



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Diane Wolfe Marlin, Mayor, City of Urbana

FROM: John A. Schneider, MPA, Manager, Community Development Services Dept.

DATE: August 10, 2017

SUBJECT: **A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF AN URBANA HOME CONSORTIUM SUBRECIPIENT AGREEMENT (Courage Connection TBRA FY 2017-2018)**

Description

Included on the agenda of the August 14, 2017 Urbana City Council meeting is a resolution approving and authorizing the execution of an Urbana HOME Consortium subrecipient agreement as part of the HOME Investment Partnerships Program.

The proposed agreement would allocate \$150,000 from the City of Urbana and City of Champaign allocations of HOME funds to assist Courage Connection to fund a tenant-based rental assistance (TBRA) program for qualified low-income renters. A maximum of \$27,671.50 in additional project delivery funds will be available to Courage Connection if appropriate documentation shows that eligible project related soft costs were expended in direct relation to administering the TBRA program, as stated in the agreement. The participants in this TBRA program will also be offered case management from Courage Connection.

Background

On January 27, 2017, the City of Urbana issued a Request for Proposals to dedicate uncommitted funds to affordable housing initiatives, with a deadline for proposal submission of February 27, 2017. A total of three responses were received, and the Urbana HOME Consortium Technical Committee examined the projects, and conditionally awarded \$150,000 to each applicant, pending approval by the Urbana City Council. The funding proposed for this agreement with Courage Connection stems from the both the City of Champaign and City of Urbana allocations of FY 14-15 and FY 15-16 HOME funding.

To allocate funding to the projects, the City of Urbana was required to complete an Annual Action Plan amendment, which was the subject of a public hearing on March 28, 2017, and was approved by the Urbana City Council on May 1, 2017. This FY 15-16 Annual Action Plan amendment was subsequently reviewed and acknowledged by HUD on July 10, 2017. The Urbana HOME Consortium is now prepared to enter into subrecipient agreements that will commit the HOME funding to specific projects.

At its July 25th, 2017 regular meeting (unapproved minutes attached), the Community Development Commission reviewed the agreements and voted unanimously to recommend City Council approval of the Resolution approving the agreement with Courage Connection.

Proposed Project and Schedule

An estimated twenty (20) households are expected to benefit from TBRA through the proposed program, based on performance from previous funding agreements. Determining the actual number of beneficiaries is difficult due to differences in family size and monthly rents. Courage Connection is currently maintaining a HOME-funded TBRA program with two clients, and currently has the staff to manage additional clients as well.

Rental assistance would be provided by Courage Connection to each eligible tenant for a period of time not to exceed two (2) years. The previous TBRA agreement with Courage Connection was executed in 2015, and completed last month. The proposed subrecipient agreement requires that all funds must be expended by July 31, 2020.

Project Funding

Courage Connection will provide the required 25% match through agency donations and/or in-kind services via Courage Connection's staff work with TBRA participants, as part of the three year term of the agreement. Courage Connection has experienced no difficulty with regards to expending HOME funds in a timely manner in each of their prior funding agreements. Staff at Courage Connection is currently maintaining a list of interested potential TBRA clients, and is poised to contact them again to gauge their interest in the program if TBRA funding is approved through this agreement.

Options

1. Approve the Resolution approving and authorizing the execution of an Urbana HOME Consortium subrecipient agreement with Courage Connect TBRA FY 2017-2018.
2. Approve the Resolution concerning the agreement, with suggested changes.
3. Do not approve the Resolution.

Fiscal Impacts

There will be no change to the City General Fund as a direct result of executing the proposed agreement. The funding proposed for this project is already incorporated into the FY 2014-2015 and FY 2015-2016 Annual Action Plans as amended. The proposed contract and expenditure of the funds for this agreement will assist in committing the Urbana HOME Consortium's funding in a timely manner.

Meeting the HOME commitment deadline is a top priority due to the August 31, 2017 deadline imposed by HUD. The RFP process was undertaken in February of 2017 in anticipation of this deadline, and Courage Connection was conditionally awarded \$150,000, plus project delivery funds, through the process, subject to City Council approval.

Programmatic Impacts

The proposed TBRA project is in keeping with the goals and strategies outlined in the City of Urbana and Urbana HOME Consortium Consolidated Plan FY 2015-2019. The proposed agreement will utilize funding originally programmed for Whole House Rehabilitation Projects within the City of Urbana and Full Home Improvement Projects that would have been completed in the City of Champaign as part of the FY 2014-2015 and FY 2015-2016 Annual Action Plans. The Full Home Improvement Projects were not committed because the members of the Urbana HOME Consortium agreed to pool funds into an RFP process due to the amount that needed to be committed per changes in HUD regulations. Committing these carryover funds will help to secure future HOME funding in maintaining the Urbana HOME Consortium's commitment obligations and improving overall program performance.

Recommendations

Staff and the Community Development Commission recommend Urbana City Council approved the attached Resolution.

Memorandum Prepared By:



**Matthew Rejc, AICP
Community Development Coordinator
Grants Management Division**

Attachments:

1. A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF AN URBANA HOME CONSORTIUM SUBRECIPIENT AGREEMENT (Courage Connection TBRA FY 2017-2018)
2. *An Urbana HOME Consortium Subrecipient Agreement (Courage Connection TBRA FY 2017-2018)*

RESOLUTION NO. 2017-08-051R

**A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF AN
URBANA HOME CONSORTIUM SUBRECIPIENT AGREEMENT**

(Courage Connection TBRA FY 2017-2018)

WHEREAS, The City Council of the City of Urbana, Illinois, has found and determined that execution of the attached subrecipient agreement is desirable and necessary to carry out one of the corporate purposes of the City of Urbana, to wit: implementation of Strategies and Objectives to Address the Affordable Housing Needs of Low and Moderate Income Households described in the *City of Urbana and Urbana HOME Consortium (Champaign/Urbana/Champaign County) FY 2015-2019 Consolidated Plan*.

