



**DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES
ADMINISTRATION AND PLANNING DIVISION
MEMORANDUM**

TO: Bruce K. Walden, Chief Administrative Officer

FROM: Bob Grewe, Manager, Grants Management Division

DATE: November 15, 2001

RE: FY 2001-2002 HOME CHDO Agreement – Illinois Center for Citizen Involvement

Brief Description of the Issue(s)

On the agenda for the November 19, 2001 meeting of the Urbana City Council is a HOME CHDO Agreement with the Illinois Center for Citizen Involvement (ICfCI) to pledge \$51,950 in FY2001-2002 HOME monies for administration and capacity building activities related to the completion of the HomeBuild3 Program and the Eads at Lincoln Program.

Identification of the Issue(s) and Any Approvals Required

The issue is before Council is considering the approval of the enabling ordinance for the Agreement between the City and ICfCI for their administration and capacity building program.

Background/Facts

The Urbana City Council has approved the FY2001-2002 Annual Action Plan, which identifies activities to be funded under the Community Development Block Grant and HOME Investment Partnership programs. HOME funds were allocated in the Plan to the ICfCI for administration and capacity building activities related to the completion of the HomeBuild3 Program and the Eads at Lincoln Program

ICfCI's program will result in completion of the two referenced projects and enhancement of the organization's effectiveness in producing affordable housing.

Fiscal Impact

There would be no fiscal impact to the city budget. These funds have previously been budgeted in Fiscal Years 2001-2002.

Recommendation

The Community Development Commission reviewed the Agreement at their August 28 meeting and recommended that Council consider it for approval, after the Urbana HOME Consortium and ICfCI had reached consensus on the budget and program activities.

Staff recommends that Council approve the Agreement and Ordinance, as the Urbana HOME Consortium has reached consensus on the budget and program activities

Prepared By: _____
Bob Grewe
Manager, Grants Management

Attachments:

- HOME Agreement
- Authorizing Ordinance

URBANA HOME CONSORTIUM
COMMUNITY HOUSING DEVELOPMENT ORGANIZATION AGREEMENT
ILLINOIS CENTER FOR CITIZEN INVOLVEMENT
CHDO Capacity Building (FY2001-2002)

THIS AGREEMENT, made and entered into by and between the CITY OF URBANA, an Illinois Municipal Corporation, acting as lead entity for the Urbana HOME Consortium (hereinafter the "City"), and ILLINOIS CENTER FOR CITIZEN INVOLVEMENT, an Illinois Not-For-Profit Organization (hereinafter "ICfCI").

WITNESSETH:

WHEREAS, the City of Urbana, the City of Champaign, and Champaign County have been jointly designated as a Participating Jurisdiction by the U.S. Department of Housing and Urban Development (hereinafter "HUD") for purposes of receiving HOME Investment Partnership (hereinafter "HOME") Program funds in the name of the Urbana HOME Consortium under provisions of Title II of the Cranston-Gonzales National Affordable Housing Act of 1990, as amended (42 U.S.C. 12701 *et seq.*) (hereinafter the "National Affordable Housing Act"); and

WHEREAS, the Urbana HOME Consortium has received HOME Program funds from HUD for the period beginning July 1, 2001, and ending June 30, 2002, to increase affordable housing opportunities for low-income residents of Urbana, Champaign, and unincorporated Champaign County; and

WHEREAS, the Urbana City Council has adopted a Consolidated Plan for Program Years 2000-2004 (hereinafter the "Consolidated Plan") which budgets \$1,039,000 in Urbana HOME Consortium funds for the period beginning July 1, 2001, and ending June 30, 2002, including \$157,170 set aside for use by Community Housing Development Organizations (hereinafter "CHDOs") and \$51,950 for administrative costs incurred by Community Housing Development Organizations in accordance with an Intergovernmental Agreement Concerning Administration of a Champaign/Urbana/Rantoul/Champaign County HOME Investment Partnerships Consortium executed by Mayor Tod Satterthwaite on behalf of the City on July 7, 1999 (hereinafter the "Intergovernmental Agreement"); and

