

**RESOLUTION NO. 2023-04-022R**

**A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF AN  
ARPA SUBRECIPIENT AGREEMENT  
(HABITAT FOR HUMANITY OF CHAMPAIGN COUNTY)**

**WHEREAS**, the City of Urbana, classified as a metropolitan city with a population below 250,000, was awarded \$12.97 million in funds as part of the State and Local Fiscal Recovery Funds (SLFRF) under the American Rescue Plan Act (ARPA) in March 2021; and

**WHEREAS**, the City of Urbana entered into a Project and Fiscal Management Agreement with the Champaign County Regional Planning Commission (RPC) in order to solicit meaningful public input, draft a concept plan outlining desired outcomes, and monitor and report on uses of ARPA funds in a fiscally responsible, outcome-oriented manner; and

**WHEREAS**, the City of Urbana allocated \$2.5 million of ARPA SLFRF funds under the Standard Allowance provision of the U.S. Treasury's *Final Rule* for the purpose of replacing lost public sector revenue to be spent on governmental services; and

**WHEREAS**, the City of Urbana has adopted the Concept Plan, which contains eight Funding Goals for the remaining ARPA funds; and

**WHEREAS**, the City of Urbana adopted the ARPA Concept Plan Project List on February 27, 2023, allocating \$9,949,343 in funds to 25 projects; and

**WHEREAS**, each subrecipient of ARPA funds is required to enter into a contract with the City of Urbana that details the project dates, funding distribution timeline, performance standards, and additional terms and conditions applicable to the individual project; and

**WHEREAS**, all subrecipients shall complete all reporting requirements set forth by ARPA regulations and the City of Urbana; and

**WHEREAS**, the project *First-Time Home Ownership Counseling* by Habitat for Humanity of Champaign County was allocated \$25,000 as part of the ARPA Concept Plan Project List.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council, of the City of Urbana, Illinois, as follows:

**Section 1.** That an Agreement providing \$25,000 in ARPA SLFRF funds, for the purpose of *First-Time Home Ownership Counseling*, performed by Habitat for Humanity of Champaign County, 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.

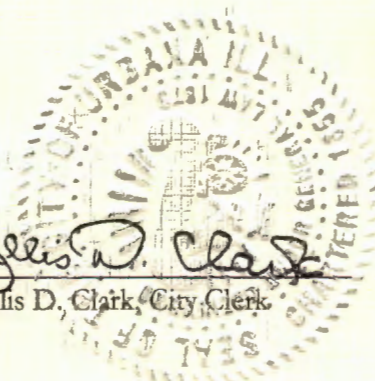
**Section 2.** That the Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver said Agreement on behalf of the City of Urbana, Illinois.

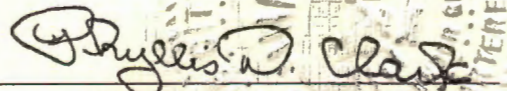
**PASSED BY THE CITY COUNCIL** this 24th day of April, 2023.

AYES: Wu, Evans, Hursey, Kolisetty, Bishop, Wilken

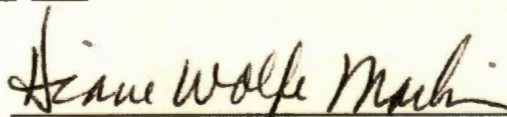
NAYS: None

ABSTENTIONS: None



  
Phyllis D. Clark, City Clerk

**APPROVED BY THE MAYOR** this 2nd day of May, 2023.

  
Mayor

**SUBRECIPIENT AGREEMENT BETWEEN  
THE CITY OF URBANA AND HABITAT FOR HUMANITY OF CHAMPAIGN  
COUNTY  
FOR FIRST-TIME HOME OWNERSHIP COUNSELING**

This Subrecipient Agreement (“Agreement”) is entered as of [DATE], by and between Habitat for Humanity of Champaign County, with an address of 1914 Glenn Park Champaign, IL 61821 and the City of Urbana, Illinois (“City”), with an address of 400 S. Vine Street, Urbana, IL 61801, collectively “the Parties.”