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

Section 1. That the Urbana City Council hereby approves the attached subrecipient agreement in substantially the same form as attached hereto.

Section 2. That an Agreement providing \$150,000 in HOME Program funds, for the funding of a tenant-based rental assistance program, between the City of Urbana and Courage Connection, in substantially 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 3. 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:

ABSTAINED:

Charles A. Smyth, City Clerk

APPROVED BY THE MAYOR this ____ day of _____, _____.

Diane Wolfe Marlin, Mayor

URBANA HOME CONSORTIUM
TENANT BASED RENTAL ASSISTANCE PROGRAM

(Courage Connection TBRA FY 2017-2018)

THIS Subgrantee Agreement for a Tenant Based Rental Assistance Program, hereafter referred to as the “**AGREEMENT**”, is made and entered into this ____ day of _____, _____ by and between the CITY OF URBANA, an Illinois Municipal Corporation, acting as lead entity for the Urbana HOME Consortium (hereinafter the “**GRANTOR**”), and Courage Connection, an Illinois Not-For-Profit Organization.

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-Gonzalez 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 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 2015-2019 (hereinafter the “Consolidated Plan”) in accordance with an Intergovernmental Agreement Concerning Administration of a HOME Investment Partnership known as the Urbana HOME Consortium, executed by Mayor Tod Satterthwaite on behalf of the City on July 16, 2003 (hereinafter the “Intergovernmental Agreement”); and

WHEREAS, COURAGE CONNECTION has requested Urbana HOME Consortium funding to provide Tenant Based Rental Assistance to low-income households (hereinafter the “**TBRA PROGRAM**”); and

WHEREAS, the Consolidated Plan specifies local market conditions indicating a need for Tenant Based Rental Assistance, certifies that Tenant Based Rental Assistance is an essential component of the Consolidated Plan, and recommends that the Urbana HOME Consortium expand housing opportunities for low-income households at or below 60 percent of the median family income; and

WHEREAS, COURAGE CONNECTION desires to serve as a manager of the TBRA PROGRAM within the Cities of Champaign and Urbana and the unincorporated area of Champaign County; and

WHEREAS, the GRANTOR has determined that the TBRA PROGRAM is eligible for funding under the HOME Program; and

WHEREAS, the GRANTOR has determined that COURAGE CONNECTION has the ability to provide the required private matching funding to cover the cost of the TBRA PROGRAM; and

WHEREAS, COURAGE CONNECTION has been fully informed regarding all requirements or obligations that must be met by COURAGE CONNECTION in order to utilize HOME Program funds for the TBRA PROGRAM, including but not limited to, the requirement that all participating households must meet the income eligibility requirements at or below 60 percent of the median family income, in accordance with 24 CFR Part 92, Section 209; and

WHEREAS, on _____, _____, the Urbana City Council passed Resolution Number _____, a Resolution Approving the City of Urbana and Urbana HOME Consortium Annual Action Plan for Fiscal Year 2017-2018, wherein the City of Champaign set aside HOME funds to support ongoing Tenant Based Rental Assistance Programs currently operating in the Consortium area; and

WHEREAS, COURAGE CONNECTION, having been fully informed regarding the requirements of the HOME Program, is committed to starting the TBRA PROGRAM with the assistance of HOME Program funds on or before _____, _____ and has made necessary arrangements to provide any required matching private contribution towards the cost of said PROGRAM.

NOW, THEREFORE, in consideration of the mutual covenants, promises and representations contained herein, the parties hereto agree as follows:

ARTICLE I: HOME REQUIREMENTS

Section 1: Use of HOME Funds

The GRANTOR agrees to provide COURAGE CONNECTION an amount not to exceed **\$150,000** (of which, \$125,000 will originate from its Federal Fiscal Year 2014-2015 allocation and \$25,000 will originate from its Federal Fiscal Year 2015-2016 HOME Program funding) to be used for providing Tenant Based Rental Assistance to households at or below 60 percent of the Area Median Family Income as defined by the Department of Housing and Urban Development (HUD) on an annual basis as part of the TBRA PROGRAM. In addition, COURAGE CONNECTION may request an amount not to exceed **\$27,671.50** (from the GRANTOR's Federal Fiscal Year 2015-2016 HOME Program funding) for eligible project delivery costs as described in 24 CFR 92.209. COURAGE CONNECTION shall use the Funds in accordance with the HOME program guidelines outlined in 24 CFR Part 92 in carrying out the TBRA PROGRAM in the manner described below:

- (a) COURAGE CONNECTION shall provide the GRANTOR with the budget and financial projection for each program year from the initial start of the TBRA PROGRAM to the lease termination for each client.
- (b) COURAGE CONNECTION shall ensure that each unit is inspected according to Housing Quality Standards prior to execution of a lease for each client participating in the TBRA PROGRAM, according to 24 CFR 92.209(h)(i).

- (c) COURAGE CONNECTION shall incorporate the sample documents for the TBRA PROGRAM as described in the "Program Manual" attached hereto and by reference made a part hereof.

Section 2: Affordability

COURAGE CONNECTION shall comply with all income determinations and subsidy limit requirements of the HOME Program as set forth in HUD Regulations 24 CFR 92.209, as applicable. COURAGE CONNECTION shall verify each family's income eligibility by determining the family's annual income in accordance with the Part 5 (Section 8) methodology allowed in 24 CFR 92.203. COURAGE CONNECTION is required to re-examine and document the family's income annually if assistance extends beyond one year.

The maximum subsidy limits are published by the Department of Housing and Urban Development annually and the TBRA PROGRAM shall adhere to these limits. Utility allowances are subject to change annually and must be recalculated based on the most recent publication as provided by the City of Urbana. All lease agreements must adhere to the most recent utility allowance publication available at the time of lease execution.

