

***Proceedings of the Council of the City of Joliet, Illinois  
held on the 24<sup>th</sup> day of February, A.D. 2009***

SPECIAL MEETING of the Council of the City of Joliet, Illinois called for the purpose of discussing a funding request for DAYBREAK SHELTER held on Tuesday, February 24, 2009 at 4:30 P.M. in the Council Chambers, Joliet Municipal Building, 150 W. Jefferson Street, Joliet, Illinois.

ROLL CALL

PRESENT: MAYOR ARTHUR SCHULTZ and DISTRICT 4 COUNCILWOMAN SUSIE A. BARBER, DISTRICT 2 COUNCILMAN TIMOTHY M. BROPHY, DISTRICT 5 COUNCILMAN WARREN C. DORRIS, COUNCILMAN AT LARGE THOMAS C. GIARRANTE, COUNCILWOMAN AT LARGE JAN QUILLMAN, DISTRICT 1 COUNCILMAN JOSEPH R. SHETINA, COUNCILMAN AT LARGE MICHAEL F. TURK and DISTRICT 3 COUNCILMAN ANTHONY UREMOVIC.

ABSENT: NONE.

ALSO PRESENT: CITY MANAGER THOMAS A. THANAS and CORPORATION COUNSEL JEFFREY S. PLYMAN.

The City Manager stated the City was one of the founders of Daybreak along with other organizations in the Joliet community and they have been performing a valuable service for the City of Joliet and the surrounding area for many, many years. He said over the past few years the City has been in a financial position to provide funding to Daybreak and other social service agencies and unfortunately through the downturn in the economy and a dramatic drop in riverboat gaming revenue to the tune of about \$10 million or \$11 million a year, the City was unable to make those allocations to the social service agencies in 2009. He said as a result of that Daybreak has indicated to us that the drop in the City's allocation for 2009 may result in Daybreak no longer being eligible for a grant from the Federal government through HUD for about \$750,000. He said over the last several weeks he has been receiving information from Daybreak's representatives through Catholic Charities and at the last Council meeting we had a fairly lengthy discussion about the situation and there was a request to have a follow-up meeting. He said since then Daybreak has provided information to us and they are prepared to make a presentation to the Mayor and City Council. He then introduced Kathleen McGowan who is the Executive Director of Catholic Charities.

COUNCILMAN SHETINA asked Ms. McGowan for a list of their Board of Directors.

Ms. McGowan said she doesn't have that with her but she can certainly get it to him. She said they really appreciate the past support of the City along with the Housing Foundation which has been able to assist them with regard to serving the homeless. She said Catholic Charities which includes Daybreak is nationally accredited and has received several recognitions for their work. She said while they feel positive about their partnership with the City and consider it crucial and in both of our best interests, they want to assure the City that Catholic Charities will not abandon the homeless and will find a way to continue to provide their services. She said they will also find a way to ensure the continuance of their HUD funding and continue to provide shelter and transitional housing to persons in need. She said they are asking the Council today to look at this long standing partnership that has served the City well for over 15 years and at a minimum

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reinstate the 2009 funding allocation. She said they also believe they have to work together to find alternate sources of funding going forward. She said the effects of the dissolution of this partnership will result in their being forced, at least temporarily, to cut back on the extra services they provide like cold shelter as well as reevaluate their service capacities which will only cause suffering and community dissatisfaction which is not in either of our best interests.

Ms. McGowan said for over 50 years Catholic Charities has been providing service to Joliet and Will County including foster care, adoption, maternity services, counseling, working with seniors and many other services. She said they also have been very involved with the homeless population in this community and Catholic Charities responded to this need and became the provider of these services through Daybreak. She said they were asked by the City and the Housing Foundation to provide this service and since 1992 they have been working with the homeless in this community providing shelter and much more. She said they work with them through case management, job preparedness training and education seminars. She said all of these services take time, effort and insight on the part of both the clients and the staff at Daybreak.

Ms. McGowan said they want to assure the Council again that Catholic Charities is committed to serving the homeless through Daybreak and they believe the City also saw their responsibility to take care of the poor and homeless and that as well as insuring that the downtown is a good business environment was the motivation for establishing this shelter originally.

Ms. McGowan said they also take seriously their need to raise funds for their programs. She said they receive over \$1 million a year from the Catholic Diocese that must be spread out over their 50 programs that they provide in a seven county area. She said they receive United Way funds and private donations and grants from other organizations to specifically fund Daybreak. She said annually they write the HUD grant so that their service can be continued. She said they recognize and appreciate the generosity of the City for these many years to Daybreak and they believed that they had a strong partnership with the City because both are serving the homeless people of Joliet and Will County. She said in these tough economic days that population will increase and has already and may include some of the Council's own. She said let us both be there to continue to make a difference in those lives.

Ms. McGowan said here today are other members of Catholic Charities staff and board members as well as members of the Housing Foundation Board and strong supporters of Daybreak. She said Pam Kostecki, Community Services Division Director for Catholic Charities, will review some of the historical aspects of Daybreak as well as tackling some of the financial questions the Council has had.

COUNCILMAN SHETINA stated something that has bothered him for a long time is the notion that Joliet is the repository for everybody from Will County or other cities without helping us stand the cost of this. He said he realizes that Joliet is not even close to being number one in terms of dollars that are spent on this project, and he asked how this function works with respect to people coming here from different states, do they establish an address in Joliet and then we have them, that's our repository. He said he knows that's not unusual in any organization whether it be Lambs Fold or any of the rest because they use Joliet without question. He said he personally just wants to find a way so that Joliet is

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not the repository for everybody that decides to come and get shelter and help and Joliet ends up being the one and only city that basically houses them and helps pay for the cost of the necessities they have. He said the City doesn't question the morals or what Daybreak does as being a proper and good function, but he is more concerned at this point trying not to be the total repository for all of these folks; there has to be other places too that can help.

