April 20, 2021

Motion

WE MOVE for City Council to allocate $25M from American Rescue Act funds to provide flexible operating grants to human services organizations.

To the extent permitted under federal regulations, these funds may be used to:

- Add personnel to expand capacity and replace workers lost during the pandemic;
- Provide competitive living wages to front line employees;
- Upgrade equipment, including technology, vehicles, and air filtration systems;
- Renovate and expand facilities.

WE FURTHER MOVE that City Council allocate $50M from American Rescue Act funds to the Affordable Housing Trust Fund.

WE FURTHER MOVE that the funds identified in the motion be allocated to eligible organizations using a fair, competitive, and transparent process. In collaboration with the City, the Human Services Chamber has agreed to propose a process that builds on the current one used to allocate human services funding once the U.S. Treasury guidance is available

Statement

The American Rescue Act presents an opportunity to reimagine and rebuild our community better than it was before the pandemic. This means improving the systems that serve as the foundations of our community so that it can better weather future economic downturns.

Two of the most important supports our community needs to recover from the pandemic are human services and housing. These needs are especially dire for our lower income residents.

Investing in Affordable Housing

The need to expand our inventory of affordable housing for lower income residents is critical. The City is short thousands of units. We must invest a significant portion of these one-time funds to make a strong headway on building these affordable units as soon as possible so that individuals and families have a safe place to call home.

Strengthening the Human Services Sector

The nonprofit human services sector is a critical part of the social infrastructure of our City, helping our residents in times of need and providing opportunities for people to reach their highest potential. Yet, due to pandemicrelated funding losses, many of these organizations continue to experience financial difficulty and inadequate staffing at a time when our community needs them most.

According to a recent report from the Kautz-Uible Economics Institute at the University of Cincinnati, Ohio experienced an 11% decrease jobs in human services nonprofit sector statewide, representing 10,000 fewer employees. Applying that percentage reduction to the Cincinnati-based human services sector, that represents

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over 1,500 jobs that were lost locally. This mirrors a recent survey from the Human Services Chamber, in which just 44 responding organizations reported a total of over 600 full time equivalent positions.

In addition, some of these organizations have seen their demand for services grow exponentially over the course of the pandemic. As examples, the Urban League has seen a 70% increase for workforce-related support services, while Freestore Foodbank has distributed 46% more meals to struggling residents.

As federal assistance becomes available, human services organizations will be needed to assist residents access these benefits. This is often a staff-intensive process, and the grants often do not cover the cost of providing additional staff. As a result, funding to residents can be delayed. A prime example of this is with rental assistance funds through the CARES Act. Due to the lack of staffing capacity, residents had to go on long waiting lists to access the benefits or in some cases were not able to access the benefits at all.

The strength of the nonprofit human services sector has helped local governments weather the COVID-19 crisis. These nonprofits need flexible operating support to add the personnel, equipment and facilities required to support our residents and help our community rebound in the years ahead. American Rescue Act funds can be leveraged to fortify the human services sector so that it is prepared to help our community recover quickly and efficiently.