For purposes of this AGREEMENT, project completion means that the final drawdown has been disbursed for the project and COURAGE CONNECTION has submitted all necessary demographic and financial information to the GRANTEE.

Section 3: HOME Project Requirements

Project Requirements:

The GRANTOR shall provide HOME funds not to exceed **\$150,000** for eligible costs as described in 24 CFR 92.209, in addition to **\$27,671.50** for eligible project delivery costs as described in 24 CFR 92.209.

The GRANTOR and COURAGE CONNECTION agree that HOME funds provided will be used for only those eligible costs listed in 24 CFR 92.209, including: rental assistance and security deposit payments. Administrative costs are not eligible, and as such will not be reimbursed by the GRANTOR.

COURAGE CONNECTION agrees to adhere to the tenant selection policies outlined in the "Program Manual" in "Attachment 1". All clients served must meet the income guidelines at or below 60 percent of the Median Family Income, as published by the Department of Housing and Urban Development each year. Preferences for clients with specific special needs cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a).

List of Documents

The following documents have been added to or made a part hereof by reference:

Attachment 1 – Program Manual

Attachment 2 – Standard Form-LLL, “Disclosure Form to Report Lobbying”

Attachment 3 – Quarterly Report Template

Attachment 4 – Budget

Attachment 5 - Statement of Special Conditions and Compliance with Uniform Administrative Requirements

Section 4: Housing Unit Standards

COURAGE CONNECTION agrees that all housing subsidized with HOME Funds shall meet Housing Quality Standards (HQS), according to the guidelines in 24 CFR 982.401. Housing shall be inspected initially prior to occupancy according to the guidelines provided in the “Program Manual” and must also be and re-inspected on an annual basis.

Section 5: Other TBRA PROGRAM Requirements

A. Non-discrimination and Equal Opportunity

COURAGE CONNECTION agrees that there shall be no discrimination against any person who is employed in carrying out the TBRA PROGRAM, or against any applicant for such employment, because of race, color, religion, sex, age, or national origin, or any other discrimination prohibited by Federal, State, County or local laws, 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. COURAGE CONNECTION further agrees to the following:

1. It shall be bound by said equal opportunity clause with respect to its own employment practices during the duration of its participation with the GRANTOR and HUD.
2. It shall furnish the GRANTOR and HUD with information as they may require for the supervision of such compliance and will otherwise assist the GRANTOR and HUD in the discharge of primary responsibility for securing compliance.
3. 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 GRANTOR, or HUD.
4. It shall abide by the Human Rights Ordinance as set forth in Chapter 12 of the Urbana Code of Ordinances.

B. Conflict of Interest

COURAGE CONNECTION guarantees that no member of, or Delegate to, the Congress of the United States shall be admitted to any share or part of this contract or to any benefit to arise from the same. COURAGE CONNECTION agrees that no members of the governing body of the locality in which COURAGE CONNECTION is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the AGREEMENT during his/her tenure, or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the services performed under this AGREEMENT. Unless expressly permitted by U.S. Department and Housing and Urban Development (“HUD”), COURAGE CONNECTION agrees that no person

who is an employee, agent, consultant, officer, or elected or appointed official of COURAGE CONNECTION and who exercises or has exercised any functions or responsibilities with respect to activities assisted with HOME funds, or who is in a position to participate in a decision making process to gain inside information with regard to such HOME-assisted activities, may obtain a financial interest or benefit from the HOME-assisted activity, or have any interest in any contract, subcontract, or agreement with respect thereto, or the proceeds there under, either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure or for one (1) year thereafter. Unless expressly permitted by the GRANTOR, no officer, employee, agent or consultant of COURAGE CONNECTION, may occupy a HOME-assisted affordable housing unit in a project.

C. Prohibited Lease Terms

The lease may not contain any of the following provisions:

1. *Agreement to be sued.* Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the owner in a lawsuit brought in connection with the lease;
2. *Treatment of property.* Agreement by the tenant that the owner may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. The owner may dispose of this personal property in accordance with State law;
3. *Excusing owner from responsibility.* Agreement by the tenant not to hold the owner or the owner's agents legally responsible for any action or failure to act, whether intentional or negligent;
4. *Waiver of notice.* Agreement of the tenant that the owner may institute a lawsuit without notice to the tenant;
5. *Waiver of legal proceedings.* Agreement by the tenant that the owner may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties;
6. *Waiver of a jury trial.* Agreement by the tenant to waive any right to a trial by jury;
7. *Waiver of right to appeal court decision.* Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease; and
8. *Tenant chargeable with cost of legal actions regardless of outcome.* Agreement by the tenant to pay attorney's fees or other legal costs even if the tenant wins in a court proceeding by the owner against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.

D. Termination of tenancy

An owner may not terminate the tenancy or refuse to renew the lease of a tenant of rental housing assisted with HOME funds except for serious or repeated violation of the terms and conditions of the lease; for violation of applicable Federal, State, or local law; for completion of the tenancy period for transitional housing; or for other good cause. To terminate or refuse to renew tenancy, the owner must serve written notice to COURAGE

CONNECTION and the tenant, specifying the grounds for the action at least 30 days before the termination of tenancy.

