



Legislation Text

File #: 33604, **Version:** 1

Fiscal Note

The City of Madison's 2014 Adopted Operating Budget provides aggregate funding of \$8,557,083 for Purchase of Services contracts to be administered by the Community Development Division. Of this figure, \$4,819,627 is currently budgeted within Agency 26 (CDBG), and \$3,737,456 is currently budgeted within Agency 27 (CDD).

This Resolution proposes to extend aggregate funding of \$5,289,563 for a subset of these contracts (as detailed in the attachment) for an additional year (through the end of the 2015 program year) at the designated contracts' current 2014 funding levels, contingent upon satisfactory performance review at the end of 2014 and there being sufficient continued budget authority within the 2015 Operating Budgets for Agencies 26 and 27, once the City's 2015 budget process has been finalized in November 2014.

Specifically, this Resolution proposes to extend for an additional year funding of up to \$2,811,951 in federal CDBG and City levy funds for Purchase of Services contracts currently budgeted within Agency 26 (CDBG), and of up to \$2,477,612 in City levy funds for Purchase of Services contracts currently budgeted within Agency 27 (CDD).

No new or additional funding is being sought by this Resolution, except insofar as the requested 2015 contract extensions would be part of the continued Operating Budget authority for Agencies 26 and 27 anticipated to be sought as part of the 2015 City budget process. As such, there is no net impact on the local City levy.

Title

Authorizing the extension of funding through the 2015 program year for multiple previously approved 2014 CDD community agency contracts

Body

BACKGROUND

The City's Community Development Division (CDD) allocates more than \$8.5 million annually through purchase of services (POS) contracts with various community agencies in order to address City goals and efforts in strengthening neighborhoods, addressing poverty and racial and social inequities, and improving the quality of life for all City of Madison residents. The Division has traditionally allocated these funds using a two-year funding cycle, a process whereby a Request for Proposals (RFP) is issued in even-numbered years for the following two-year period. Individual program allocations for that two-year period are determined by three CDD-staffed committees based on the received proposals, and are ultimately approved by the Mayor and the Common Council. Under this traditional schedule, the 2015-2016 funding cycle would be initiated by the issuance of an RFP during the spring of 2014.

However, in response to recent questions regarding the overall effectiveness of the City's funding efforts in these program areas and the ability of the current funding process to adapt to changing conditions and service needs, the Mayor and Common Council directed an evaluation of the Division's funding processes be conducted in 2014 and appropriated funds in the City's 2014 Operating Budget for this purpose. The CDD recently issued an RFP seeking a contractor to conduct that study and formulate appropriate recommendations. The contractor for this study will not be officially selected until late April, with contract work due to begin in early May; thus, its results will not be available until well after the RFP for the 2015-2016 funding cycle would have been issued.

Because of the timing of the 2014 CDD Funding Process Study, the CDD proposes to “suspend” the formal two-year funding process scheduled for this year, and is requesting instead that each 2014 POS contract funded solely by City levy funds be extended through the end of the 2015 program year at its current funding level, contingent upon a positive performance review by CDD staff at the close of the 2014 program year. The CDD also proposes that 2014 Neighborhood Center contracts, which were the products of a formal funding process undertaken in the summer of 2013, and which are funded by a combination of City levy and federal CDBG funds, be similarly extended.

Due to the capital nature of most of the activities funded with federal funds (which include CDBG, HOME and ESG funds), and to commitments previously made by the City to the U. S. Department of Housing and Urban Development (HUD) surrounding their use, the CDD will conduct a truncated funding process this summer under the guidelines articulated in the 2015-16 Community Development Program Goals and Objectives, the content of which is embodied in Legistar File # 33297, which was introduced on 03/18/2014 and is awaiting final Council action.

ACTION

WHEREAS, the Community Development Division’s 2015-2016 funding cycle would traditionally be initiated by the issuance of a Request for Proposals during the spring of 2014; and,

WHEREAS, in response to recent questions regarding the effectiveness and adaptability of the current CDD funding process, the Mayor and the Common Council have directed an evaluation of the Division’s funding processes and appropriated funds in the 2014 Operating Budget for this purpose; and

WHEREAS, the CDD will be working with a contractor (yet to be selected) to conduct a Funding Process Study to redesign or update the planning and processes related to the Division’s overall funding efforts; and,

WHEREAS, the timeline associated with the Funding Process Study will not produce results soon enough to effectively inform the 2015-2016 funding cycle as originally scheduled; and,

WHEREAS, a suspension or modification of the CDD’s originally scheduled two-year funding cycle would allow adequate time for the Funding Process Study to be conducted, for CDD staff to thoroughly review its findings and suggestions for improvement, and for the Study’s results to effectively inform any requisite changes to the CDD’s funding process for the 2016 program year and beyond; and,

WHEREAS, due to the capital nature of most of the activities funded with federal funds, and to commitments previously made by the City to HUD surrounding their use, the CDD will conduct a truncated funding process this summer under the guidelines articulated in the 2015-16 Community Development Program Goals and Objectives, as established by the CDBG Committee and currently awaiting approval of the Common Council;

NOW, THEREFORE, BE IT RESOLVED, that the Common Council hereby authorizes the extension of funding through the end of the 2015 program year for the specified previously approved 2014 CDD purchase of services (POS) contracts with various community agencies (as detailed in the attachment) at their current funding levels, contingent upon completion of satisfactory performance reviews and sufficient continued Operating Budget authority; and,

BE IT FURTHER RESOLVED, that the Common Council authorizes the Mayor and City Clerk to enter into POS contracts and/or POS contract amendments with the designated community agencies as required to implement the funded services and programs; and,

BE IT FINALLY RESOLVED, that the Common Council authorizes the Mayor and City Clerk to execute and

deliver any additional documents necessary to accomplish the purposes of this Resolution.