



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Bruce K. Walden, Chief Administrative Officer

FROM: Elizabeth H. Tyler, AICP, City Planner/Director

DATE: August 7, 2002

**SUBJECT: AN ORDINANCE APPROVING A CITY OF URBANA
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
AGREEMENT (HISTORIC EAST URBANA NEIGHBORHOOD
ASSOCIATION (HUENA) SUBRECIPIENT AGREEMENT NO.
0203-01)**

Description

Included in this packet is a copy of the subrecipient agreement authorizing activities for HUENA under the Neighborhood Organization Grant VII for Program Year 2002-2003, July 1, 2002 through June 30, 2003.

Issues

The Community Development Commission at its July 16, 2002 meeting recommended this agreement to the Urbana City Council for review and approval. This agreement will then be forwarded to the Mayor for execution.

Background

On May 6, 2002, the Urbana City Council passed Resolution No. 2002-04-013R approving the City of Urbana and Urbana HOME Consortium Annual Action Plan FY2002-2003. The AAP was subsequently submitted to HUD on May 16 for approval. Such approval has been received, and CDBG funds were released for expenditure effective July 1, 2002. At the time the AAP was approved, Council requested certain subrecipient agreements be return to it for review and approval before execution by the Mayor; this applicant was one of those.

Options

The Urbana City Council can pursue the following options:

- Approve the agreement as submitted and forward to the Mayor for execution;

- Amend the agreement and forward the amended version to the Community Development Commission for approval and recommendation.

Fiscal Impacts

CDBG budget amounts were approved as part of the AAP, and formally accepted with the approval of the City budget. This particular agreement will reimburse HUENA for up to \$2500 in expenses as set forth in Attachment C Statement of Special Conditions. Failure to forward the agreement for execution can delay this project and impact the timely expenditure of CDBG funds.

Recommendations

Staff requests that Council members review the attached agreement and forward the same to the Mayor for signature.

Memorandum Prepared By:

**Karen Rasmussen
Grants Coordinator II**

**Bob Grewe
Manager, Grants Management Division**

ORDINANCE NO. 2002-08-088

**{AN ORDINANCE APPROVING A CITY OF URBANA COMMUNITY
DEVELOPMENT BLOCK GRANT PROGRAM AGREEMENT}**

**{Historic East Urbana Neighborhood Association (HUENA) Subrecipient
Agreement NO. 0203-01}**

WHEREAS, on May 6, 2002, the Urbana City Council passed Resolution No. 2002-04-013R approving the City of Urbana and Urbana HOME Consortium Annual Action Plan for Program Year 2002-2003 authorizing certain activities under the Neighborhood Organization Grant Program VII.

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

Section 1. That an Agreement providing \$2,500 in Community Development Block Grant funds, for capacity building efforts, between the City of Urbana and the Historic East Urbana Neighborhood Association, in 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 _____,

_____.

Tod Satterthwaite, Mayor

**HISTORIC EAST URBANA NEIGHBORHOOD ASSOCIATION (HUENA)
Subrecipient Agreement No. 0203-01**

**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
NEIGHBORHOOD ORGANIZATION GRANT VII
SUBRECIPIENT AGREEMENT**

THIS AGREEMENT, made and entered into by and between the CITY OF URBANA, an Illinois Municipal Corporation, hereinafter referred to as the "City"), and HISTORIC EAST URBANA NEIGHBORHOOD ASSOCIATION, (hereinafter referred to as the "Subgrantee").

WHEREAS, the City has been designated as an entitlement community by the U. S. Department of Housing and Urban Development (hereinafter "HUD") under provisions of the Housing and Community Development Act of 1974, as amended, and the City will receive an entitlement of funds during the period July 1, 2002 - June 30, 2003, pursuant to the Community Development Block Grant Program (hereinafter "CDBG Program"); and,

WHEREAS, the Urbana City Council has adopted a 2002-2003 CDBG Program and budget which authorizes establishment of a neighborhood organization grant program to encourage formation of representative neighborhood-based organizations and to assist such organizations in building capacity to provide services to its constituent residents; and,

WHEREAS, the City has the right and authority under said CDBG Program to allocate a portion of its funds to the Subgrantee for purposes of facilitating organizational development and service delivery; and,

WHEREAS, the City, as a condition of its assistance to the Subgrantee and in accordance with regulations of the Community Development Block Grant Program, requires the Subgrantee to file with the City certain attachments which are hereby incorporated and made part hereof.

