



Policy Brief

April 2024

Project-based Permanent Supportive Housing (PSH) vouchers are a vital federal resource to help people end their homelessness



U.S. Interagency Council on Homelessness (USICH) Director Jeff Olivet visits with ECHO staff and members of the Austin Youth Collective (AYC), a group of young people with lived experience of homelessness who inform and advocate within our local HRS, on a recent trip to Austin. ECHO staff presented data about how our System is performing and where providers need more support from the federal government. (ECHO photos)



In this Brief:

- **More than 98% of people** who get support from a **long-term permanent housing program** in our Homelessness Response System (HRS) are able to **end their homelessness**.
- “That’s the thing about having housing... **I can set and accomplish goals**. Experiencing homelessness feels like purgatory; you’re just stuck, but **now I’m moving forward.**”
- Our community expects housing providers to create about **1,000 new project-based PSH units by 2026**, including a **300% increase this year alone**.

Summary

Leveraging federal dollars available through the American Rescue Plan Act, the Austin/Travis County Homelessness Response System is on the cusp of a “[‘massive surge’ of supportive housing](#).” A substantial portion of this housing surge will be project-based Permanent Supportive Housing (PSH) units. These kinds of units insulate providers from volatile private housing markets case managers are currently forced to contend with in trying to connect people with places to live. To ensure this central piece of our rehousing system is robust, our community needs support from our federal partners to **grow the availability of vouchers for PSH, streamline and grow capital funding for housing providers, and increase funding opportunities for supportive services.**



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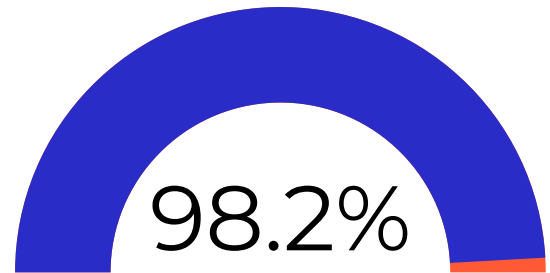
*Project-based Permanent Supportive Housing (PSH) vouchers are a vital federal resource to help people **end their homelessness***

Permanent Supportive Housing (PSH) is an incredibly effective housing intervention

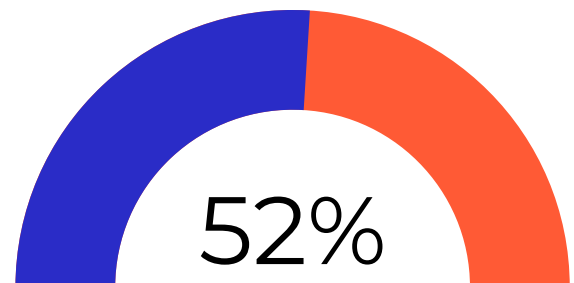
- *Almost everyone who gets support from a long-term permanent housing program in our HRS - primarily PSH - is able to end the daily trauma of homelessness.*

For people who utilize a long-term permanent housing program in the Austin/Travis County HRS, more than **98% remain housed long-term**, either staying in the program or finding stable housing on their own. This measure includes people living in some other kinds of long-term housing, but **the majority of people captured by this metric are utilizing a PSH program**. Compare this to a rate of about 52% for all HRS programs (which includes short-term housing programs, emergency shelter, diversion/rapid exit, and other interventions). **PSH is a life-saving intervention** for people who get access to it.

Success rate of long-term housing programs



Success rate of all HRS programs



“

“That’s the thing about having housing... **I can set and accomplish goals**. Experiencing homelessness feels like purgatory; you’re just stuck, but **now I’m moving forward.**”

caritasofaustin.org/blog

Felicia Perkins
Supportive Housing Resident





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Our community expects about 1,000 new project-based PSH units by 2026

- Due to a significant community funding effort, **Austin/Travis County is poised to grow our project-based PSH capacity by 300% this year alone.**

This growth is due to substantial increases in public investments in recent years, a mix of local public funds, private sector dollars, and funding from the American Rescue Plan. A considerable portion of this concerted funding effort is being invested in the development and building of project-based permanent housing solutions. **Our system has historically had few of these units, meaning providers often have to work within the volatile private housing market to find people places to live.** Project-based units also allow providers to centralize supportive services on-site, meaning people can meet their often complex medical, emotional, and social needs [in one place](#) rather than in multiple places in the community.

- This growth in project-based PSH, critical to people's long-term stability, **would not have been possible without a commitment from our local public housing authority of project-based Housing Choice Vouchers.**

**COMMUNITY
IMPACT**

AUSTIN / SOUTH CENTRAL AUSTIN / GOVERNMENT

'Massive surge' of supportive housing coming for Austin's homeless; shelter gap remains



By Ben Thompson | 4:11 PM Feb 13, 2024 CST
Updated 11:56 AM Feb 14, 2024 CST



Libertad Austin is one of many new city-supported projects expected to add more than 1,000 permanent supportive housing units across Austin in the coming years. (Ben Thompson/Community Impact)

As Austin's recorded unhoused population continues to grow, a stream of more than 1,000 critical supportive housing units are anticipated to open in the next few years to help more people exit homelessness—while a wide gap in emergency shelter beds still remains.

City leaders are continuing to pursue local housing and shelter investments as outcomes for clients leaving those spaces continue to outpace national averages despite limited availability.



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Recommendations

- **Increase funding for project-based vouchers dedicated to PSH.**



It would not be possible to house people in the 1,000+ project-based PSH units expected to come on-line by 2026 without alignment with and commitment from our local public housing authority. We encourage our federal partners to increase funding for vouchers that can be project-based specifically to create Permanent Supportive Housing.

- **Streamline and increase capital funding options for project-based PSH.**



There are two primary ways our federal partners can improve access to capital dollars:

- **Low-Income Housing Tax Credit (LIHTC):** Many PSH projects in our community cannot raise enough capital financing without accessing extremely competitive 9% LIHTC funds. The IRS should require housing finance agencies that award these credits to prioritize or set aside specific amounts to dedicate to housing for people ending their homelessness.
- **HUD funding:** Combining all HUD capital funding avenues into a single funding source specifically for PSH development would help housing providers tremendously. This funding could be sent to one pass through agency, such as the City of Austin, relieving the necessity for coordinating among multiple agencies and eliminating competition with other traditional affordable housing developers.

- **Improve and grow supportive service funding to help people stay housed long-term.**



PSH providers often have to piece together a variety of federal and private funding sources to provide the support services people need. This network is extensive (HUD, VA, SAMSHA, etc.), and while these individual commitments are critical, our community would benefit greatly from more coordination at the federal level to provide a sustainable service funding model for our system. In addition, the federal government should, when possible, pair service funding with rental or operating assistance dollars. This may mean further partnership between federal departments, but would contribute to a much more efficient and supportive Homelessness Response System.

Want more data? ECHO's Research & Evaluation Team updates our HRS Dashboard with regular estimates of need and system flow metrics.

 austinecho.org/dashboard

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