



## DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

*Grants Management Division*

### **m e m o r a n d u m**

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

**FROM:** Matthew Rejc, Community Development Associate

**DATE:** July 28, 2015

**SUBJECT:** **Emergency Solutions Grant (ESG) Program 2015**  
**Resolutions Approving Subrecipient Agreements (FY 2015-2016):**  
**Community Elements**  
**Crisis Nursery**  
**The Salvation Army**

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### **Description**

Included on the agenda of the July 28<sup>th</sup>, 2015 meeting of the Urbana Community Development Commission are subrecipient agreements for the 2015 Emergency Solutions Grant (ESG). The proposed agreements are with agencies that participate in the Emergency Solutions Grant program, which are Community Elements, Crisis Nursery, and The Salvation Army.

### **Issues**

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

### **Background**

Through the Champaign County Continuum of Care (CoC), local shelters are able to receive funds for eligible ESG activities. The CoC completes the application for funding which includes all agencies that will be receiving funds under the grant. As in the past, the City of Urbana was selected by the CoC to administer the funds and be the sole grant recipient for the portion of the ESG funds distributed to the shelters.

The objective of the Emergency Solutions Grants (ESG) is to increase the number and quality of emergency shelters and transitional housing facilities for homeless individuals and families, to operate these facilities and provide essential social services, and to help prevent homelessness. The three agencies that will receive funds through this program provide essential services, such as case management, child care, education, employment assistance and job training, outpatient health services, legal aid, transportation, substance abuse treatment, and services for special populations. The agencies also receive program funds for operational costs. The City of Urbana will receive funds for the administration of the program.

Prior to April 15<sup>th</sup>, 2015, the City of Urbana (City) submitted an application, through the Champaign County Continuum of Care, for 2015 ESG program grant funds to provide operating and essential services to three (3) local shelters within the CoC.

On June 24<sup>th</sup>, 2015, the City received notice from the Illinois Department of Human Services (DHS) that the application for the Emergency Solutions Grant program was approved for \$51,652.00. On June 26<sup>th</sup>, 2015, the City executed the Emergency Solutions Grants program agreement with DHS that governs expenditure of ESG funds received by the City and the participating agencies. The City is then required by DHS to execute agreements with each of the subrecipient agencies, which detail amounts of funding and eligible uses of the funds.

## Options

The Community Development Commission can:

1. Forward the Resolutions approving the agreements with Community Elements, Crisis Nursery, and The Salvation Army to the Urbana City Council with a recommendation for approval.
2. Forward the Resolutions approving the agreements, with suggested changes, to Urbana City Council with a recommendation for approval.
3. Do not make a recommendation to Urbana City Council for approval of the agreements.

## Fiscal Impacts

There will be no fiscal impact on the City General Fund, as the \$51,652.00 in funding for this program comes from DHS. The grant began on July 1<sup>st</sup>, 2015, and the total amount of funding is as follows:

<u>Total amount of grant:</u>	<u>\$51,652.00</u>
Community Elements – TIMES	\$21,406.10
Crisis Nursery	\$6,239.81
The Salvation Army	\$10,248.96
City of Urbana	\$1,360.55

A total of \$12,396.58 is also designated for Street Outreach activities.

## Programmatic Impacts

City staff will continue to provide the programmatic and administrative support for Emergency Solutions Grant Program as in the last several years. This is in keeping with the goals and strategies outlined in the City of Urbana and Urbana HOME Consortium Consolidated Plan FY 2015-2019, by providing support for existing agencies delivering services to homeless individuals and families, and encouraging the expansion of local services to meet community

homeless needs.

## **Programmatic Impacts**

City staff will continue to provide the programmatic and administrative support for the Emergency Solutions Grant Program as in previous years. This is in keeping with the goals and strategies outlined in the City of Urbana and Urbana HOME Consortium Consolidated Plan FY 2015-2019, by providing support for existing agencies delivering services to homeless individuals and families, and encouraging the expansion of local services to meet community homeless needs.

