies to develop housing are meeting the current need of those transitioning out of homelessness. While the City has used the ASHB as guidance for measuring efforts, goals set by the ASHB are not regularly updated. In 2017, the ASHB set a goal to develop 100 Permanent Supportive Housing units per year. In 2021, the goal was increased to 1,000 Permanent Supportive Housing units in three years. The ASHB has not been updated since 2021. Additionally, the Housing Department staff report there is currently a lack of funding available to update the ASHB.

The City needs to establish a clear goal to guide efforts to develop Permanent Supportive Housing units to meet the current need for housing for those transitioning out of homelessness. The goal should be reviewed and updated periodically.

**Status of recommendation #1 of the 2019 Outcomes of City Efforts audit:  
In Progress**

This recommendation includes the following actions:

1. Review how the City measures the long-term success of homelessness assistance efforts, to ensure all goals are measurable, and include appropriate timeframes.

The City is working to create goals to measure the long-term success of homelessness assistance efforts, ensuring that all goals are measurable and include appropriate timelines. The City's Homeless Strategy Office (HSO) has contracted with SNAP Consulting to create a strategic plan that considers input from City staff and leadership. City staff report the strategic plan will include goals to measure the long-term success of homelessness assistance efforts, ensure all goals are measurable, and include appropriate timelines. Staff are working to align the strategic plan with the City's budget for fiscal year 2025.

The City needs to develop the strategic plan for the Homeless Strategy Office in a manner that measures the long-term success of homelessness assistance efforts. The metrics used to assess efforts should be measurable and appropriate timelines should be included.

**Status of recommendation #2 of the 2019 Outcomes of City Efforts audit:  
In Progress**

This recommendation includes the following actions:

1. Ensure each contract related to homelessness assistance:
  - 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, and
  - Provides appropriate resources to achieve these efforts.

The City has made some progress to improve contracts related to homelessness assistance. In the 2021 follow-up report, we reported that the City contracted with a consulting team in 2020. The consulting team published a report recommending improvements to performance measures related to contracts and to establish a more results-oriented approach to contract management. City staff in Austin Public Health reported some improvements had been made and more improvements would be piloted in fiscal year 2022.

Austin Public Health managed contracts related to homelessness assistance prior to the creation of the Homeless Strategy Office in December 2023. City staff in the Homeless Strategy Office's Finance and Contracting Unit are currently working to assess contracts and make improvements. City staff report that there are plans to refine performance measures to better capture the work being done by contractors and to create additional guidance for contractors.

We reviewed a sample of five contracts related to homelessness assistance and observed that not all contracts require vendors to track long-term outcomes, incorporate client feedback, prioritize clients, or set realistic performance goals. All of the contracts reviewed required vendors to use Homeless Management Information System (HMIS) to report data for long-term outcome measurement. However, none of the contracts we reviewed required the vendor to collect and incorporate client feedback. Only one contract required the vendor to establish a method to prioritize clients and only two contracts reviewed required vendors to track and report performance goals periodically.

**Exhibit #5: Recommendation Elements Found in the Contract Language**

Contracts					
	Contract 1	Contract 2	Contract 3	Contract 4	Contract 5
Long-term Outcomes	✓	✓	✓	✓	✓
Client Feedback	✗	✗	✗	✗	✗
Client Prioritization	✓	✗	✗	✗	✗
Performance Goals	✓	✗	✗	✗	✓

Source: Auditor analysis of Homeless Strategy Office contracts related to homelessness assistance, May 2024

Although some recommendation elements were not included in the contract language, contractors are taking actions towards some of the items listed in the recommendation. We observed that three contractors that did not have performance goals in their contract language track and report performance goals to the City. City staff report that some contractors do collect, report, and incorporate client feedback and prioritize clients for services even if the contract does not require them to. Additionally, City staff report that the TX-503 Coordinated Entry Written Standards, which require methods for prioritization, apply to many City contracts.

The City needs to require all contractors providing homelessness assistance to: track and report long-term outcomes; collect, report, and incorporate client feedback; establish a method to prioritize clients for services; and set realistic performance goals. In addition, appropriate resources must be allocated to achieve efforts.



### Status of recommendation #3 of the 2019 Outcomes of City Efforts audit: In Progress

This recommendation includes the following actions:

1. Enhance the capacity of existing homeless prevention programs and develop new programs to prevent homelessness.

The City has made some progress to enhance the capacity of existing homeless prevention programs and develop new programs to prevent homelessness. The City's Homeless Strategy Office (HSO) manages two contracts related to homelessness prevention programs to provide rental assistance paired with case management. Between August 2023 and May 2024, 577 people have received assistance from these programs.

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The Austin City Council approved a spending framework of \$95.3M of ARPA funding for homelessness assistance efforts. \$2.4M of the \$95.3M was dedicated to homelessness prevention.

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The HSO's contracts for homelessness prevention programs are relatively new and were developed with the City's American Rescue Plan Act (ARPA) funding in 2023. Both contracts will expire July 31, 2024. City staff report there is currently an active effort to hire contractors for additional homelessness prevention programs to begin Fall 2024.

