



Legislation Text

File #: 21-0167, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve a Substantial Amendment to the City of Naperville's Community Development Block Grant (CDBG) Program Year 2019 Annual Action Plan allocating and awarding \$708,723 in CDBG-CV CARES Act funding to alleviate the effects of the COVID-19 public health crisis (Item 2 of 2)

DEPARTMENT: City Clerk's Office

SUBMITTED BY: Ruth Broder, Community Grants Coordinator

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

On July 21, 2020, the City Council approved the first allocation of \$315,985 in CDBG-CV funds, as well as reprogrammed a balance of \$81,000 in PY 2019 CDBG funds, for a total of \$396,985 to be used to alleviate the effects of the public health crisis in the following three categories:

1) Public Services - \$236,985

Program assistance to public services to assist individuals and households, including rent/mortgage/utility assistance to households, motel/hotel expenses for domestic violence and homeless persons, food assistance, career/employment counseling, mental health assistance and assistance to persons with disabilities

2) Economic Development - \$100,000

Small businesses assistance

3) Public Facilities - \$60,000

Assistance to nonprofits for capital improvements and costs associated with preventing, preparing for, and responding to the impacts of COVID-19

Following City Council approval on July 21, 2020, a Substantial Amendment was submitted to HUD and approved on July 31, 2020. A Funding Agreement between HUD and the City was executed on August 7, 2020.

Six projects in the Public Services category and one in the Public Facilities category were approved in October following a competitive application process.

In November 2020, a total of 94 businesses applied for Small Business Assistance grants, in the

amount of \$5,000 each. A review team of City staff and representatives from the Naperville Development Partnership (NDP) randomly selected 20 applications and requested additional documentation be submitted. Those 20 were approved to each receive a \$5,000 grant in December 2020.

DISCUSSION:

In September 2020, the City was notified it would receive another allocation of CDBG-CV funding in the amount of \$708,723. The City is required to submit a second Substantial Amendment for these funds.

Staff recommends applying the \$708,723 to projects and initiatives that were approved in 2020 and expanding the Small Business Assistance grant program. The demand for these projects has not decreased and is expected to continue at least until the end of the CDBG program year on March 31, 2021.

The recommendations for supplemental CDBG-CV funding allocations are as follows:

1) Public Services - \$468,723

- Recipient: DuPage PADS - Emergency Temporary Housing for Homeless
Original Award: \$50,000
Supplemental Award: \$150,000
Outcome: DuPage PADS is spending approximately \$50,000/month to house homeless persons at the Red Roof Inn in Naperville. It is anticipated that this housing will be needed until PADS can safely return clients to shelters. Current anticipated need is until at least March 31, 2021

- Recipient: Loaves & Fishes - Emergency Financial Assistance
Original Award: \$50,000
Supplemental Award: \$50,000
Outcome: Loaves & Fishes anticipates continued need for temporary rent/mortgage/utility assistance at least until March 31, 2021 at an estimated cost of \$50,000 to assist approximately 25 families/60 individuals

- Recipient: Loaves & Fishes - Food Assistance Program
Original Award: \$60,000
Supplemental Award: \$60,000
Outcome: Need for food assistance continues to be approximately 15%-20% above pre-pandemic levels. Loaves & Fishes anticipates continued need for assistance to elderly and low and moderate-income households at least until March 31, 2021 at an estimated cost of \$60,000

- Recipient: DuPage PADS - Career/Employment Solutions for Homeless
Original Award: \$25,854
Supplemental Award: \$58,723
Outcome: Loaves & Fishes anticipates continued need for career/employment assistance at least until March 31, 2021. Initial funding is Supplemental at \$25,000, with additional funding for a longer period, if needed beyond March 31, 2021

- Recipient: Little Friends - Reimbursement for CILA Staff in Naperville
Original Award: \$30,000
Supplemental Award: \$100,000
Outcome: Little Friends has been able to meet additional costs incurred due to the need to provide extra assistance to residents of CILA's (group homes) during the pandemic. Additional funding will allow this program to be expanded to other organizations providing housing to persons with disabilities
- Recipient: Samaritan Interfaith Counseling - Mental Health Access
Original Award: \$50,505
Supplemental Award \$50,000
Outcome: Funding will allow these programs to continue until fall 2021, with an emphasis on bereavement counseling, counseling to reduce stress/anxiety and depression, and group therapy

2) **Economic Development - \$240,000**

- Recipient: Additional small businesses
Original Award: \$100,000
Supplemental Award \$ 240,000
Outcome: 94 small businesses applied for \$5,000 grants. The City, in partnership NDP, will be able to provide grants to not only the original 20 businesses but also an additional 48 applicants can receive assistance while staying within HUD funding requirements

FISCAL IMPACT:

Allocate and award \$708,723 in CDBG-CV CARES Act funds.