**WHEREAS**, the City is in receipt of funds pursuant to the American Rescue Plan Act of 2021, P.L. 117-2 (“ARPA Funds”); and

**WHEREAS**, the City is authorized by Section 603(c)(1)(A) of the Social Security Act and the United States Department of Treasury Interim and Final Rule 31 CFR Part 35 to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality; and

**WHEREAS**, Habitat for Humanity of Champaign County is a 501(c)3 Non-Profit Organization providing homeownership opportunities to low-income households; and

**WHEREAS**, the Parties desire to enter into this Agreement to recognize the roles and responsibilities for each Party in conducting first-time homeownership counseling classes.

**NOW, THEREFORE**, the Parties agree as follows:

1. **Purpose and Scope.** The Parties intend for this Agreement to provide the foundation and structure for First-Time Home Ownership Counseling costs through the following understanding:
  - a. **First-Time Home Ownership Counseling:** Habitat for Humanity offers free financial education programs focused on low-income, first-time homeownership to anyone living in Champaign County. This program gives individuals access to resources including down payment assistance and the support needed to make sound decisions so they can achieve and sustain financial security. Urbana ARPA Funds support Pre- and Post-Purchase Housing Counseling and Affordable Home Ownership Workshops. This includes a series of six Pre-Purchase workshops, three Post-Purchase Workshops, and bi-monthly Affordable Home Ownership Workshops.
  - b. **Project Scope:** Habitat for Humanity of Champaign County shall perform the Scope of Services as defined in Attachment A.
  - c. **Funding:** The City will transfer ARPA Funds to Habitat for Humanity of Champaign County in an amount up to \$25,000 in support of this Scope of Services beginning in City fiscal year 2023, according to the projected budget in Attachment A. The transfer of funds shall be made in the form of quarterly reimbursements, unless otherwise noted. In order for funds to be released, Habitat for Humanity of Champaign County must submit a Risk Assessment Form as provided by the City alongside this signed contract.

Each release of funds must be preceded by Habitat for Humanity of Champaign County's submission of a quarterly Reporting Form, along with any required documentation, as provided by the City. The Risk Assessment Form and Reporting Form shall be made available by the City to Habitat for Humanity of Champaign County in a fillable format.

## **2. Roles and Responsibilities of Habitat for Humanity of Champaign County.**

- a. Habitat for Humanity of Champaign County agrees to cooperate with meetings conducted by Urbana City Council members and/or City staff, as requested, to review programs in progress.
- b. Habitat for Humanity of Champaign County shall adhere to the ARPA Funds fiscal, accounting, and audit procedures that conform to Generally Accepted Accounting Principles (GAAP) and the requirements of Federal Uniform Guidance (2 CFR Part 200).
- c. Habitat for Humanity of Champaign County shall be required to repay the City in the amount of ARPA Funds that are not spent in accordance with the regulations and requirements specified in Federal regulations and this Agreement.
- d. Habitat for Humanity of Champaign County shall submit reporting information to the City as required by the Department of Treasury, upon request of the City. Information will include, but is not limited to: quarterly updates on program details, program timeline and status, program impact, and expenditure information and status. Additional reporting that may be required as applicable to First-Time Home Ownership Counseling may also include: ARPA Funds spent and obligated (along with documentation of expenses), project status, number of households served, and Impacted or Disproportionately Impacted Populations (as defined by the Coronavirus State and Local Fiscal Recovery Funds Final Rule) served by the project. Reporting requirements will be specified by the City.
- e. Habitat for Humanity of Champaign County shall provide to the City, upon reasonable notice, access to and the right to examine such books and records of Habitat for Humanity of Champaign County and will make such reports to the City as the City may reasonably require so that the City may determine whether there has been compliance with this Agreement and the Federal regulations and requirements for the expenditure of ARPA Funds. All reports and records related to the project must be maintained for the required period of time, according to applicable Federal and State laws, rules, or regulations (typically 5 years). 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 that arise from it, or until the end of the required period, whichever is later.
- f. No person shall be excluded from participation in programs the City is funding, be denied the benefits of such program, or be subjected to discrimination under any program or activity funded in whole or in part with the funds provided under this Agreement on the ground of race, ethnicity, color, national origin, sex, sexual

orientation, gender identity or expression, religion, disability, or on any other ground upon which such discrimination is prohibited by law. Habitat for Humanity of Champaign County understands that Executive Order 13985, Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, applies to the use of ARPA Funds.

