



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: June 13, 2013

SUBJECT: AN ORDINANCE APPROVING SOCIAL SERVICE FUNDING ALLOCATIONS (FY 2013-2014)

Description

Included on the agenda of the June 17, 2013 meeting of the Urbana City Council is an ordinance approving social service funding allocations for FY 2013-2014.

Issues

The issue is for Urbana City Council to review and approve the amount of funding that should be allocated to each of the successful applicants.

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 sent a notice to the media regarding the availability of applications starting March 7, 2013. Agencies were also sent notification by mail or email on March 7, 2013. A mandatory Technical Assistance Training was held for all agencies applying for funding on March 12 and 13, 2013.

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 2013-2014, the proposed amounts available for funding are as follows:

City General Funds	\$195,000
Cunningham Township	\$ 65,000
CDBG	<u>\$ 5,000</u>
Total	\$265,000

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, 2012 – April 14, 2013.

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 26, 2013 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 22, 2013, 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 \$265,000 for FY 2013-2014.

Fiscal Impacts

As described above, proposed amounts available for funding total \$265,000 for FY 2013-2014, distributed as follows:

City General Funds	\$ 195,000
Cunningham Township	\$ 65,000
CDBG	<u>\$ 5,000</u>
	\$ 265,000

Funding for the CDBG portion is included in the City’s FY 2013-2014 Annual Action Plan. The City will incorporate the approved amounts available in its budget for FY 2013-2014.

Recommendations

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

Memorandum Prepared By:

Kelly H. Mierkowski, Manager
Grants Management Division

Attachment:

1. AN ORDINANCE APPROVING SOCIAL SERVICE FUNDING ALLOCATIONS (FY 2013-2014)

ORDINANCE NUMBER 2013-06-056

An Ordinance Approving Social Service Funding Allocations
(FY 2013-14)

WHEREAS, the Annual Budget Ordinance of and for the City of Urbana, Champaign County, Illinois, for the fiscal year beginning July 1, 2012, and ending June 30, 2013, (the "Annual Budget Ordinance") has been duly adopted according to sections 8-2-9.1 et seq. of the Illinois Municipal Code (the "Municipal Code") and Division 2, entitled "Budget", of Article VI, entitled "Finances and Purchases", of Chapter 2, entitled "Administration", of the Code of Ordinances, City of Urbana, Illinois (the "City Code"); and

WHEREAS, the City Council of the said City of Urbana finds it necessary to approve said Annual Budget Ordinance; and

WHEREAS, the City Council of the said City of Urbana deems and finds it appropriate to support by way of funding grants one or more not-for-profit social service agencies which provide services to citizens of the City of Urbana who otherwise might not be able to obtain such services;

WHEREAS, certain social service agencies which provide services to citizens of the City of Urbana have applied for funding grants from the City of Urbana; and

WHEREAS, the City Council of the City of Urbana has been vested by Cunningham Township with the authority to identify social service agencies which qualify for funding grants from Cunningham Township funds; and

WHEREAS, the City Council of the City of Urbana finds it necessary to amend said Annual Budget to provide for the allocation of certain funds contained in the said Annual Budget in order to specify how funds available for social service agency grant funding shall be allocated; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That the Annual Budget be and the same is hereby revised to provide as follows:

FUND: Social Service Funding Allocations :

City General Funds	\$195,000
Cunningham Township	\$ 65,000
CDBG	<u>\$ 5,000</u>
Total	\$265,000

Section 2. This Ordinance shall be effective immediately upon passage and approval and shall not be published.

Section 3. No grant funds allocated by this Ordinance shall be disbursed or distributed to any social service agency unless and until that social service agency agrees in a written

contract to such terms and conditions pertaining to the receipt, use, and reporting on the use of grant funds as are approved by the City Council of the City of Urbana.

Section 4. This Ordinance is hereby passed by the affirmative vote of two-thirds of the members of the corporate authorities then holding office, the "ayes" and "nays" being called at a regular meeting of said Council.

PASSED by the City Council this _____ day of _____,
_____.

AYES:

NAYS:

ABSTAINED:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____,
_____.

Laurel Lunt Prussing, Mayor