



Legislation Text

File #: 21-088, **Version:** 1

ACTION REQUESTED:

Communication from the City Manager and Director of Community Development with a Request for the Following:

- A. To APPROVE the CDBG UTILITY ASSISTANCE PROGRAM.
- B. To APPROVE the REALLOCATION OF CDBG Funds to the Utility Assistance Program.

BACKGROUND:

A. Approve the Utility Assistance Program.

This program is designed to provide funds to renters and homeowners delinquent on electric/gas (Ameren) and/or water (Illinois American Water) bills due to COVID-19 impacts. Funds will be provided for up to six consecutive months of overdue electric/gas (Ameren) and/or water (Illinois American Water) payments to approved applicants. Payments can go back up to April 2020. The maximum grant amount is \$5,000 per household.

Applicants will be selected via a virtual lottery. All application materials must be completely submitted in order to enter the lottery.

Applications will be available for approximately four weeks and can be accessed via an online portal or paper application. A brief video training session will be available on the application launch date to guide applicants through the application process.

To be eligible:

- The property must be located within the corporate boundaries of the City of Peoria
- Total household income must be at or below 80% Area Median Income (AMI) by household size
- Household must show a negative impact due to COVID-19
- Household must be past due on electric or water bills
- Households previously receiving City Household Assistance funds are not eligible.

Additional program details:

- Up to \$5,000 for up to six (6) months of utility assistance
- The only eligible utilities are electric/gas (Ameren) and water (Illinois American Water)
- Payments will be made by the City directly to the utility company

B. Approve the Reallocation of CDBG Funds to the Utility Assistance Program.

All households being helped with the current version of the household assistance program will receive the grant funds they were awarded. A total of 58 households were assisted through the previous program including 10 households still receiving assistance. Any COVID funding remaining from this program once all households have received funding, including \$39,564 in regular CDBG funds will be reallocated to the Utility Assistance Program.

In a report back about CDBG COVID programs on August 11, 2020, the CDBG Public Services Commission provided a recommendation that \$100,000 that was allocated to COVID Public Services for non-profit agencies be redirected to providing direct assistance to households. This recommendation is to move that \$100,000 to this utility assistance program.

In addition, there was \$162,300.36 in CDBG COVID funds remaining in the small business assistance program. Other prior-year CDBG funds remaining in this program were already reallocated to other infrastructure projects as approved on March 9. This request is to reallocate the additional COVID funds in this project which must go to an activity that prevents, prepares for, or responds to COVID.

Project Number	Project Title	Amount
20P20	Household Assistance	\$ 39,564.00
20P00	CV Public Services	\$100,000.00
20B00	CV Small Business Assistance	\$162,300.36
		\$301,864.36

It is important to note that all small businesses that applied for the Community Development Department Small Business Grant Program were awarded funds if they met eligibility criteria. The City of Peoria was awarded other grant dollars for small business assistance for which more details are available in a different Council Communication about that program. Due to different funding being available, it is appropriate to reallocate the funds.

FINANCIAL IMPACT: \$301,864.36 of CDBG funding will be used by City staff to administer a utility assistance program.

NEIGHBORHOOD CONCERNS: This program will help address neighborhood concerns about the expiring utility shut-off moratorium by providing funding to avoid disconnection.

IMPACT IF APPROVED: The City of Peoria will administer a utility assistance program for residents.

IMPACT IF DENIED: A utility assistance program will not be administered, and an alternative will need to be identified.

ALTERNATIVES: None identified at this time.

EEO CERTIFICATION NUMBER: N/A

WHICH OF THE GOALS IDENTIFIED IN THE COUNCIL'S 2017 - 2032 STRATEGIC PLAN DOES THIS RECOMMENDATION ADVANCE?

1. Financially Sound City
2. Grow Peoria

WHICH CRITICAL SUCCESS FACTOR(S) FROM THE COMPREHENSIVE PLAN DOES THIS RECOMMENDATION IMPLEMENT?

1. Support sustainability.

2. Reinvest in neighborhoods.

DEPARTMENT: Community Development