- g. Habitat for Humanity of Champaign County shall comply with all applicable Federal, State or local statutes, ordinances, and regulations.
- h. Habitat for Humanity of Champaign County shall not use any of these ARPA Funds for lobbying purposes. ARPA Funds shall not be used to influence an officer or employee of any agency, including the City, in connection with any Federal, State, or local contract, grant, loan, or cooperative agreement. If it is determined by the City that any expenditure made with the ARPA Funds provided under this Agreement is prohibited by law, Habitat for Humanity of Champaign County shall reimburse the City any amount that is determined to have been spent in violation of the law.
- i. Habitat for Humanity of Champaign County shall enforce all applicable terms and requirements of this Agreement with any subgrantees or partners of this program and is liable for all subgrantee and partner activity related to this the expenditure of ARPA Funds and this Agreement.
- j. Habitat for Humanity of Champaign County 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.

### **3. First-Time Home Ownership Counseling.**

- a. Services: Habitat for Humanity of Champaign County shall undertake activities toward First-Time Home Ownership Counseling under the following requirements:
  - i. Habitat for Humanity of Champaign County shall undertake costs in accordance with the proposed budget and details provided in Attachment A.
  - ii. First-Time Home Ownership Counseling shall start on project start date provided in Attachment A.
  - iii. First-Time Home Ownership Counseling shall comply with all additional terms and conditions provided in Attachment A.
  - iv. Habitat for Humanity of Champaign County shall work towards and report on all *Key Objectives and Measurable Outcomes* provided in Attachment A.
- b. Governance: The First-Time Home Ownership Counseling activities shall be overseen by Habitat for Humanity's Family Services Manager and supported by the Executive Director *and include the following responsibilities*:
  - i. Duly adopt or pass as an official act a resolution, motion, or similar action authorizing execution of this Agreement, including all understandings and assurances contained herein, and direct and designate the authorized representative of Habitat for Humanity of Champaign County to act in connection with this Agreement and to provide such additional information as

- may be required.
- ii. Review reports and program adherence.
- iii. Review significant changes in programs and discuss with the City prior to request for approval and implementation.

**4. Roles and Responsibilities of the City.**

- a. The City shall provide ARPA Funds to Habitat for Humanity of Champaign County in the amount of up to \$25,000, in the form of quarterly reimbursements, available beginning in 2023. Funds shall be made available in a reasonable period of time after required reports, forms, and receipts are submitted and reviewed by the City.
- b. The City shall provide oversight as described in this Agreement for the purpose of ensuring that ARPA Funds are spent in compliance with Federal law, and in compliance with the intended purpose and outcomes of the funds and project as set forth in this Agreement.
- c. The City is not responsible in any way for the operations of Habitat for Humanity of Champaign County.

**5. Primary Contacts.**

- a. The City has contracted with the Champaign County Regional Planning Commission (RPC), who shall supervise and monitor compliance with ARPA reports and regulations. The RPC shall also serve as the City's primary contact with Habitat for Humanity of Champaign County unless the City directs otherwise in a writing.

**Name:** J.D. McClanahan

**Title:** Planner II, Champaign County Regional Planning Commission

**Telephone:** 217-328-3313, ext. 196

**Email:** [jmccclanahan@ccrpc.org](mailto:jmccclanahan@ccrpc.org)

- b. The following individual shall serve as the Subrecipient's primary contact with the City unless that individual directs otherwise in writing:

**Name:** Chad Hoffman

**Title:** Executive Director

**Telephone:** 217-819-5111

**Email:** [Director@cuhabitat.org](mailto:Director@cuhabitat.org)

- 6. **Term.** This Agreement shall commence upon its execution between the Parties and shall remain in effect until December 31, 2026. Upon the expiration of this Agreement, or earlier termination as provided in Paragraph 8, Habitat for Humanity of Champaign County shall maintain all records and documents related to this Agreement for such period as may be required by ARPA rules and regulations and any other applicable federal or state law (typically 5 years).