E. Air and Water

COURAGE CONNECTION agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 U.S.C. , 7401, *et seq.*;
- Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, *et seq.*, as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder; Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

Section 6: Records and Reports

A. Records

COURAGE CONNECTION authorizes the GRANTOR and HUD to conduct on-site reviews, examine tenant income records, and to conduct any other procedure or practice necessary to assure compliance with this AGREEMENT and applicable HUD regulations. COURAGE CONNECTION will ensure that all documents related to this Project shall be kept for a period of five (5) years after project completion. Records to be retained include, but are not limited to: initial income verification and source documentation, rent calculation worksheets, lease agreements, and documentation used to request re-imbursement of expenses. COURAGE CONNECTION shall maintain such records and accounts, including program records, project records; financial records; equal opportunity records; records demonstrating compliance with the income determination and requirements of 24 CFR 92.203; record keeping requirements of 24 CFR 92.508; records demonstrating compliance with the lead-based paint requirements of 24 CFR 92.355; records supporting exceptions to the conflict of interest prohibition pursuant to 24 CFR 92.356; and any other records as are deemed necessary by the GRANTOR to assure a proper accounting and monitoring of all HOME Funds. In the event the GRANTOR determines that such records are not being adequately maintained by COURAGE CONNECTION, the GRANTOR may cancel this AGREEMENT in accordance with Article I Section 7 and Article II herein.

With respect to all matters covered by this AGREEMENT, records will be made available for examination, audit, inspection or copying purposes at any time during normal business hours and as often as the GRANTOR, HUD, representatives of the Comptroller General of the United States or other Federal agency may require. COURAGE CONNECTION will permit same to be examined and excerpts or transcriptions made or duplicated from such records, and audits made of all invoices, materials, records of personnel and of employment and other data relating to all matters covered by this AGREEMENT. The GRANTOR's right of inspection and audit shall obtain likewise with reference to any audits made by any other agency, whether local, State or Federal.

COURAGE CONNECTION shall retain all records and supporting documentation applicable to this AGREEMENT as provided below:

- (a) For Tenant Based Rental Assistance projects, records shall be retained for five (5) years after the project completion date.
- (b) Written agreements must be retained for five (5) years after date of project completion.
- (c) If any litigation, claim, negotiation, audit, monitoring, inspection or other action has been started before the expiration of the required record retention period, records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the required period, whichever is later.

B. Reports

COURAGE CONNECTION agrees to submit to the GRANTOR the reports as described in this section. COURAGE CONNECTION will ensure that all documents related to these reports shall be kept for a period of five (5) years after project's affordability period has been completed. Records to be retained include, but are not limited to: quarterly reports as described in this section; receipts and invoices for materials, supplies, and services; documentation used to request re-imbursement of expenses, and documentation of household income eligibility.

Quarterly Reports: COURAGE CONNECTION must submit quarterly reports no more than one month after the end of each quarter. The following table lists the end of the quarter and the corresponding quarterly report due date:

| Quarter | Period | Quarterly Report Due Date |
|-----------------|-------------------------|---------------------------|
| 1 st | July 1 – September 30 | October 31 |
| 2 nd | October 1 – December 31 | January 31 |
| 3 rd | January 1 – March 31 | April 30 |
| 4 th | April 1 – June 30 | July 31 |

The quarterly reports shall be submitted by COURAGE CONNECTION quarterly until project completion. A sample is attached as "Attachment 3".

Section 7: Enforcing of Agreement

A default shall consist of any use of HOME Program funds for a purpose other than as authorized by this AGREEMENT, noncompliance with the HOME Program guidelines as outlined in 24 CFR Part 92, any material breach of the AGREEMENT, failure to timely comply with the audit requirements in Article XIII, failure to expend HOME Program funds in a timely manner, or a misrepresentation in the application submission which, if known by GRANTOR and/or HUD, would have resulted in HOME Program funds not being provided. Upon due notice to COURAGE CONNECTION of the occurrence of any such default and the provision of a reasonable opportunity to respond, the GRANTOR may take one or more of the following actions:

- (a) Direct COURAGE CONNECTION to prepare and follow a schedule of actions for carrying out the affected activities, consisting of schedules, timetables and milestones necessary to implement the affected activities;
- (b) Direct COURAGE CONNECTION to establish and follow a management plan that assigns responsibilities for carrying out the remedial actions;
- (c) Cancel or revise activities likely to be affected by the performance deficiency, before expending HOME Program funds for the activities;
- (d) Reprogram HOME funds that have not yet been expended from affected activities to other eligible activities or withhold HOME Program funds;
- (e) Direct the COURAGE CONNECTION to reimburse the GRANTOR's HOME Program accounts in any amount not used in accordance with the requirements of 24 CFR Part 92, et al;
- (f) Suspend disbursement of HOME Program funds for affected activities;
- (g) Other appropriate action including, but not limited to, any remedial action legally available, such as litigation seeking declaratory judgment, specific performance, damages, temporary or permanent injunctions, termination of the AGREEMENT and any other available remedies.

For purposes of this AGREEMENT, a reasonable opportunity to respond to any default shall be thirty (30) days from receipt by COURAGE CONNECTION of the GRANTOR's written notice of default. No delay or omission by GRANTOR and/or HUD in exercising any right or remedy available to it under the AGREEMENT shall impair any such right or remedy or constitute a waiver or acquiescence in any COURAGE CONNECTION default.

Unless the COURAGE CONNECTION's default is waived, the GRANTOR may, upon twenty-four (24) hour written notice, terminate this AGREEMENT for said default. Waiver by the GRANTOR of COURAGE CONNECTION's default under this AGREEMENT shall not be deemed to be a waiver of any other default nor shall it be termination notice.

Notices required herein, shall be considered received by the COURAGE CONNECTION and the GRANTOR if delivered in person, or when deposited in the U.S. Mail, postage prepaid certified mail, return receipt requested.

