



## MEMORANDUM

**TO:** Mayor and City Council

**FROM:** Adrienne Sturup, Director

**DATE:** April 8, 2022

**SUBJECT:** Staff Response to Neighborhood Centers Budget Rider 6 – Council Member Tovo

---

This memorandum serves as a response to Resolution 202108011-01. On August 11, 2021, Council passed a budget rider directing the City Manager to:

- provide an update on the 2017 audit;
- conduct a detailed gap and needs assessment of the City's existing and projected Neighborhood Centers should the annual grant requirement be insufficient to the intent of the budget rider;
- provide a detailed breakdown of unmet personnel, capital, social service funding, and budgetary needs.

### Accessibility

Since the 2017 audit, the Neighborhood Services Unit (NSU) has expanded services through physical locations. As a result of the 2012 bond election, the Montopolis Community Center opened in September 2020. It is a full-service Neighborhood Center staffed with a Program Manager, Social Worker, Administrative Associate, Registered Nurse, and 3 Community Workers. In the fiscal year 2021, the NSU staff at Montopolis Community Center served 4,414 unduplicated people and 3,319 duplicated people despite NSU service limitations caused by the pandemic.

A 2018 bond election approved funding to design, construct and equip a new public health facility in Dove Springs. The multi-use facility is projected to open in 2023 and will include a full-service Neighborhood Center.

In 2019, NSU staff sought to expand services into underserved areas of the City of Austin through satellite locations. In late 2019 NSU began providing services at the North Austin YMCA in the Rundberg area once a week. NSU staff served the community with rent and utility assistance, social work services, and public health nursing. In March of 2020, the staff had just launched services in far east Austin at the East Communities YMCA when the pandemic affected service delivery. Both satellite locations are on hold due to the pandemic.

In addition to expanding services at physical locations, NSU also increased electronic access to services. The NSU is working with its client database vendor on developing a fully operational online application portal. In Fiscal Year 2021, NSU conducted a pilot as part of the development process. As a result, 282 customers applied for rent & utility assistance online. Currently, the software vendor is working on improvements and a Spanish version. Due to limited physical access during the pandemic, rent and utility assistance are available with no contact through phone, computer, and traditional mail. As the pandemic improves, services will become more available in person for customers who choose in-person contact. However, a recent client survey determined that 76% of NSU customers prefer having the option of receiving services electronically. Therefore, NSU will continue to make that option available.

## **Community Awareness**

Since the 2017 audit, Austin Public Health overall and Neighborhood Services individually have increased communication and outreach with the public resulting in increased awareness of NSU services and programs. The APH Public Information Officer has done tremendous work to improve the APH website and increase information about current events and programs on social media sites. Sites included Facebook, Instagram, Twitter, and Nextdoor. NSU has increased communication with the major community resource information hubs (211, Aunt Bertha, and Connect ATX). Neighborhood Services staff have relationships with staff at those hubs and keep NSU information current, resulting in increased visibility and presence for the Neighborhood Services Unit.