Ms. McGowan said Ms. KostECKI will probably address some of the things about the people who are at the shelter but she's not sure that they really have the solution to that question in relationship to how do they change that if that in fact is the case. She said as they look at Joliet as being the County Seat in some ways there are some things that might be natural about people coming to this particular area. She said when the shelter was started, what they have maintained through the years is that they had the agreement that they would be serving people from Joliet and Will County. She said if in fact they get out-of-County people at the shelter they can only stay there for three days. She said she cannot attest and does not know if somebody comes from Missouri and establishes residency. She said she does know that they are very strict in relationship to the three day stay for anybody who would be out-of-County.

COUNCILMAN SHETINA said but if a person came here and established residency and are living at some motel or home, they're a resident.

Ms. KostECKI said they use the 6 month rule. She said they have to have been within the County of Will for 6 months prior to needing shelter.

COUNCILMAN SHETINA asked if there is some kind of verification done.

Ms. KostECKI said there is. She said they look at a lease or bills.

COUNCILMAN BROPHY asked Ms. KostECKI if she in her comments or maybe someone else can address the Herald News article the other day which profiled a woman who had come from Rockford because of the opportunity here that was so much better than there. He said he didn't understand that himself, she didn't have a job or anywhere to go or stay and she showed up here. He said he's long argued for Joliet's responsibility as County Seat to carry a little bit more burden than other towns, but that one he didn't understand so if someone could help him understand that later he would appreciate it.

Ms. KostECKI said she wanted to share an overview of the history of the Daybreak program and its partnership with the City to help everybody remember why Daybreak has a unique relationship with the City. She said in 1997 Daybreak began as a PADS program providing only overnight shelter, dinner and breakfast and people were forced out from 7 a.m. to 7 p.m. She said it was a volunteer operation and in 1990 they experienced a decline in the volunteers working the overnight program. She said they also grew concerned about the increasing numbers of women and children that they were seeing accessing the program. She said at that time the volunteers approached Catholic Charities to take over Daybreak and they did that. She said in 1992 they received their first Federal grant to add supportive services to the operations of Daybreak that allowed the program to expand to a 24 hour facility and added professional human services to assist people out of poverty.

Ms. KostECKI said around this same time in the late 1980's and early 1990's Harrah's was making moves to join the City. She said a condition of their

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locating their operations in downtown was some much needed revitalization which happened to center around the Shepherd's Table soup kitchen which was located at St. Mary Carmelite on Ottawa Street. She said the soup kitchen encouraged foot traffic from the shelters as well as other low income housing units. She said the efforts to revitalize downtown and create an atmosphere conducive to the gaming market got underway. She said a group known as the Housing Foundation which was originally the Will County Emergency Housing Development Corporation established itself and became the catalyst for creating a win-win for the City as well as the clientele needing food services. She said in 1993 Shepherd's Table was run by volunteers and was experiencing a decline in help and a decline in donations that was making their survival more and more difficult. She said the founder of Shepherd's Table declined to relocate the soup kitchen without the support of a shelter program. She said Daybreak Catholic Charities was selected as the partner for this endeavor as by that time the Housing Foundation was aware that the rehab and acquisition costs would require State and Federal funding that Daybreak was eligible to receive. She said they purchased and began rehabbing the 611 E. Cass Street location. She said in 1994 Daybreak moved from 153 S. Ottawa Street to 611 E. Cass and at that time incorporated the Shepherd's Table soup kitchen into its operations. She said this was a win-win for both the City and for Catholic Charities. She said Harrah's was pleased and beginning to see patronage and subsequently many benefits were reaped by the City as the result of this new revenue source, and Catholic Charities was able to deliver a noon meal to those in the community without food and provide on-site meal service to those they were already sheltering.

Ms. KostECKI said the soup kitchen and the shelter program did not completely occupy the square footage of the Cass Street location and the extra space allowed for Catholic Charities to submit an application for a second Federal HUD grant to provide transitional housing to 10 single female headed households. She said they received this grant in 1997 and began providing housing to 10 families in a portion of the 611 E. Cass Street location.

Ms. KostECKI said their partnership over the last 15 years or so has been beneficial to many Joliet residents and the financial support that the City has provided to them has had a direct impact on residents of both the City and the County. She said together through the course of their partnership they have provided over 200,000 nights of shelter and have served over 11,000 people. She said there have been questions about who they serve, and their primary purpose is to serve Joliet and Will County residents. She said they do not turn people away who come to their door from outside the City or Will County; they allow them a three night stay and then try to assist them with finding housing back to the community where they came from or in a community where they have family and friends. She said they do insure that people have housing on the other end and do make a contact with that community and make sure that the person is going to have housing and not just end up on the streets of another city. She said they added 1,015 new clients to their database last year. She said less than 20% of the 1,015 clients account for this out of County population.

Ms. KostECKI said in addition Catholic Charities has served City residents when Neighborhood Services has needed to displace or evict clients from their residence. She said they have provided security deposits and/or first month rent assistance in addition to shelter when needed. She said Catholic Charities Daybreak worked with the previous City administration with the Evergreen Terrace project and were preparing for relocation of some tenants until that

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project was halted. She said they also provided education and financial assistance to the former residents of the Cass Street mobile home park when it closed. She said together they have saved lives by administering the cold and warming shelter program which now spans 8 years and has provided an additional 4,144 nights of shelter. She said Catholic Charities has assisted in leveraging over \$2.8 million of Federal funds year after year with their work through the Continuum of Care. She said Daybreak center is just one of the many programs who receive this funding to meet the varying needs of the homeless in the community.

