



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Laurel Lunt Prussing, Mayor, City of Urbana

FROM: Elizabeth H. Tyler, AICP, Community Development Director

DATE: April 17, 2008

SUBJECT: CONSOLIDATED SOCIAL SERVICE FUNDING ALLOCATIONS

Description

This memo provides information regarding the FY2008-2009 Consolidated Social Service Funding allocations.

Issues

The issue is for Urbana City Council to determine which applications to fund, the amount of funding that should be allocated to each of the successful applicants, and from which funding source.

Background

The Consolidated Fund combines funds from the City of Urbana general fund, Cunningham Township, and City of Urbana Community Development Block Grant (CDBG) fund. Funds are granted to organizations by joint decision of the Urbana City Council and Cunningham Township Board. The City placed an ad in the News-Gazette on March 8, 2008 regarding the availability of applications starting March 10, 2008. Agencies were also sent notification by mail on March 7, 2008.

On March 18, 2008, a Mandatory Training was held for all agencies applying for funding. Five agencies did not attend due to emergencies and other conflicts: Champaign County Christian Health Center, Greater Community AIDS Project (GCAP), Persons Assuming Control of the Environment (PACE), Salvation Army, and Urbana Park District.

There are three funding sources contributed to the Consolidated Social Service Pool: (1) City of Urbana General Funds, (2) Cunningham Township, and (3) Community Development Block Grant (CDBG). The estimated amounts available for funding are as follows:

CDBG	\$ 12,500
Cunningham Township	\$ 70,000
City General Funds	<u>\$207,620</u>
Total	\$290,120

The City’s general funds have no regulatory restrictions on spending; however, the CDBG and Cunningham Township funding sources have certain restrictions.

CDBG Restrictions

According to the CDBG Regulations; Subpart C, 570.201 Basic Eligible Activities, (e) Public Services: “To be eligible for CDBG assistance, a public service must be either a new service or a quantifiable increase in the level of an existing service above that which has been provided by or on behalf of the unit of general local government in the 12 calendar months before the submission of the action plan.” The relevant dates regarding a quantifiable increase in the 12 calendar months before the submission of the Annual Action Plan are April 15, 2007 – April 14, 2008.

According to the city’s Consolidated Plan for Program Years 2005-2009, the defined public service strategies state that:

- (1) The majority of CDBG Public Service funds will be targeted toward improvements in the City’s CD Target Area. The City has recognized Census Tracts 53, 54, and 55 as the City’s target area since the early 1980’s, 56 was added later; and
- (2) All CDBG Public Service funds shall directly benefit households with incomes at or below 50 percent of Median Family Income. This guideline shall apply to programs administered directly by the City as well as those administered by Subgrantees (which must be not-for-profit service providers).

Consideration should also be given to the priorities for allocating CDBG funding to Consolidated Social Service Grants that were established by the Community Development Commission at its March 25, 2008 meeting, which are as follows:

- 1) *Youth/Seniors*, 2) *Homelessness*, and 3) *Special (Needs) Populations*

Township Restrictions

“The Township Board may either expend funds directly or may enter into any cooperative agreement or contract with any other governmental entity, not-for-profit corporation, non-profit community service association, or any for-profit business entity as provided in subsection (b) with respect to the expenditure of township funds . . . to provide any of the following services to the residents of the township:

- (1) Ordinary and necessary maintenance and operation expenses for the following:

- a. Public Safety (including law enforcement, fire protection, and building code enforcement)
- b. Environmental protection (including sewage disposal, sanitation, and pollution abatement)
- c. Public transportation (including transit systems, paratransit systems & streets, and roads)
- d. Health
- e. Recreation
- f. Libraries
- g. Social Services for the poor and aged

To be eligible to receive funds under this Section, a private not-for-profit corporation or community service association shall have been in existence for at least one year before receiving the funds. The township board may, however, for the purpose of providing day care services, contract with day care facilities licensed under the Child Care Act of 1969, regardless of whether the facilities are organized on a for-profit or not-for-profit basis.” (From 60 ILCS 1/85-13)

Allocation Process

Before the special meeting of applicant presentations on April 21, 2008, staff will compile and provide Council members a matrix of all applications that include the applicant’s name, program, funding request and the previous three (3) years of funding level. Council members will also receive a Funding Eligibility Matrix, where each Council member will be asked to complete the matrix by filling in an amount of funding they prefer for each application. The total of the funding allocated to all applicants should not exceed the total amount available, which is \$290,120 for FY 2008-2009.

Fiscal Impacts

As described above, estimated amounts available for funding total \$290, 120 (Last year’s funding allocation was \$288,800)

Estimated Amounts available for funding:	CDBG	\$ 12,500
	Cunningham Township	\$ 70,000
	City General Funds	<u>\$207,620</u>
		\$290, 120

Funding for the CDBG portion is included in the City’s FY2008-2009 Annual Action Plan. The City will be including the estimated amounts available for funding in the budget for FY 2008-2009.

Recommendations

Staff has no specific recommendations at this time. The Community Development Commission recommendations include funding according to specific priorities, which are: *(1) Youth/Seniors, 2) Homelessness, and 3) Special (Needs) Populations.*

Memorandum Prepared By:

Kelly Hartford
Grants Coordinator
Grants Management Division