



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Bruce K. Walden, Chief Administrative Office

FROM: Elizabeth H. Tyler, AICP, City Planner/Director

DATE: June 2, 2005

SUBJECT: CONSOLIDATED SOCIAL SERVICE FUNDING ALLOCATIONS

Description

The allocation process for the Consolidated Social Service Fund Pool is nearing completion. Applications were received by April 15, 2005, presentations took place on May 10th and 11th, and Councilpersons have completed their initial analysis through the provided funding matrix. Preliminary funding preferences were then compiled by Councilperson Chynoweth. Various questions have been raised and responses provided. The funding decisions must be completed in time for incorporation into the City's 05-06 Budget. For some of the requesting agencies, a funding decision is necessary prior to June 9, 2005 when the Continuum of Care submits a funding renewal application to the Department of Housing and Urban Development (HUD). As the final step in this process, Council will now determine ultimate funding allocations, vote to approve, and incorporate these decisions into the City budget.

Issues

The issue is to determine which applications to fund and what amount of funding should be granted to the successful applicants.

Background

An April 28, 2005 memo detailed the three funding sources that make up this pool, and the specifics about regulatory restrictions imposed by each of these sources. To summarize:

Source	Amount	Restrictions
City General Funds	\$171,861	None
Cunningham Twp.	\$40,000	As per Illinois Compiled State Statutes
CDBG	\$24,200	As per HUD regulations (24 CFR Part 85 Subpart C 570.201); As per City's 2004-2009 Consolidated Plan; As per 3/26/2005 Community Development Commission recommendations.
Total Available:	\$236,061	

At the May 23rd Committee of the Whole meeting, several questions were raised with regard to previous funding levels for certain agencies and activity eligibility with respect to alternative funding sources. The issues raised included the following:

1. Councilperson Chynoweth questioned the specificity of the information about programs funded in FY2004-2005. Although she remembered funding two distinct programs, including the Dental Referral Program for Champaign County Health Care Consumers, the reference material listed only a single allocation.

Determination: The Dental Referral Program was one of two of Champaign County Health Care Consumers' programs funded last year; however, the award letter combined the two allocations, leading to the confusion in data reported.

2. Councilperson Smyth questioned whether certain educational programs, such as the C-U Mentoring scholarships and the YMCA's tutoring program, could be funded from TIF monies.

Determination: As per IL-74.4-3q~10 of the Tax Increment Allocation Redevelopment Act of 1999, programs eligible for funding must be related to vocational or career education *and* must be directly administered by a participating taxing district (see attached). Funding of the related programs is unlikely to fit within the mission and funding capabilities of the Urbana School District

3. Councilperson Chynoweth questioned whether the Champaign-Urbana Area Project's Lakeside Terrace resident Outreach program could be supported by other funds identified as part of the Lakeside Redevelopment Plan.

Determination: As per the Lakeside Redevelopment Plan, the City has committed \$915,778 over a three-year period to support the Lakeside Redevelopment Project. This allocation includes \$300,000 in Bond Cap set-aside and \$615,778 in HOME funds. Activities eligible to utilize these sources must be directly related to the construction or acquisition of housing.

Although the program proposed by the Champaign-Urbana Area Project is CDBG eligible, it qualifies as a Social Service activity, and therefore is most appropriately addressed through the Consolidated Social Service Funding process.

In addition, the Committee forwarded a motion to fund two agencies' applications from the Community Development Sink Fund. These applications represent a one-time request for assistance in covering a gap in operational funding for existing programs previously supported by HUD Supportive Housing Program awards. The agencies and awards are the Salvation Army and A Woman's Fund for \$10,000 and \$15,000, respectively. Allocating \$25,000 from the Sink Fund, which is estimated for FY2005-2006 at approximately \$85,000, will not deplete this account to a point below the recommended \$50,000 minimum balance. However, prudence would dictate that this non-renewable fund be preserved to the greatest extent possible in order to protect City programs and staffing from the impact of reductions in Federal grant allocations, something that is quite possible in the next few years.

Fiscal Impacts

As described above, estimated amounts available for funding total **\$236,061**.

The proposed City budget will need to be amended to reflect the allocation of \$25,000 to outside agencies through use of the Community Development Sink Fund.

Recommendations

Staff recommends that Council adopt the following forms of motion, in order to allow completion of the 05-06 Budget and for purposes of the related grant application to HUD:

1) Move to approve the funding allocations for the 05-06 Consolidated Social Service Funding as indicated on the attached spreadsheet, with the understanding that final allocations to the three funding sources will be determined by staff to the closest possible match with the numbers indicated.

2) Move to approve the final funding allocations for affected agencies including the Salvation Army, A Woman's Fund, Center for Women in Transition, the Mental Health Center of Champaign County and the TIMES Center, for purposes of commitment of funds to allow completion of the HUD 2005 NOFA Continuum of Care grant application.

Memorandum Prepared By:

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Interim Manager
Grants Management Division

Cc: Carol Elliot

Attachments:

Redevelopment Act Section

Tax Increment Allocation Redevelopment Act (1999)

11-74.4-3q~10

(10) Costs of job training, retraining, advanced

vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code;