



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

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

FROM: Kelly H. Mierkowski, Manager, Grants Management Division

DATE: June 19, 2014

SUBJECT: **Supportive Housing Program – Homeless Families in Transition**
Resolution Approving Subrecipient Agreement for FY 2014-2015:
Courage Connection, (formerly The Center for Women in Transition)

Description

Included on the agenda of the June 24, 2014 meeting of the Community Development Commission is an agreement for the FY 2014-2015 Supportive Housing Program (SHP) - Homeless Families in Transition. The proposed agreement is with the agency that participates in the SHP Homeless Families in Transition project, which is Courage Connection (formerly The Center for Women in Transition).

Issues

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

Background

In FY 1995-1996, the City of Urbana received its first SHP grant from HUD for a three (3) year funding cycle, with renewals on a yearly basis. The funds received were initially utilized by The Salvation Army, The Center for Women in Transition and A Woman's Fund (operated by The Center for Women Transition as A Woman's Place). The initial grant included funds for operations, supportive services, and administration, as well as funding for acquisition and rehabilitation. All three organizations used funds to either acquire or rehab the units that they currently were operating for transitional housing. The federal funds used for acquisition and rehabilitation require that the transitional housing program for homeless families be operated at that location for 20 years.

Since FY 1995-1996, the City has applied every year through the Notice of Funding Availability (NOFA) process and has received funding from the U.S. Department of Housing and Urban Development (HUD) for this program. On November 22 2013, HUD issued the 2013 NOFA announcing funds were available for certain eligible programs such as the City of Urbana's Supportive Housing Program. The NOFA funding announcement also informed Continuums of

Care that due to a reduction in overall funding at the national level, they must cut their annual renewal amounts by 5%. For the Champaign County Continuum of Care (CoC) the 2012 annual renewal amount was \$760,138; of this amount the City of Urbana received \$200,619. The overall 5% cut required by HUD set the annual renewal amount at \$722,131. At a special meeting of the Champaign County Continuum of Care, held on January 21, 2014, the full Continuum Board voted to reduce the funds received by the City of Urbana in the amount of \$33,899, and to limit the grant funds to the projects being operated by Courage Connections and the administrative support provided by the City of Urbana. Based on criteria set by the CoC, The Salvation Army's funding was cut due to non-performance issues, along with a small reduction in funding to The Center for Women in Transition, now Courage Connection.

On January 28, 2014, the City of Urbana (City) submitted an application, through the Urbana-Champaign Continuum of Care, for renewal grant funds for the Supportive Housing Program in the amount of \$166,720. The funds will be used to continue the transitional housing programs sponsored by a private non-profit organization, Courage Connections (formerly The Center for Women in Transition).

On June 11, 2014, the City received notice from HUD that the application for Supportive Housing Program funds was approved. On June 12, 2014 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 then required by HUD to execute an agreement with the subrecipient agency, which details amounts of funding and eligible uses of the funds.

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 agency receives funds through this program to provide supportive services, such as case management services, outreach, life skills, housing placement, and transportation, to single women and families who are homeless. They also receive program funds for operation costs, homeless information management systems (HMIS) and administrative expenses.

Fiscal Impacts

There will be no direct fiscal impact on the City General Fund, as the \$166,720 in funding for this program comes from HUD. The grant began on March 1, 2014, and the total amount of funding is as follows:

Courage Connections	:	\$161,585
<i>(Homeless Services - \$104,750)</i>		
<i>(Domestic Violence - \$ 56,835)</i>		
<u>City of Urbana</u>		<u>\$ 5,135</u>
Total amount of grant:		\$166,720

Programmatic Impacts

The decision made by the full Board of the Continuum of Care reduced the overall amount of grant funds to be received by the City of Urbana, in addition to eliminating a program operated by The Salvation Army as it did not meet the criteria set by the Continuum Board to be renewed. Administratively city staff will continue to provide the programmatic and administrative support for the Homeless Families in Transition Program as in the past years.

Options

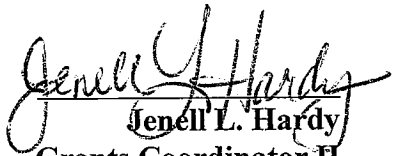
The Community Development Commission can:

1. Forward the Resolutions approving the agreement with Courage Connection to the Urbana City Council with a recommendation for approval.
2. Forward the Resolutions approving the agreements, with suggested 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.

Recommendations

Staff recommends that the Community Development Commission forward the Resolutions approving the Supportive Housing Program grant agreement with Courage Connections to the Urbana City Council with a recommendation for approval.

