



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Mayor Diane Wolfe Marlin and City Council Members

FROM: John A Schneider, MPA, Director, Community Development Services Department
Sheila E. Dodd, Manager, Grants Management Division

DATE: April 4, 2019

SUBJECT: **A RESOLUTION APPROVING AN AMENDMENT TO AN URBANA HOME CONSORTIUM SUBRECIPIENT AGREEMENT (ROSECRANCE TBRA FY 18/19)**

Description

Included on the agenda of the April 8, 2019, regular meeting of the City of Urbana Council Committee of the Whole is a proposed Resolution approving a subrecipient agreement amendment with Rosecrance, Inc. to continue the provision of tenant-based rental assistance (TBRA) services.

Issue

The issue is whether the Urbana City Council shall approve the Resolution.

Background & Discussion

The Urbana HOME Consortium, consisting of the City of Urbana, City of Champaign, and Champaign County Unincorporated, receives an annual allocation of Federal HOME Program funding that is to be allocated for eligible affordable housing activities. As lead entity of the Urbana HOME Consortium, the City of Urbana is responsible to administer allocation of HOME funding on behalf of the Consortium.

The Urbana HOME Consortium has executed five Tenant Based Rental Assistance (TBRA) contracts with Rosecrance, Inc. (Rosecrance) and its predecessor agency, Community Elements, since 2010. These have provided a total of \$342,111 in Federal HOME funds to Rosecrance to assist income-qualified clients with rental payments. Rosecrance's current subrecipient agreement to provide \$35,062.72 in TBRA assistance began in May 2018. With the projected rate of expenditure of those HOME funds, the Rosecrance TBRA program will need an additional \$20,000 to complete the lease terms of the current two-year program. Rosecrance has requested additional funding to be able to meet the needs of their clients in completing the two-year term. If approved, the subrecipient agreement be revised to reflect this addition.

Rosecrance recently submitted a request for additional funding and the Grants Management Division reviewed the request that would provide Rosecrance with needed resources for the program while remaining in compliance with HOME program regulations and expenditure requirements. The City of Champaign has agreed to provide the \$20,000 for this purpose from its FY18-19 allocation of the HOME program funding.

At its March 26, 2019 meeting, the Urbana Community Development Commission reviewed the request and recommended approval of the Resolution that would commit \$20,000 FY 18-19 HOME funds to Rosecrance. Amending the agreement would bring the total amount of the of HOME program funding allocated to Rosecrance for its TBRA program to \$55,065.72.

This proposed agreement would provide the funding necessary to maintain the Rosecrance TBRA program and continue their ability to provide clients of other Rosecrance programs, who may have been living in group homes or in residences with on-site counseling, with financial support while they begin their return to self-sufficiency.

Options

1. Forward the Resolution Approving and Authorizing an Amendment to an Urbana HOME Consortium Subrecipient Agreement to the Urbana City Council with a recommendation for approval.
2. Forward the Resolution to the Urbana City Council with a recommendation for approval with changes.
3. Do not recommend that the Urbana City Council approve the resolution.

Fiscal Impacts

Committing \$20,000 through the proposed amendment will reduce the amount of funding available for City of Champaign Full Home Improvement Program (FHIP) projects. The City of Urbana programs will not be impacted.

Programmatic Impacts

The proposed agreement will allow Rosecrance to continue its TBRA program of assisting ten (10) households with rental assistance. Continuing this program will further Goal #1 in the City of Urbana and Urbana HOME Consortium Consolidated Plan FY 2015-2019, which relates to the provision of affordable housing in general, but in particular to special populations including persons with mental disabilities.

Recommendation

The Urbana Community Development Commission voted unanimously to recommend that the Urbana City Council approve an amendment to an Urbana HOME Consortium Agreement Rosecrance TBRA FY 18/19. Staff concurs with this recommendation.

Attachment:

A RESOLUTION APPROVING AND AUTHORIZING AN AMENDMENT TO AN URBANA HOME CONSORTIUM SUBRECIPIENT AGREEMENT (ROSECRANCE TBRA FY 2018-2019)

RESOLUTION NO. 2019-04-007R

**A RESOLUTION APPROVING AMENDMENT NO. 1 TO AN URBANA HOME
CONSORTIUM SUBRECIPIENT AGREEMENT**

(Rosecrance TBRA FY 2018-2019)

WHEREAS, on May 21, 2018, the City Council passed Resolution No. 2018-05-020R, approving a HOME Consortium subrecipient agreement between Rosecrance, Inc. and the City of Urbana (“City”); and

WHEREAS, both parties desire to amend the agreement; and

WHEREAS, the City Council, after due consideration, finds that amending the agreement as herein provided is in the best interests of the residents of the City and is desirable for the welfare of the City’s government and affairs.

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

Section 1.

An amendment to a HOME Consortium subrecipient agreement between Rosecrance, Inc. and the City of Urbana, in substantially the form of the copy of the instrument entitled “Amendment No. 1 to Urbana HOME Consortium Subrecipient Agreement,” attached hereto and hereby incorporated by reference, be and the same is hereby authorized and approved.

