



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Elizabeth H. Tyler, AICP, Community Development Services Director

FROM: John A. Schneider, Manager, Grants Management Division

DATE: April 18, 2008

SUBJECT: **Supportive Housing Program – Homeless Families in Transition
Ordinances Approving Subrecipient Agreements for FY 2008-2009:
A Woman’s Fund
Center for Women in Transition
Salvation Army Services, Inc.**

Description

Included on the agenda of the April 22, 2008 meeting of the Community Development Commission are agreements for the FY 2008-2009 Supportive Housing Program (SHP) - Homeless Families in Transition. The proposed agreements are with agencies that participate in the SHP Homeless Families in Transition project and include A Woman’s Fund, Center for Women in Transition, and Salvation Army Services, Inc.

Issues

The issue is whether the Community Development Commission should forward the agreements to the Urbana City Council with a recommendation for approval.

Background

On March 13, 2007 the U.S. Department of Housing and Urban Development (HUD) issued a Notice of Funding Availability (NOFA) announcing funds were available for certain eligible programs such as the City of Urbana’s Supportive Housing Program. On June 14, 2007, the City of Urbana (City) submitted an application, through the Urbana-Champaign Continuum of Care, for renewal grant funds for the Supportive Housing Program. The funds will be used to continue transitional housing programs sponsored by three private non-profit organizations: A Woman’s Fund, Center for Women in Transition, and Salvation Army Services, Inc.

The Supportive Housing Program is designed to promote the development of supportive housing and supportive services, and to promote the provision of supportive housing to homeless persons to enable them to live as independently as possible. The three agencies receive funds through this program to provide supportive services, such as case management services, outreach, life skills, housing placement, and transportation, to families who are homeless. They also receive program funds for operation and administrative expenses.

On March 10, 2008, HUD notified the City that the application for Supportive Housing Program funds was approved. On March 26, 2008, the City executed the Supportive Housing Program Grant Agreement with HUD that governs expenditure of Supportive Housing Program renewal funds by the City and the participating agencies. The City is required by HUD to execute agreements with each of the subrecipient agencies that details amounts of funding and eligible uses of the funds.

Options

The Community Development Commission can:

1. Forward the Ordinances approving the agreements with A Woman's Fund, Center for Women in Transition and Salvation Army Services to the Urbana City Council with a recommendation for approval.
2. Forward the Ordinances approving the agreements, with changes, to Urbana City Council with a recommendation for approval.
3. Do not make a recommendation to Urbana City Council for approval of the agreements.

Fiscal Impacts

There will be no fiscal impact on the City General Fund, as the \$205,649 in funding for this program comes from HUD. The grant began on March 1, 2008, and the total amount of funding is as follows:

Center for Women in Transition:	\$103,917
A Woman's Fund	\$ 62,912
Salvation Army Services, Inc.	\$ 33,786
<u>City of Urbana (Admin)</u>	<u>\$ 5,034</u>
Total amount of grant:	\$205,649

Recommendations

Staff recommends that the Community Development Commission forward the Ordinances approving the Supportive Housing Program grant agreements with A Woman's Fund, Center for Women in Transition, and Salvation Army Services, Inc. to the Urbana City Council with a recommendation for approval.

Memorandum Prepared By:

Kelly Hartford
Grants Coordinator

Attachments:

AN ORDINANCE APPROVING A SUPPORTIVE HOUSING PROGRAM SUBRECIPIENT AGREEMENT BETWEEN THE CITY OF URBANA AND A WOMAN'S FUND.

SUPPORTIVE HOUSING PROGRAM SUBRECIPIENT AGREEMENT BETWEEN THE CITY OF URBANA AND A WOMAN'S FUND.

AN ORDINANCE APPROVING A SUPPORTIVE HOUSING PROGRAM SUBRECIPIENT AGREEMENT BETWEEN THE CITY OF URBANA AND CENTER FOR WOMEN IN TRANSITION.

