



## 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, FAICP, Community Development Director

**DATE:** May 3, 2012

**SUBJECT: CONSOLIDATED SOCIAL SERVICE FUNDING ALLOCATIONS**

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### **Description**

This memorandum provides information regarding the FY 2012-2013 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 the applications should be funded.

### **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 4, 2012 regarding the availability of applications starting March 5, 2012. Agencies were also sent notification by mail or email on March 2, 2012. On March 8, 2012, a mandatory Technical Assistance Training was held for all agencies applying for funding.

There are three funding sources contributing to the Consolidated Social Service Pool: (1) City of Urbana General Funds, (2) Cunningham Township, and (3) Community Development Block Grant (CDBG). For FY 2012-2013, the proposed amounts available for funding are as follows:

City General Funds	\$204,400
Cunningham Township	\$100,000
CDBG	<u>\$ 9,000</u>
<b>Total</b>	<b>\$313,400</b>

## **Discussion**

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

### **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, 2011 – April 14, 2012.

According to the city's Consolidated Plan for Program Years 2010-2014, 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, 55, and 56 Block Group 1 as the City's target area.

(2) All CDBG Public Service funds shall directly benefit households with incomes at or below 80 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 27, 2012 meeting, which are as follows:

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

### **Township Restrictions**

According to the Illinois Compiled Statutes (60 ILCS 1/85-13) Sec. 85-13, Township Services, generally: "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. . . 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.”

**Allocation Process**

Before the special meeting of applicant presentations on April 23, 2012, staff compiled and provided Council members with a matrix of all applications including the applicant’s name, program title, funding request, and the previous three (3) years of funding level. Council members also received a Funding Eligibility Matrix, which each Council member will complete 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 proposed amount available, which is \$313,400 for FY 2012-2013.

**Prior Year Agreement Status**

The Township and City Staff are working together to terminate agreements that were not executed last year from four (4) agencies; Best Interest of Children, Don Moyer Boys & Girls Club – Transportation, Frances Nelson (CHIC) – Medication Assistance Program, and Frances Nelson (CHIC) – Urbana School Based Health Center. The Township and City Staff are continuing to work with Urbana Neighborhood Connections Center to provide technical assistance with meeting the terms of their grant agreement and installment requests. City staff has also agreed to help administer additional agreements in the future to better assist Township staff.

**Fiscal Impacts**

As described above, proposed amounts available for funding total \$313,400 for FY 2012-2013, distributed as follows:

City General Funds	\$ 204,400
Cunningham Township	\$ 100,000
CDBG	<u>\$ 9,000</u>
	\$ 313,400

Funding for the CDBG portion is included in the City’s FY 2012-2013 Annual Action Plan. The City will incorporate the approved amounts available in its budget for FY 2012-2013.

## **Recommendations**

Staff has no specific allocation recommendations. However, once final funding amounts are determined, staff should be directed to allocate the approved funding sources to ensure compliance with the regulations for CDBG and Township funds.

**Memorandum Prepared By:**

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Jenell L. Hardy  
Grants Coordinator II  
Grants Management Division