NOW, THEREFORE, the parties do hereby agree as follows:

1. The preamble set forth above is hereby incorporated and made part of this Subrecipient Agreement.
2. The City does hereby agree to make a grant to the Subgrantee in the sum of \$2,500.00 (Two Thousand Five Hundred and 00/100 Dollars). Subgrantee agrees to abide by the CDBG Program and to use said funds for the purpose of carrying out Subrecipient Agreement No. 0203-01.

3. The Subgrantee shall at all times observe and comply with all laws, ordinances, or regulations of the federal, state, county, and local government which may in any manner affect the performance of this Subrecipient Agreement, and the Subgrantee shall be liable to perform all acts to the City in the same manner the City performs these functions to the Federal government.
4. The Subgrantee agrees and authorizes the City and HUD to conduct on-site reviews, examine Subgrantee records and to conduct any other procedures and practices to assure compliance with this Subrecipient Agreement.
5. The Subgrantee shall execute and abide by the terms of Attachment A, Equal Employment Opportunity Certification, and with all City of Urbana Affirmative Action requirements.
6. The Subgrantee shall complete Attachment B, Assurances, and submit said document to the City as a condition of final execution of this Subrecipient Agreement.
7. The Subgrantee shall complete Attachment C, Statement of Special Conditions, and submit said document to the City as a condition of final execution of this Subrecipient Agreement.
8. The Subgrantee represents to the City that the aforesaid project shall begin on July 1, 2002 and terminate on or before June 30, 2003, unless otherwise extended in a written modification to this Subrecipient Agreement executed by the City and Subgrantee.
9. The Subgrantee shall not assign this Subrecipient Agreement nor any part thereof and the Subgrantee shall not transfer nor assign any funds or claims due hereunder without the prior written approval of the City. Any transfer or assignment of funds pursuant to this Subrecipient Agreement, either in whole or in part, or any interest therein, which shall be due or become due to the Subgrantee, shall be of no force and effect.
10. The allocation of these funds shall in no way obligate the City for any financial responsibility incurred by the project in excess of the stipulated allocation. The allocation of these funds shall in no way obligate the City to bear responsibilities for the maintenance of any project under the provision of the Housing and Community Development Act of 1974, as amended.
11. This Subrecipient Agreement neither obligates nor precludes the City from further accepting or distributing funds entitled to the City and neither restricts nor limits the powers of the City to use such funds pursuant to the provisions of the Housing and Community Development Act of 1974, as amended.
12. This Subrecipient Agreement neither obligates nor precludes the Subgrantee from further accepting funds or assistance pursuant to the Housing and Community Development Act of 1974, as amended.

13. The Subgrantee agrees to protect, indemnify, hold and save harmless, and defend the City against any and all claims, costs, causes, actions and expenses, including but not limited to attorneys' fees incurred by reason of a law suit or claim for compensation arising in favor of any person, including the employees or officers or independent contractors or subcontractors or agents of the Subgrantee, on account of personal injuries or death, or damages to property occurring, growing out of, incident to, or resulting under this project, whether such loss, damage, injury or liability is contributed to by the negligence of the City or its officers, employees or agents, or by the premises themselves or any equipment thereon whether latent or patent, or from other causes whatsoever, except that Subgrantee shall have no liability for damages or the costs incident thereto caused by the sole negligence of the City, or its officers, employees or agents.
14. It is mutually understood and agreed that the Subgrantee shall have full control of the ways and means of performing the services referred to herein, subject to guidelines established in Attachment C, and that the Subgrantee or its employees, representatives, subcontractors, or agents are in no sense employees of the City.
15. The Subgrantee understands and agrees that in the procurement of supplies, equipment, construction and services, the following conflict of interest provisions shall apply.
 - A. No persons who exercise or have exercised any functions or responsibilities with respect to activities assisted under this Subrecipient Agreement, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, either for themselves or those with whom they have business or family ties, during their tenure or for one year thereafter.
 - B. This conflict of interest provision shall apply to any person who is an employee, agent, consultant, officer or elected official or appointed official of the Subgrantee or the City.
 - C. Upon written request, exceptions to the conflict of interest provisions may be granted by the City on a case-by-case basis but only after the Subgrantee has disclosed the full nature of the conflict, submitted proof that the disclosure has been made public, and provided a legal opinion that there would be no violation of state or local law if the exception were granted.
16. Upon execution of this Subrecipient Agreement, including the submission of all required attachments, the City and the Subgrantee shall adhere to the following:
 - A. The City and Subgrantee shall adhere to all special conditions described in Attachments A, B and C;