Ms. KostECKI said they would hate to see this long standing partnership end although they really are empathetic to the current economic conditions of the community as well as the nation. She said they are continuing to see growing numbers of need and hope that they can work to obtain the Federal stimulus funds to address some of the increasing needs that residents of this City and County are facing. She said they believe that sheltering the homeless and serving the citizens of Joliet and Will County are not simply the responsibility of the Catholic Church or Catholic Charities but really the responsibility of everyone. She said last year they prevented 17,237 people from losing their housing by providing financial assistance. She said they saved 713 lives last year by providing the warming shelter. She said the transitional housing program and work with families through the shelter program give children hope and last year they gave 2,067 children a brighter future.

Ms. KostECKI said they wanted to respond today more thoroughly to some of the Council's questions and have provided some documents that they hope will help. She said originally they had received Federal funding for the support services to the shelter and later in 1997 received the Transitional Housing Grant. She said in 2000 the Continuum of Care recommended that Daybreak merge the two federal grants and that was in an effort to leverage even more Federal dollars to the community. She said while they were not recipients of those additional Federal dollars the homeless were recipients of those funds.

COUNCILWOMAN QUILLMAN said she is a little confused about the grant. She said there were two pots that were put together and the grant is for the housing for ten families. She said when Ms. KostECKI was here last time she said the monies were all put together so they could use them so they could get more money leveraged for the City and the County, but when a grant is applied for, aren't they supposed to use it for what they say it's for.

Ms. KostECKI said they do. She said originally they received the supportive services grant and then they received the Transitional Housing Grant and then in 2000 the grants were merged together. She said there was no change in the operating costs, in the dollars. She said the HUD grant funds their staff and so it lists the case managers, the childcare worker, the same exact people that were funded under the two previous programs. She said the operational dollars are what they use the leveraging funds for. She said the grant itself does not provide any occupancy, it provides staffing for the whole center but it is called Transitional Housing on the application because they have Transitional Housing as well as provide support services to the shelter population.

Ms. McGowan said the services that they provide in fact are provided to the shelter residents as well so that might be with medical education for example, employment preparedness, case management services, etc.

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COUNCILWOMAN QUILLMAN said so it's going for salaries.

Ms. KostECKI said yes.

Ms. McGowan said they have to have people that provide those services, that just doesn't happen, there have to be staff that in fact staff the shelter to provide those services and that's what they're receiving the funds for.

COUNCILWOMAN QUILLMAN asked if she has a copy of the grant application prioritizing what they need the money for.

Ms. KostECKI said she thinks what would be helpful would be the page of the technical submission which is the budget page and she showed it to Councilwoman Quillman.

COUNCILWOMAN QUILLMAN said so even though it's called Transitional Housing it is for all of this.

Ms. KostECKI said it pays all the staff for the whole center.

COUNCILWOMAN QUILLMAN said it's almost \$1 million in salaries and operations.

COUNCILMAN SHETINA asked how many employees are in the Daybreak portion of the Catholic Charities.

Ms. KostECKI said if they're fully staffed, 30, but they're not fully staffed right now.

COUNCILMAN SHETINA asked just with the Daybreak portion what is the employee complement. He said he's assuming Daybreak is an entity of itself under Catholic Charities.

Ms. McGowan said they have 300 employees in the agency called Catholic Charities and Daybreak has 30.

Ms. KostECKI pointed out the document that reflects the history of City funding, shows the direct operating funds from the City gaming revenues to the Daybreak program and illustrates the increasing upkeep expenses of the 611 E. Cass Street location. She said the other funds that the City allocated to the Housing Foundation were used for the capital expenses associated with the acquisition of the property. She said included in that is the breakdown of the Federal allocations. She said she wanted to point out that Catholic Charities and Cornerstone Services had grants prior to the inception of the Continuum of Care concept and they were receiving at that time more than Joliet and Will County's pro-rated share so that is how they are actually able to get all of those funds.

COUNCILMAN BROPHY said he has served as Council Liaison to the Continuum of Care for about 10 years now and what HUD basically told each community was get your efforts together, combine your resources and tell us what you need. He said they have their rules and guidelines for how this is delivered but they want these units of service to be delivered in the most efficient manner possible in each community. He said instead of HUD telling each community this is how you're going to do it and your application needs to look like this, they said to each community tell us how many units of service you are

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providing and we'll let you design exactly how it's provided, but if you don't do it in a concerted manner we're not going to award you any money.

COUNCILMAN SHETINA asked what is a unit of service.

COUNCILMAN BROPHY said as a homeless person or person in need receives either care, an hour of counseling, a meal, every time they touch them that's a unit of service.

Ms. KostECKI said it could be a bed, it could be a bed of permanent supportive housing, a bed of transitional housing, it could be mental health services, all of those are different units of service.

COUNCILMAN GIARRANTE said so one person could receive 5 or 6 units of service.

Ms. KostECKI said or a lot more than that. She said usually it's a bed and these other services.

COUNCILMAN BROPHY said what they've done by combining their efforts and their communications is that if that client has received a unit of service elsewhere they don't start over somewhere else. He said if they are in AA or NA or they need special counseling they don't start over every time they walk in another social service agency.