Section 8: Request for Disbursement of Funds

COURAGE CONNECTION shall not request disbursement of HOME Program funds until HOME Program funds are needed to pay eligible costs related to the TBRA PROGRAM. The amount of any request for funds shall not exceed the amount needed and shall be supported by appropriate documentation such as an invoice or performance-progress reports. The GRANTOR shall make payment to COURAGE CONNECTION within fourteen (14) calendar days of receipt of a complete and acceptable request by the GRANTOR. The GRANTOR reserves the right to withhold disbursement of funds until appropriate documentation is submitted. All checks shall be made payable to "Courage Connection". All monies granted to COURAGE CONNECTION pursuant to this AGREEMENT shall be expended by **July 31, 2020**. In the event that all funds are not disbursed, the remaining balance shall be retained by the City of Urbana to be

reprogrammed for other eligible HOME Program activities. COURAGE CONNECTION agrees that any program income proceeds will be returned to the GRANTOR.

Section 9: Duration of Agreement

This AGREEMENT shall be effective as of the date executed by the Mayor and attested by the City Clerk and shall remain in effect until five years after project completion when all files may be destroyed in accordance with State and Federal law.

ARTICLE II: FINANCIAL RESPONSIBILITY

The allocation of funds by the GRANTOR pursuant to this AGREEMENT shall in no way obligate the GRANTOR for any financial responsibility incurred by the TBRA PROGRAM in excess of the funding pledged herein. The GRANTOR reserves the right to withhold pledged funds if the GRANTOR is not satisfied with the COURAGE CONNECTION's compliance with the terms and conditions of performance outlined in this AGREEMENT.

ARTICLE III: CERTIFICATIONS

COURAGE CONNECTION represents the following with respect to this AGREEMENT.

- A. COURAGE CONNECTION possesses legal authority to receive HOME Program funds from the GRANTOR and to undertake and execute the TBRA PROGRAM as described herein.
- B. The governing body of COURAGE CONNECTION 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 COURAGE CONNECTION to act in connection with this AGREEMENT and to provide such additional information as may be required.
- C. COURAGE CONNECTION, its successors and assigns, agrees to develop and operate the TBRA PROGRAM in accordance with HOME Program regulations promulgated at 24 CFR Part 92.
- D. COURAGE CONNECTION agrees to give maximum feasible priority to very low-income persons when administering the TBRA PROGRAM described herein.
- F. COURAGE CONNECTION acknowledges it shall match HOME Program funds disbursed by the GRANTOR and pursuant to this AGREEMENT in at least the amount of **\$37,500** in non-federal funds as defined in 24 CFR Part 92.220. Additional matching funds will be required if project delivery funds are requested. All documentation of said match funds must be filed and submitted to GRANTOR upon request.

- G. COURAGE CONNECTION 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 TBRA PROGRAM. COURAGE CONNECTION 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. COURAGE CONNECTION shall separately and accurately identify use of HOME funds pursuant to this AGREEMENT. COURAGE CONNECTION will also comply with federal regulations stated at 2 CFR 200.
- H. COURAGE CONNECTION 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 COURAGE CONNECTION receives federal financial assistance.
- I. COURAGE CONNECTION 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.
- J. No Federal appropriated funds have been paid or will be paid, by or on behalf of COURAGE CONNECTION, to any person for influencing or attempting to influence an officer or employee of any agency including the GRANTOR, 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 GRANTOR, 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, COURAGE CONNECTION will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," as provided in "Attachment 2" and in accordance with the corresponding instructions.

- K. COURAGE CONNECTION 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 PROGRAM.
- L. COURAGE CONNECTION 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. COURAGE CONNECTION shall be liable to perform all acts to the GRANTOR in the same manner as the GRANTOR performs these functions to the Federal government.

- M. COURAGE CONNECTION 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, or agents of COURAGE CONNECTION, on account of personal injuries or death, or damages to property occurring, growing out of, incident to, or resulting under this TBRA PROGRAM, whether such loss, damage, injury, or liability is contributed to by the negligence of the GRANTOR 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 COURAGE CONNECTION shall have no liability for damages or the costs incident thereto caused by the sole negligence of the GRANTOR, or its officers, employees, or agents.
- N. COURAGE CONNECTION shall have full control of the ways and means of performing the services referred to herein. COURAGE CONNECTION acknowledges and agrees that its employees, representatives, and agents may in no respect be considered employees of the GRANTOR.
- O. COURAGE CONNECTION shall not charge clients fees related to loan origination, processing, inspection, servicing, or any other service performed.

ARTICLE IV: NOTICES

Notices and communications under this AGREEMENT shall be sent first class, prepaid to the respective parties as follows.

TO THE GRANTOR: Manager
 Grants Management Division
 400 South Vine Street
 Urbana, Illinois 61801

TO: Executive Director
 Courage Connection
 508 East Church Street
 Champaign, IL 61820

ARTICLE V: CONTINGENCIES

This AGREEMENT, including the provision of funds by the GRANTOR for the TBRA PROGRAM as described herein, is contingent upon the signing of GRANTOR and COURAGE CONNECTION.

ARTICLE VI: ASSIGNMENT

COURAGE CONNECTION shall not assign this AGREEMENT, nor any part thereof, without prior written approval of the GRANTOR.

ARTICLE VII: MODIFICATION

No modification of this AGREEMENT shall be effective unless in writing and executed by the parties hereto.

ARTICLE VIII: EXECUTION OF AGREEMENT

This AGREEMENT shall be binding upon the GRANTOR and COURAGE CONNECTION, their successors and assigns, and shall be effective as of the date executed by the Mayor of Urbana and attested by the City Clerk.

ARTICLE IX: PROJECT PUBLICITY

Any news release or other type of publicity pertaining to the work performed pursuant to this AGREEMENT must recognize GRANTOR as a Subrecipient, funded by HUD.

