

RESOLUTION NO. 2023-10-086R

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

(City of Champaign Full Home Improvement Program FHIP FY 2023-2024)

WHEREAS, the City of Urbana ("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, the City Council of the City of Urbana, Illinois, has found and determined that execution of the attached subrecipient agreement is desirable and necessary to carry out one of the corporate purposes of the City of Urbana, to wit: implementation of Strategies and Objectives to Address the Affordable Housing Needs of Low- and Moderate-Income Households described in the City of Urbana and Urbana HOME Consortium (Champaign/Urbana/Champaign County) FY 2020-2024 Consolidated Plan.

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

Section 1. That an Agreement providing \$125,000 in HOME Program funds for the funding of a full home improvement program, between the City of Urbana and City of Champaign, 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

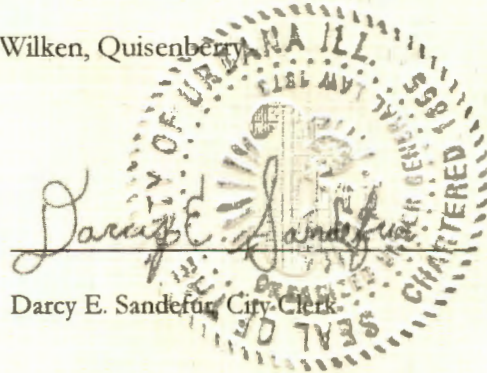
the same is authorized to attest to said execution of said Agreement as so authorized and approved for and on behalf of the City of Urbana, Illinois.

PASSED BY THE CITY COUNCIL this 23rd day of October, 2023.

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

NAYS: None

ABSTAINED: None



Darcy E. Sandefur
Darcy E. Sandefur, City Clerk

APPROVED BY THE MAYOR this 13th day of November, 2023.

Diane Wolfe Martin
Diane Wolfe Martin, Mayor

**URBANA HOME CONSORTIUM
SUBRECIPIENT AGREEMENT**

(FULL HOME IMPROVEMENT PROGRAM FY 2023-2024)

This **SUBRECIPIENT AGREEMENT** is entered into and shall be effective as of the 28 day of October, 2023, by and between the City of Urbana, Illinois, hereinafter referred to as ("URBANA"), lead entity for the Urbana HOME Consortium, and the City of Champaign, hereinafter referred to as ("CHAMPAIGN"), a member of the Urbana HOME Consortium and a subrecipient of HOME funds.

WITNESSETH:

WHEREAS, the National Affordable Housing Act ("Act") makes possible the allocation of HOME Investment Partnerships funds to the Urbana HOME Consortium for the purpose of undertaking only housing activities specified in Title II of the Act; and

WHEREAS, units of local government had conferred upon them the following powers by *Article VII, Section 10, of the 1970 Illinois Constitution*:

"(A) Units of local government and school districts may contract or otherwise associate themselves, with the State, with other States and their units of local government and school districts, and with the United States to obtain or share services and to exercise, combine or transfer any power or function, in any manner not prohibited by law or ordinance. Units of local government and school districts may contract and otherwise associate with individuals, associations, and corporations in any manner not prohibited by law or by ordinance. Participating units of government may use their credit, revenues, and other resources to pay costs and to service debt related to intergovernmental activities"; and

WHEREAS, Sections 3 and 5 of the Intergovernmental Cooperation Act (5 Il-CS 220/3 and 220/5) provide as follows:

"Section 3. INTERGOVERNMENTAL AGREEMENTS. Any power or powers, privileges or authority exercised or which may be exercised by a public agency of this State may be exercised and enjoyed jointly with any other public agency of this State and jointly with any public agency or any other State or of the United States to the extent that laws of such other State or of the United States do not prohibit joint exercise or enjoyment."

"Section 5. INTERGOVERNMENTAL CONTRACTS. Any one or more public agencies may contract with any one or more other public agencies to perform any governmental service, activity or undertaking which any of the public agencies entering into the contract is authorized by law to perform, provided that such contract shall be authorized by the governing body of each part to the contract. Such contract shall set forth fully the purposes, powers, rights, objectives and responsibilities of the contracting parties".

