

RESOLUTION NO. 2017-09-062R

**A RESOLUTION APPROVING AN EMERGENCY SOLUTIONS GRANTS PROGRAM
SUBRECIPIENT AGREEMENT WITH UNITED WAY OF CHAMPAIGN COUNTY,
NEW COVENANT FELLOWSHIP CHURCH, AND
FAITH UNITED METHODIST CHURCH**

(FY 2017-2018)

WHEREAS, the City of Urbana (the “City”) is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution, 1970, and may exercise any power and perform any function pertaining to its government and affairs, and the passage of this Resolution constitutes an exercise of the City’s home rule powers and functions as granted in the Illinois Constitution, 1970; and

WHEREAS, on May 15, 2017 the City submitted an application to the Illinois Department of Human Services (hereinafter “DHS”) for the Emergency Solutions Grants Program (hereinafter “ESG”) funds to continue emergency shelter programs sponsored by two private non-profit organizations: Crisis Nursery, Urbana, Illinois and United Way of Champaign County/New Fellowship Covenant/Faith United Methodist Church, Champaign, Illinois, (hereinafter collectively referred to as the “Participating Organizations”); and

WHEREAS, on June 29, 2017 the City received notice that DHS approved the City’s application for ESG funds; and

WHEREAS, on July 27, 2016, the City executed an ESG Grant Agreement (Agreement No. FCSWH03755, FY 2018) with DHS to govern expenditure of ESG funds by the City and Participating Organizations; and

WHEREAS, the Participating Organizations have heretofore expressed their intent to assume responsibility from the City for their respective emergency shelter programs with ESG funds and in accordance with ESG regulations; and

WHEREAS, in its application for ESG funds, the City declared its intent to provide ESG funds to the Participating Organizations for their use in continuing their respective emergency shelter operations and essential services for homeless individuals and families.

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

Section 1. That an Agreement providing \$14,640.00 in Emergency Solutions Grant funds to United Way of Champaign County/New Covenant Fellowship Church/Faith United Methodist Church, so as to continue their respective emergency shelter program for homeless individuals, 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 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 in substantial the form appended hereto as an exhibit 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:

Charles Smyth, City Clerk

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

Diane Wolfe Marlin, Mayor

**EMERGENCY SOLUTIONS GRANT SUBRECIPIENT AGREEMENT WITH
THE UNITED WAY OF CHAMPAIGN COUNTY
NEW COVENANT FELLOWSHIP CHURCH
FAITH UNITED METHODIST CHURCH**

CFDA #	14.231
CFDA Title	Emergency Solutions Grants Program
State Awarding Agency	Illinois Department of Human Services
Federal Awarding Agency	Department of Housing and Urban Development

Background

This Subrecipient Agreement is made between the City of Urbana, Illinois (the "City") and the United Way of Champaign County (the "United Way"), New Covenant Fellowship Church ("NCF"), and Faith United Methodist Church ("FUMC") (each a "Subrecipient" and collectively, the "Subrecipients") for Emergency Solutions Grants Agreement No. FCSWH03755

On May 15, 2017, the City submitted an application to the Illinois Department of Human Services ("DHS") for Emergency Solutions Grants Program ("ESG") funds to continue eligible activities under the ESG sponsored by two private non-profit organizations: the United Way, Champaign, Illinois and Crisis Nursery, Urbana, Illinois (collectively, the "Participating Organizations"). In its application, the City declared its intent to provide ESG funds to the Participating Organizations for their use in continuing to operate their respective emergency shelters and to provide essential social services for homeless individuals and families. On June 30, 2017, the City received notice that DHS approved the City's application for ESG funds. On July 5, 2017, the City executed an ESG Grant Agreement with DHS to govern expenditures of ESG funds by the City and the Participating Organizations.

The purpose of this Subrecipient Agreement is to set forth the terms and conditions under which the City will grant ESG funds to the United Way and, in turn, the United Way will transfer those funds to NCF and FUMC for activities authorized in the ESG Grant Agreement. Therefore, the parties agree as follows.