Ms. KostECKI said on handout number four is a copy of the actual press release that reflects her comments to the editor of the Herald News. She said she doesn't want her comments to be confused with the random letters that were sent to the editor for which she nor her agency have any control over. She said they still agree with the reference to the City in that letter that says they are also thankful for the supportive working relationship they have with the City, especially the police officers of the City of Joliet who have so often been on hand to assist during cold shelter and throughout the year to insure the safety and security of the homeless and all members of the community, and as such they remain committed to working with the City on a resolution. She said this positive comment reflects their appreciation and any negative interpretation of it is really unfortunate. She said Daybreak needs the City's support. She said she was hired in 1992 and was here for the entire duration of their partnership and could not be more grateful for the opportunity. She said they couldn't be more thankful and grateful for the City's support and for this opportunity.

Ms. McGowan stated Bishop Sartain could not be here but she wanted to reiterate that he is very concerned about this which is a matter of utmost importance and that without City funding, Catholic Charities might be forced to reduce other services. She said they have had program reductions and staff layoffs and during FY 08 Catholic Charities eliminated 14 positions in their total agency due to increased operational costs and no additional revenue to cover these costs. She said since July daily enrollment has varied between 90 to 100 individuals at Daybreak. She said the best way they can solve this situation is together and she recognizes the challenges the City Council faces and is very grateful to them for listening to their plea.

Bishop Joseph Imesch said he's been in Joliet for 30 years and the people in this community are very generous people. He said the 3<sup>rd</sup> Thursday of every month the Chancery staff provides the evening meal for the residents at Daybreak and

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as often as he can he goes and helps serve that meal and meets with those people and talks with them. He said he feels as a Christian community they all have to do something, not just the churches. He said every lunch time and dinner time a different church provides meals for the people at Daybreak. He said the City has to realize they have a responsibility as a community to care for the people who are in their community. He invited everyone to come sometime and serve a meal and see the people they are caring for and he thinks there would be no question about finding funding for Catholic Charities.

COUNCILMAN SHETINA said we look like we're hard hearted people but we are sitting in a different position than everyone else; we are concerned and certainly understand that Joliet would bear a lot of the responsibility if something happens and fewer people are being helped. He said we also look at our employee complement and we know that when we lay people off those are families that now possibly become homeless, their children don't get to go to school where they want to go or to pay the tuitions for schools that are high now. He said we've had that to look at too and so when we look at laying people off to give money to organizations we get pretty parochial about it. He said that is one of the things that concerns us, will we be able to support our own employee complement and just as important to us is when you put people on the street that have been working for the City for years and they don't have seniority or maybe there are other reasons why they get laid off or let go. He said we have to concern ourselves with that and we hear it every single day from our employee complement about giving money out to charities or to the Rialto and trying not to make a decision between that group and another group, and trying to make the decision based on what we feel are the strongest needs for our own organization and that's the City of Joliet. He said obviously we have been a good partner with Daybreak and he recalls when John Mezera helped to usher the people that were downtown out to Cass Street and he thinks that was a good thing that happened in terms of trying to do something with the downtown and make it a little more acceptable and that worked out well and he thinks it was a good partnership that occurred there. He said all of these things go into the quotient. He said he doesn't want us to look hard hearted, he wants you to realize that we have the same responsibility to our employees as you do to the folks who are in need.

COUNCILMAN SHETINA said our City Manager has basically told us that he is going to be able to find room somehow to make this grant work and we gave you a pretty good indication that we would make this grant work when the budget was done that night. He said he thinks what concerned him is that he thought you were aware of that and we were going to try to make this work somehow. He said it was never our intention to walk away from it completely as far as he knows.

Ms. McGowan said she thinks they thought that as well. She said there was a little bit of a misunderstanding in communication and then with them never being on the agenda, that really said to them that perhaps this was not going to happen.

COUNCILMAN SHETINA said we as a Council have not yet received the finished product and he assumes we'll do that within the next week or so with respect to the staff telling us what we can and can't do regarding layoffs. He said we're trying to stay away from layoffs by not replacing people, by not promoting people, by attrition and by hopefully having some of the older folks that can in fact retire, retire. He said we are not yet aware of exactly what the City Manager and

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Finance Department have come up with to show us what we can and what we cannot do, but it is a pretty bleak picture for us.

Ms. McGowan said they experienced the same thing so they appreciate the Council's dilemma so whatever they can do to give the Council any further information they would be very happy to do that.

COUNCILMAN SHETINA said we haven't heard either and that's why you haven't heard. He asked the City Manager if that was the case.

The City Manager said we will have a final draft prepared for you for the next meeting which is March 2<sup>nd</sup>. He said they have spent quite a bit of time putting it together. He said we've talked a little bit privately one on one and he has indicated to you that we've seen a substantial decrease in revenues and we've also seen a substantial increase in expenses, particularly in the pension area, health insurance and items like that, so those are issues that have changed the operation considerably and that's why we're prepared to bring forward a business plan to you that will help us get through that. He said he knows this has been an issue that's been awaiting a decision and he appreciates your interest in seeing the big picture before you make a decision on this particular one expenditure.

COUNCILWOMAN QUILLMAN said she did a little research and has a question because it would have clarified a lot of things for her. She asked why on the Attorney General website their 990 wasn't posted, the most recent one she could get was 2006.

Ms. Kathryn Stacy, Fiscal Director, said they actually have an exemption from the Attorney General's Office, Division of Charitable Trusts, so they don't actually file an AG990. She said they do file the Federal 990. She said they normally have to get the extension in November for that because their audit is not completed until the end of December so their 990 has been filed earlier this month. She said she would think within the next 90 days it might be available on the website.