WHEREAS, the parties hereto have authorized the execution of this AGREEMENT, as an exercise of their respective powers and other governmental authority, and, as an exercise of their

Intergovernmental cooperation authority under the Constitution and statutes of the State of Illinois; and

WHEREAS, URBANA, CHAMPAIGN and CHAMPAIGN COUNTY have entered into a Cooperative Agreement to form the Urbana HOME Consortium to qualify for HOME Investment Partnership Act funds, funded by the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, URBANA is the lead agency of the Consortium, and is designated by HUD as the HOME Participating Jurisdiction; and

WHEREAS, URBANA and CHAMPAIGN have determined that it is mutually beneficial to have Champaign disburse HOME funds for HOME-eligible activities in the City of Champaign; and

WHEREAS, in accordance with HOME regulations, CHAMPAIGN must be designated as a HOME Subrecipient in order to directly execute contracts for HOME-funded activities;

NOW, THEREFORE, all recitals set forth above are incorporated herein and made a part hereof, the same constituting the factual basis for this Agreement.

1. Terms of Project/Use of HOME funds/Scope of Services:

The express purpose of this Agreement is to provide CHAMPAIGN with HOME funds which will be used by CHAMPAIGN for the purpose of administering the Full Home Improvement Program (FHIP) in the City of CHAMPAIGN, the funds for which shall be reimbursed to CHAMPAIGN by URBANA, as defined in this Agreement and specified HOME program requirements and eligible costs per 24 CFR Part 92.209.

Use of HOME Funds/Scope of Services: CHAMPAIGN agrees that URBANA shall take full responsibility for committing and expending HOME funds in the amount of \$125,000 stemming from the FY 23-24 HOME Allocation. CHAMPAIGN must contribute \$31,300 to this project. URBANA agrees to commit these funds to the rehabilitation of homes occupied by low-income residents ("PROJECT"), and to other eligible activities related to the PROJECT. The FHIP program will be prioritized in the following areas of Champaign in order to provide maximum benefit in areas identified with the greatest housing needs and/or lowest incomes: Planning Areas 1,2,4,7,8,9,14, and 15. Funds shall be reimbursed to CHAMPAIGN by URBANA as defined in this Agreement and specified HOME program requirements and eligible costs per 24 CFR Part 92.209.

Projects undertaken pursuant to this AGREEMENT must comply with project requirements provided in 24 CFR 92 subpart F, as applicable in accordance with the type of project assisted. A project approval letter from URBANA to CHAMPAIGN will evidence URBANA approval.

2. Definitions

- a. "Activity": An address-specific, eligible use of HOME funds for which an income-eligible beneficiary has been or will be identified.
- b. "Median Family Income" or "MFI": The median household income distribution range (consisting of two equal parts of one-half of the households falling below the median household income range and one-half being above the median household income range) for a metropolitan area or a non-metropolitan county, adjusted for household size, which is calculated annually by HUD for use in determining eligibility for housing programs.
- c. "HUD": The U.S. Department of Housing and Urban Development, its Secretary or a person authorized to act on his/her behalf.
- d. "HOME Program": The HOME Investment Partnerships Program approved by HUD that governs this Agreement and may be amended from time to time.
- e. "Household Income": As used in this Agreement, refers to Total Gross Annual Income must be at or below 80% of the area median income limit using the Part 5 definition of income at program intake. All household incomes must be verified using source documents and/or third party verification before assistance is provided and re-examined at least annually.
- f. "City of Urbana Grants Management Division": The City of Urbana staff responsible for the local administration and enforcement of the HOME Investment Partnerships Program and administrative staff of the URBANA as provided by local and HUD regulations
- g. "Monitoring Agency": The City of Urbana Grants is the designated agency monitoring HOME-assisted housing projects under this Agreement.
- h. "Program Income": Gross income (repayment, interest, or other appropriate return on investment of HOME funds) received by CHAMPAIGN directly generated from the use of HOME funds or Matching Contributions.
- i. "Project": The activity or group of activities covered by this Agreement as part of an Owner Occupied Rehabilitation Program. For this reason, this Agreement references both project and program activities funded with HOME dollars.
- j. "Project Completion": All necessary requirements have been performed; the project complies with all the requirements of this Agreement; the final drawdown has been disbursed for the project; CHAMPAIGN has submitted an acceptable project completion report; and the project completion information has been entered in the Integrated Disbursement and Information System (IDIS) established by HUD.