Additionally, there are a variety of programs aimed at retaining people in housing that are not managed by the HSO. The City has a Displacement Prevention team within the Housing Department. The Displacement Prevention division tackles various issues that may cause people to lose housing. Examples of offerings from the Housing Department's 25 programs towards displacement prevention include rental assistance, estate planning services, and home repair services. City staff report that displacement prevention and homelessness prevention efforts target different populations and use different methods. However, both share the premise of keeping people from losing their housing and potentially becoming homeless as a result.

City staff report that the HSO has plans to assess and clearly define the boundary of the City's homelessness prevention efforts. Additionally, homelessness prevention efforts in the future will include collaboration with other departments, such as the Housing Department.

The City needs to clearly define homelessness prevention to guide efforts in the future. The City should use the redefined definition of homelessness prevention efforts to assess and strengthen existing homelessness prevention programs. Additionally, the City should create new programs that align with the redefined scope of homelessness prevention.

#### Status of recommendation #4 of the 2019 Outcomes of City Efforts audit: In Progress

This recommendation includes the following actions:

1. Design and implement changes to improve coordination and collaboration among all entities providing case management services in Austin.

The City has made some progress in designing and implementing changes to improve coordination and collaboration among all entities providing case management services in Austin. The City hosts regular meetings with case management entities. The City also provides entities with updates on shelter bed capacity.

The Ending Community Homelessness Coalition (ECHO) hosts a meeting series periodically for Permanent Supportive Housing, Rapid Rehousing, emergency shelters, street outreach, and diversion stakeholders. The meeting series aims to bring providers and staff together to work on continuous improvement for service delivery, data collection and assessment, and outcomes.

We conducted a survey of four case managers from three entities that provide case management services in Austin. Case managers were asked to rate coordination and collaboration on a scale of 1 to 10 (1 being the worst, 10 being the best). Scores ranged from 6 to 10. The average score was 8 out of 10. Survey comments revealed that while collaboration has improved, there are remaining issues with a lack of meaningful participation from all case management entities. Additionally, case managers noted a lack of resources for entities to coordinate and collaborate with each other.

The City needs to continue to improve coordination and collaboration among all case management entities providing homelessness assistance services in Austin. Improvements can include, but are not limited to, system-wide standards for all case management entities and increased resources for case management entities to connect with and contact each other.

## Appendix A: Issued Findings from Previous Audits

Audit	Findings from Previous Audits
Homelessness Assistance: Allocation of City Resources (2018)	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.
Homelessness Assistance: Allocation of City Resources (2018)	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.
Homelessness Assistance: Outcomes of City Efforts (2019)	The City does not effectively ensure outcomes are met and does not determine the long-term success of homelessness assistance efforts.
Homelessness Assistance: Outcomes of City Efforts (2019)	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.
Homelessness Assistance: Outcomes of City Efforts (2019)	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.
Homelessness Assistance: Outcomes of City Efforts (2019)	The City has made significant efforts to assist people experiencing homelessness, and opportunities exist to enhance current efforts.

## Appendix B: Status of Recommendations from Previous Audits

Audit	Recommendations from Previous Audits	Implementation Status
Homelessness Assistance: Allocation of City Resources (2018)	<p>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:</p> <ul style="list-style-type: none"> <li>• Improving identification of people experiencing homelessness</li> <li>• Improving the percentage of people experiencing homelessness who receive a coordinated assessment, and</li> <li>• Collecting and analyzing information about the short-term needs of people experiencing homelessness.</li> </ul>	Implemented
Homelessness Assistance: Allocation of City Resources (2018)	<p>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.</p>	In Progress
Homelessness Assistance: Outcomes of City Efforts (2019)	<p>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.</p>	In Progress
Homelessness Assistance: Outcomes of City Efforts (2019)	<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"> <li>• Requires vendors track and report long-term outcomes,</li> <li>• Requires vendors collect, report, and incorporate client feedback,</li> <li>• Establishes a method to prioritize clients for services,</li> <li>• Sets realistic performance goals, and</li> <li>• Provides appropriate resources to achieve these efforts.</li> </ul>	In Progress
Homelessness Assistance: Outcomes of City Efforts (2019)	<p>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.</p>	In Progress
Homelessness Assistance: Outcomes of City Efforts (2019)	<p>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.</p>	In Progress

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## Scope

The audit scope included actions taken by City departments to respond to the selected recommendations in audits related to homelessness outcomes including:

- Homelessness Assistance: Allocation of City Resources (2018)
- Homelessness Assistance: Outcomes of City Efforts (2019)

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## Methodology

To complete this audit, we performed the following steps:

- Interviewed City staff from the Homeless Strategy Office, Housing, and Austin Public Health.
- Interviewed Ending Community Homelessness Coalition (ECHO) staff.
- Surveyed three case management entities providing homelessness assistance.
- Assessed relevant documents and data from the Homeless Strategy Office, Housing, and the Ending Community Homelessness Coalition (ECHO).
- Analyzed a sample of homelessness assistance contracts.
- Assessed Austin Public Health and Homeless Strategy Office efforts to improve contract management.

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## Audit Standards

This project is not considered an audit. However, this project was conducted in accordance with the ethics, independence, competency, and quality provisions of the Government Auditing Standards.

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. Special requests are designed to answer specific questions to assist Council in decision-making. We do not draw conclusions or make recommendations in these reports.

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