SUPPORTIVE HOUSING PROGRAM SUBRECIPIENT AGREEMENT BETWEEN THE CITY OF URBANA AND CENTER FOR WOMEN IN TRANSITION.

AN ORDINANCE APPROVING A SUPPORTIVE HOUSING PROGRAM SUBRECIPIENT AGREEMENT BETWEEN THE CITY OF URBANA AND SALVATION ARMY SERVICES, INC.

SUPPORTIVE HOUSING PROGRAM SUBRECIPIENT AGREEMENT BETWEEN THE CITY OF URBANA AND CENTER FOR WOMEN IN TRANSITION.

ORDINANCE NO. _____

**AN ORDINANCE APPROVING A SUPPORTIVE HOUSING PROGRAM
SUBRECIPIENT AGREEMENT WITH A WOMAN'S FUND**

(Grant No. - IL01B703003)

WHEREAS, on June 14, 2007, the City submitted an application to the U.S. Department of Housing and Urban Development (hereinafter "HUD") for Supportive Housing Program (hereinafter "SHP") funds to continue transitional Housing programs sponsored by there private non-profit organizations: A Woman's Fund, Urbana, Illinois; Center for Women in Transition, Champaign, Illinois; and Salvation Army Services, Champaign, Illinois (hereinafter collectively referred to as the "Participating Organizations");

WHEREAS, on March 10, 2008, HUD notified the City that HUD had approved the City's application for SHP funds; and

WHEREAS, on March 26, 2008, the City executed a SHP Grant Agreement with HUD to govern expenditure of SHP renewal funds by the City and Participating Organizations.

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

WHEREAS, in its application for SHP funds the City declared its intent to provide SHP funds to the Participating Organizations for their use in continuing their respective transitional housing programs for homeless families;

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

Section 1. That an Agreement providing \$62,912.00 in Supportive Housing Program funds to A Woman's Fund, so as to continue their respective transitional housing programs for homeless families, 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 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 _____, _____.

Laurel Lunt Prussing, Mayor

**SUPPORTIVE HOUSING PROGRAM
SUBRECIPIENT AGREEMENT BETWEEN THE CITY OF URBANA
AND A WOMAN'S FUND**

This Subrecipient Agreement is made by and between the City of Urbana, Illinois (hereinafter the "City"), and A WOMAN'S FUND (hereinafter the "Subrecipient") for Supportive Housing Program Grant Number IL01B703003 (Renewal of IL01B603003).

WITNESSETH:

WHEREAS, on June 14, 2007, the City submitted an application to the U.S. Department of Housing and Urban Development (hereinafter "HUD") for Supportive Housing Program funds (hereinafter "SHP") to continue transitional housing programs sponsored by three private non-profit organizations: A Woman's Fund, Urbana, Illinois; The Center for Women in Transition, Champaign, Illinois; and The Salvation Army, Champaign, Illinois (hereinafter collectively referred to as the "Participating Organizations"); and

WHEREAS, in its application for SHP funds the City declared its intent to provide SHP funds to the Participating Organizations for their use in continuing their respective transitional housing programs for homeless families; and

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

WHEREAS, on March 10, 2008, HUD notified the City that HUD had approved the City's application for SHP funds; and

WHEREAS, on March 26, 2008, the City executed a SHP Grant Agreement with HUD to govern expenditure of SHP renewal funds by the City and the Participating Organizations.

NOW, THEREFORE, in consideration of the matters set forth above and below, the parties agree as follows.

Section 1. Definitions. Whenever used in this Subrecipient Agreement:

A. The term "Grant Agreement" means the agreement between the City and HUD executed by the City on March 26, 2008, in connection with the SHP Project No. IL01B703003 (Renewal).

B. The terms "grant" and "grant funds" mean the assistance provided under this Subrecipient Agreement.

C. The term "Grant Application" means the application submission, June 14, 2007, on the basis of which a SHP renewal grant was approved by HUD, including the certifications and assurances and any information or documentation required to meet any SHP award conditions.