3. Budget.

Under the AGREEMENT, CHAMPAIGN has been awarded **\$125,000** in HOME funds to

reimburse eligible expenses relating to the FHIP Program as detailed in [24 CFR 92.254(b)(1) and (2)].

URBANA shall distribute to CHAMPAIGN a portion of the total funds received by URBANA under the HOME Program, and in consideration of CHAMPAIGN'S undertaking to perform the HOME Homeowner Rehabilitation Program and incur eligible expenses as permitted in 24 CFR 92.206. Eligible expenses do not include luxury items or off-site infrastructure. The FHIP detailed budget can be found in Exhibit A of this agreement.

The match requirement is **\$31,300**. CHAMPAIGN may contribute to or utilize excess match accumulated by Consortium members. Any new CHAMPAIGN match contributions to the Program must be submitted to URBANA along with documentation of qualified matching funds and source of funds to URBANA in accordance with the HOME Program requirements at 24 CFR 92.220. The Consortium agrees to share excess match credit in accordance with the HOME Program requirements at 24 CFR 92.220.

4. Roles and Responsibilities:

CHAMPAIGN and URBANA shall at all times observe and comply with Title 24 CFR Part 92 and all applicable laws, ordinances or regulations of the Federal, State, County, and local government, which may in any manner affect the performance of this Agreement, and CHAMPAIGN shall perform all acts with responsibility to the URBANA in the same manner as URBANA is required to perform all acts with responsibility to the Federal government.

5. Duration of Agreement

This AGREEMENT shall be in effect until June 30, 2024. If CHAMPAIGN is delayed in the completion of the PROGRAM by any cause legitimately beyond its control, it shall immediately, upon receipt and knowledge of such delay, give written notice to URBANA and request an extension of time for completion of the Program.

URBANA shall consider the request and make determinations on, an extension of time for completion of the PROGRAM as URBANA in its sole discretion deems, necessary for completion of the Neighborhood Revitalization Program due to the circumstances causing the delay. URBANA shall act upon the extension request and recommendation and notify CHAMPAIGN of the time extension granted, or of its denial of such request.

6. General Program Requirements

CHAMPAIGN agree to take all required actions to assure compliance with URBANA's certification as to and the provisions of the National Environmental Policy Act of 1969, Uniform Relocation Act, Title VI of the Civil Rights Act of 1964, the Fair Housing Act, Sec. 504 of the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act, as amended, and other applicable Federal and State laws.

CHAMPAIGN agrees that all HOME-eligible activities funded through this AGREEMENT shall be confirmed with a written contract that contains the provisions specified in 24 CFR Part 92.504. In addition, any contract made between CHAMPAIGN and another entity for the use of HOME

funds pursuant to this AGREEMENT for housing rehabilitation, shall comply with all applicable HOME regulations. Housing assisted with HOME funds must meet the affordability requirements of Sec. 92.252 or Sec. 92.254, as applicable, and must require repayment of the funds if the housing does not meet the affordability requirements for the specified time period, and shall be enforced by deed restriction for the applicable period of affordability. The form of the contract for each program shall be approved by URBANA in advance of its execution.

Repayment of HOME funds or recaptured HOME funds recovered from such projects may be retained by CHAMPAIGN for additional eligible activities. CHAMPAIGN is required to follow URBANA's requirements, including requirements for income determinations, underwriting and subsidy layering guidelines, rehabilitation standards, homebuyer program policies, and affordability requirements.

