

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

 X Resolution or Ordinance (Blue) _____ *Waiver of First Requested*
 X Recommendations of Boards, Commissions & Committees (Green)
_____ Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: Scott R. Niehaus, Village Manager

DATE: August 26, 2014 (B of T) Date: September 4, 2014

TITLE: Grant Eligibility Policy

SUBMITTED BY: Village Manager's Office and the Department of Community
Development *WLD*

BACKGROUND/POLICY IMPLICATIONS:

Your Economic and Community Development Committee (ECDC) and the Community Promotion and Tourism Committee transmits for your consideration its recommendation regarding the above-referenced petition. The Economic and Community Development Committee (ECDC) and the Community Promotion and Tourism Committee and have been extensively reviewing the various Village programs as it pertains to eligibility of grants and other public funding for individuals who have an affiliation with the Village.

Attached is a draft Ordinance adding the proposed Grant Eligibility Policy to be added to the Village Board Policy Manual. The ECDC and Community Promotion and Tourism Committees recommend approval of the Grant Eligibility Policy. (DISTRICTS - ALL)

Fiscal Impact/Funding Source:

Review (as necessary):

Village Attorney X _____ Date _____

Finance Director X _____ Date _____

Village Manager X *Scott Niehaus* _____ Date *8/27/14*

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.



MEMORANDUM

TO: Scott R. Niehaus, Village Manager

FROM: William J. Heniff, AICP, Director of Community Development and
Nicole Aranas, Assistant Village Manager *WJA* *NS*

DATE: September 4, 2014

SUBJECT: **Grant Eligibility Policy**

The Economic and Community Development Committee (ECDC) and the Community Promotion and Tourism Committee and have been extensively reviewing the various Village programs as it pertains to eligibility of grants and other public funding for individuals who have an affiliation with the Village. Particular focus was placed upon formally establishing prohibitions of such Village grants to individuals such as Village employees, officials and their immediate family members. These committees undertook this review effort as they have a role in Tax Increment Financing (TIF) funding expenditures as well as hotel/motel fund dollars.

Through this review effort, attached is a draft Grant Eligibility Policy that was reviewed and unanimously approved by both committees at their August 11 and 12 meetings. Key components of the proposed policy are:

1. Limitations and prohibitions for Village staff and elected officials, and their immediate families as defined, from receiving funds from selected grant programs;
2. An alternate review and approval process pertaining to volunteer committee members that could be receiving such grants;
3. Language addressing affiliation with and/or employment with an entity with an organization, with final language specifically stating that there must be a specified ownership interest;
4. Exemption provisions for work performed for or on behalf of the Village and for other grants that are generally available to all Village residents; and
5. Further Village Counsel edits for clarity.

ACTION REQUESTED

Attached is a draft Ordinance adding the proposed Grant Eligibility Policy to be added to the Village Board Policy Manual. The ECDC and Community Promotion and Tourism Committees recommend approval of the Grant Eligibility Policy.

ORDINANCE NO. _____

**AN ORDINANCE FURTHER AMENDING ORDINANCE 6574
RELATIVE TO UPDATING THE
VILLAGE BOARD POLICY MANUAL**

WHEREAS, the President and Board of Trustees have previously established a centralized reference source of Village Board policies, known as the Village Board Policy Manual (hereinafter the "Policy Manual"); and

WHEREAS, the President and Board of Trustees adopted an updated Village Board Policy Manual on February 3, 2011 by Ordinance No. 6574.

WHEREAS, the President and Board of Trustees deem it to be in the public interest and in the interest of the Village Board to periodically review and update the Policy Manual; and

WHEREAS, the President and Board of Trustees have determined that the Policy Manual needs to be amended to include a new policy known as the "Grant Eligibility Policy" attached hereto as Exhibit A.

NOW, THEREFORE BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LOMBARD, DU PAGE COUNTY, ILLINOIS, as follows:

SECTION 1: The Policy Manual is hereby updated to include a new Policy Manual entitled "Grant Eligibility Policy" associated with the eligible and prohibited use of selected Village grant funds.

SECTION 2: The Village Clerk is hereby directed to keep an official copy of this Ordinance, and the attached policy, as part of the permanent records of the Village.

SECTION 3: This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

First reading waived by action of the Board of Trustees this _____ day of _____, 2014.

Ordinance No. _____

Re: Updated Village Board Policy Manual – Grant Eligibility

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Passed on second reading this ____ day of _____, 2014, pursuant to a roll call vote as follows:

Ayes: _____

Nays: _____

Absent: _____

Approved by me this ____ day of _____, 2014.

