



Put People First

City of Austin Public Health and Human Services Committee

May 27, 2014

TALE OF TWO AUSTINS

#1

Fastest Growing City in America

#8

Best city to raise a family

#2

Top performing real estate market in 2012

#10

Fittest city in the U.S.

1/3

of all individuals in Travis County are struggling to make ends meet.

1/4

children in Austin live in poverty.

1/4

residents spend more than half of their income on housing.

35%

of low-income children in Central Texas are overweight or obese.

One Voice Central Texas is a coalition of health and human service nonprofit leadership advocating on behalf of vulnerable Central Texans and supporting best practices in nonprofit management since 1983.

www.OneVoiceCentralTX.org

ONE VOICE
CENTRAL TEXAS

One Voice Central Texas

- Represents more than 75 local health and human services nonprofit
- Brings in excess of \$100 million to the community in State, Federal, & Foundation funding
- Employs in excess of 6,500 individuals
- Provides a critical network of services for our most vulnerable residents that helps them move out of poverty and avoid more costly emergency, hospital, and institutional care



Our Message

- Human services are a vital link to creating a safe & sustainable community
- The human service infrastructure is straining from rapidly increasing poverty
- Support nonprofits that demonstrate effectiveness and quality services

Affordability Gap Growing

- CAN dashboard indicators for number of low income individuals, food insecurity, and housing cost burden have all worsened
- Over the last decade, the number of people living in poverty in Austin grew by 77 percent
- Children under the age of six are the fastest growing group living in poverty
- Between 2001 and 2013, wages in Central Texas fell by 4%, after inflation
- 38% of individuals are housing cost burdened (pay more than 30% of income on housing) and rents have increased 4%-7% for 12 straight quarters(www.realpage.com)
- 18% of individuals live in households with limited consistent access to food

Cost to Live in Austin

The Center for Public Policy Priorities estimates a household with a family of four needs to earn \$25.01 per hour to afford to live in the Austin MSA. This assumes no savings and an employer paying toward health care:

- Housing \$963
- Food \$731
- Child Care \$900
- Medical \$508 (insurance and out of pocket)
- Transportation \$539
- Other necessities \$335
- Federal Taxes \$193

Poverty rate for same family is \$23,850 or \$1,987.50 per month

Impact on Social Services

- Increasing demand for all social services
- Individuals moving outside the urban core, more costly to provide services to them and to us
- Increasing cost of doing business, e.g. rents, utilities, ACA requirements to purchase health insurance, etc

Social Services Are a Wise Investment

For every dollar invested, national studies have demonstrated an ROI and reduction in more expensive interventions, examples include:

- Early education returns \$2.50 - \$17
- Substance abuse treatment returns between \$4-\$7
- Workforce development returns \$1.63-\$2.74
- It costs \$20,000 for a youth to spend a year at Gardner Betts but generally \$1,000 or less for prevention services
- The average monthly cost for nursing home care is \$3,258 but it costs \$96 a month to deliver a meal or approximately \$1,600 to provide in-home supports

Overall Funding is not Keeping Up

Examples include

- Federal funding for food stamps and housing has decreased
- Texas decision not to expand Medicaid
- City social service contracting budget not kept up with overall budget

OVCT Request

- Increase the overall City investment in social services that support vulnerable residents
- Address the affordability gap
- Support organizations & collaborations that demonstrate effectiveness