



RECOMMENDATION TO COUNCIL

African American Resource Advisory Commission

Recommendation Number: 20260312-008: Funding for social services in the FY 2026-2027 Budget.

Date of Approval:

Recommendation:

Maintain current funding levels for social service contracts in the upcoming fiscal year (FY26) and avoid further reductions.

General ask to maintain funding for organizations like:

- Alliance for African American Health in Central Texas
- African-American Men's Health Clinic
- Austin Urban Technology Movement (AutmHQ)

Description of Recommendation to Council:

We recommend the City Council maintain funding for city social service contracts at current levels and avoid any additional cuts. Many of these organizations that currently hold city contracts deliver crucial services to some of our most vulnerable populations. As the commission charged with advising the city council on matters related to the quality of life of Austin's African American residents, it is imperative that we continue to fund the resources these organizations need to sustain the impact they are making in our community. Additional cuts will most certainly result in a significant reduction of capacity to meet the community's growing needs.

Preserving these investments is essential to sustaining core community services, preventing cost escalation in other public systems, and protecting vulnerable populations during continued economic uncertainty.

Rationale:

- **Social service contracts are cost-avoidance tools, not discretionary spending**

These contracts reduce demand on higher-cost public systems such as emergency medical care, law enforcement, child welfare, and homelessness response. Cuts to preventive and stabilization services often result in greater downstream expenditures that exceed any short-term budget savings.

- **Contract stability protects service continuity and workforce retention**

Maintaining funding ensures continuity of care for clients and reduces turnover among trained service professionals. Workforce instability leads to service disruptions, increased onboarding costs, and reduced program effectiveness.

- **Demand for services remains elevated**

Economic pressures, housing instability, public health impacts, and demographic shifts continue to drive demand for social services. Reducing funding at this time would widen service gaps and increase unmet needs in the community.

Alignment with AARAC Mission/Vision/Values:

This 10% reduction is impacting numerous organizations that provide services to Austin's African American community, thereby directly affecting the quality of life. Whether it's workforce training programs through Austin Economic Development or preventative health care screenings from Austin Public Health, the over \$5 million being cut from social service contracts continues to perpetuate the disparities experienced by the community this commission represents.

The African American Resource Advisory Commission has a clear purpose and duty:

“to alleviate any inequities that may confront African Americans in social, economic, and vocational pursuits, including: health care; housing, including affordable housing, home ownership, and homelessness...”

Any additional cuts to these organizations, which are doing the work within the community, would stand in direct opposition to this mission.

Motioned By:

Seconded By:

Vote:

For:

Against:

Abstain:

Off the dais:

Absent:

Attest: _____

DRAFT