WHEREAS, the Consolidated Plan encourages the development of non-profit housing development organizations eligible for CHDO status and promotes increasing the capacity for affordable housing production at the neighborhood level; and

WHEREAS, ICfCI has been designated as a recipient of CHDO funds for the Urbana HOME Consortium for FY2001-2002; and

WHEREAS, ICfCI has fulfilled all HOME Program requirements necessary to be certified as a CHDO; and

WHEREAS, ICfCI has applied to the City for FY2001-2002 Urbana HOME Consortium for administration and capacity building activities related to the completion of the HomeBuild3 Program and the Eads at Lincoln Program (hereinafter the "Project"); and

WHEREAS, the City has the right and authority, pursuant to both the HOME Program and the Intergovernmental Agreement to allocate Urbana HOME Consortium funds to ICfCI for the Project.

NOW, THEREFORE, the parties hereby agree as follows.

1. **Preamble** The preamble set forth above is hereby incorporated and made part of this Community Housing Development Organization Agreement (hereinafter the "Agreement").
2. **Purpose** The purpose of this Agreement is to pledge FY2001-2002 Urbana HOME Consortium funds to provide ICfCI with administrative and capacity building activities to complete the Project.
3. **Pledge of HOME and Match Funds** The City pledges to ICfCI \$51,950 in Urbana HOME Consortium funds for the Project.

Specific uses of said funds are for administration and capacity building activities related to the completion of the HomeBuild3 Program and the Eads at Lincoln Program as shown in Attachment 1.

Further, specific capacity building activities are referenced in the attachment from ICfCI entitled, *Benchmarks for General Support Grant to the Illinois Center for Citizen Involvement FY ' 02* as shown in Attachment 2.

ICfCI shall not request disbursement of HOME funds until HOME funds are needed to pay eligible costs related to the Project. The amount of any request for funds shall not exceed the amount needed and shall be supported by appropriate documentation (i.e. payroll documentation, receipts, invoices). The City shall make payment to ICfCI within fourteen (14) calendar days of receipt of a complete and acceptable request by the City. The City reserves the right to withhold disbursement of funds until appropriate documentation is submitted. All checks shall be made payable to "Illinois Center for Citizen Involvement."

All monies granted to ICfCI pursuant to this Agreement shall be expended by ICfCI by December 31, 2002.

4. **Compliance with Visitability Standards** Any residence constructed pursuant to this Agreement within the corporate limits of the City of Urbana shall incorporate visitability standards as adopted by the Urbana City Council.
6. **Restrictions on Subsequent Sales of Certain Units** The City and ICfCI agree that, to the extent allowable by law, the warranty deed to any house receiving funds pursuant to this Agreement shall include a provision restricting subsequent sales of said house to a family having income at or below 80 percent of area median family income for a period of ten

years from the date of the deed transferring title from ICfCI to the first homeowner. This deed restriction shall not apply to properties repossessed by a financial institution as a result of foreclosure proceedings.

7. **Financial Responsibility** The allocation of funds by the City pursuant to this Agreement shall in no way obligate the City for any financial responsibility incurred by the Project in excess of the funding pledged herein.

8. **Equal Employment** ICfCI agrees that there shall be no discrimination against any person who is employed in carrying out the Project, or against any applicant for such employment, because of race, color, religion, sex, age, or national origin, or any other discrimination prohibited by Urbana law, including but not limited to employment, upgrading, demotion, or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. ICfCI further agrees to the following.
 - A. It shall be bound by said equal opportunity clause with respect to its own employment practices during the duration of its participation with the City and HUD.
 - B. It shall furnish the City and HUD with information as they may require for the supervision of such compliance and will otherwise assist the City and HUD in the discharge of primary responsibility for securing compliance.
 - C. It shall carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the Secretary of Labor, the City, or HUD.
 - D. It shall abide by the Urbana Human Rights Ordinance regarding equal employment.