## **Recommendations**

Staff recommends that the Community Development Commission forward the Resolutions approving the Emergency Solutions Grant program subrecipient agreements with Community Elements, Crisis Nursery, and The Salvation Army to the Urbana City Council with a recommendation for approval.

Prepared by:



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Matt Rejc  
Community Development Associate  
Grants Management Division

Attachments:

1. A RESOLUTION APPROVING AN EMERGENCY SOLUTIONS GRANT PROGRAM SUBRECIPIENT AGREEMENT BETWEEN THE CITY OF URBANA AND COMMUNITY ELEMENTS
2. EMERGENCY SOLUTIONS GRANT PROGRAM SUBRECIPIENT AGREEMENT BETWEEN THE CITY OF URBANA AND COMMUNITY ELEMENTS (FY 2015-2016)
3. A RESOLUTION APPROVING AN EMERGENCY SOLUTIONS GRANT PROGRAM SUBRECIPIENT AGREEMENT BETWEEN THE CITY OF URBANA AND CRISIS NURSERY
4. EMERGENCY SOLUTIONS GRANTPROGRAM SUBRECIPIENT AGREEMENT BETWEEN THE CITY OF URBANA AND CRISIS NURSERY (FY 2015-2016)
5. A RESOLUTION APPROVING AN EMERGENCY SOLUTIONS GRANT PROGRAM SUBRECIPIENT AGREEMENT BETWEEN THE CITY OF URBANA AND THE SALVATION ARMY
6. EMERGENCY SOLUTIONS GRANT PROGRAM SUBRECIPIENT AGREEMENT BETWEEN THE CITY OF URBANA AND THE SALVATION ARMY (FY 2015-2016)
7. EMERGENCY SOLUTIONS GRANT 12-MONTH PROJECT BUDGET (FY 2015-2016)

**A RESOLUTION APPROVING AN EMERGENCY SOLUTIONS GRANTS PROGRAM  
SUBRECIPIENT AGREEMENT WITH COMMUNITY ELEMENTS**

(FY 2015-2016)

WHEREAS, the City of Urbana (the "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, prior to April 15<sup>th</sup>, 2015, the City submitted an application to the Illinois Department of Human Services (hereinafter "DHS") for the Emergency Solutions Grants Program (hereinafter "ESG") funds to continue emergency shelter programs sponsored by three private non-profit organizations: Community Elements, Champaign, Illinois; Crisis Nursery, Urbana, Illinois; and The Salvation Army, Champaign, Illinois (hereinafter collectively referred to as the "Participating Organizations"); and

WHEREAS, on June 24<sup>th</sup>, 2015 the City received notice that DHS approved the City's application for ESG funds; and

WHEREAS, on June 26<sup>th</sup>, 2015, the City executed an ESG Grant Agreement (**Agreement No. FCSUH03755**) with DHS to govern expenditure of ESG funds by the City and Participating Organizations; and

WHEREAS, the Participating Organizations have heretofore expressed their intent to assume responsibility from the City for their respective emergency shelter programs with ESG funds and in accordance with ESG regulations; and

WHEREAS, in its application for ESG funds, the City declared its intent to provide ESG funds to the Participating Organizations for their use in

continuing their respective emergency shelter operations and essential services for homeless individuals and families.

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

Section 1. That an Agreement providing \$21,406.10 in Emergency Solutions Grants funds to Community Elements - TIMES Center, so as to continue their respective emergency shelter program for homeless individuals and families, in substantially the form of the copy of said Agreement attached hereto and hereby incorporated by reference, be and the same is hereby authorized and approved.

Section 2. That the Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, be and the same is authorized to attest to said execution of said Agreement in substantial the form appended hereto as an exhibit as so authorized and approved for and on behalf of the City of Urbana, Illinois.

PASSED by the City Council this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_.

AYES:

NAYS:

ABSTAINS:

\_\_\_\_\_  
Phyllis D. Clark, City Clerk

APPROVED by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_.

