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## **COVID-19 Spending Framework**

City Council Work Session • May 28, 2020





# Agenda

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- Reorganization of Spending Framework since May 19 Work Session
- Emergency Response Spending Framework
- Health Spending Framework
  - Austin Public Health
- Economic Recovery Spending Framework
  - Neighborhood Housing and Community Development
  - Austin Economic Development Department
- Presenters:

Veronica Briseño, Chief Economic Recovery Officer	Sylnovia Holt-Rabb, Acting EDD Director
Stephanie Hayden, APH Director	Jon Hockenyos, President, TXP Inc.
Rosie Truelove, NHCD Director	Ed Van Eenoo, Deputy Chief Financial Officer



# Reorganization of Spending Framework

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- Changes to organization of framework, *not funding priorities*
- Split funding for Council initiatives into program components
  - e.g. \$15 million for RISE is now spread across financial and direct support, food assistance, and rental assistance programs
  - Named initiatives now listed in Funding Notes column
- Added \$2 million to Workforce Development for Austin Conservation Corp
  - Estimated funding a combination of existing department budgets and the Coronavirus Relief Fund
- Reclassified \$2.3 million from the *testing* category to the *protection of vulnerable populations* category
- Contingency funds split between Emergency Response and Medical and Public Health Needs



# Emergency Response Summary

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## **Overall Recommendation: \$105.5M**

- \$30M COVID-19 emergency management
  - Emergency Operations
  - Direct Pandemic Response
  - Changes to department operations
- \$68M for department operating expenses substantially dedicated to COVID-19 response
- \$7.5M emergency response contingency



# Medical and Public Health Summary

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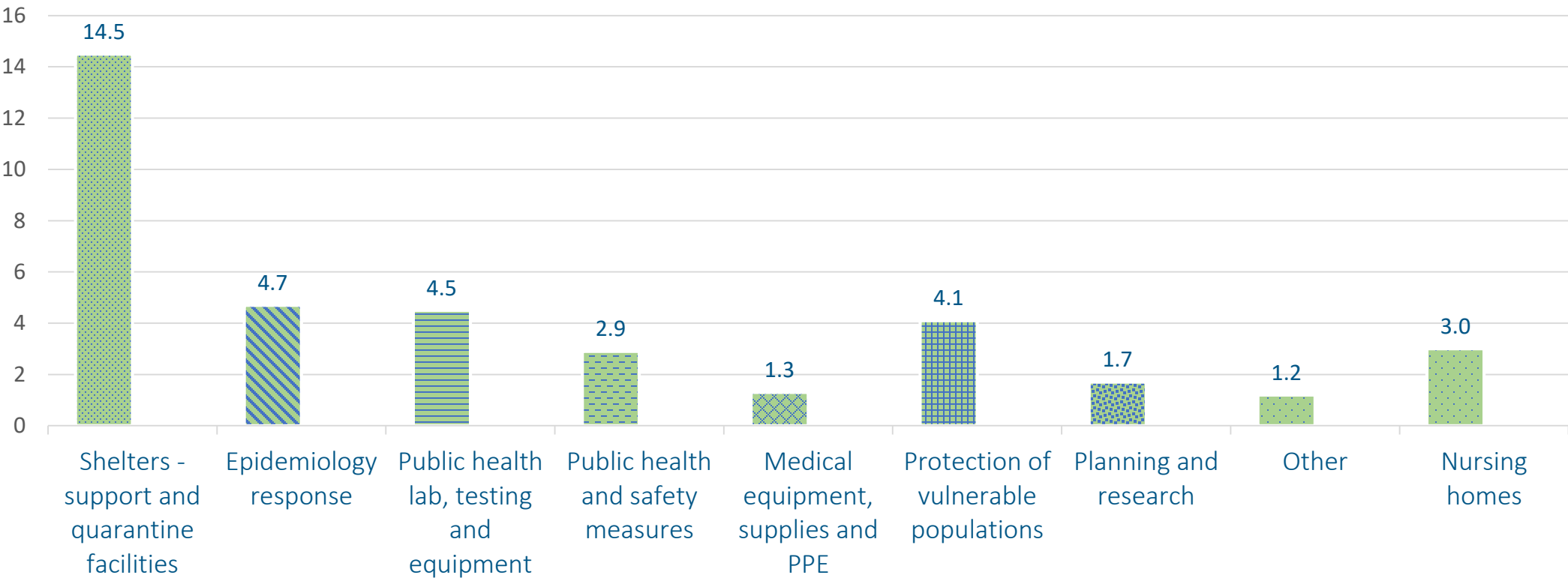
## Overall Recommendation: \$62.9M