9. **Certifications** ICfCI represents the following with respect to this Agreement.
 - A. ICfCI possesses legal authority to receive HOME Program funds from the City and to execute the Project as described herein.
 - B. The governing body of ICfCI has duly adopted or passed as an official act a resolution, motion, or similar action authorizing execution of this Agreement including all understandings and assurances contained herein, and directing and designating the authorized representative of ICfCI to act in connection with this Agreement and to provide such additional information as may be required.
 - C. ICfCI, its successors and assigns, agrees to develop and operate the Project in accordance with HOME Program regulations promulgated at 24 CFR Part 92 and with applicable building codes.
 - D. ICfCI, its successors and assigns, agrees to comply with Section 3 of the Fair Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u), which provides that, to the greatest extent feasible, opportunities for training and employment that arise through the Project shall be given to low-income residents of Champaign County and that contracts in connection with the Project be awarded to

business concerns located in or owned in substantial part by persons residing in Champaign County. ICfCI agrees to comply with provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of HUD set forth in 24 CFR Part 135, and all applicable rules and orders of HUD issued thereunder. ICfCI certifies and agrees that it is under no contractual or other disability that would prevent ICfCI from complying with these requirements. The responsibility to comply with Section 3 regulations includes the following.

- Including reference to Section 3 in each subcontract in excess of \$100,000.
 - Sending each labor organization or representative of workers with which ICfCI has a collective bargaining agreement or other understanding a notice of the ICfCI commitment under Section 3.
 - Posting copies of the notice in conspicuous places at work sites where both employees and applicants for employment positions can see the notice.
 - Refrain from filling any vacant employment and training positions after the contractor is selected but before the contract is executed to circumvent obligations under Section 3.
 - Refrain from entering into any contract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of Section 3 regulations.
 - Directing efforts to award covered contracts to Section 3 business concerns in order of priority.
 - Directing efforts to employ and train Section 3 residents in the order of priority.
 - Documenting actions taken to comply with Section 3 requirements.
 - Submitting required Section 3 reports.
- E. ICfCI acknowledges there is no match requirement for these HOME CHDO funds disbursed by the City in the amount of \$51,950.
- F. ICfCI agrees to give maximum feasible priority to very low-income persons when administering the Project described herein.
- G. ICfCI shall comply with the regulations, policies, guidelines, and requirements of federal management circulars as they relate to the acceptance and use of federal funds for the Project. ICfCI agrees to maintain financial records in accordance with applicable Federal guidelines; OMB circulars A-110, A-122, and A-133; the following requirements of 24 CFR Part 84: 84.2, 84.5, 84.13, 84.16, 84.21, 84.22, 84.26 - 84.28, 84.30, 84.31, 84.34 - 84.37, 84.40 - 84.48, 84.51, 84.60 - 84.62, 84.72, and 84.73. ICfCI shall separately and accurately identify use of HOME funds pursuant to this Agreement.
- H. ICfCI shall comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no person in the United States shall on the ground of race, color, or national origin, be

excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which ICfCI receives federal financial assistance.

- I. ICfCI shall comply with Executive Order 11246, and all regulations issued pursuant thereto (24 CFR Part 130), which provide that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in all phases of employment during the performance of federal or federally-assisted contracts. Such contractors and subcontractors shall take affirmative action to insure fair treatment in employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation and selection for training and apprenticeship.
- J. ICfCI shall establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
- K. No Federal appropriated funds have been paid or will be paid, by or on behalf of ICfCI, to any person for influencing or attempting to influence an officer or employee of any agency including the City, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

If any funds other than Federal appropriated funds have been paid, or will be paid to any person for influencing or attempting to influence an officer or employee of any agency including the City, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, ICfCI will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- L. ICfCI shall give HUD and the Comptroller General through any authorized representative access to and the right to examine all records, books, papers, or documents related to the Project.
- M. ICfCI authorizes the City and HUD to conduct on-site reviews, examine personnel records, and to conduct any other procedure or practice necessary to assure compliance with this Agreement. ICfCI will ensure that all documents related to this Project shall be kept for a period of five years.