D. The term "Act" shall mean Subtitle C of Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11381 *et seq.*).

E. The term "matching funds" means a cash payment for the provision of supportive services, and the difference between the total operating costs and the amount of the SHP operating funds.

Section 2. Purpose of Subrecipient Agreement. The purpose of this Subrecipient Agreement is to set forth the terms and conditions under which the City shall grant SHP funds to the Subrecipient for its transitional housing program for homeless families. This Subrecipient Agreement sets forth rights and responsibilities of both parties in connection with the Subrecipient's transitional housing program for families with children. In this Subrecipient Agreement, the Subrecipient assumes full responsibility for adherence to all applicable laws, assurances, regulations, and guidelines associated with the SHP.

Section 3. Applicable Laws, Assurances, Regulations, Guidelines. The financial assistance which is the subject of this Subrecipient Agreement is authorized by the Act. The Subrecipient Agreement and all activities undertaken by the Subrecipient pursuant thereto shall be governed by the Act; the SHP Rule which was published at 58 FR 13870 on April 8, 1997, at FR-4182-N-031, a copy of which is attached hereto as Attachment A and made a part hereof; and the Notice of Fund Availability, published on March 13, 2007 at FR-5100-N-14. The Application is incorporated herein as part of this Subrecipient Agreement, however, in the event of a conflict between any part of the Application and any part of the Subrecipient Agreement, the Subrecipient Agreement shall control.

Section 4. Grant Award. Subject to the terms of the Grant Agreement and this Subrecipient Agreement, the City agrees to provide up to \$ 62,912.00 in SHP renewal funds to the Subrecipient for activities identified as the responsibility of the Subrecipient in the Application. The Subrecipient agrees to use funds granted to it by the City pursuant to this Subrecipient Agreement to undertake those activities in the Application identified as the responsibility of the Subrecipient in the manner identified in the Application. The Subrecipient agrees that funds awarded it pursuant to this Subrecipient Agreement shall be used for the following purposes:

Acquisition:	\$	0.00
New Construction:	\$	0.00
Rehabilitation:	\$	0.00
Operations:	\$	20,322.00
Supportive Services:	\$	40,781.00
<u>Administration:</u>	<u>\$</u>	<u>1,809.00</u>
Total Grant Award:	\$	62,912.00

Section 5. Matching Funds. The Subrecipient agrees to provide funds in at least the amounts specified in the Application plus any amount necessary to comply with matching requirements of the Act in connection with activities the Subrecipient undertakes in connection with this Subrecipient Agreement.

For Supportive Services, the matching requirement is an 80-20 split of supportive costs between SHP and the Subrecipient. For Operations, SHP funds can be used to pay up to 75% of the operating cost in each year of the grant term. The Subrecipient's cash source can be from itself, the Federal government, State and local governments, or private contributions.

The Subrecipient acknowledges and agrees that the City shall not be responsible for providing the Subrecipient with any funds to meet the Subrecipient's matching requirements. However, nothing herein shall prohibit the City from making funds available to the Subrecipient for transitional housing program activities in addition to funds granted to the Subrecipient pursuant to this Subrecipient Agreement.

Section 6. Allowable Costs. The following costs are allowable, per the HUD SHP Desk Guide, Section D, Eligible Activities:

- 1) **Supportive Services:** Funds can be used to pay for the actual costs of supportive services to homeless persons in a new project or for the actual costs of increasing supportive services to

homeless persons in an existing homeless project.

The following are examples of services which may be paid for with supportive service grant funds: outreach, child care, job training/placement, case management, health care, transportation, employment assistance, education, vocational opportunities, life skills, counseling, housing search assistance, substance abuse treatment, parenting skills, rent deposits, psychiatric care, mental health care, home furnishings, and budgeting.