COUNCILMAN DORRIS said we talked two weeks ago when we received a letter that Daybreak may be closing and he had asked the City Manager for a recommendation for funding. He said he was one along with Councilman Shetina when we passed the budget who said we would look at maybe allocating some Neighborhood Improvement funds to keep Daybreak operating and he believes that's what we need to do. He said he believes we have an obligation to do that. He said are you telling me now that next week when we look at the total picture of the City and we know we have some tremendous challenges on the fiscal side of the house that you are not ready to make a recommendation for funding Daybreak until we look at that total picture.

The City Manager said there are two parts to this, one being his recommendation to fund Daybreak in 2009 and he is bringing forward to you a positive recommendation. He said we do have a business relationship where Daybreak does provide service directly to the City of Joliet Police Department and in some respects to the Fire Department as far as providing service for people who are homeless during severe cold snaps. He said the numbers have been provided to us show the hundreds of evenings that are spent there. He said without that type of service and if there were no other facility available we would probably be looking at the Police Department providing that service directly to those unfortunate people who are in that position and we do not have the personnel or the facility to provide that type of a service.

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The City Manager said the second part of this that was mentioned earlier was a decision that was made a long time ago to have all of the homeless services provided in one location, close to downtown but not directly in downtown. He said part of our role as a City staff is to try to market downtown and he knows that sometimes this may come off as being a little cold and heartless but when we market to new businesses coming downtown we need to put a very positive image on downtown Joliet, and part of it is to show that we are a thriving commerce center and sometimes when you have a situation with homeless people present when you're making those marketing tours it sometimes sends the wrong message to potential investors, developers and commercial retailers. He said that's why a long time ago the Mayor and Council and many of the people that are in this room banded together to come up with a solution that would work for many years to come. He said he believes that we should be compensating Daybreak for the services that they provide to us on an ongoing basis. He said we will find money in the budget. He said he indicated that there are contingency funds available in the NIP program in 2009. He said he will be bringing to you though some recommendations as far as changing our business operation in the very near future because we are seeing a tremendous decrease in revenues and an increase in expenses but he does treat this obligation to Daybreak as an ongoing obligation that he will recommend funding in future budgets as long as we have a business relationship where they are providing service to the Police Department and to the City of Joliet as a whole.

The City Manager said he knows there were some earlier comments and discussions about sometimes we feel we burden 100% of the responsibility and he thinks when you look at the numbers that Ms. Kosteki has provided us, a lot of the residents have come from a last known address in Joliet, but not 100%. He said he thinks we need to spend the next several months finding a way to have other agencies, whether it's governmental agencies or social service agencies, join us in trying to deal with this issue because it is not a Joliet only problem, it's a County wide problem and he thinks there are other agencies that will step up. He said he thinks that people got used to Joliet stepping in and being the provider of funding for many social service agencies and when you look at the list, over the last 15 years Joliet has provided \$22.6 million in funding to social service agencies and other agencies that provide services to the public. He said Daybreak specifically received almost \$2.7 million over that 15 year period. He said the next closest social service agency was the Warren Sharpe Community Center which received \$1.2 million, so it is clear that this Mayor and City Council and its predecessors have stepped up and provided funding. He said we're in a financially challenging situation and we do need to take a step back and reevaluate and that's why his recommendation to you last year when we cut \$11 million out of the 2009 budget was to pull back the donations to the social service agencies. He said this one though is a difficult one because there is a direct benefit to the City and also an opportunity to leverage for Federal funds. He said he doesn't think any of us like the idea of seeing that \$750,000 allocation go to another community when it can come here, so his recommendation is to participate at some level where we can maintain the funding for Daybreak.

COUNCILMAN DORRIS said he thinks it's very important too. He said if this happens in the next few days he believes this Council still is saying that this is a special circumstance that meets specific needs. He said he doesn't think any of the other ones are meeting the need here. He said he wants to make it very clear that he does support Daybreak and if there was a recommendation he

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would be voting for it today, however, we also need to recognize that a lot of the other social service agencies now may line up for funding, but we are in a situation where we're saying this is probably one of the top priorities and although everyone probably feels their agency is a priority, keeping people off of the street and keeping them from being homeless he believes is our number one priority. He said he also believes that when businesses come and want to relocate here in Joliet and they see that we have really tackled one of the most important social issues and taken care of people who can't take care of themselves, that's very positive for us especially in the economic climate in which we live today.

COUNCILMAN GIARRANTE asked about one of Daybreak's reports referencing the number of people who resided in Joliet prior to their shelter stay, and he asked how long these people have been residents and how do they confirm that.

Ms. McGowan said they would have been a resident of Joliet a minimum of six months and they do check that through either leases, utility bills or other bills they would have.

COUNCILMAN GIARRANTE said so they could be here six months but that doesn't necessarily mean they've spent their whole life here.

Ms. KostECKI said that's correct.

COUNCILMAN GIARRANTE said have we or yourself contacted some of these other cities, Bolingbrook etc., to try to get some funds to help us with this. He said he knows according to this most of them are from Joliet but only for six months, and these other numbers could be greater or that number could be less. He asked if they have contacted any of those other cities for funds to help out.

Ms. McGowan said one of the ways they receive funds from people in other parts of the Will County area is through the allocation they receive from United Way, so certainly within that they have people that are from other communities other than Joliet that are in fact supporting programs of Catholic Charities. She said the way United Way has done this here is that they have made two separate allocations for our agency, one for Daybreak and one for the rest of the programs.

COUNCILMAN BROPHY said what about the County.

Ms. McGowan said we have had some communication with the County and in the past the County did provide some Community Development Block Grant monies for the agencies. She said at this particular point what they've done to really support the Continuum of Care is given a lot of that funding to the Will County Center for Community Concerns in order to make sure that we maintain that. She said HUD is very serious about that. She said they have seen a decline in things like donations and so in fact it is difficult to continue to meet their budget as well which was one of the reasons they laid off 14 people last year.