- N. ICfCI shall at all times observe and comply with all laws, ordinances, or regulations of Federal, State, and local governments which may in any manner affect the performance of this Agreement. ICfCI shall be liable to perform all acts to the City in the same manner as the City performs these functions to the Federal government.
- O. ICfCI shall be responsible for any and all claims, costs, causes, actions, and expenses, including, but not limited to, attorneys' fees incurred by reason of a law suit or claim for compensation arising in favor of any person, including the employees, officers, independent contractors, subcontractors, or agents of ICfCI, on account of personal injuries or death, or damages to property occurring, growing out of, incident to, or resulting under this Project, whether such loss, damage, injury, or liability is contributed to by the negligence of the City or its officers, employees, or agents, or by the premises themselves or any equipment thereon whether latent or patent, or from other causes whatsoever, except that ICfCI shall have no liability for damages or the costs incident thereto caused by the sole negligence of the City, or its officers, employees, or agents.
- P. ICfCI shall have full control of the ways and means of performing the services referred to herein. ICfCI acknowledges and agrees that its employees, representatives, subcontractors, and agents may in no respect be considered employees of the City.
- Q. ICfCI agrees that, to the greatest extent feasible, all construction-related expenditures made for the Project shall be made to Champaign County firms or individuals.
10. **Prohibition Against Lobbying** ICfCI acknowledges that no funds disbursed pursuant to this Agreement shall be used to finance lobbying activities. Furthermore, ICfCI acknowledges that no ICfCI employee funded in whole or part pursuant to this Agreement shall engage in lobbying activities at any time during the term of this Agreement. For purposes of this Agreement the term "lobbying activities" shall include the following.
- any activity related to the election or appointment of an individual to public office, including, but not limited to, contributions to campaign funds, solicitation in an attempt to influence the outcome of an election for public office, and preparation and dissemination of campaign materials
 - sponsorship of candidate forums
 - sponsorship of voter registration drives
 - provision of transportation to polling places
 - contributing financially to elected or appointed public officials in an attempt to influence legislation
 - hiring an individual or individuals to represent an organization and/or its position before elected or appointed public officials .

CITY OF URBANA

BY: _____

DATE: _____

ATTEST: _____

ILLINOIS CENTER FOR CITIZEN INVOLVEMENT

BY: _____

DATE: _____

ATTEST: _____

- Exhibit 1: ICfCI HomeBuild4 and Capacity Building Grants FY'02 Budgets*
- Exhibit 2: Benchmarks for General Support Grant to the Illinois Center for Citizen Involvement FY'02*
- Exhibit 3: Memo dated August 22, 2001 from Mike Doyle to Bob Grewe concerning Capacity Building Grant Activities*

Attachment 1

Attachment 2

Attachment 3

ORDINANCE NO. 2001-11-153

AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION
OF AN URBANA HOME CONSORTIUM COMMUNITY HOUSING DEVELOPMENT ORGANIZATION
AGREEMENT

(Illinois Center for Citizen Involvement - CHDO Capacity Building FY 2001-
2002)

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF
URBANA, ILLINOIS, as follows:

Section 1. That an Agreement providing \$51,950 in HOME funds, for
capacity building activities related to the completion of HomeBuild3 and Eads
at Lincoln, between the City of Urbana, Illinois and the Illinois Center for
Citizen Involvement, in the form of the copy of said Agreement attached
hereto and hereby incorporated by reference, be and the same is hereby
authorized and approved.

Section 2. That the Mayor of the City of Urbana, Illinois, be and the
same is hereby authorized to execute and deliver and the City Clerk of the
City of Urbana, Illinois, be and the same is authorized to attest to said
execution of said Agreement as so authorized and approved for and on behalf
of the City of Urbana, Illinois.

PASSED by the City Council this _____ day of _____,
_____.

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____,
_____.

Tod Satterthwaite, Mayor