1. **Definitions.** Whenever used in this Subrecipient Agreement:
 - A. "Act" means Subtitle C of Title IV of the McKinney – Vento Homeless Assistance Act (the McKinney Act), 42 U.S.C. 11381 *et seq.*, as amended by the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009 and all rules and regulations promulgated thereto.
 - B. "City" is defined in the Background section of this Subrecipient Agreement.
 - C. "DHS" is defined in the Background section of this Subrecipient Agreement.
 - D. "ESG" is defined in the Background section of this Subrecipient Agreement.
 - E. "FUMC" is defined in the Background section of this Subrecipient Agreement.

- F. “Grant Agreement” means the agreement between the City and DHS executed by the City on July 27, 2017, in connection with the ESG Grant Agreement No. FCSWH03755.
- G. “Grant Application” means the application submission, May 15, 2017, on the basis of which an ESG grant was approved by DHS, including the certifications and assurances and any information or documentation required to meet any ESG award conditions.
- H. “Grant Funds” means the assistance provided under this Subrecipient Agreement.
- I. “Matching Funds” means the United Way’s provision value, whether in money or in-kind services, equal to any money provided by the City to the United Way.
- J. “Participating Organizations” is defined in the Background section of this Subrecipient Agreement.
- K. “NCF” is defined in the Background section of this Subrecipient Agreement.
- L. “State” means the State of Illinois.
- M. “Subrecipient” is defined in the Background section of this Subrecipient Agreement.
- N. “United Way” is defined in the Background section of this Subrecipient Agreement.

2. Grant Award.

- A. Subject to the terms of the Grant Agreement and this Subrecipient Agreement, the City shall provide up to \$14,640.00 in Grant Funds to the United Way for activities identified as the responsibility of NCF or FUMC in the Grant Application. The United Way shall use such Grant Funds to reimburse NCF and FUMC for activities undertaken pursuant to this Subrecipient Agreement only for the following purposes:

Operations:	<u>\$ 14,640.00</u>
Essential Service	<u>\$ 0.00</u>

- B. The United Way has secured or will secure Matching Funds to be used only for the following purposes:

Operations Matching Funds:	<u>\$ 0.00</u>
Essential Services Matching Funds:	<u>\$ 34,000.00</u>

- C. Given the total amounts of Grant Funds and Matching Funds, the amount of Total Committed Funds is shown below:

Total Committed Funds:	<u>\$ 30,000.00</u>
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3. Matching Funds.

- A. Subject to the terms of this Subrecipient Agreement, the United Way shall provide a matching contribution in funds equal to the \$14,640.00 the City is providing pursuant to this Subrecipient Agreement. Documentation of Matching Funds is required for payment of all eligible costs. Matching contributions may be obtained from any source, including any federal source other than the ESG, as well as State, local, and private sources.
- B. If a federal source of funds is used for matching contributions, the United Way shall ensure that the laws governing any funds to be used as matching contributions do not prohibit those funds from being directly used to match Grant Funds. If ESG funds are used to satisfy the matching requirements of another federal program, then funding from that program may not be used to satisfy the matching requirement for these Grant Funds.
- C. The City shall not provide the United Way with any funds to meet the United Way's matching requirements. However, nothing herein shall prohibit the City from making funds available to the United Way for emergency shelter operations or essential services activities in addition to the Grant funds.

4. **Allowable Costs – Emergency Shelter Component.** The Subrecipients shall use Grant Funds only for the following costs of providing essential services to homeless families and individuals in emergency shelters and operating emergency shelters:

- A. **Essential Services:** Case management, child care, education services, employment assistance and job training, outpatient health services, legal services, transportation, substance abuse treatment, and services for special populations.
- B. **Operations:** Maintenance (including minor or routine repairs), rent, security, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the operation of the emergency shelter.