Keith T. Giagnorio, Village President

ATTEST:

Sharon Kuderna, Village Clerk

Published by me in pamphlet from this ____ day of _____, 2014.

Sharon Kuderna, Village Clerk

VILLAGE OF LOMBARD

VILLAGE BOARD POLICY MEMORANDUM

Subject: Grant Fund Eligibility

Section: 4.F

Dept: VMO

Date: September 4, 2014

I. Purpose

To provide a formal policy relative to the awarding or dispersal of selected Village of Lombard grant funds.

II. Definitions

For purposes of this policy, the following definitions shall apply:

Community Promotions and Tourism Grants – Any grant program established by the Village utilizing funds generated through the five percent (5%) fee collected through the Village’s Hotel/Motel Tax.

Corporate Authorities – The President and Board of Trustees of the Village.

Elected Official – The Village President, Trustees and Village Clerk.

Employee – Any individual employed by the Village on a full-time or part-time basis, as determined by the Human Resources Division of the Village Manager’s Office. Independent contractors of the Village shall not be considered “employees” for the purposes of this policy.

Grant Funds – For purposes of this policy, grant funds shall be limited to funds from Tax Increment Financing (TIF) Grants and Community Promotions and Tourism Grants.

Immediate Family Member – The parent, spouse or child of an Elected Official or an Employee, or any individual residing in the principal residence of an Elected Official or an Employee.

Owned Business Entity – Any business entity in relation to which an Employee, Elected Official or Immediate Family Member has an ownership interest in excess of seven and one-half percent (7½%).

Tax Increment Financing (TIF) Grants – Any grant program established by the Village utilizing funds generated through the creation and operation of a Tax Increment Financing (TIF) District, as authorized and governed by 65 ILCS 5/11-74.4-1, *et seq.*

VCM Immediate Family Member – the parent, spouse or child of a Volunteer Citizen Member, or any individual residing in the principal residence of a Volunteer Citizen Member.

Village – The Village of Lombard, Illinois.

Volunteer Citizen Member – Any individual who serves on a committee, commission or board of the Village, in an unpaid volunteer capacity, and who is not an Elected Official, Employee or Immediate Family Member.

III. Policy for Elected Officials and Employees

- A. The Village Board hereby specifically prohibits dispersal of any funds from Village Tax Increment Financing (TIF) Grants or Community Promotions and Tourism Grants to any Elected Official, Employee, Immediate Family Member or Owned Business Entity.

Said prohibition shall not apply to the following:

1. Expenditures to an Elected Official, Employee, Immediate Family Member or Owned Business Entity for approved work performed for or on behalf of the Village.
 2. Grant programs provided or established by the Village, which are applicable to the public generally, and which are funded other than with Grant Funds. Such types of grant programs include, but are not limited to, the Overhead Sewer Grant Program, the Backyard Drainage Grant Program, the Clear Water Disconnect Program, the Rain Barrel Program, and any other grant programs administered by the Village to promote the health, safety and welfare of all residents or businesses within the Village.
 3. Goods or services provided by the Village, third parties or community organizations, in which said goods or services are available to the general public. Examples of these include, but are not limited to, the lilac bush program, promotional give-ways and promotional materials.
- B. All other prohibitions and restrictions on the receipt of public funds by an Elected Official, Employee, Immediate Family Member or an Owned Business Entity, as provided for by State statute or common law, shall be considered a part of this policy, with this policy serving as a supplement thereto.

IV. Policy for Volunteer Citizen Members

In instances in which a Volunteer Citizen Member or VCM Immediate Family Member is seeking Grant Funds as provided for herein, the Volunteer Citizen Member shall disclose the nature of the conflict, refrain from any further deliberation or discussion of the matter, and abstain from any vote taken on the matter. Moreover, if the Volunteer Citizen Member is part of a board, commission or committee with final approval authority on an action relating to the Grant Funds, that board, commission or committee shall, in lieu of final approval, provide a recommendation to the Corporate Authorities relative to the request for Grant Funds, and the Corporate Authorities shall consider the request at their next available meeting, under "Items for Separate Action."

V. Limitations on Disbursements

It shall be Village policy that any entity receiving Grant Funds shall not knowingly disperse any such Grant Funds for payment of services rendered or awards to any Elected Official, Employee, Immediate Family Member or Owned Business Entity. The Village reserves the right to withhold such Grant Funds payments, or require reimbursement of any such Grant Funds payments, if the dispersal thereof would not be in compliance with the first sentence of this Section.

VI. Legislation/Documentation

None.