Ms. KostECKI said the Council and City Manager have made it very clear to them that the funding level in which they were funded in the past or was projected for this year was not going to happen, and while it's not a lot of money, they have received a commitment for CDBG dollars of \$25,000 and have also received in writing so far an increase in emergency food and shelter match dollars of \$23,000 from United Way.

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COUNCILMAN GIARRANTE said with all due respect, the citizens of Joliet contribute to United Way also and you get money from them through United Way.

Ms. McGowan said that's correct.

COUNCILMAN GIARRANTE said so your answer is you do not contact the cities themselves to try to get money.

Ms. McGowan said at this particular point we have received some Joliet Township monies and we placed that for our senior programs. She said in the past we had received some Lockport Township funds but we don't receive those presently and that also was for some of their senior programs. She said they have to make some determinations regarding what to ask particular municipalities. She said the reality is that they have tried to work through the Continuum and have not gone individually to all of these communities that are listed here.

COUNCILMAN GIARRANTE asked what is their total budget.

Ms. McGowan said \$21 million.

COUNCILMAN GIARRANTE said he would like to see a breakdown of the salaries of the 30 Daybreak employees.

Ms. McGowan said she thought that was in some other materials they already had given the Council where it had listed out the positions and what they make. She said she can assure the Council that they are not overpaying their staff.

COUNCILMAN GIARRANTE said he's not asking any questions of Daybreak that he doesn't of any other agency that the City has contributed to. He said Daybreak is asking the Council for money and he wants to know what it's going for.

Ms. McGowan said absolutely and the Council is entitled to that information.

COUNCILMAN GIARRANTE asked how Daybreak would use any funds the City would give them.

Ms. McGowan said it would be used for salaries as well as some of the support services.

Ms. KostECKI said they've used the funds from the City for the maintenance and personnel to maintain the 611 E. Cass Street location. She said the third page of the handout lists the upkeep for the building that includes some minor capital stuff that they had to do to the building, but it does include the salaries of maintenance personnel. She said again the monies they've received from the City have always gone to support the occupancy or the overhead or the upkeep of the 611 E. Cass Street location. She said that is a condition of their agreement with the Housing Foundation.

Ms. McGowan said with 100 people using that building on a regular basis the Council can imagine the wear and tear on that building.

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COUNCILMAN GIARRANTE said you cut 14 people and he asked what the staffing is on a normal day.

Ms. McGowan said at this particular point the 14 people they cut were 14 positions within the agency. She said presently the majority of their Daybreak staff of 30 are usually there during the day as well as the 3 to 11 shift. She said their overnight shift is pretty much of a skeleton shift.

COUNCILMAN GIARRANTE asked for some specific numbers.

Ms. KostECKI said their case managers work from 9 a.m. to 9 p.m., 12 hours a day, 7 days a week.

COUNCILMAN GIARRANTE asked how many case managers are there.

Ms. KostECKI said they have at least one case manager on during the 12 hours. She said they work a variety of shifts so sometimes they overlap during their busier times, and other times there is just one case manager on duty. She said then they have residential management staff who manage the shelter operations. She said there is a large dining room and a separation between the dormitory area so when people are coming in between 5 p.m. and 9 p.m. they have to have staff in two locations. She said between 9 p.m. and 6 a.m. they only have one staff person on duty.

COUNCILMAN GIARRANTE said so most of them are there during the day.

Ms. KostECKI said most of them are there during the waking hours, yes.

COUNCILMAN TURK said he and the City Manager were at the Housing Foundation meeting in December and we make it obvious that we were going to need some help in future years, especially 2010 and beyond, and at that time the Board told us they were willing to look at other revenue streams. He said he is happy to hear that they've already secured more than \$40,000 and he would hope everything is on the table as far as even contacting those other communities to see if they could participate in some way, shape or form that would help us out.

Ms. McGowan said they have a meeting scheduled for March 4<sup>th</sup> with the Board of the Housing Foundation to have that exact discussion.

COUNCILWOMAN QUILLMAN said in regards to Councilman Dorris' comments about Daybreak being a priority to keep the homeless off the streets, you also mentioned that this could probably open the door for other agencies because we did get a letter today about how important Guardian Angel, Morning Star Mission and Lambs Fold are. She said they also provide services to keep people off the streets. She said as much as she wants to give Daybreak the money, we just don't have it, and these other agencies are going to come forward and she's afraid we're going to open a huge can of worms here. She asked if they looked at fundraising like these other agencies do.

Ms. McGowan said yes they have. She said they do that on a regular basis and do an annual mail appeal.

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COUNCILWOMAN QUILLMAN said she is talking more about other things because these other agencies are more creative and we also get invitations to these and she's never received an invitation once for a fundraising event for Daybreak.

Ms. McGowan asked if she saw the spread in the newspaper for First Look for Charity which was an event that was just held two weeks ago.

COUNCILWOMAN QUILLMAN said that was Catholic Charities but she's talking about Daybreak specifically.

Ms. McGowan said they also do an annual appeal where they send letters specifically to donors and volunteers of the Daybreak center and they always include in their mailings with regard to Catholic Charities a section that speaks to people being able to donate for what their interests are. She said they consider Daybreak a part of Catholic Charities; it is one of their key programs. She said so when they do their fundraising they're doing it for that as well as for their other programs. She said they also have an annual golf outing they have done in the past but they have found that that has not generated the kind of income that they need so they are not doing that this coming year. She said they also have an annual celebration where they do an auction and a dinner and last year they did something called Playing for Miracles where they had dueling pianos. She said they have had these events going on for years. She said quite honestly while they may be fun the reality is what they find to be more beneficial to them is to develop relationships and major gifts so one of the things they have done is added staff into their agency to try to cultivate major gifts where they can go to people and ask them for larger amounts of money. She said they do raise over \$200,000 a year in their annual appeal.