5. **Disbursement.** If and to the extent the City receives funds under the Act, the City shall reimburse the Subrecipients in accordance with the terms of this Subrecipient Agreement. Funding in the full amount of this Subrecipient Agreement is contingent upon the City receiving Grant Funds. If the Grant Funds are discontinued or reduced for any reason, the City's payments to the Subrecipients may cease or be reduced without advance notice, and the City will not be liable for any damages as a result of such discontinuance or reduction of Grant Funds. The United Way shall not request disbursement of Grant Funds pursuant to this Subrecipient Agreement until it requires such funds to pay eligible costs that have been expended by NCF or FUMC.

6. **Disallowance.** A Subrecipient shall reimburse the City for any payments it receives under this Subrecipient Agreement that are disallowed under the ESG. If the City determines that a cost for which the City has made payment is disallowed, the City shall notify the Subrecipient of the disallowance and the required course of action, which, at the City's option, will be to adjust any future claim submitted by the Subrecipient by the amount of the disallowance or to require the Subrecipient immediately to repay the disallowed amount by issuing a check payable to the City.

7. **Subrecipients' Duties.**

- A. The Subrecipients shall:
- (1) Maintain detailed financial records that show the eligible essential services costs and shelter operating costs;
 - (2) Submit quarterly reports to the City not later than 15 days after the end of the quarter; Failure to submit reports to the City may result in the withholding or suspension of Grant Funds until the City receives and approves such reports;
 - (3) Maintain files and records as required which relate to the overall administration of the ESG; and
 - (4) Provide information for an Annual Performance Report within required timeframes.
- B. The United Way shall:
- (1) Submit quarterly Financial Status Reports to the City using the format provided by the City; and
 - (2) Submit proper documentation of eligible expenses for match to the City on a quarterly basis.
- C. NCF shall:
- (1) Gather shelter client data using the format approved by the Champaign County Continuum of Care, and submit shelter client data to the City's Grants Management Division at least once every seven (7) days when the shelter is open to clients;
 - (2) Submit quarterly Client Statistics Reports to the City using the format provided by the City;
 - (3) Use required forms to show participant eligibility, the calculation of resident rent, the policy showing savings program (if any) and the procedures for communicating said information to the participant, which must be maintained in participant file.
 - (4) Maintain adequate documentation to demonstrate the homeless eligibility of persons served by Grant Funds; and
 - (5) Allow representatives of the City or DHS to inspect facilities used in connection with this Subrecipient Agreement or which implement programs funded under this Subrecipient Agreement and to observe the provision of services.
- D. With respect to all matters covered by this Subrecipient Agreement, the Subrecipients shall make records available for examination, audit, inspection, or copying at any time

during normal business hours and as often as the City, State, U.S. Department of Housing and Urban Development, representatives of the Comptroller General of the United States, or other federal agency may require. The Subrecipients shall permit excerpts or transcriptions to be 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 Subrecipient Agreement. The City's right of inspection and audit shall obtain likewise with reference to any audits made by any other agency, whether local, State or federal.

8. **Agreement Term.** This Subrecipient Agreement is effective on the last date signed by a party hereto and will terminate on June 30, 2018, unless otherwise cancelled or amended according to its terms.

9. **Subrecipients' representations.** Each Subrecipient represents the following to the City:

- A. The Subrecipient is qualified to participate in the ESG, has the requisite expertise and experience in the provision of an emergency solutions program for homeless individuals or families, and is willing to use Grant Funds to operate such a program.
- B. The Subrecipient will provide services under this Subrecipient Agreement in a competent, professional, and satisfactory manner in accordance with the ESG.

10. **Default.**

- A. Any breach of any representation or other provision of this Subrecipient Agreement will constitute a default. A default by a Subrecipient also will consist of any of the following:
 - (1) Use of Grant Funds for a purpose other than as authorized herein;
 - (2) Noncompliance with the Act or the requirements of the Interim Rule published at 24 CFR Parts 91 and 576 on December 5, 2011, at FR-5474-I-01, a copy of which is attached as Attachment A; or
 - (3) Failure to maintain detailed financial records concerning the use of the Grant Funds.
- B. A party claiming a default shall give written notice of such default to the defaulting party, which notice will describe the nature of the default and the Section of this Subrecipient Agreement which the non-defaulting party believes was breached. The defaulting party will have fourteen (14) calendar days from the date notice was given to cure or remedy the default. During any such period following the giving of notice, the non-defaulting party may suspend performance under this Subrecipient Agreement until the defaulting party gives written assurances to the non-defaulting party, deemed reasonably adequate by the non-defaulting party, that the defaulting party will cure or remedy the default and remain in compliance with its duties under this Subrecipient Agreement.