- 7. **Timeliness.** Time is essential to the performance of this project. Funds not spent during the anticipated period, as shown in Attachment A, due to a delay in the project, or component thereof, inclusive of unavoidable delays, may be subject to forfeiture.

Any and all discrepancies between anticipated timeline of expenditures and actual expenses shall be explained in submitted quarterly report materials. A variance of more than +/- 25

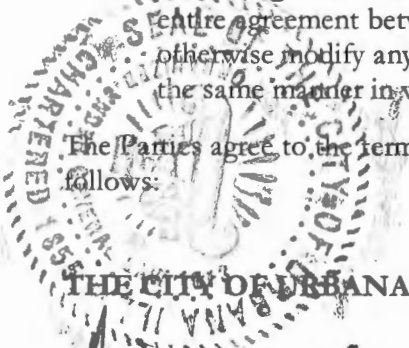
percent between estimated and actual eligible expenditures to date shall mandate an amended timeline, agreed upon by both the City and Habitat for Humanity of Champaign County. Beginning with the 2<sup>nd</sup> quarterly report in 2026, any variance greater than 5% shall mandate an amended timeline. The City shall not provide any reimbursement until the timeline is amended. Notwithstanding anything herein to the contrary, all expenditures and completion of the terms of this Agreement shall be on or before December 31, 2026, and such deadline shall not be subject to amendment.

8. **Termination.** The Agreement may be terminated by either party upon a 30-day notice in writing to the other Party. Upon termination, Habitat for Humanity of Champaign County shall provide to the City an accounting of the ARPA Funds and shall remit unspent ARPA Funds to the City. Additionally, if Habitat for Humanity of Champaign County does not spend the ARPA Funds in accordance with the Federal regulations and requirements concerning ARPA Funds, as well as the requirements specified in this Agreement, Habitat for Humanity of Champaign County will be required to repay the City in the amount of ARPA Funds that were utilized incorrectly. The requirement to repay misused funds shall remain in effect for the entire original term, even after the early termination by either Party.
9. **Amendments.** This Agreement may be amended only by an agreement of the Parties executed in the same manner in which this Agreement is executed.
10. **Representations and Warranties.** Both Parties represent that they are fully authorized to enter into this Agreement. The performance and obligations of either Party will not violate or infringe upon the rights of any third-party or violate any other agreement between the Parties, individually, and any other person, organization, or business or any law or governmental regulation.
11. **Indemnity.** Habitat for Humanity of Champaign County agrees to indemnify and hold harmless the City, its respective affiliates, officers, agents, employees, and permitted successors and assigns against any and all claims, losses, damages, liabilities, penalties, punitive damages, expenses, reasonable legal fees and costs of any kind or amount whatsoever, which result from the negligence of or breach of this Agreement by Habitat for Humanity of Champaign County, its respective successors and assigns that occurs in connection with this Agreement. This includes, but is not limited to:
  - a. The loss of any monies paid to Habitat for Humanity of Champaign County.
  - b. Fraud, defalcation, or dishonesty on the part of any person representing, employed by, contracted, or subtracted by Habitat for Humanity of Champaign County.
  - c. Any act, omission, wrongdoing, misconduct, want of care or skill, negligence, or default on the part of Habitat for Humanity of Champaign County or any of its contractors, subcontractors, suppliers, and laborers etc. in the execution or performance of this Agreement.

This section remains in full force and effect even after termination of the Agreement by its natural termination or the early termination by either Party. In the event that any actions, suit, or proceeding is brought against the City upon any liability arising out of the Agreement, or any other matter indemnified against, the City at once shall give notice in writing thereof to Habitat for Humanity of Champaign County by registered or certified mail. Upon receipt of such notice, Habitat for Humanity of Champaign County, at its own expense, shall defend against such action and take all such steps as may be necessary or proper to prevent the obtaining of a judgment against the City.