- B. To the greatest extent feasible all expenditures made under this project shall be made to Champaign County firms and individuals;
 - C. Financial records and payments shall comply with all Federal regulations;
 - D. The Subgrantee agrees to allow any and all audits of its records as may be required to permit inspection of program records by representatives of the Urbana Community Development Department and HUD.
17. Subgrantee understands and agrees that no Federal appropriated funds will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, a Member of a State Legislature, a Municipal Official, an officer or employee of Congress, an officer or employee of a State Legislature, an officer or employee of a Municipal Government, an employee of a Member of Congress, an employee of a Member of a State Legislature, or an employee of a Municipal Official in connection with the awarding of any Federal contract, 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 contract, grant, loan, or cooperative agreement.
- If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence any of the above listed in connection with this Federal contract, grant, loan, or cooperative agreement, Subgrantee will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
18. The City may suspend or terminate this Subrecipient Agreement, in whole or in part, if Subgrantee materially fails to comply with any term of this Subrecipient Agreement, or with any of the rules, regulations or provisions referred to herein; and the City may declare the Subgrantee ineligible for any further participation in the CDBG program, in addition to other remedies as provided by law.
19. The Subgrantee agrees that if the City determines that the Subgrantee has not complied with or is not complying with the provisions of the Subrecipient Agreement and so notifies the Subgrantee by written notice of said violations and the Subgrantee fails to correct said violations within thirty (30) days from receipt of said notice, the City may terminate this Subrecipient Agreement by written notice. And may take other action as may be permitted by this Subrecipient Agreement.
20. The Subgrantee shall submit regular Progress Reports to the City in the form, content, and frequency as required by the City. Requirements for said Progress Reports are specified in Attachment C hereto and made a part hereof.

21. Notices and communications under this Agreement shall be sent first class, prepaid mail to the respective parties as follows:

TO THE CITY: Karen M. Rasmussen
Grants Coordinator II
Grants Management Division
400 South Vine Street
Urbana, Illinois 61801

TO THE SUBGRANTEE: Scott Dossett
Chair
HUENA
501 East High Street
Urbana, Illinois 61801

This Subrecipient Agreement shall be effective as of the date executed by the City.

CITY

BY: _____

ATTEST: _____

SUBGRANTEE

BY: _____

ATTEST: _____

ATTACHMENT A
EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION

The undersigned understands and agrees that it is a Subgrantee of the Urbana CDBG Program and agrees that there shall be no discrimination against any employee who is employed in carrying out work receiving assistance from the City and HUD, or against any applicant for such employment, because of race, color, religion, sex, age, or national origin, including but not limited to employment, upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

The Subgrantee further agrees to the following:

- (1) It will be bound by said equal opportunity clause with respect to its own employment practices during the duration of its participation with the City and HUD;
- (2) It will furnish the City and HUD such information as they may require for the supervision of such compliance and will otherwise assist the City and HUD in the discharge of primary responsibility for securing compliance;
- (3) It will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the Secretary of Labor, the City or HUD;
- (4) In the event that it fails or refuses to comply with the undertaking, the City or HUD may cancel, terminate or suspend in whole or in part any contractual agreements the City or HUD may have with the Subgrantee; may refrain from extending any further assistance to the Subgrantee under any program until satisfactory assurance of future compliance has been received from such Subgrantee; or may refer the case to HUD for appropriate legal proceedings.
- (5) It shall abide by local regulations cited in the Urbana Human Rights Ordinance regarding equal employment.

Name of Subgrantee: _____

Address: _____

Printed Name/Title: _____

Signature: _____

Dated: _____

**ATTACHMENT B
ASSURANCES**

The Subgrantee hereby assures and certifies with respect to the grant that:

1. It possesses legal authority to receive CDBG Program funds from the City and to execute the proposed program.
2. Its governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing execution of this Agreement, including all understandings and assurances contained herein, and directing and designating the authorized representative of the Subgrantee to act in connection with the Agreement and to provide such additional information as may be required.
3. The City of Urbana's CDBG Program has been developed so as to give maximum feasible priority to activities which will benefit extremely low- or very low-income families. As a subrecipient of CDBG Program funds, Subgrantee agrees to give maximum feasible priority to extremely low- or very low-income families when administering the Subgrantee program described herein.
4. It will comply with the regulations, policies, guidelines, and requirements of Federal Management OMB Circulars A-110 and A-122 as they relate to the acceptance and use of Federal funds for this federally assisted program.
5. It will comply with all requirements imposed by HUD concerning special requirements of law, program requirements, and other administrative requirements as related to audits approved in accordance with OMB Circular A-133.
6. It will comply with
 - A. Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and the regulations issued pursuant thereto (24 CFR Part I), which provides that no person in the United States shall on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Subgrantee received Federal financial assistance and will immediately take any measure necessary to effectuate this assurance.
 - B. Section 109 of the Housing and Community Development Act of 1974, and the regulations issued pursuant thereto (24 CFR 570.601), which provide that no person in the United States shall, on the ground of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with Title I funds.

- C. Executive Order 11246, and all regulations issued pursuant thereto (24 CFR Part 130), which provide 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 contracts. Such contractors and subcontractors shall take affirmative action to insure 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.
 - D. Section 3 of the Housing and Urban Development Act of 1968, as amended, requiring that to the greatest extent feasible opportunities for training and employment be given lower-income residents of Champaign County and contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by, persons residing in Champaign County.
7. It will 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.
 8. It will comply with the provisions of the Hatch Act which limit the political activity of employees.
 9. It will give HUD and the Comptroller General through any authorized representative access to and the right to examine all records, books, papers, or documents related to the grant.

These assurances are signed with regard to Subrecipient Agreement No. 0203-01 of the Urbana CDBG Program.

Subgrantee Chief Executive Officer

Date

Attest by Subgrantee Official

Date

ATTACHMENT C
STATEMENT OF SPECIAL CONDITIONS

Subgrantee understands and agrees that it is a subrecipient of Urbana CDBG Program and is eligible to receive funds for Subgrantee Project No. 0203-01 pursuant to this Subrecipient Agreement.

The following conditions, in addition to those established in the attached City of Urbana Guidelines for Neighborhood Organization Grant Program, this Subrecipient Agreement itself, and other attachments thereto, and federal, state, county, and city laws, regulations, and procedures pertinent to this project, have been set forth and must also be complied with in order for Subgrantee to receive CDBG Program assistance for Subgrantee Project No. 0203-01.

1. This agreement is intended to fund administrative and service delivery costs by Subgrantee, during the period beginning July 1, 2002, (subject to Mayoral authorization of this agreement) and June 30, 2003, and is contingent upon the Subgrantee operating the Scope of Service herein outlined during this period.

Scope of Service

Funds shall be used for administrative purposes directly associated with outreach to immediate neighborhood residents, organizational meetings, and one (1) community development workshop.

2. Funds received by Subgrantee pursuant to this Subrecipient Agreement shall be used as follows.
 - a. Expenses related to outreach to immediate neighborhood residents including mailings and publications not to exceed \$600
 - printing costs associated with meeting notices and periodic newsletters
 - postage to mail such printed materials
 - b. Miscellaneous expenses related to above not to exceed \$100
 - paper, envelopes, and office supplies
 - c. Expenses related to organizational meetings not to exceed \$300
 - rental costs of meeting space
 - d. Expenses related to the pursuit of not-for-profit status not to exceed \$500
 - legal fees
 - State application fees
 - e. Expenses related to community development workshop not to exceed \$1000
 - rental costs of meeting space
 - purchase or printing of workshop materials

3. Subgrantee's Project budget may be modified, with the written approval of the City, within the parameters of the total Project grant allocation.
4. Subgrantee shall retain records of all activities funded pursuant to this Subrecipient Agreement, including copies of all invoices and receipts, for a period of three years from the termination of the Project. These records shall be available for inspection upon request by the City or HUD.
5. Subgrantee shall submit a written report of activities undertaken pursuant to this Subrecipient Agreement no later than July 31, 2003.
6. The City shall reimburse Subgrantee up to \$2,500 for eligible activities undertaken pursuant to this Subrecipient Agreement as detailed above. The City shall make such payments available to the Subgrantee within 21 calendar days of receipt of an acceptable itemized billing from Subgrantee.
Documentation which must accompany itemized billing includes copies of paid receipts for
 - purchased supplies and materials, and postage expenses,
 - copy services (**a copy of printed material must also be included**),
 - rental costs of meeting spaces (**noting place, date and time of meetings; and a sign-in sheet of participants for any public meeting**),
 - legal and application fees associated with pursuit of not-for-profit status

Name of Subgrantee: _____

Address: _____

Printed Name/Title: _____

Signature: _____

Dated: _____