All notices, writings, correspondences, etc., as required by this AGREEMENT shall be directed to URBANA and CHAMPAIGN as follows:

URBANA:

Grants Division Manager
400 S. Vine St.
Urbana, IL 61801

CHAMPAIGN:

Neighborhood Programs Manager
205 W. Park Avenue Suite 100
Champaign, IL 61820

7. Records and Reports.

CHAMPAIGN shall maintain, on a current basis, complete records, including, but not limited to, contracts, books of original entry, source documents supporting accounting transactions, eligibility and service records as may be applicable, a general ledger, personnel and payroll records, canceled checks and related documents and records to assure proper accounting of funds and performance of this contract in accordance with HOME regulations.

To the extent permitted by law, CHAMPAIGN will also permit access to all books accounts or records of any kind for purposes of audit or investigation, in order to ascertain compliance with the provisions of this contract. Records shall be maintained for a period of five years or in accordance with 24 CFR Part 92.508 (c), whichever is longer.

CHAMPAIGN agrees to defend, indemnify, and hold harmless URBANA and its officers, employees and agents from any and all acts, claims, omissions, liabilities and losses by whomever asserted arising out of facts or omissions of CHAMPAIGN in the performance of the scope of work except those arising by reason of the sole negligence of URBANA, its officers, employees, or agents.

URBANA agrees to defend, indemnify, and hold harmless CHAMPAIGN and its officers, employees and agents from any and all acts, claims, omissions, liabilities and losses by whomever

asserted arising out of acts or omissions of URBANA in the performance of the scope of work except those arising by reason of the sole negligence of CHAMPAIGN, its officers, employees, or agents.

8. Other Federal Requirements:

CHAMPAIGN hereby assures and certifies that it will comply with the regulations, policies, guidelines and requirements with respect to the acceptance and use of HOME Funds in accordance with the ACT and the policies of URBANA as applicable to the HOME Program. CHAMPAIGN shall comply with all Federal Requirements as set forth in 24 CFR § 92, Subpart H, including the following:

- a. The Federal requirements set forth in 24 CFR part 5, subpart A, are applicable to participants in the HOME Neighborhood Revitalization program. The requirements of this subpart include: nondiscrimination and equal opportunity; disclosure requirements; and drug-free workplace.
- b. Fair Housing and Equal Opportunity: Requirements found in 24 CFR § 92.205 and § 92.250; Title VI of Civil Rights Act of 1964 (42 U.S.C. 2000d et.seq.) and implementing regulations issued at 24 CFR Part 1 prohibiting discrimination on the basis of race, color, nor national origin in programs and activities receiving federal financial assistance; Fair Housing Act (42 U.S.C. 3601-3620); Executive Order 11063 (amended by Executive Order 12259); Age Discrimination Act of 1975, as amended (42 U.S.C. 6101); 24 CFR 5.105(a).
- c. Executive Order 11246, Equal Opportunity in Federal Employment, September 24, 1965 (30 FR ~2319), as amended by Executive Order 12086, October 5, 1978 (43 FR 46501), and the regulations issued pursuant thereto (24 CFR Part 130 and 41 CFR Chapter 60), which provides that no person shall be discriminated against on 'the basis of race, color, religion, sex, or national origin in all phases of employment during the performance of Federal or Federally assisted construction contracts.

Contractors and subcontractors on Federal and Federally assisted construction contracts shall, take affirmative action to ensure fair treatment in employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation and selection for training and apprenticeship. Required completion of EEOC Certification form is provided as Exhibit K to this agreement.

- d. Affirmative Marketing: The Affirmative Marketing requirements found at 24 CFR § 92.351
- e. Compliance with Section 504 of the Rehabilitation Act of 1973 is applicable to HOME-funded TBRA activities. CHAMPAIGN warrants it will comply with Section 504 requirements and has a process for doing so, including:

- i. Providing information materials in alternative formats (large print, on tape, etc.);
 - ii. Communicating with hearing impaired applicants; and
 - iii. Making reasonable accommodations to applicants with disabilities.
- f. § 92.356 Conflict of Interest: Recipients must immediately report to Urbana any real, potential or perceived conflict of interest as outlined in 24 CFR Part 35 and 2 CFR Part 200, as applicable, regarding the receipt of, assistance provided with, or expenditure of HOME funds. For example, a potential or perceived conflict of interest may exist when a relative (sibling, cousin, parent, etc.) of the applicant's staff, developer's staff, etc., applies for housing assistance through a HOME-assisted program or in a HOME-assisted property.
- g. No officer, employee, agent, consultant, elected official or appointed official of CHAMPAIGN or its designees or agents, member of the governing body of (and no one with whom they have family, personal, business or professional ties) who exercise or have exercised any functions or responsibilities with respect to projects assisted with HOME funds or who are in a position to participate in a decision-making process or gain inside information with regard to these activities may obtain a financial interest or benefit from a HOME-assisted project, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family, personal, business or professional ties, during his or her tenure or for one year thereafter, shall have any personal or financial benefit, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the HOME-assisted project funded under this Agreement.
- h. Environmental Reviews: requirements found in § 92.352, 24 CFR Part 58.35 a(4), Units of local government must submit an environmental review record prior to release of funds.
- i. Lead-Based Paint: for pre-1978 units the requirements at 24 CFR § 92.353, URBANA assigns to CHAMPAIGN the responsibilities of 24 CFR Part 35 and CHAMPAIGN is the designated party for all lead based paint compliance issues. As needed, HOME-funded recipients must submit quarterly data identifying units constructed before 1978 that are occupied by children age 6 or under. This information is used to compare against Health Department reports of elevated blood levels.
- j. Conditions for Religious Organizations per § 92.257: HOME funds may not be used to engage in inherently religious activities, such as worship, religious instruction, or

proselytization in accordance with 24 CFR 92.257. An organization that participates in the HOME Program shall not, in providing program assistance, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief. HOME funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities.

- k. Executive Order 13166 eliminates, to the extent possible, limited English proficiency as a barrier to full and meaningful participation by beneficiaries in all federally-assisted and federally-conducted programs and activities.
- l. Certification Regarding Lobbying: Pursuant to 2 CFR 200.302, the undersigned representative of the CHAMPAIGN certifies, to the best of his or her knowledge and belief, that:
 - i. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any CHAMPAIGN, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal Agreement, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal Agreement, grant, loan, or cooperative agreement.
 - ii. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any CHAMPAIGN, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal Agreement, grant, loan, or cooperative agreement, the undersigned representative of the CHAMPAIGN shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
 - iii. The undersigned representative of the CHAMPAIGN shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, agreements) and that CHAMPAIGN shall certify and disclose accordingly.
 - iv. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

- v. Uniform Administrative Requirements: CHAMPAIGN shall administer the HOME FUNDS in conformance with the regulations, policies, guidelines and requirements of 2 CFR Chapter I, Chapter II, Part 200, et al. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule as they relate to the acceptance and use of Federal funds for the Project:
- vi. Procurement, Finances, Administration. CHAMPAIGN shall administer HOME FUNDS such as procurement, financial management system, program income, and other administrative responsibilities in accordance with 2 CFR Part 200, as applicable and shall follow 24 CFR 92.251 covering utilization of real property
- vii. Audits. CHAMPAIGN shall adopt the audit requirements in accordance with 2 CFR Part 200 if CHAMPAIGN expends \$750,000.00 or more in federal funds in a year and specifically audit requirements as applicable. Further, URBANA shall require an independent agency audit annually, evidence of which must be submitted to URBANA. URBANA may arrange for its own staff or an independent certified public accountant to make periodic audits of the fiscal and accounting operations of CHAMPAIGN. URBANA may make an examination of CHAMPAIGN's fidelity bonding and fiscal and accounting procedures to determine whether these procedures meet the requirements of this Agreement.
- viii. Cost Principles and Eligible Costs. CHAMPAIGN shall comply with the requirements of 2 CFR Part 200 as applicable, regarding what are eligible direct and indirect costs.
- ix. CHAMPAIGN shall permit the authorized representatives of the URBANA, HUD and the Comptroller General of the United States to inspect and audit all data and reports of CHAMPAIGN relating to its performance under the Agreement.