Memorandum Prepared By:



Jenell L. Hardy

**Grants Coordinator II
Grants Management Division**

Attachments:

1. A RESOLUTION APPROVING A SUPPORTIVE HOUSING PROGRAM SUBRECIPIENT AGREEMENT BETWEEN THE CITY OF URBANA AND COURAGE CONNECTIONS (FORMERLY THE CENTER FOR WOMEN IN TRANSITION).
2. SUPPORTIVE HOUSING PROGRAM SUBRECIPIENT AGREEMENT BETWEEN THE CITY OF URBANA AND COURAGE CONNECTIONS (FORMERLY THE CENTER FOR WOMEN IN TRANSITION), (FY 2014-2015)

RESOLUTION NO. _____

**A RESOLUTION APPROVING A SUPPORTIVE HOUSING PROGRAM
SUBRECIPIENT AGREEMENT WITH COURAGE CONNECTIONS
(FORMERLY THE CENTER FOR WOMEN IN TRANSITION)**

(FY 2014-15)

WHEREAS, on January 28, 2014, 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 Courage Connections, formerly The Center for Women in Transition, Champaign, Illinois, a private non-profit organization (hereinafter referred to as the "Participating Organization"); and

WHEREAS, on June 11, 2014, the City received notice that HUD approved the City's application for SHP funds; and

WHEREAS, on June 12, 2014, the City executed a SHP Grant Agreement (Grant No. IL0037L5T031306) with HUD to govern expenditure of SHP renewal funds by the City and Participating Organization; and

WHEREAS, the Participating Organization have heretofore expressed their intent to assume responsibility from the City for their 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 Organization for their use in continuing their transitional housing programs for single women and homeless families.

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

Section 1. That an Agreement providing \$161,585.00 in Supportive Housing Program funds to Courage Connections for their Homeless Services (\$104,750) and Domestic Violence Services (\$56,835), so as to continue their transitional housing programs for single women and 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 WITH COURAGE CONNECTIONS
(FORMERLY THE CENTER FOR WOMEN IN TRANSITION)**

This Subrecipient Agreement is made by and between the City of Urbana, Illinois (hereinafter the "City"), and Courage Connections (formerly The Center for Women in Transition) (hereinafter the "Subrecipient") for Supportive Housing Program Project Number IL0037L5T031306 (Renewal of IL0037L5T031205).

WITNESSETH:

WHEREAS, on January 28, 2014, 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 two private non-profit organizations: Courage Connections (formerly The Center for Women in Transition), Champaign, Illinois; (hereinafter referred to as the "Participating Organization"); and

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

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

WHEREAS, on June 11, 2014, the City received notice that HUD approved the City's application for SHP funds; and

WHEREAS, on June 12, 2014, the City executed a SHP Grant Agreement with HUD to govern expenditure of SHP renewal funds by the City and the Participating Organization.

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 June 12, 2014, in connection with the SHP Project No IL0037L5T031306 (Renewal of IL0037L5T031205).
- B. The terms "grant" and "grant funds" mean the assistance provided under this Subrecipient Agreement.
- C. The term "Grant Application" means the application submission, January 28, 2014, 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.*) as amended by the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH).
- E. The term "matching funds" means a cash payment for the provision of supportive services, cash payment for activities related to HMIS, 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. 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 Homeless Emergency Assistance and Rapid Transition to Housing; Continuum of Care Program; Interim Final Rule which was published at 24 CFR Part 578 on July 31, 2012, at FR-5476-I-01, a copy of which is attached hereto as Attachment A and made a part hereof; and the Notice of Fund Availability, published on November 22, 2013 at FR-5700-N-17. 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 **\$161,585.00** 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:

	<u>CWT/Homeless</u>	<u>CWT/AWP</u>
Acquisition:	0.00	0.00
New Construction:	0.00	0.00
Rehabilitation:	0.00	0.00
Operations:	\$ 38,800.00	\$45,938.00
Supportive Services:	\$ 61,950.00	\$ 9,797.00
HMIS:	\$ 0.00	\$ 800.00
Administration:	\$ 4,000.00	\$ 1,100.00
Total Grant Award:	\$104,750.00	\$56,835.00

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. Documentation of match is required of all projects. Subrecipients are required to maintain detailed fiscal records during each year of the project to ensure adequate documentation of all expenditures related to the grant, including those paid through the use of cash match sources.

1) Supportive Services: SHP funds can be used to pay up to 80% of the total costs for the provision of supportive services. The Subrecipient must match the remaining 20% of the total costs with funds from other sources. All matching funds must be used for eligible service costs identified on the supportive services budget, and included in the application and/or technical submission.

2) Operating Costs: SHP funds can be used to pay up to 75% of the operating cost in each year of the grant term. The Subrecipients must match the remaining 25% with a cash source which can be from itself, the Federal government, State and local governments, or private contributions. Resident rents may be used to meet the cash match requirement for transitional housing provided those funds are used to cover costs associated with eligible SHP activities. If the program match obligation is

met through other means, then resident rents can be used for other program costs, and may cover activities that are not eligible under SHP. Note that resident rents are considered program income and must be accounted for and reported appropriately on annual reports.