Ms. Lorri Nagle, Director of Development, said they raise about \$1.6 million in the Development Department through the events that Ms. McGowan mentioned and through individual solicitation. She said they have about 7,000 active donors that they work with. She said from their annual holiday appeal this year they raised about \$279,000 and a number of people do choose Daybreak as the recipient for that gift, so there is a significant amount of fundraising going on.

COUNCILWOMAN QUILLMAN said the reason she brings this up is because she is on the Medical Clinic Board which provides free services for folks probably from Daybreak and other agencies as well and of course their funding is down also, but they are looking at different ways to raise money and not always go for the big bucks because the average person might not have the big bucks, but they could afford \$25 or \$30 to have a small event to go to and they have found that to be very successful, not only with their agency but other agencies as well. She said people that are local are more apt to give to local charities than they are to the whole big picture.

Ms. McGowan said they also have had a couple of people who have hosted dinners for Catholic Charities in their homes.

COUNCILWOMAN QUILLMAN said she's talking about Daybreak specifically. She said she doesn't mean to forget Catholic Charities, she's just saying you could fundraise specifically for Daybreak because a lot of the local churches, including two she goes to, serve meals on the weekend and the parishioners bring in the money. She said what she is asking you to do is to look into

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fundraising for Daybreak specifically on a local level and you are apt to get more people that would want to give. She said she knows you do a mailing but not everybody can afford to go to the big First Look, it was \$250 a ticket plus it was black tie and the average people today cannot afford that.

Mr. Jim Roof said in light of Councilman Turk's comments earlier and as a member of the Board of the Housing Foundation, the Board did make a commitment to the City Manager when he met with them in December that they were going to explore any and all avenues to try to find funding for Daybreak so we can lighten the load of the support that we receive from the City. He said he is chairing the United Way campaign this year and 95% of the agencies are headquartered here in the County Seat and depend on the City of Joliet and the residents of Joliet and Will County to contribute to United Way, but he would suggest the majority of the contributions come from the City of Joliet in its entirety, the members of the community. He said they are going to look at Bolingbrook, Frankfort, Lockport and Homer Glen and others for support. He said they are also appreciative of the options that are going to be presented to the Council next week and understand the challenges the Council is going to have in making a yes or no decision to this agency because of all of the other agencies that are out there.

MAYOR SCHULTZ asked the City Manager when is he going to bring this to the Council.

The City Manager said we're prepared to move as quickly as you'd like.

MAYOR SCHULTZ said he won't be here for the Council Meeting but he'd like to be here when we vote on it and he suggested that we call a special meeting.

The City Manager said we could schedule something later this week. He said what we have to present to the Council would most likely be presented in closed session because it does involve personnel matters and collective bargaining matters. He said we would ask the Council to first consider it in closed session and then we would make a public presentation when the Council is ready for us to proceed. He said before we do a public presentation, we'd like to have an opportunity to meet with the union presidents and their constituents.

COUNCILWOMAN QUILLMAN made a motion to go into closed session to discuss personnel and collective bargaining.

COUNCILMAN GIARRANTE asked what are we going to discuss tonight.

The City Manager said the closed session would be for the purpose of discussing personnel matters and matters of collective bargaining.

COUNCILWOMAN QUILLMAN said Mayor Schultz wanted to have a Special Meeting before we vote on Daybreak, but what she's understanding is the City Manager wants us to look at this other thing before we make a decision.

The City Manager said he's not linking the Daybreak recommendation to any budgetary changes. He said even with the challenges that we have with respect to the budget, his recommendation is to proceed with some funding level for Daybreak. He said the reason for that is we do receive a valuable service from Daybreak and he does believe that we should be compensating Daybreak for providing that service. He said we could pull that money from the contingency

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fund and the NIP program which is unallocated at this point. He said he knows we'll have other needs for those funds in the future but the reality is he thinks we're looking at trying to maintain the grant the best we can. He said when we're all spending many hours as a staff fighting for Federal dollars this is probably not a good time for us to miss the opportunity to snag \$750,000 that's already been earmarked for the Daybreak Shelter. He said if you want to vote on it this evening his recommendation would be to proceed with funding Daybreak. He said we'll have that conversation about the change in the City's budget but he wouldn't link the two items.

COUNCILMAN GIARRANTE said he wants to see what the City Manager's recommendations are but he's not going to vote on recommendations until they are run by the bargaining units and he is not prepared to vote on this until he sees what the recommendations are. He said if the recommendations include layoffs or something, he is not going to support this.

It was suggested that a meeting on the budget be held on March 6<sup>th</sup> and there were no objections.

COUNCILWOMAN QUILLMAN said when do you want to make the Daybreak decision. She said we need to give these people some kind of answer.

The City Manager said his recommendation is to move forward and if you don't feel comfortable moving forward today and you want to wait until next Monday or Tuesday that is a possibility. He said he thinks he heard from Councilman Giarrante that he would rather see the information on the budget first and he understands that. He said he certainly wants to respect all of your wishes when it comes to this very challenging decision. He said the staff is ready to go anytime you tell us you're ready. He said if you want to have meetings earlier we will do that and if not it sounds like we'll schedule a Special Meeting on March 6<sup>th</sup>. He said as he indicated it probably would not involve much public discussion because this would be information that is allowed to be discussed in closed session under the Illinois Open Meetings Act.