ARTICLE X: MONITORING AND EVALUATING

The GRANTOR shall be responsible for monitoring and/or evaluating all aspects of the services provided by COURAGE CONNECTION under this AGREEMENT. The GRANTOR shall have access to and be able to make copies and transcriptions of such records as may be necessary in the determination of the GRANTOR or HUD to accomplish this monitoring and/or evaluation. In order to properly monitor or evaluate the COURAGE CONNECTION'S performance under this AGREEMENT, the GRANTOR shall make on-site inspections annually or as often as it deems necessary. Failure by the COURAGE CONNECTION to assist the GRANTOR in this effort, including allowing the GRANTOR to conduct the on-site inspections and have access to the COURAGE CONNECTION'S records, shall result in the imposition of sanctions as specified in Article I Section 7 herein.

Said evaluation may be accomplished by the GRANTOR through a management evaluation of the services provided under this AGREEMENT during the term of this AGREEMENT.

ARTICLE XI: INDEMNIFICATION

COURAGE CONNECTION shall to the fullest extent allowed by law defend, hold harmless and indemnify the GRANTOR from and against any and all liability, injury, loss, claims, damages, costs, attorneys' fees and expenses of whatever kind or nature which the GRANTOR may sustain, suffer or incur or be required to pay by reason of:

- A. The loss of any monies paid to COURAGE CONNECTION;
- B. Fraud, defalcation or dishonesty on the part of any person representing, employed by, contracted or subcontracted by COURAGE CONNECTION;

Attachment 1 – Program Manual

Attachment 2
Sample Standard Form –LLL, Disclosure Form to Report Lobbying

DISCLOSURE OF LOBBYING ACTIVITIES Approved by OMB Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352 0348-0046 (See reverse for public burden disclosure.)

| | | |
|--|---|--|
| 1. Type of Federal Action: <input type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance | 2. Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award | 3. Report Type: <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change For Material Change Only: year _____ quarter _____ date of last report _____ |
| 4. Name and Address of Reporting Entity: <input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: Congressional District, if known: 4c | 5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime: Congressional District, if known: | |
| 6. Federal Department/Agency: | 7. Federal Program Name/Description: CFDA Number, if applicable: _____ | |
| 8. Federal Action Number, if known: | 9. Award Amount, if known: \$ | |
| 10. a. Name and Address of Lobbying Registrant <i>(if individual, last name, first name, MI):</i> | b. Individuals Performing Services <i>(including address if different from No. 10a)</i> <i>(last name, first name, MI):</i> | |
| 11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. | Signature: _____ Print Name: _____ Title: _____ Telephone No.: _____ Date: _____ | |
| Federal Use Only: | | Authorized for Local Reproduction Standard Form LLL (Rev. 7-97) |

PRINT

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zipcode of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

. According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503

Attachment 3 – Quarterly Report Template

Attachment 3 - Sample Quarterly Report

| Courage Connection - TBRA HOME Program | | | | | | | | | | | | | | | |
|--|---------|---------|-------------|-----------|------------|---------|-------|----------|------|------|------|---------|------|--------|------------|
| Client | # of BR | Deposit | Tenant Rent | TBRA Rent | Total Rent | Utility | % MED | Hispanic | Race | Size | Type | Paid to | New? | Months | Lease Date |
| | | | | | | | | | | | | | | | |
| 1 | | | | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | | | | |
| 4 | | | | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | | | | |
| 6 | | | | | | | | | | | | | | | |
| 7 | | | | | | | | | | | | | | | |
| 8 | | | | | | | | | | | | | | | |
| 9 | | | | | | | | | | | | | | | |
| 10 | | | | | | | | | | | | | | | |
| 11 | | | | | | | | | | | | | | | |
| 12 | | | | | | | | | | | | | | | |
| 13 | | | | | | | | | | | | | | | |
| 14 | | | | | | | | | | | | | | | |
| 15 | | | | | | | | | | | | | | | |
| 16 | | | | | | | | | | | | | | | |
| 17 | | | | | | | | | | | | | | | |
| 18 | | | | | | | | | | | | | | | |
| 19 | | | | | | | | | | | | | | | |
| 20 | | | | | | | | | | | | | | | |
| 21 | | | | | | | | | | | | | | | |
| 22 | | | | | | | | | | | | | | | |
| 23 | | | | | | | | | | | | | | | |
| 24 | | | | | | | | | | | | | | | |
| 25 | | | | | | | | | | | | | | | |
| 26 | | | | | | | | | | | | | | | |
| 27 | | | | | | | | | | | | | | | |
| 28 | | | | | | | | | | | | | | | |
| 29 | | | | | | | | | | | | | | | |
| 30 | | | | | | | | | | | | | | | |

\$0.00
\$0.00

Total Monthly Subsidy \$0.00 \$0.00 \$0.00

- | | | | | |
|-----------------|---------------------------|---|-----------------------|--------------------------|
| Bedrooms | Household % of Med | Household Race | Household Size | Household Type |
| 0 - Efficiency | 1 - 0 to 30% | 11 - White | 1 - 1 Person | 1 - Single / Non-Elderly |
| 1 - 1 Bedroom | 2 - 30 to 50% | 12 - Black / African American | 2 - 2 Persons | 2 - Elderly |
| 2 - 2 Bedrooms | 3 - 50 to 60% | 13 - Asian | 3 - 3 Persons | 3 - Single Parent |
| 3 - 3 Bedrooms | 4 - 60 to 80% | 14 - American Indian / Alaska Native | 4 - 4 Persons | 4 - Two Parents |
| 4 - 4 Bedrooms | | 15 - Native Hawaiian / Other Pacific Islander | 5 - 5 Persons | 5 - Other |
| 5 - 5 Bedrooms | | 16 - American Indian / Alaska Native | 6 - 6 Persons | |
| | | 17 - Asian | 7 - 7 Persons | |
| | | 18 - Black / African American & White | 8 - 8 or more Persons | |
| | | 20 - Other / Multi-Race | | |

Attachment 4 - Budget

COURAGE CONNECTION

| | |
|----------------------------------|---------------------|
| TBRA Budgeted Amount: | \$150,000.00 |
| Maximum Project Delivery: | \$27,671.50 |
| TOTAL | \$177,671.50 |

Required Match (if all project delivery is requested): **\$44,417.88**

Project Funds are to be expended on the following activities:

Tenant Based Rental Assistance Program

HOME funds will be used to provide affordable housing assistance to low-income residents of the Urbana Consortium area in the City of Urbana, City of Champaign and in unincorporated Champaign County. Assisted households will have annual incomes at or below 60% of the Area Median in accordance with HOME Regulations. The participating clients make co-payments toward rent (not to exceed 30% of the household income), based on their approved self-sufficiency plan.