- C. If the defaulting party is the City, and it fails to cure or remedy the default as provided herein, the non-defaulting party may exercise any right, power, or remedy granted to it pursuant to this Subrecipient Agreement or applicable law.
- D. If the defaulting party is a Subrecipient, and it fails to cure or remedy the default as provided herein, the City may take one or more of the following actions:
 - (1) Direct the Subrecipient to submit progress schedules for completing approved activities;
 - (2) Direct the Subrecipient to establish and maintain a management plan that assigns responsibilities for carrying out remedial actions;
 - (3) Direct the Subrecipient to suspend, discontinue, or not incur costs for the affected activity;
 - (4) Reduce or recapture the Grant Funds authorized herein;
 - (5) Direct the Subrecipient to reimburse the City for costs inappropriately charged to the City;
 - (6) Exercise other appropriate action including, but not limited to, any remedial action legally available.
- E. A Subrecipient shall make any reimbursement required by this Section no more than thirty (30) days after the City directs such reimbursement.

11. **Indemnification.** Each Subrecipient shall indemnify and defend the City, its agents, employees, officers, and elected officials against all claims or liability whatsoever, including attorney's fees and costs, resulting from the Subrecipient's activities under this Subrecipient Agreement, except for those resulting from the willful misconduct or negligence of the City or its agents, employees, officers, or elected officials. This section will survive the termination of this Subrecipient Agreement.

12. **Independent Contractors.** The parties are independent contractors with respect to each other, and nothing in this Subrecipient Agreement creates any association, partnership, joint venture, or agency relationship between them.

13. **Third Party Beneficiaries.** This Subrecipient Agreement does not and is not intended to confer any enforceable rights or remedies upon any person other than the parties.

14. **Assignment.** The Subrecipients shall not assign, convey or otherwise transfer any of their rights, duties, or obligations under this Subrecipient Agreement to another person or entity without the express written consent of the City and authorization of DHS. In the event any Subrecipient seeks to assign, convey or otherwise transfer any of its rights, duties, or obligations under this Subrecipient Agreement, the Subrecipient shall demonstrate that it will use an open, impartial, and competitive selection process in making any such assignment, conveyance, or transfer of its rights, duties or obligations.

15. **Entire Agreement; Amendments in Writing.** This Subrecipient Agreement constitutes the entire agreement between the parties, supersedes all other agreements or understandings between them pertaining to the matter of this Subrecipient Agreement, and may not be amended except by a writing signed by all parties. All attachments to this Subrecipient Agreement are incorporated herein by this reference thereto.

16. **Dispute Resolution and Governing Law.** In the event of a dispute between the parties to this Subrecipient Agreement, the parties, before filing any court action, jointly shall select a mediator and shall make a good faith effort in such mediation to resolve their differences. The parties shall share equally in the cost of such mediation service. In the event mediation fails to resolve the dispute between the parties, any party may file and maintain an action in the Circuit Court for the Sixth Judicial Circuit, Champaign, Illinois. The laws of the State of Illinois will govern any and all actions to enforce, construe, or interpret this Subrecipient Agreement.

17. **Notices.** The parties shall give all notices required or permitted by this Subrecipient Agreement in writing, addressed as set forth below, unless another address is provided in writing. Notices will be deemed given when personally delivered; deposited in the U.S. mail, postage prepaid, first class; or delivered to a commercial courier.