9. **Miscellaneous Provisions**

- a. This AGREEMENT may not be amended without URBANA approval. Any amendment to this AGREEMENT must be in writing and signed by a duly authorized representative of both organizations. Such amendment(s) shall not invalidate this AGREEMENT, nor relieve or release URBANA or CHAMPAIGN from its obligations under this AGREEMENT. However, URBANA may amend this AGREEMENT without CHAMPAIGN approval, to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendment(s) results in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this AGREEMENT, such modifications will be incorporated only by written amendment signed by both URBANA and CHAMPAIGN.

- b. This AGREEMENT is made subject to financial assistance agreements between URBANA and the United States Department of Housing and Urban Development (HUD), with the rights and remedies of the parties hereto being in accordance with this AGREEMENT.
- c. ASSIGNMENT. Except as provided per Rights To Subcontract hereof, CHAMPAIGN shall not assign this Agreement or any part thereof and CHAMPAIGN shall not transfer or assign any HOME FUNDS, property or assets acquired using HOME FUNDS or claims due or to become due hereunder, without the written approval of URBANA having first been obtained.
- d. The section headings of this Agreement are for convenience and reference only and in no way define, limit, or describe the scope or intent of this Agreement, and should be ignored in construing or interpreting this Agreement.
- e. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.
- f. Unless determined by URBANA pursuant to the terms of this AGREEMENT above, this AGREEMENT will remain in effect for the Affordability Period of the PROJECT as required by Federal regulation under the HOME Program, and as required by applicable record keeping requirements as prescribed herein CHAMPAIGN agrees that, pursuant to 24 CFR 570.501(b), Champaign is subject to the same requirements applicable to sub-recipients, including the requirement for a written AGREEMENT set forth in 24 CFR 570.503.
- g. Funds identified as Program Income and collected by CHAMPAIGN shall be accounted for and reported to URBANA on a quarterly basis. URBANA will report to HUD on the use of any program income. Any program income generated by CHAMPAIGN may be retained for additional eligible activities. Ten percent of each eligible Program Income receipt may be used by CHAMPAIGN for administrative expenses, provided that administrative expenses with documentation are included on the invoice at the same time the Program Income is reported. CHAMPAIGN shall comply with all rules and regulations for the appropriate record keeping in relation to the generation of any program income.

Funds identified as Recapture or Repayment are not eligible for the ten percent administrative set-aside, per 24 CFR 92.503. Any HOME funds invested in a project that is terminated before completion, either voluntarily or otherwise, must be repaid by the participating jurisdiction except for repayments of project specific community housing development organization loans which are waived in accordance with §§92.301(a)(3) and 92.301(b)(3):

- i. **Repayments.** Any HOME funds invested in housing that does not meet the affordability requirements for the period specified in §92.252 or §92.254, as

applicable, must be repaid by the participating jurisdiction in accordance with paragraph (b)(3) of this section. HUD will instruct the participating jurisdiction to either repay the funds to the HOME Investment Trust Fund Treasury account or the local account. Generally, if the HOME funds were disbursed from the participating jurisdiction's HOME Investment Trust Fund Treasury account, they must be repaid to the Treasury account. If the HOME funds were disbursed from the participating jurisdiction's HOME Investment Trust Fund local account, they must be repaid to the local account. If the jurisdiction is not a participating jurisdiction at the time the repayment is made, the funds must be remitted to HUD, and reallocated in accordance with §92.454.

- ii. **Recaptures.** HOME funds recaptured in accordance with §92.254(a)(5)(ii) must be used in accordance with the requirements of this part. Recaptured funds must be deposited in the participating jurisdiction's HOME Investment Trust Fund local account unless the participating jurisdiction permits the State recipient, subrecipient, or community housing development organization to retain the recaptured funds for additional HOME projects pursuant to the written agreement required by §92.504.

h. CHAMPAIGN shall pay to URBANA an amount equal to the current fair market value (less any portion thereof attributable to expenditures on non-HOME funds, where applicable), of any property acquired or improved with HOME funds which CHAMPAIGN sells or transfers for a use which does not qualify under HOME regulations. Any transfer of property prior or subsequent to closeout, change of status of CHAMPAIGN or termination of this AGREEMENT shall be returned to URBANA for reprogramming for eligible activities in any part of the CHAMPAIGN\URBANA\CHAMPAIGN COUNTY HOME Consortium as URBANA determines best.