Project delivery (PD) can be reimbursed as needed for staff time spent undertaking the following actions directly attributable to undertaking the Tenant Based Rental Assistance Program: inspecting the housing to be occupied by a TBRA recipient, determining income eligibility of applicants, including the time associated with documenting and verifying income and asset sources, determining the amount of the tenant-based assistance that an applicant is eligible for. The use of project delivery funds will increase the amount of match that is required to be provided.

| Budgeted Item | HOME Funds Allocated |
|---|---|
| Tenant Based Rental Assistance Program: Lease#1 | \$10,000.00 + \$2,767.15 PD |
| Tenant Based Rental Assistance Program: Lease #2 | \$10,000.00 + \$2,767.15 PD |
| Tenant Based Rental Assistance Program: Lease #3 | \$10,000.00 + \$2,767.15 PD |
| Tenant Based Rental Assistance Program: Lease #4 | \$10,000.00 + \$2,767.15 PD |
| Tenant Based Rental Assistance Program: Lease #5 | \$10,000.00 + \$2,767.15 PD |
| Tenant Based Rental Assistance Program: Lease #6 | \$10,000.00 + \$2,767.15 PD |
| Tenant Based Rental Assistance Program: Lease #7 | \$10,000.00 + \$2,767.15 PD |
| Tenant Based Rental Assistance Program: Lease #8 | \$10,000.00 + \$2,767.15 PD |
| Tenant Based Rental Assistance Program: Lease #9 | \$10,000.00 + \$2,767.15 PD |
| Tenant Based Rental Assistance Program: Lease #10 | \$10,000.00 + \$2,767.15 PD |
| Tenant Based Rental Assistance Program: Lease #11 | \$10,000.00 + \$2,767.15 PD |
| Tenant Based Rental Assistance Program: Lease #12 | \$10,000.00 + \$2,767.15 PD |
| Tenant Based Rental Assistance Program: Lease #13 | \$10,000.00 + \$2,767.15 PD |
| Tenant Based Rental Assistance Program: Lease #14 | \$10,000.00 + \$2,767.15 PD |
| Tenant Based Rental Assistance Program: Lease #15 | \$10,000.00 + \$2,767.15 PD |
| Total | \$177,671.50 HOME (+ Match Required) |

ATTACHMENT 5: Statement of Special Conditions and Compliance with Uniform Administrative Requirements

COURAGE CONNECTION understands and agrees that it is eligible to receive funds for **FY 2017-2018 Courage Connection Tenant Based Rental Assistance** pursuant to this agreement.

The following conditions, in addition to those established in the agreement itself, and other attachments thereto, and federal, state, county and city laws, regulations, and procedures pertinent to this project, have been set forth and must also be complied with in order for COURAGE CONNECTION to receive HOME Program Assistance for **FY 2017-2018 Courage Connection Tenant Based Rental Assistance**.

COURAGE CONNECTION agrees that funds received from the Urbana HOME Consortium pursuant to this agreement shall be used to cover project costs. COURAGE CONNECTION shall report semi-annually for periods ending December 31st and June 30th all program income generated by activities carried out with HOME funds made available under this agreement. COURAGE CONNECTION shall manage program income generated during activities permitted under this agreement as per Article XIII of the attached agreement. COURAGE CONNECTION shall follow the program income requirements as outlined in Section 200.307 of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule ("Omni Circular").

1. COURAGE CONNECTION agrees to submit semi-annual Progress Reports to the Urbana HOME Consortium (hereinafter the "GRANTOR") in an agreed upon format. Progress Reports shall be due December 31st and June 30th. The GRANTOR shall not process final billing requests for payment until a final Progress Report upon project completion is submitted.
2. COURAGE CONNECTION agrees to maintain financial records in accordance with the applicable federal OMB Circulars A-110 and A-122 and to separately and accurately identify use of HOME Program funds pursuant to this agreement.
3. COURAGE CONNECTION acknowledges and affirms that it has the organizational capacity to adhere to collection and reporting requirements, regarding performance measures, as required by Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule Subpart D, Sections 200.300-200.303. Such performance measures will be decided upon by COURAGE CONNECTION and the City of Urbana's Grants Management Division. COURAGE CONNECTION is permitted to demonstrate organizational capacity by various methods, including but not limited to:
 - Use of OMB-approved standard information collections when providing financial and performance information;
 - Providing financial data showing performance accomplishments of the Grant award;
 - Cost information shall be distributed to the GRANTOR to demonstrate cost effective practices;
 - COURAGE CONNECTION shall provide the GRANTOR with the same information required by the Federal awarding agency under sections 200.301 and 200.210; and
 - All expenditures shall be accounted for, in compliance with requirements under section 200.302, as interpreted by the GRANTOR.

4. COURAGE CONNECTION agrees to follow either the procurement guidelines set forth in Section 200.320 of the Omni Circular, or the procurement guidelines/standards which COURAGE CONNECTION uses during its normal course of business; whichever of the two guidelines is more restrictive. If the procurement methods that COURAGE CONNECTION uses during its normal course of business are more restrictive, those guidelines shall be used, and a copy of those guidelines will be incorporated into this agreement by reference. If the procurement guidelines set forth in Section 200.320 of the Omni Circular are more restrictive, then the program procurement methods shall be limited to procurement by (a) small purchase procedures; (b) sealed bids; (c) competitive proposals; or (d) noncompetitive proposals, as directed by and outlined in Section 200.320.