TO THE CITY: Kelly H. Mierkowski, Manager, Grants Management Division
Dept. of Community Development Services
City of Urbana
400 South Vine Street
Urbana, Illinois 61801

TO THE UNITED WAY: Beverly Baker, Director of Community Impact
United Way of Champaign County
404 West Church Street
Champaign, Illinois 61820

TO NCF: TDB
XXX
XXX
XXX

TO FUMC: TDB
XXX
XXX
XXX

18. **Waiver.** Any party's failure to enforce any provision of this Subrecipient Agreement will not be deemed a waiver of future enforcement of that or any other provision. A waiver of any provision of this Subrecipient Agreement is valid only if in writing and signed by the parties.

19. **Compliance with Laws and Regulations.**

- A. The Subrecipients shall comply with all applicable federal, State, and local laws, ordinances, rules, and regulations, as amended from time to time, including without limitation the Act; the ESG Emergency Solutions Grants Program and Consolidated Plan Conforming Amendments; and Attachment A.
- B. The Subrecipients shall comply with the State required certifications provided for in the Grant Agreement and attached as Attachment B. These certifications are in addition to any certifications required by any federal funding source as set forth in this Subrecipient Agreement. The Subrecipients' execution of this Subrecipient Agreement will serve as their attestation that the certifications made herein are true and correct.

20. **Interpretation.** The parties shall construe this Subrecipient Agreement according to its fair meaning and not strictly for or against any party.

21. **Counterparts.** The parties may sign this Subrecipient Agreement in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Signatures delivered by email in Adobe Portable Document Format (PDF) or by facsimile will be deemed original signatures for all purposes.

[Signature page follows]

The parties are signing this agreement on the dates indicated below their signatures.

CITY OF URBANA, ILLINOIS

By: _____
Diane Wolfe Marlin, Mayor

Date: _____, 2017

Attest: _____
Charles A. Smyth, City Clerk

UNITED WAY OF CHAMPAIGN COUNTY

By: _____
Name: _____
Title: _____

Date: _____, 2017

NEW COVENANT FELLOWSHIP CHURCH

By: _____
Name: _____
Title: _____

Date: _____, 2017

FAITH UNITED METHODIST CHURCH

By: _____
Name: _____
Title: _____

Date: _____, 2017

ATTACHMENT A:

24 CFR Parts 91 and 576

**Homeless Emergency Assistance and Rapid Transition to Housing:
Emergency Solutions Grants Program and Consolidated Plan
Conforming Amendments; Interim Final Rule**

December 5, 2011

ATTACHMENT B

**STATE OF ILLINOIS REQUIRED
CERTIFICATIONS**



UNAPPROVED
MINUTES
COMMUNITY DEVELOPMENT COMMISSION MEETING
Tuesday, August 22, 2017, City Council Chambers
400 South Vine Street, Urbana, IL 61801

Call to Order: Chairperson Cobb called the regular meeting to order at 7:03pm.

Roll Call: Kelly Mierkowski called the roll. A quorum was present.

Commission Members Present: Fred Cobb, Anne Heinze-Silvis, Jerry Moreland, Abdulhakeem Salaam, Chris Diana, Karin Hodgins-Jones, Michael Braun and James Winston.

Commission Members Excused/Absent: None.

Others Present: Kelly Mierkowski, Matt Rejc and Don Ho, Community Development Services.

Approval of Minutes: Chairperson Cobb asked for approval or corrections to the July 25, 2017 Public Hearing and regular meeting minutes. Commissioner Silvis moved to approve the minutes as written and Commissioner Salaam seconded the motion. The motion carried unanimously.

Petitions and Communications: Chairperson Cobb asked if there was any written communication to the Commission, there were none.

Audience Participation: Chairperson Cobb stated that audience members could speak if they so wished, no one from the audience stepped forward to speak.

Staff Report: Kelly Mierkowski, Grants Management Manager, provided a brief overview of the staff report provided to the Commissioners that evening, which included HUD activities, staff activities, meetings attended, and various projects and programs.

Old Business: None.