COUNCILMAN DORRIS said he agrees with some of the things that Councilman Giarrante said and he respects that. He said we know there is a possibility that we're going to have to do some things we don't want to do and if those things are going to prohibit the support for Daybreak then he is ready to vote on it today. He said he thinks there are two separate issues. He said the City Manager said he's identified the contingency out of NIP for Daybreak and he thinks we asked them in good faith two weeks ago to wait those two weeks and then we were going to try to do something. He said he thinks that we use the money out of the contingency plan; he doesn't think we'd be using this contingency money to save someone's job and he thinks this is that important. He said since the Mayor is not going to be here next week he thinks we can deal with the Daybreak issue today and he is willing to move that today.

COUNCILMAN BROPHY said he would like to second that motion with some specificity regarding the funding. He said he thinks a reasonable method of funding it would be about \$30,000 from each of the five Council Districts and the balance from the contingency fund and with all due respect he understands Councilman Giarrante's point, but he doesn't think this issue along with the fact that these people are here tonight will change much at a different date.

COUNCILWOMAN QUILLMAN asked if we have a dollar amount.

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COUNCILMAN BROPHY said he thinks \$240,000 was the total.

The City Manager said previous commitments that have been made in earlier years was in the \$240,000 area. He said he doesn't believe there is adequate funding in the contingency fund to go to \$240,000. He said he believes he indicated the most that we would be able to do was the \$30,000 per five districts which be a \$150,000 allocation.

COUNCILMAN DORRIS asked if there wasn't some talk once about the Mayor's NIP fund. He said he would like to see \$30,000 come out of that fund also.

COUNCILMAN DORRIS amended his motion to add an additional \$30,000 from the Mayor's NIP fund for a total of \$180,000.

COUNCILMAN BROPHY seconded the motion.

COUNCILWOMAN BARBER said we talked about another figure a couple of days ago to pay for the services that Daybreak provides us and she asked what happened to that.

The City Manager said from a service oriented perspective where we would be compensating Daybreak just for the cold shelter operation, then the figure would probably be much lower than \$150,000 or \$180,000. He said he guesses you would have to look at what it would take for us to gear up with a replacement and a replacement would probably be in the \$50,000 range. He said if you were just looking at providing a cold shelter it would probably be a much lesser amount. He said he thinks what may have been proposed is to take into consideration the long history we've had as one of the founders of Daybreak and to include funding for that. He said he's just saying the Council has to tell him what their philosophy is as far as participating in the funding and if it's to continue what we've been doing, then a higher figure would be appropriate; if it's just for a cold shelter alone then a lower figure would be appropriate.

COUNCILWOMAN QUILLMAN said she is not ready to vote on this tonight and she moved to table Daybreak's request for funding.

COUNCILMAN GIARRANTE seconded the motion.

COUNCILMAN TURK suggested that this be tabled until the March 16-17 meetings when the Mayor will be back and we'll have seen the City Manager's plans.

COUNCILWOMAN QUILLMAN amended her motion and COUNCILMAN GIARRANTE his second to table this until March 16-17.

Motion carried by the following vote:

AYES: COUNCILWOMAN BARBER, COUNCILMAN GIARRANTE,  
COUNCILWOMAN QUILLMAN, COUNCILMEN TURK, UREMOVIC  
and MAYOR SCHULTZ.

NAYS: COUNCILMEN BROPHY, DORRIS and SHETINA.

COUNCILMAN BROPHY voted no and asked his fellow Council people to consider voting no on the table so we could reconsider the motion to authorize \$50,000 in funding now for the cold shelter funding and consider an additional

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amount at some later date. He said the only reason he'd say no to the table is in the event their cash flow issues are as critical as everyone else's.

COUNCILMAN DORRIS said he was going to say the exact same thing and he voted no.

COUNCILMAN BROPHY asked the Corporation Counsel to explain for the audience what just happened.

The Corporation Counsel said the Mayor and Council have placed the Daybreak Shelter funding issue on its agenda for the second meeting cycle in March which is March 16<sup>th</sup> and 17<sup>th</sup>. He said March 16<sup>th</sup> is the Pre-Council meeting is at 3:30 p.m. and the Regular meeting on the 17<sup>th</sup> is at 6:30 p.m. He said the matter has been placed on the table but a majority of the Council at a regular meeting can pull it off the table at any time with a majority vote.

Ms. McGowan said if there would be a need for Catholic Charities to be present she is going to be out of town on March 16<sup>th</sup> and 17<sup>th</sup> and she would really like to be present for the Council's conversations because she thinks it's important for her to be present with her staff. She said she doesn't mean to delay it any more but she just wanted to make sure that they know if they go ahead with that meeting why she is not present.

COUNCILMAN BROPHY thanked the staff, the board members, the volunteers at Catholic Charities and Daybreak Center that are here and of course are with Daybreak every day. He said we appreciate everything you do and want to work with you to keep doing it.

Ms. McGowan said they appreciate the Council giving them all of this time today.

COUNCILMAN GIARRANTE moved that the Council adjourn at 6:10 p.m.

Motion seconded by COUNCILMAN BROPHY.

Motion carried by the following vote:

AYES: COUNCILMEN BROPHY, DORRIS, GIARRANTE, COUNCILWOMAN QUILLMAN, COUNCILMEN SHETINA, TURK, UREMOVIC, COUNCILWOMAN BARBER and MAYOR SCHULTZ.

NAYS: NONE.

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ARTHUR SCHULTZ  
MAYOR

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JANET K. TRAVEN  
CITY CLERK