10. **Disbursements**

CHAMPAIGN may not request disbursement of funds until the funds are needed for payment of eligible costs. CHAMPAIGN shall inform and account to URBANA for any income generated by the expenditure of HOME funds received by the Consortium member, such as the repayment of a loan of HOME funds. Any program income received by any of the parties may be used for eligible activities in accordance with all HOME requirements that apply. Any Program Income received by CHAMPAIGN shall be reported to URBANA at the time of receipt. Program Income must be fully disbursed before CHAMPAIGN requests additional HOME funds from URBANA.

11. **Breach**

As specified in 24 CFR Part 85.43 breach of this AGREEMENT may result in the suspension or termination of CHAMPAIGN as a subrecipient of HOME funds.

12. Other Program Requirements

In conjunction with performance of this AGREEMENT, CHAMPAIGN has been made cognizant of and will comply with all applicable affirmative action anti-discrimination and equal opportunity guidelines and requirements of the federal, state, or local government. CHAMPAIGN will use its best efforts to utilize minority and female enterprises and ensure that minority and female enterprises have equal opportunity to compete for subcontractor work under this contract.

13. Enforcing of Agreement

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

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

For purposes of this AGREEMENT, a reasonable opportunity to respond to any default shall be thirty (30) days from receipt by CHAMPAIGN of URBANA'S written notice of default. No delay or

omission by URBANA and/or HUD in exercising any right or remedy available to it under the AGREEMENT shall impair any such right, remedy, or constitute a waiver or acquiescence in any CHAMPAIGN default.

Unless CHAMPAIGN's default is waived, URBANA may terminate this AGREEMENT for said default. Waiver by URBANA of CHAMPAIGN'S default under this AGREEMENT shall not be deemed to be a waiver of any other default nor shall it be termination notice.

14. Severability

If any provision of this AGREEMENT is invalid for any reason, such invalidation shall not affect the other provisions of this AGREEMENT which can be given effect without the invalid provision, and to this end the provisions of this AGREEMENT are to be severable.

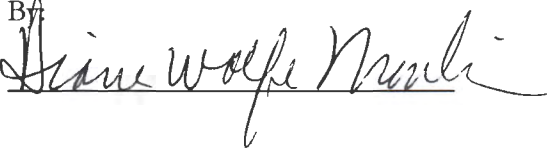
15. Fees

CHAMPAIGN and any community housing development organization with which CHAMPAIGN contracts are prohibited from charging servicing, origination, or other fees for the costs of administering the HOME program, except as permitted by 24 CFR 92.214(b)(1).

This AGREEMENT may be amended only by written **agreement** of the parties hereto.

The section headings of this AGREEMENT are for convenience and reference only and in no way define, limit, or describe the scope or intent of this AGREEMENT, and should be ignored in construing or interpreting this AGREEMENT.

CITY OF URBANA


By: 

Attest:



City Clerk

CITY OF CHAMPAIGN

By: 

Approved as to form:

**Exhibit A
Budget Projections**

CITY OF CHAMPAIGN

FY 2023-2024 ALLOCATION:

\$125,000

Champaign Full Home Improvement Program

Full Home Improvement Program (4 projects)	
Construction	\$25,000 per project
Project Delivery	\$5,110 per project
Total:	\$30,110 per project
Match Requirement:	\$31,300

HOME funds will support the rehabilitation of four (4) owner-occupied housing units in the City of Champaign. Other costs included under this subrecipient agreement will include project delivery costs. The FHIP program will be prioritized in the following areas of Champaign in order to provide maximum benefit in areas identified with the greatest housing needs and/or lowest incomes: Planning Areas 1, 2,4,7,8,9,14 and 15.