Eligible supportive service costs include: salary of case manager, counselor, therapist, etc.; salary of case management supervisor when he/she is working with clients or working with a case manager on issues regarding clients; desks, computers used by clients and their trainer in employment training programs; food, clothing, transportation for use by clients; medical/dental care for clients; first & last month's rent, security deposits, credit checks for participants moving from transitional housing to permanent housing; clothing, tools, and similar items needed by participants for jobs or job training; beepers for outreach workers; mileage allowance for service workers to visit participants at home, if participants reside in scattered site housing; and vehicle purchase and operation (gas, insurance, maintenance) when used for transporting clients.

2) Operations: Operating costs are those costs associated with the physical day-to-day operation of supportive housing facility and for which cash payment is needed. Operating costs differ from supportive services cost in that operating costs support the function and the operation of the housing project. Only operating cost for a new project or the expanded portion of an existing project are eligible for SHP funding.

The expense incurred by the grantee to operate supportive housing is an eligible SHP activity. Some examples include: Maintenance and repair; Operations staff; utilities, equipment, supplies, insurance, food, relocation (the costs associated with displacing persons in order to use a structure are included under operational costs, even though such payments may be a one-time occurrence), and furnishings.

Eligible operational costs include: salaries of staff not delivering services, such as project manager, security guard; utilities costs: gas, heat, electric, etc.; desks, computers, telephones used by staff; furnishings (beds, chairs, dressers, etc.) for participants; equipment (refrigerators, ranges, etc.); and food.

3) Administrative Costs: Up to 5% of any grant awarded under SHP may be used for the purpose of paying costs of administering the assistance. Administrative costs included the costs associated with accounting for the use of grants funds, preparing reports for submission to HUD, obtaining program audits, similar costs related to administering the grant after the award, and staff salaries associated with these administrative costs.

Eligible administrative costs include: preparation of Annual Progress Report; audit of SHP; staff time spent reviewing/verifying invoices for grant funds, drawing money from Treasury, and maintaining records of the use of those funds; and field office training on managing the grant.

Section 7. Payouts. The Subgrantee understands and agrees that a request for disbursement of SHP funds pursuant to this Subrecipient Agreement shall not be made until such funds are needed to pay eligible costs related to the Project. Subgrantee understands and agrees that funding in the full amount of this Subrecipient Agreement is contingent upon the City receiving said SHP funds, and should the entitlement funds be discontinued or reduced for any reason, Subgrantee understands and agrees that funding under this Subrecipient Agreement could cease or be reduced without advance notice. Each of the three sponsor agencies shall:

- D. Direct the Subrecipient to suspend, discontinue, or not incur costs for the affected activity;
- E. Reduce or recapture the grant authorized herein;
- F. Direct the Subrecipient to reimburse the City for costs inappropriately charged to the City;
- G. Other appropriate action including, but not limited to, any remedial action legally available.

No delay or omission by the City in exercising any right or remedy available to it under this Subrecipient Agreement shall impair any such right or remedy or constitute a waiver or acquiescence in any Subrecipient default.

Section 10. Subgrants by the Subrecipient The Subrecipient agrees to accept responsibility for compliance with all requirements of this Subrecipient Agreement by any entities to which the Subrecipient in turn makes grant funds available.

This Subrecipient Agreement constitutes the entire agreement between the parties hereto. This Subrecipient Agreement may be amended only by a written agreement executed by the City and the Subrecipient. The effective date of this Subrecipient Agreement shall be the date of execution by the City.

IN WITNESS WHEREOF, the City and the Subrecipient have respectively signed this Subrecipient Agreement and have caused their seals to be affixed hereto:

CITY OF URBANA, ILLINOIS

BY: _____
 Laurel Lunt Prussing, Mayor

DATE: _____

ATTEST: _____
 Phyllis Clark, City Clerk

DATE: _____

A WOMAN'S FUND (SUBRECIPIENT)

BY: _____
 Tami Tunnell, Executive Director

DATE: _____

ATTEST: _____
 Name & Title

DATE: _____

ATTACHMENT A:
SHP Rule 1997, (24 CFR 583)