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Community Development Division

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This summer we will implement an application for funding process for new and existing Neighborhood Centers for 2014 funding. Upon its conclusion, we will resume discussions around the neighborhood center study/report in the hopes of moving that toward completion.

- ✓ Applications for centers currently contracted with the City were distributed June 4 and were submitted June 14. To assist centers in completing the application quickly, city staff pre-filled many of the narrative sections of the application from information recently received through the creation of 2013 contracts. Agencies were able to edit sections to reflect changes for 2014.
- ✓ The 2014 application includes a program application worksheet that specifically addresses information related to neighborhood center support. We received feedback in the last funding process that the previous program format did not lend itself to addressing information relevant to the intent of neighborhood center support funding. The questions in the new support program section will help us as we consider a new model for support funding in the future.
- ✓ The Community Development Division held an application workshop on June 6, 2013 from 9:00 – 11:30 am at the Villager Mall. Timelines, including City committee meeting schedules, and instructions for the application were reviewed. The workshop was well attended and generally well received.
- ✓ Program funding framework will utilize the Community Development Program Goals and Objectives established in the 2013-2014 funding process.
- ✓ 2014 requests totaled \$2,565,678 a 19% increase over the amount allocated for neighborhood centers in 2013. One new neighborhood center applied, and we received applications for 6 new programs at existing centers. In total we received 14 neighborhood center applications and 64 program applications.
- ✓ Final funding allocations for neighborhood centers will ultimately hinge on decisions the Common Council and Mayor will make later this year with respect to the City's 2014 Budget. Our presumption, as we begin this funding process, is that funding levels for neighborhood centers in 2014 will be unchanged from 2013 levels. However, a whole host of factors, including such things as actions taken by Congress or the State Legislature, health insurance premiums and fuel costs, and the pace of new developments within Madison, to name just a few, can influence the City's budget outlook, and the impacts of many of these remain unclear at this point. We proceed, therefore, not knowing for certain whether circumstances will make additional resources available or require spending cuts in 2014. In any event, applications for higher levels of center support or program funding will need to demonstrate substantial increases in need for programs or expenses in order to receive consideration.

- ✓ Just a reminder- Under the Living Wage ordinance, at Sec. 4.20, MGO, each person employed in the performance of a service contract with the City shall receive the full living wage. In 2014 the City's Living wage rate will be \$12.45 per hour. This is a 2.6 % increase over last year's living wage rate of \$12.19. We have heard from several neighborhood centers that the hourly wage requirement, (with no built in allocation adjustments over time) is creating both hardship in meeting increasing personnel costs and a dynamic of wage compression within agencies that creates difficulties between new or entry level positions and longer term or higher level employees. You will likely hear more about this as we move through the process.

Thank you for your time and dedication to the City and this process. We look forward to working closely with you in the weeks and months ahead.

Jim O'Keefe