12. **Limitation of Liability.** Under no circumstances shall either Party be liable to the other Party or any third party for any damages resulting from any part of this Agreement such as, but not limited to, loss of revenue or anticipated profit or lost business, costs of delay or failure of delivery that are not related to or the direct result of a Party's negligence or breach.
13. **Severability.** In the event any provision of this Agreement is deemed invalid or unenforceable, in whole or in part, that part shall be severed from the remainder of the Agreement and all other provisions shall continue in full force and effect as valid and enforceable.
14. **Waiver.** The failure by either Party to exercise any right, power, or privilege under the terms of this Agreement will not be construed as a waiver of any subsequent or further exercise of that right, power, or privilege or the exercise of any other right, power, or privilege.
15. **Conflicts.** In the event of an unresolvable dispute, both Parties agree to participate in a mediation process and to split equally any costs associated with such. Any outcomes of mediation shall be in writing and binding on the Parties.
16. **Assignment:** Habitat for Humanity of Champaign County shall not assign this Agreement, nor any part thereof, without the prior written approval of the City.
17. **Legal and Binding Agreement.** This Agreement is legal and binding between the Parties as stated above. The Parties each represent that they have the authority to enter into this Agreement.
18. **Entire Agreement.** The Parties acknowledge and agree that this Agreement represents the entire agreement between the Parties. In the event that the Parties desire to change, add, or otherwise modify any terms, they shall do so only by an agreement of the Parties executed in the same manner in which this Agreement is executed.

The Parties agree to the terms and conditions set forth above as demonstrated by their signatures as follows:



**THE CITY OF URBANA**

*Diane Wolfe Marlin*  
Diane Wolfe Marlin, Mayor

**Habitat for Humanity of Champaign County**

*Chad Hoffman*  
Chad Hoffman, Executive Director

*Dary*  
City Clerk

*Chad*  
Attest



**Attachment A  
Scope of Services**

**Section 1. Summary**

**Project Summary**

Since 2006, Habitat for Humanity of Champaign County has offered a free financial education program focused on low-income, first-time homeownership to anyone living in Champaign County. The program gives individuals access to resources including down payment assistance and the support needed to make sound decisions so they can achieve and sustain financial security. Financial capability is about reaching financial goals to build financial health, build wealth, and ensure permanent housing stability. This program will help individuals be financially stable by combining financial education, counseling, and coaching. Habitat anticipates serving 100 families a year through the program, which is free to anyone living in Champaign County. Habitat is requesting funds for the Pre- and Post-Purchase Housing Counseling and Affordable Home Ownership Workshops. This includes a series of six Pre-Purchase workshops, three Post-Purchase Workshops, and bi-monthly Affordable Home Ownership Workshops.

**Key Objectives and Measurable Outcomes**

- Number of class participants
  - Demographics of participants
- Participant completion of class content
  - Budgets
  - Action Plans
- Number of participants purchasing a home within a year

**Project Start Date:** 4/1/23

**Project Completion Date:** 12/31/23

**ARPA Funding**

\$25,000

**Changes from submitted application, and project specific conditions, if any.**

The award provided is approximately 50% of the amount requested in the application. This difference will be accounted for by specifically focusing this funding on the Urbana participants in Habitat's program. Habitat will utilize other funding sources to cover the eligible Champaign expenses.

**Project Budget and Anticipated Timeline**

<b>Time Period</b>	<b>Project Expenses</b>	<b>ARPA Eligible Expenses (Urbana)</b>	<b>Quarterly Funding Amount</b>	<b>Funding Type (Upfront vs Reimbursement)</b>	<b>Cumulative Reimbursement</b>
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**Attachment A  
Scope of Services**

2023 Q2 (April, May, June)	\$20,000	\$10,000	\$6,250	Reimbursement	\$6,250
2023 Q3	\$20,000	\$10,000	\$6,250	Reimbursement	\$12,500
2023 Q4	\$20,000	\$10,000	\$6,250	Reimbursement	\$18,750
2024 Q1	\$20,000	\$10,000	\$6,250	Reimbursement	\$25,000
2024 Q2					
2024 Q3					
2024 Q4					
2025 Q1					
2025 Q2					
2025 Q3					
2025 Q4					
2026 Q1					
2026 Q2					
2026 Q3					
2026 Q4					

**Section 2. Additional Project Information**

1. Executive Summary, attached hereto
2. Submitted Application, attached hereto
3. City Council Presentation, 12/13/22 #5 [[Link](#)] and slides, attached hereto