- \$8.1M in temporary staffing
  - 253 temporary staff
  - Case investigation, contact tracing, public information and language access, testing, shelter services and contract management
- \$29.8M in contractuals and commodities
  - Nursing home testing, study and strike teams
  - Public health lab, testing and equipment
  - Medical equipment and supplies
  - Shelters and quarantine facilities
- Over three-fourths of the recommendation focused on epidemiology response, testing and sheltering and support of vulnerable populations.
- \$25M for public health contingency



# Medical and Public Health

**Budget Recommendation by Expenditure Category (\$ in Millions)**







# Public Health Expenditure Categories

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## **Shelter Support and Quarantine - \$14,524,797**

- Staffing for 5 Protective Lodging facilities through the end of the calendar year
- Lease, food, laundry, security and behavioral health services for ProLodges

## **Public Health Laboratory, Testing and Equipment - \$4,513,444**

- Staffing for a Mobile Testing Team and second Point of Testing site
- 80,000 test kits including lab processing

## **Nursing Homes - \$3 million**

- Testing kits, nursing home study and Strike Teams

## **Epidemiology Response - \$4,646,291**

- Staffing for case investigations, contact tracing, and nursing call center

## **Public Health and Safety Measures - \$2,946,637**

- Additional behavioral health/counseling support and facility renovations to add protective measures to lobbies and reception areas

## **Planning and Research - \$1,716,743**

- Seroprevalence study
- Nursing home and vulnerable population study



# Public Health Expenditure Categories

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## **Protection of Vulnerable Populations - \$4,091,790**

- Public Health Educators to focus on maternal, infant, child and youth education and outreach
- Support for unsheltered population including PPE and communication
- CDBG, ESG, HOPWA, Ryan White, EMS grants

## **Medical Equipment, Supplies and PPE – \$1,327,000**

- PPE supply including gloves, masks, face shields and gowns
- Pulse Oximeters for patients with pre-existing conditions

## **Other - \$1,215,365**

- Temporary contract management staff
- Targeted media buys for hard-to-reach populations
- Health and safety supplies for childcare centers
- Sanitization for deep cleaning services
- Material translations and interpretation
- Leased portable toilets and handwashing stations

## **Public Health Contingency – \$25,000,000**

- In the event of disease resurgence





# Economic Support Summary

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## **Rental Assistance - \$23.8M**

- RENT Program - \$23.8M

## **Economic Recovery - \$79.4M**

- Small Business and Rent Aid - \$25.5M
- Financial & Direct Support - \$15.5M
- Utility Bill Assistance - \$10M
- Creative Sector Assistance - \$8.5M
- Non-Profit Assistance - \$7M
- Food Assistance - \$5.4M
- Worker and Customer Safety - \$2.5M
- Childcare Providers - \$2M
- Technical Assistance - \$1M
- Workforce Development - \$2M



# Rental Assistance Summary

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## Overall Recommendation: \$23.8M

- \$23.8M for Relief of Emergency Needs For Tenants (RENT) Program
  - Payment of rent directly to landlords
  - Households under 80% of median family income who have been impacted by COVID-19

FY 2020 Income Limits Summary - Austin-Round Rock-San Marcos, TX MSA	
80% Annual Income Limits	
1 person household \$54,700	5 person household \$84,350
2 person household \$62,500	6 person household \$90,600
3 person household \$70,300	7 person household \$96,850
4 person household \$78,100	8 person household \$103,100



# May RENT Program Summary

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- First Round: \$1.256M
- Administered by Housing Authority of the City of Austin (HACA)
- Lottery Process (May 4th – 6th)
- Eligibility:
  - City of Austin
  - Standard Lease
  - 80% and below Median Family Income (MFI)
  - Impacted by COVID-19
  - Tenant pays 30% of income
  - Landlord eligible for lesser of FMR or contract rent
- One Month Rental Assistance