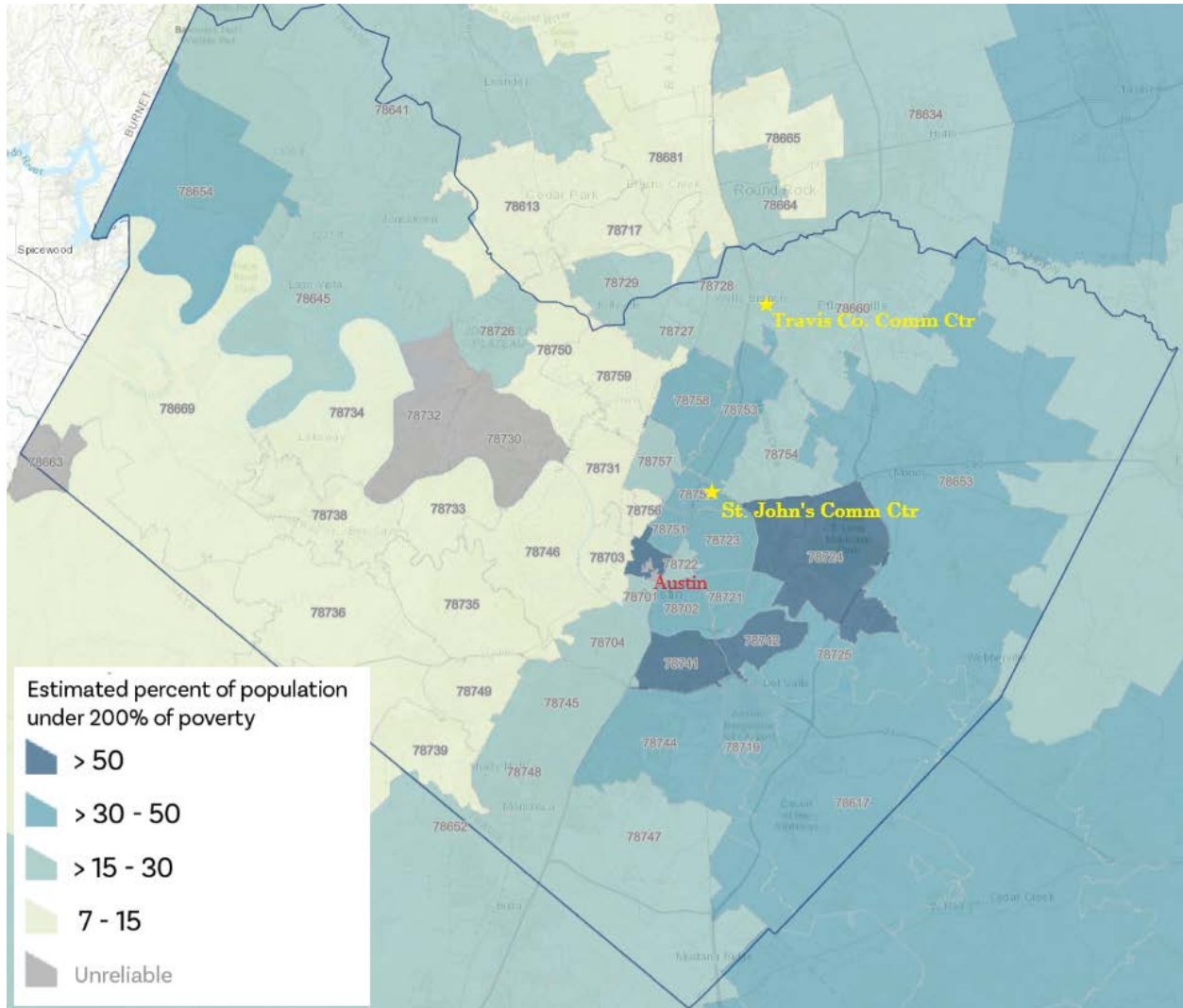
Historically, Neighborhood Services has enjoyed strong partnerships with many local government service providers, non-profits, academic institutions, and faith-based service providers. Since the audit, NSU has formed and strengthened several vital partnerships. Through our Self-Sufficiency Case Management program, NSU social workers collaborate closely with Skillpoint Alliance, a non-profit workforce development organization providing training for in-demand jobs. Likewise, the social work team formed a new partnership with Central Texas Allied Health Institute (CTAHI), which offers affordable training for employment in the health care industry. NSU partners with Skillpoint and CTAHI to provide employment support and basic needs support to clients in training. The partnership also offers clients support post-training as they begin new jobs earning a living wage.

Neighborhood Services has taken additional steps to increase community engagement and awareness of rent & utility assistance and basic needs services. The East Austin Neighborhood Center is piloting a partnership with Austin ISD's Graduation Preparatory Academy (GPA) Program at Travis High School. NSU staff provide outreach and resources at monthly resource events for program and community participants.

