





MEMORANDUM

TO: Mayor and Council Members

THROUGH: Stephanie Hayden-Howard, LMSW, Assistant City Manager
Veronica Briseño, Assistant City Manager

FROM: Adrienne Sturup, Director, Austin Public Health, and
Sylvia Holt-Rabb, Director, Economic Development Department 


DATE: April 29, 2024

SUBJECT: **Financial Relief for Eligible Home-based Child Care Providers – Staff Update to Resolution 20231109-028**

We wanted to provide an update to [Council Resolution 20231109-028](#) which directed the City Manager to explore financial relief for licensed or registered home-based child care providers similar to the exemption for qualifying child care facility operators outlined in [Ordinance No. 20240118-013](#).

Austin Public Health (APH) in coordination with the Economic Development Department (EDD) recommends establishing a new grant program to provide similar financial relief for qualifying home-based child care providers, regardless of property ownership or rental status. Eligibility criteria for the grant program would include:

- State of Texas licensure or registration
- Location within [Austin Full Purpose jurisdiction](#)
- Active agreement with Workforce Solutions Capital Area
- Participation in the [Texas Rising Star program](#) with an entry-level designation or higher

With this eligibility criteria, an estimated 21 providers currently qualify for assistance, with owed property taxes ranging from \$856 to \$2,821 for 2023, totaling \$33,122. This new grant program would provide relief to home-based child care providers, many of whom are women of color, operating on narrow margins.

APH is working on an initiative to build a comprehensive network of support for home-based child care programs as part of a Fiscal Year 2024 planning grant from Home Grown. The City will be eligible to apply for a grant from Home Grown to implement the support network for home-based providers. If awarded, Home Grown would provide \$75,000 annually for Fiscal Years 2025 and 2026, contingent on a 100% match from the City of Austin.

Funding does not currently exist to launch this program. Staff will work to identify funding in the fiscal year 2025 budget process to fulfill the match requirement and support the proposed grant program. A portion of the City's match will fund grant awards for providers, which if funded in FY 2025, could remain in future budgets. The remaining funds and grant funding from Home Grown will aid in implementing the envisioned comprehensive network of support for home-based child care providers. Staff will continue to look for other potential alternative funding sources for this program for future years.

Should you have any questions about this response, please reach out to Donna Sundstrom at Donna.Sundstrom@austintexas.gov or 512-972-5038.

cc: Jesús Garza, Interim City Manager
 Donna Sundstrom, Assistant Director, Austin Public Health
 Anthony Segura, Deputy Director, Economic Development Department