# May RENT Program Results

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- **10,000+** Applications Received
- **5,500+** Eligible and Complete
- **1,348** Applicants Approved
- **\$1,023,786** Total Rental Assistance Provided
- **\$759.50** Average Assistance per Household

*Demographic report and analysis forthcoming*



# May RENT Program Reflections

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- Administratively Intensive
  - Call Center Staffing
  - Follow up Documentation
  - Communications with Landlords and Tenants
- Some Applicants Paid May Rent
- Majority of Applicants Small Households
- Landlord Certification Challenges



# RENT Program Research

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- National Best Practices
  - Leverage existing programs with adaptive capacity
  - Maximize flexibility
  - Focus on populations with the greatest unmet need
  - Manage current resources while pushing for more money
- Statewide Collaborations
  - Houston
  - San Antonio





# RENT Program Modifications

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Decentralized Intake (3-5 Nonprofits)

- Outreach
- Eligibility
- Equity

Deadline (First Come First Served versus Lottery)

One Month Rental Assistance (80% MFI)

Up to Three Months Rental Assistance (30% MFI)

Payment = Actual Rent

Landlords able to help with applications

HACA Remains Fiscal Agent



# Economic Recovery Summary

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## **Overall Recommendation: \$79.4M**

- Small Business and Rent Aid - \$25.5M
- Financial & Direct Support - \$15.5M
- Utility Bill Assistance - \$10M
- Creative Sector Assistance - \$8.5M
- Non-Profit Assistance - \$7M
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- Technical Assistance - \$1M
- Workforce Development- \$2M



# Small Business Assistance – \$25.5M

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## **Commercial Loans for Economic Assistance & Recovery (CLEAR) Fund - \$23.5M**

- Grants up to \$40,000 for small businesses
  - Phase One: \$10.0M (Allocated by City Council through Resolution 20200507-023)
  - Phase Two: \$13.5M (Recommended; Would also support commercial property owners)
- Profile of small businesses in Austin:
  - There are 40,350 businesses in Austin with fewer than 25 employees.
  - Collectively, these businesses employ over 320,000 people.
  - Average 7.6 employees per inquiry for the Austin Economic Injury Bridge Loan program

## **Long-Term Lease Stability Fund - \$2M**

- Grants up to \$40,000 for landlords that agree to enter into favorable, long-term leases with commercial tenants that deliver community benefits
- Intended to preserve community assets in vulnerable communities
- City Council passed several resolutions to preserve spaces for the creative sector, locally-owned small businesses, and retailers that provide healthy food in underserved areas



# Utility Bill Assistance – \$10M

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## Utility Bill Assistance - \$10M

- Programs administered by Austin Energy and Austin Water
- Assistance programs entail:
  - Suspension of utility disconnects and late fees;
  - Reduction of certain water and electric rates;
  - Increased discount provided through the Customer Assistance Program (CAP); and
  - Expanded CAP eligibility.



# Creative Sector Assistance – \$8.5M

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## **Austin Music Disaster Relief Fund - \$1.5M**

- Grants of \$1,000 to musicians for their immediate emergency needs

## **Austin Creative Space Disaster Relief Program - \$1M**

- Grants up to \$50,000 to organizations and independent artists facing displacement and difficulty paying rent for their commercial creative spaces

## **Creative Sector Assistance - \$6M (\$5M Recommended)**

- Grants up to \$2,500 for artists, musicians, and other creative-sector independent workers financially impacted by COVID-19



# Non-Profit Assistance – \$7M

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## **Austin Nonprofit & Civic Health Organizations Relief (ANCHOR) Fund - \$7M**

- Grants between \$10,000 and \$20,000 for nonprofits
  - Phase One: \$6.0M (Allocated by City Council through Resolution 20200507-023)
  - Phase Two: \$1.0M (Recommended)
- Phase one funds distributed in the following manner:
  - Health & Human Services - \$2M
  - Workforce Development & Social/Legal Services - \$1.25M
  - Education - \$1.25M
  - Arts & Culture - \$1M
  - Environment & Animals - \$0.5M
- Profile of non-profits in Austin:
  - 4,443 non-profit organizations in Austin
  - Roughly 21,000 non-profit sector workers