3) HMIS: SHP funds can be used to pay up to 75% of the eligible costs related to the implementation and operation of an HMIS. The subrecipient must match the remaining 25% with a cash match. Cash match is actual dollar resources contributed and spent on eligible HMIS project costs by the subrecipient, and it must be actual money spent by the subrecipient.

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 new or increased supportive services to homeless persons, including salaries paid to providers and other costs directly associated with providing such services.

Services aimed at moving homeless participants to independence are eligible for SHP support. Some examples of eligible supportive services include: 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, outpatient psychiatric care, outpatient mental health care, 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; outpatient 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; cellphones 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 facilities. 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, 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 executive director, project manager or security guard; utilities costs: gas, heat, electric, etc.; desks, computers, telephones used by staff involved in operating the housing; furnishings (beds, chairs, dressers, etc.) for participants; equipment (refrigerators, ranges, etc.)

3) **HMIS:** Activities related to the implementation and operation of an Homeless Management Information System (HMIS). These activities may be hard costs or consumable items, such as software licenses, hardware, and services or they may be personnel-related costs, such as salary and fringe benefits.

4) **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. The sponsor agency shall:

- A. Maintain adequate documentation to demonstrate the homeless eligibility of persons served by SHP funds;
- B. Maintain records that show the eligible supportive services costs and operating costs of the program;
- C. 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.
- D. Submit proper documentation of eligible expenses for match to the city on a regular basis.
- E. Submit timesheets and activity sheets on a monthly basis for review and approval;
- F. Submit monthly reports to the City of Urbana no later than 30 days of month end.
- G. Maintain files and records as required which relate to the overall administration of the SHP - HFIT program;
- H. Provide information for Annual Performance Report (APR) within required timeframes; and
- I. Enter participant data into the HMIS, and update all participant changes while in the program.

Section 8. Notices. Any notice, demand, request, or other communication that either party may desire or may be required to give to the other party hereunder shall be given in writing at the addresses set forth below by any of the following means: (a) personal service; (b) electronic communication whether by telegram, telecopier, or email, together with confirmation of transmission; or (c) first-class United States mail, postage prepaid.

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 SUBRECIPIENT: Isak Griffiths, Executive Director
Courage Connections
508 East Church Street
Champaign, Illinois 61820

Section 9. Default. A default shall consist of any use of grant funds for a purpose other than as authorized herein, failure of the Subrecipient to provide the supportive housing in the minimum amounts and for the minimum time period in accordance with the requirements of Attachment A provisions, noncompliance with the Act or Attachment A provisions, failure to return the executed subrecipient agreement or any other material breach of the Subrecipient Agreement.

Upon due notice to the Subrecipient of the occurrence of any such default and the provision by the City of a reasonable opportunity to respond, the City may take one or more of the following actions. If it is the decision of the City to require the repayment to the City of any grant funds provided to the Subrecipient, the Subrecipient agrees to promptly pay back to the City all such funds up to the amount of grant funds provided to them by the City (hereafter called "Recapture"):

- A. Direct the Subrecipient to submit progress schedules for completing approved activities;
- B. Issue a letter of warning advising the Subrecipient of the default, establishing a date by which corrective actions must be completed and putting the Subrecipient on notice that more serious actions will be taken if the default is not corrected or is repeated;
- C. Direct the Subrecipient to establish and maintain a management plan that assigns responsibilities for carrying out remedial actions;
- 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. Certification by Subrecipient. The Subrecipient agrees to the following terms and conditions as outlined by HUD in the Grant Agreement:

- A. Subrecipient will maintain the confidentiality of records pertaining to any individual or family that was provided family violence prevention or treatment services through the project;
- B. The address or location of any family violence project assisted with grant funds will not be made public, except with written authorization of the person responsible for the operation of such project;
- C. Subrecipient will establish policies and practices that are consistent with, and do not restrict, the exercise of rights provided by subtitle B of title VII of the Act and other laws relating to the provision of educational and related services to individuals and families experiencing homelessness;
- D. In the case of a project that provides housing or services to families, that subrecipient will designate a staff person to be responsible for ensuring that children being served in the program are enrolled in school and connected to appropriate services in the community, including early childhood programs such as Head Start, part C of the Individuals with Disabilities Education Act, and programs authorized under subtitle B of title VII of the Act;
- E. The subrecipient, its officers, and employees are not debarred or suspended from doing business with the Federal Government;
- F. Subrecipient will provide information, such as data and reports, as required by HUD; and
- G. To comply with such other terms and conditions as HUD may have established in the applicable Notice of Funds Availability.

Section 11. 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 Prussing, Mayor

DATE _____

ATTEST: _____
Phyllis Clark, City Clerk

DATE: _____

COURAGE CONNECTIONS (SUBRECIPIENT):

BY: _____
Isak Griffiths, Executive Director

DATE: _____

ATTEST: _____
Name & Title:

DATE: _____

ATTACHMENT A:

24 CFR Part 578

**Homeless Emergency Assistance and Rapid Transition to Housing:
Continuum of Care Program; Interim Final Rule**

July 31, 2012