5. COURAGE CONNECTION agrees to provide the City of Urbana's Community Development Services Department with regular reports, and any other reports which the Department may require for compliance under this agreement, including reports on performance measures, as outlined in Section 200.301 of the Omni Circular. COURAGE CONNECTION and the GRANTOR shall decide upon such performance measures based on the requirements outlined by HUD for the category of eligible activities that COURAGE CONNECTION's program engages in. COURAGE CONNECTION shall use OMB-approved information collection standards, when providing financial and performance information. COURAGE CONNECTION shall provide financial data, and its relation to performance accomplishments, of the federal award. COURAGE CONNECTION agrees to provide the GRANTOR with (a) documents pertaining to procedures; (b) copies of all contracts and subcontracts for work financed in whole or in part with assistance provided under this agreement; and (c) (if applicable) regularly updated schedules of program activities.

6. COURAGE CONNECTION shall obtain written permission from the City of Urbana Grants Management Division Manager or Community Development Director prior to any change in the approved budget or program plans following Omni Circular Section 200.308(C) (increase or decrease) of ten percent (10%) of the line item's budget or \$500, whichever is less, to any account under COURAGE CONNECTION's line item budget. In order for the GRANTOR to approve such a request, COURAGE CONNECTION's written request must contain, at a minimum: (a) the reason and justification for the change; (b) the amounts to be changed; and (c) a description of which line items are affected. Changes made without the GRANTOR's prior approval may result in non-reimbursement of expenditures from those affected line items.

7. COURAGE CONNECTION shall carry sufficient insurance coverage to protect agreement assets from loss due to theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to any HOME cash advances. COURAGE CONNECTION shall comply with the bonding and insurance requirements of the Omni Circular 200.310 and 200.325, Insurance and Bonding requirements.

8. COURAGE CONNECTION further agrees to maintain written standards of conduct covering conflicts of interest, as outlined in the Omni Circular Sections 200.318(c)(1) & (2). These standards of conduct will include language stating that no employee, officer, or agent will participate in the selection, award or administration of a contract supported by HOME funds, if

that employee, officer or agent has a real or apparent conflict of interest. Conflicts of interest arise if the employee, officer, agent, the immediate family member of such a person, the partner of such a person, or an organization which employs such a person or is about to employ such a person, has any financial or other interest in or may gain a tangible personal benefit from a firm considered for a contract. Such officers, employees or agents of COURAGE CONNECTION may not solicit or accept anything of monetary value from contractors or subcontractors, unless it is an unsolicited gift of nominal value which would in no way influence the recipient to engage in conduct which would amount to a conflict of interests. The written standards must also include standards of conduct covering organizational conflicts of interest, in which COURAGE CONNECTION may be unable or appears to be unable to be impartial in conducting procurement actions due to relationships between COURAGE CONNECTION and relationships with a parent company, affiliate, or subsidiary organization. The written standards provided by COURAGE CONNECTION will include disciplinary actions to be applied for violations of such standards.

9. As a non-governmental entity, COURAGE CONNECTION shall comply with the regulations, policies, guidelines, requirements and standards of federal OMB 2 CFR Chapter I, Chapter II, Part 200, *et al*, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule" Omni Circular, as specified in this paragraph:

- Subpart B - "General Provisions";
- Subpart C - "Pre-Federal Award Requirements and Contents of Federal Awards," except for Section 200.203, "Notices of funding opportunities," 200.204, "Federal awarding agency review of merit of proposals," 200.205, "Federal awarding agency review of risk posed by applicants," and 200.207, "Specific conditions," which are required only for competitive federal awards;
- Subpart D - "Post Federal Award Requirements Standards for Financial and Program Management," except for:
 - Section 200.305, "Payment." The GRANTOR shall follow the standards contained in 24 CFR 85.20(b)(7) and 85.21 in making payments to COURAGE CONNECTION;
 - Section 200.306, "Cost Sharing or Matching";
 - Section 200.307, "Program Income." In lieu of paragraph 200.307, COURAGE CONNECTION shall follow HOME program regulations;
 - Section 200.308, "Revision of Budget and Program Plans";
 - Section 200.311, "Real property." In lieu of 200.311, COURAGE CONNECTION shall follow HOME program regulations;
 - 24 CFR 84.34(g) "Equipment." In lieu of the disposition provisions of paragraph 84.34(g), the following applies:
 - In all cases in which equipment is sold, the proceeds shall be program income (prorated to reflect the extent to which HOME funds were used to acquire the equipment); and
 - Equipment not needed by COURAGE CONNECTION for HOME activities shall be transferred to the GRANTOR for the HOME program or shall be retained after compensating the recipient;

- 24 CFR 84.51(b), (c), (d), (e), (f), (g), and (h), "Monitoring the Reporting Program Performance";
 - 24 CFR 84.52, "Financial Reporting";
 - 24 CFR 84.53(b), "Retention and Access Requirements for Records," applies with the following exceptions:
 - The retention period referenced in paragraph 84.53(b) pertaining to individual HOME activities shall be eleven years following grant close out; and
 - The retention period starts from the date of submission of the annual performance and evaluation report, as prescribed in 24 CFR 91.520 in which the specific activity is reported on for the final time rather than from the date of submission of the final expenditure report for the award;
 - 24 CFR 84.61 "Termination".
 - Subpart D - "After-the Award Requirements," except for 24 CFR 84.71,"Closeout Procedures."
10. Records maintained by COURAGE CONNECTION pursuant to this agreement shall be available for inspection upon request by the GRANTOR and HUD.