



Legislation Text

File #: 23-0745, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Adopt the resolution approving the grant agreement between the City and the Muthusmai Paravel Foundation whereby the City shall provide up to \$500,000 in local tornado recovery assistance grant funding related to the June 20, 2021 tornado (Item 1 of 2)

DEPARTMENT: City Manager's Office

SUBMITTED BY: Marcie Schatz, Assistant to the City Manager

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

On June 20, 2021, an EF-3 tornado touched down in Naperville and Woodridge. As a result of the damage, many homes sustained significant damage or were deemed uninhabitable. Area residents partnered with the Muthusami Paravel Foundation (MPF), a 501(c)3 to create the Naperville Tornado Relief Fund (NTRF). The goal of the NTRF was to raise \$1.5 million to fill financial gaps in homeowner's insurance and provide funding for environmental yard clean up, landscape remediation, and landscape replacement.

NTRF was awarded a \$1 million grant from the State of Illinois in January 2023 and requested \$500,000 from the City of Naperville to meet the \$1.5 million fundraising goal.

NTRF representatives subsequently submitted their remediation plan for executing the yard clean up and landscape work in the affected area.

On April 5, 2023, the City Council directed staff to provide up to \$500,000 in funding to support the remediation plan.

DISCUSSION:

The attached grant agreement provides funding up to \$500,000 to MPF consistent with the program presented to the City Council for environmental yard clean up, landscape remediation, and landscape replacement as a result of the June 20, 2021 tornado.

Key provisions include:

1. The City will contribute up to \$500,000 in \$125,000 increments after MPF has exhausted the \$1 million in state grant funding.
2. City grant funding is to be used by MPF in response to applications submitted by Naperville

property owners whose property is located within the designated boundary.

3. City grant funding is to be used to assist paying for invoiced costs related to environmental yard clean up, landscape remediation, and landscape replacement.
4. The term of the agreement ends on December 31, 2025 but may be extended upon mutual agreement of both parties.

Budget Amendment - File #23-0619

The 2023 Annual Budget will be amended to accommodate the agreed-upon \$500,000 contribution as the General Fund cannot accommodate the expense without an amendment. Staff will make the required transfer out of the General Fund, into an Escrow account, from which the relief payments will be made over the term of the agreement.

FISCAL IMPACT:

The General Fund can accommodate the budget amendment and transfer from the cash balance based on the fact that excess revenues in 2022 added more than \$14 million to the fund's cash balance. The current cash balance exceeds the 25% reserve goal established by the City Council in 2015.