The pandemic has created alternative opportunities for Neighborhood Services to engage with the community. NSU partnered with APH's Health Equity & Community Engagement unit for 25 large Personal Protective Equipment (PPE) events throughout the Austin Area. NSU partners with the Central Texas Food Bank to provide food and other household items at these events. NSU staff provide various resource information, including NSU services and other items such as fans, backpacks, and school supplies. To date, NSU staff have served over 10,000 households through these events.

## Capital Needs

The northern neighborhoods, especially the 78753 and 78758 zip codes, continue to be underserved. St. John Community Center is Austin's northernmost neighborhood center, south of Highway 183 and East of IH 35. Travis County has a community center in Pflugerville. Both centers are a significant distance for the low-income residents of northern Austin to travel. The graph below from the American Community Survey 2015-2019 shows the concentration of poverty in the north section of Austin:



2015-2019 5-Year estimates from the American Community Survey (ACS)

The residents of North Austin need a fully staffed, permanent neighborhood center to improve access to healthy, fresh food, rent, and utility assistance to prevent displacement, health screenings, and linkage to health insurance and health care. The 2018 bond for the Dove Springs Community Center called for \$16 million for a multi-use building. The cost of a multi-use building in the Rundberg area would likely be higher due to inflation and construction costs. Leasing a building for a neighborhood center also would be a more affordable option that allows for flexibility as neighborhood demographics shift over time.

## Personnel Needs

The potential cost of providing this program will vary substantially depending on the program's ultimate scope and the availability of COA resources to administer the program. At this point, additional review and input from Department Directors and the City Administration are necessary to determine the viability of this program. The approximate cost for staffing capacity/personnel for just the Neighborhood Center staff is approximately \$562,608 per year (including benefits) to fund:

-	Program Manager I:	\$108,936
-	Registered Nurse:	\$103,483
-	Administrative Associate:	\$59,279
-	Community Worker (3):	\$197,437
-	Social Worker:	\$93,474
	<b>TOTAL</b>	<b>\$562,608</b>

Other foreseeable costs would include build-out/lease, security services, vehicles, equipment, and additional related expenses for the needed facility. Based on a 5,000 RSF building, the annual rental cost would be approximately \$245,000 based on the current market rate and \$100,000+ for additional build-out.

## Contracting Needs - Interlocal Agreement

On January 4, 2022, the City of Austin and Central Health executed a Purchase and Sale Agreement (PSA) for 2.28 acres of land on the Colony Park Site. The agreement allows Central Health to design and construct a Health and Wellness Center, potentially including lease spaces for APH and APL. The City and Central Health are negotiating an Interlocal Agreement (ILA). The agreement will allow Austin Public Health (APH) and Austin Public Library (APL) to reimburse Central Health for services provided by their Architecture and Engineering Consultants to establish long-term lease terms for the City's consideration. The Building Program plan includes a fully operational Neighborhood Center with the same personnel needs outlined above. COA financial support of this Interlocal Agreement would be a proactive step toward creating the infrastructure to address the basic needs of the underserved Colony Park area residents.

## Social Service Funding Needs

In Travis County, 44% of renters are housing cost-burdened, spending more than 30% of their income on housing costs (American Community Survey 2019). Consequently, putting them at greater risk of eviction and displacement. Rental assistance is an effective tool in preventing displacement and eviction for low-income residents. Typically, Neighborhood Services has \$200 - \$250K a year in rental assistance. NSU had an additional \$1.1 million in rental assistance from the CARES ACT during the pandemic. The neighborhood centers fully disbursed the additional rental assistance funding to City of Austin and Travis County residents in less than a year. With stable funding of additional rental assistance of \$1 million per year, the NSU could help 1,200 individuals or 450 households annually avoid eviction and maintain stable housing.

If you have any questions or provide additional information, don't hesitate to contact Donna Sundstrom at [Donna.Sundstrom@austintexas.gov](mailto:Donna.Sundstrom@austintexas.gov) or (512) 972-5038.

CC:     Spencer Cronk, City Manager  
          Stephanie Hayden-Howard, Assistant City Manager  
          Donna Sundstrom, Assistant Director