FROM: Kyle Patterson, Township Supervisor

DATE: June 28th, 2024

SUBJECT: Property Tax Levy Referendum

**BACKGROUND:**

The current City of Champaign Township General Fund property tax levy has a limiting rate of .0296, and, in the tax year of 2023, produced $662,918.90 in revenue. A homeowner of a property valued at $200,000 pays a rate of about $19 towards the Township.

The City of Champaign Township is facing current and impending funding shortfalls in 4 key areas: Strides low barrier shelter, General Assistance, Rental Assistance and appropriate staffing levels in the Township Assessor’s Office. There is a need to expand upon existing programs to more adequately serve the public. The township’s current general levy is inadequate to fund the needs of the township, particularly with the end of ARPA funding, and voters can be given the option to increase the levy. The needs for the township are as follows:

-Strides Low Barrier Shelter:

Currently, the shelter’s staffing costs are primarily funded by federal covid relief ARPA dollars provided by the City of Champaign. These ARPA funds are estimated to last through the end of June 2025. There are no identified alternative funding sources to fully cover Stride’s staffing and operational costs and without further action closure of the facility would be the likely outcome.

Our goal is to improve safety and services at Strides. To do this we need increased staffing for case management staff, support staff, safety personnel, and a street outreach worker to stabilize a Street Outreach program. We need an increased budget for guest food and other supplies like hygiene items and clothing. We also need a budget for guest transportation to assist with housing placement and healthcare appointments.

We want to help more shelter guests obtain permanent housing through a Rapid Rehousing program, which will require program funds for personnel, rent/deposit assistance and utility assistance.

-General Assistance

City of Champaign Township currently pays a monthly rate of $340 a month to General Transitional Assistance recipients who have pending applications for Social Security Disability benefits. The State’s new rate for General Assistance is $425 a month. A levy increase would allow Township to meet the difference and be better equipped to keep up with rate increases which are expected to happen every 2 years, sometimes annually.

-Rental Assistance

The Township received $200,000 in ARPA funds from the City of Champaign for Rental Assistance funds in FY23, which has been exhausted as of April 2024. Through July 2023 to April 2024, the Township served 208 households, totaling approximately $150,000 spent in Rental Assistance, which depleted the remaining Rental Assistance balance for FY24. Without ARPA funds, the Township may have as little as $70,000 in Rental Assistance funding for FY25.

-Assessor Staffing

The City of Champaign has seen a large growth in housing construction, particularly multifamily housing on the University of Illinois campus. Under the current staffing levels, it has been difficult for the Assessor’s Office to thoroughly assess the growth. With the addition of 1 full time deputy assessor, the office could provide more thorough and fair assessments for taxpayers.

**RECOMMENDATION:**

The Township Administration recommends that the Township Board pass a resolution putting forth a levy increase referendum to the voters of the City of Champaign for the November 2024 election.

The current cost of needs breaks down to:

Strides funding: $3,400,000

Increased General Assistance: $70,000

Increased Rental Assistance: $130,000

New Assessor staffing (approx.): $85,000

Total Increased Needs: $3,685,000

The City of Township Administration recommends increasing the limiting rate to .2082, which would produce an additional $4,000,000 to the annual general fund property tax revenue. A home valued at $200,000 would pay an estimated $138.80 annually towards the Township levy. This amount would bring financial security to the Township and would cover increasing costs of services year to year.

The deadline for passage of a resolution placing a ballot referendum on the November 5th, 2024 election is August 18th, 2024.