New Business:

A RESOLUTION APPROVING AN EMERGENCY SOLUTIONS GRANT PROGRAM SUBRECIPIENT AGREEMENT WITH CRISIS NURSERY (FY 2017-2018)

A RESOLUTION APPROVING AN EMERGENCY SOLUTIONS GRANT PROGRAM SUBRECIPIENT AGREEMENT WITH THE UNITED WAY, NEW COVENANT FELLOWSHIP CHURCH, AND FAITH UNITED METHODIST CHURCH (FY 2017-2018)

Ms. Mierkowski stated that both resolutions are under the Emergency Solutions Grant (ESG). The application was submitted through the Continuum of Care (CoC). The two agencies, Crisis Nursery and United Way, New Covenant Fellowship Church and Faith United Methodist Church were approved by the CoC and then by the Department of Human Services (DHS) for funding under the ESG program. As required by law, the City is required to sign a subrecipient agreement with each of these agencies.

Ms. Mierkowski explained the agreement with Crisis Nursery is very straightforward, like the City has done in the past. However, the agreement with the United Way is more complicated because the funding will be used for a men's emergency shelter that was created due to the closings to the Times Center Level 1 and Salvation Army's Stepping Stone's shelter. The pilot men's shelter proved to be helpful and addressed the need for it last year. As a result, United Way, acting as the fiscal agent, applied on behalf of the other two entities, New Covenant Fellowship Church and Faith United Methodist Church. The shelter is located at New Covenant Fellowship Church and managed by personnel from Faith United Methodist Church. GMD consulted with the Legal Department and they advised GMD to include all the entities on the agreement because GMD will need information from all these entities. The United Way will provide financial reporting, Faith United Methodist Church will provide demographic information on who is being served at the shelter, and New Covenant Fellowship Church will house the shelter. GMD submitted the application for ESG funds for both programs in May. The application was approved in June and the agreement was signed in July. The agreement partially covers eligible operations and service-related costs that the agencies will incur through their operations.

Mr. Rejc added that the ESG program is designed to increase the number and quality of emergency shelters and transitional housing facilities for homeless individuals and families, to operate these facilities and provide essential social services, and to help prevent homelessness. Unlike the HOME program, which supports permanent affordable housing, ESG addresses more immediate needs.

Chairperson Cobb asked if there is any effect on the Community Development funding. Ms. Mierkowski explained that there would not be any significant impact on funding. GMD could use some CDBG funding for administration to operate the program, but the amount would be minimal.

Commissioner Braun asked about the data that these agencies will have to submit to the City according to the agreement. Mr. Rejc explained that DHS requires the City to submit data to them through the Homeless Management Information System (HMIS). Because these agencies do not have the HMIS license, they collect data such as income, age, and other demographics from clients and send it to the City. The City will then enter the data into HMIS.

Chairperson Cobb entertained a motion to either forward the Resolution to Council with a recommendation for approval, forward the resolutions to Council with a recommendation for approval with changes, or to not forward for approval. Commissioner Braun motioned for the approval to forward the Resolution to Council. Commissioner Salaam seconded the motion; the motion carried unanimously.

Study Session: None.

Adjournment: Seeing no further business, Chairperson Cobb adjourned the meeting at 7:20p.m.

Recorded by

Don Ho
Grants Compliance Specialist, Grants Management Division

Don Ho

UNAPPROVED

**2018 ESG
12 MONTH PROJECT BUDGET
Grant Term: 7/01/2017 – 6/30/2018**

Applicant Name: City of Urbana

ESG-Eligible Activity	Total Cost	ESG Funding Request	Match Funds	Match Source
Emergency Shelter – Operations <i>The United Way</i> <i>Crisis Nursery</i>	\$14,640 \$11,160	\$14,640 \$9,160	\$0 \$2,000	Presence Covenant Medical Center
Emergency Shelter – Essential Services <i>The United Way</i> <i>Crisis Nursery</i>	\$34,000 \$8,600	\$0 \$600	\$34,000 \$8,000	Crisis Nursery: United Way of Champaign County The United Way: Community dollars via United Way Annual Campaign
Administration	\$1,200	\$600	\$600	HUD-SHP
TOTAL	\$69,600	\$25,000	\$44,600	