# Childcare Support – \$2M

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## Childcare Support Fund - \$2M

- Grants up to \$20,000 for child care centers in Austin.
  - Phase One: \$1.0M (Allocated by City Council through Resolution 20200507-023)
  - Phase Two: \$1.0M (Recommended)
- Eligibility criteria:
  - Serving families that receive childcare subsidies,
  - Have at least a 2-star rating under the Texas Rising Star system,
  - Have not received Payroll Protection Plan money through CARES Act,
  - Have been impacted by COVID-19 related disruptions, and/or
  - Have virus mitigation and protective equipment needs.



# Technical Assistance – \$1M

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## **Technical Assistance Support Fund - \$1M**

- Contracted services to provide free technical assistance for businesses and non-profit organizations.
- The funds will be utilized to procure contractors (or expand existing contracts) to support development of outreach, curriculum development and technical assistance to achieve increased support in:
  - Organizational Disaster Recovery/Resiliency
  - Capacity Building and COVID Compliance
  - Non-Profit Operations/Management



# Financial & Direct Support – \$15.5M

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## Immediate Financial Support for Individuals - \$15.5M

- Immediate financial support for individuals impacted by COVID-19.
- Funds are intended to serve vulnerable populations and individuals who are waiting for test results and/or test positive.
- The following agencies were initially awarded funding to provide community-based services and financial assistance:
  - Catholic Charities - \$1.6M
  - Asian Family Support Services - \$1M
  - El Buen Samaritano - \$0.5M
  - Austin Area Urban League - \$0.5M
  - Family Independent Initiative - \$2M



# Food Assistance – \$5.4M

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## **Food Assistance - \$5.4M**

- Direct and contracted food provision to address food insecurity created by COVID-19.
- Funds can be used to pay expenses for food delivery to residents.
- Target populations:
  - Caregiver meals delivered through Austin Independent School District and Del Valle Independent School District school meal distribution sites
  - Vulnerable populations



# Worker and Customer Safety – \$2.5M

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## **PPE and Business Modification Grants- \$1M**

- Grants for the procurement of personal protective equipment and the modification of businesses to COVID-compliant standards for safe re-opening.

## **Employee Medical Assistance Program - \$1.5M**

- Contract with counseling services provider to expand access for workers dealing with COVID-related mental health challenges.
- Targeted specifically to low- and moderate-income workers without employer-provided access to healthcare in customer-facing roles.



# Workforce Development – \$2M

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## **Austin Conservation Corps - \$2M**

- Employment of individuals who have been economically impacted by compliance with COVID-19 related public health measures.
- The program will rely on a combination of funding previously approved in the City's budget the Coronavirus Relief Fund, and potentially other regional partners. Potential existing program areas under exploration include:
  - Conservancy Projects – Austin Water, Watershed Protection, and Parks and Recreation
  - Wildfire Fuel Mitigation – Austin Fire Department
  - Urban Forest Replenishment – Development Services Department
  - Temporary exhibition of public art across Austin (TEMPO) – Economic Development Department





# Support Summary

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## **PUBLIC HEALTH SUMMARY**

### **Public Health - \$62.9M**

- Shelter and Quarantine - \$14.5M
- Protection of Vulnerable Populations - \$4.1M
- Public Health Lab, Testing, and Equipment - \$4.5M
- Nursing Homes - \$3M
- Epidemiology Response - \$4.7M
- Public Health and Safety - \$2.9M
- Planning and Research - \$1.7M
- Medical Equipment, Supplies, PPE, Other – \$2.5M
- Public Health Contingency - \$25M

## **EMERGENCY RESPONSE SUMMARY**

### **Emergency Response - \$105.5**

- Emergency Management - \$30M
- Payroll Expenses - \$68M
- Emergency Response Contingency - \$25M

## **ECONOMIC RECOVERY SUMMARY**

### **Rental Assistance - \$23.8M**

- RENT Program - \$23.8M

### **Economic Recovery - \$77.4M**

- Small Business and Rent Aid - \$25.5M
- Financial & Direct Support - \$15.5M
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