Section 2.

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 hereby 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:

ABSTENTIONS:

Charles A. Smyth, City Clerk

APPROVED BY THE MAYOR this ____ day of _____, _____.

Diane Wolfe Marlin, Mayor

**AMENDMENT NO. 1 TO URBANA HOME CONSORTIUM SUBRECIPIENT AGREEMENT
(Rosecrance TBRA FY 2018-2019)**

The City of Urbana, an Illinois municipal corporation, acting as lead entity for the Urbana HOME Consortium (“GRANTOR”), and Rosecrance, Inc., an Illinois not-for-profit corporation (“SUBRECIPIENT”), each a “party” and together the “parties,” mutually agree to the following amendments to the Urbana HOME Consortium Subrecipient Agreement authorized by Resolution No. 2018-05-020R and entered into on June 29, 2018:

1. The first sentence in Article I, “HOME Requirements,” Section 1, “Use of HOME Funds,” is hereby amended with the underlined text indicating new language as follows:

The GRANTOR agrees to provide SUBRECIPIENT an amount not to exceed \$35,065.72 from its Federal Fiscal Year 2016-2017 HOME Program funding and an amount not to exceed \$20,000 from its Federal Fiscal Year 2018-2019 HOME Program funding, bringing the total amount allocated pursuant to this agreement to \$55,065.72, to be used for providing Tenant Based Rental Assistance to households at or below 60 percent of the Area Median Family Income as defined by the Department of Housing and Urban Development (HUD) on an annual basis as part of the TBRA PROGRAM.

2. The first sentence in Article I, “HOME Requirements,” Section 3, “HOME Project Requirements,” is hereby replaced in its entirety by the following sentence:

The GRANTOR shall provide HOME funds not to exceed \$55,065.72 for eligible costs as described in 24 CFR 92.209.

3. Article IV, “Notices,” is hereby amended by the addition of the following address for notices and communications to the SUBRECIPIENT:

Rosecrance Health Network
1021 North Mulford Road
Rockford, IL 61107-3877

4. Attachment 4-1, “Budget,” is attached to and made a part of this amendment.

5. All references to “Attachment 4” are hereby changed to “Attachment 4-1.”

6. The parties may sign this amendment in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Signatures delivered by email in Adobe Portable Document Format (PDF) or by facsimile will be deemed original signatures for all purposes.

7. All other terms and conditions of the agreement remain in full force and effect.

8. This amendment will take effect upon execution by the parties.
The parties are signing this agreement on the dates indicated below their signatures.

Rosecrance, Inc.

City of Urbana, Illinois

By: _____
David Gomel
President of Rosecrance, Inc.

By: _____
Diane Wolfe Marlin
Mayor

Date: _____,
2019

Date: _____,
2019

Attest:

Charles A. Smyth
City Clerk
Resolution No. 2019-

Exhibit: Attachment 4-1 Budget

Attachment 4 -1 Budget

ROSECRANCE TBRA FY 17-18 & FY18-19

TOTAL TBRA Budgeted Amount: \$ 55,065.72

FY17-18 HOME Amount: \$35,065.72

FY18-19 HOME Amount: \$20,000.00

Project Funds are to be expended on the following activities:

Tenant Based Rental Assistance Program: HOME funds will be used to provide affordable housing assistance to low-income residents of the Urbana Consortium area in the City of Urbana, City of Champaign and in unincorporated Champaign County. Assisted households will have annual incomes at or below 60% of the Area Median in accordance with HOME Regulations. The participating clients make co-payments toward rent (not to exceed 30% of the household income), based on their approved self-sufficiency plan.

Project delivery (PD) can be reimbursed as needed for staff time spent undertaking the following actions directly attributable to undertaking the Tenant Based Rental Assistance Program: inspecting the housing to be occupied by a TBRA recipient, determining income eligibility of applicants, including the time associated with documenting and verifying income and asset sources, determining the amount of the tenant-based assistance that an applicant is eligible for. The use of project delivery funds will increase the amount of match that is required to be provided.

Budgeted Item	HOME Funds Allocated
Tenant Based Rental Assistance Program: Lease#1	\$5,506.57
Tenant Based Rental Assistance Program: Lease #2	\$5,506.57
Tenant Based Rental Assistance Program: Lease #3	\$5,506.57
Tenant Based Rental Assistance Program: Lease #4	\$5,506.57
Tenant Based Rental Assistance Program: Lease #5	\$5,506.57
Tenant Based Rental Assistance Program: Lease #6	\$5,506.57
Tenant Based Rental Assistance Program: Lease #7	\$5,506.57
Tenant Based Rental Assistance Program: Lease #8	\$5,506.57
Tenant Based Rental Assistance Program: Lease #9	\$5,506.58
Tenant Based Rental Assistance Program: Lease #10	\$5,506.58
Total HOME Funds (FY17-18 & FY 18-19)	\$55,065.72