\_\_\_\_\_  
Laurel Lunt Prussing, Mayor

**EMERGENCY SOLUTIONS GRANTS  
SUBRECIPIENT AGREEMENT WITH COMMUNITY ELEMENTS**

<b>CFDA #</b>	14.231
<b>CFDA Title</b>	Emergency Shelter Grants Program
<b>State Awarding Agency</b>	Illinois Department of Human Services
<b>Federal Awarding Agency</b>	Department of Housing and Urban Development

This Subrecipient Agreement is made by and between the City of Urbana, Illinois (hereinafter the "City"), and Community Elements – TIMES Center (hereinafter the "Subrecipient") for Emergency Solutions Grants Agreement No. FCSTH03755.

WITNESSETH:

WHEREAS, prior to April 15<sup>th</sup>, 2015, the City submitted an application to the Illinois Department of Human Services (hereinafter "DHS") for Emergency Solutions Grants Program (hereinafter "ESG") funds to continue eligible activities under the ESG program sponsored by three private non-profit organizations: Community Elements, Champaign, Illinois; Crisis Nursery, Urbana, Illinois; and The Salvation Army, Champaign, Illinois (hereinafter collectively referred to as the "Participating Organizations"); and

WHEREAS, in its application for ESG funds the City declared its intent to provide ESG funds to the Participating Organizations for their use in continuing to operate their respective emergency shelters and essential social services for homeless individuals and families; and

WHEREAS, the Participating Organizations have heretofore expressed their intent to assume responsibility from the City for continuing the operation of their respective emergency shelters and to provide essential services to homeless individuals and families with ESG funds and in accordance with ESG regulations; and

WHEREAS, on June 24<sup>th</sup>, 2015, the City received notice that DHS approved the City's application for ESG funds; and

WHEREAS, on June 26<sup>th</sup>, 2015, the City executed an ESG Grant Agreement with DHS to govern expenditure of ESG funds by the City and the Participating Organizations; and

NOW, THEREFORE, in consideration of the matters set forth above and below, the parties agree as follows.

**Section 1. Definitions.** Whenever used in this Subrecipient Agreement:

- A. The term "Grant Agreement" means the agreement between the City and DHS executed by the City on June 26<sup>th</sup>, 2015, in connection with the ESG Grant Agreement No. FCSUH03755.
- B. The term "Grant Funds" means the assistance provided under this Subrecipient Agreement.
- C. The term "Grant Application" means the application submission, August 29, 2014, on the basis of which an ESG grant was approved by DHS, including the certifications and assurances and any information or documentation required to meet any ESG award conditions.
- D. The term "Act" shall mean Subtitle C of Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11381 *et seq.*) as amended by the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) and all rules and regulations promulgated thereto.
- E. The term "State" means the State of Illinois.

F. The term "Matching Funds" means the Subrecipient's provision value, whether in money or in-kind services, equal to any money provided by the City to the Subrecipient.

**Section 2. Purpose of Subrecipient Agreement.** The purpose of this Subrecipient Agreement is to set forth the terms and conditions under which the City shall grant ESG funds to the Subrecipient for its emergency shelter. This Subrecipient Agreement sets forth rights and responsibilities of both parties in connection with the Subrecipient providing emergency shelter and essential social services to homeless individuals and families. In this Subrecipient Agreement, the Subrecipient assumes full responsibility for adherence to all applicable laws, assurances, regulations, and guidelines associated with the ESG. Subject to the execution of this Agreement by both parties, the Subrecipient is authorized to incur costs against this agreement from the beginning date July 1, 2015 through the ending date of June 30, 2016.

**Section 3. Applicable Laws, Assurances, Regulations, Guidelines.** The Subrecipient Agreement and all activities undertaken by the Subrecipient pursuant thereto shall be governed by the Act; the Homeless Emergency Assistance and Rapid Transition to Housing: Emergency Solutions Grants Program and Consolidated Plan Conforming Amendments; Interim Rule which were published at 24 CFR Part 91 and 576 on December 5, 2011, at FR-5474-I-01, a copy of which is attached hereto as Attachment A and incorporated herein and made a part hereof. The Application is incorporated herein as part of this Subrecipient Agreement; however, in the event of a conflict between any part of the Application and any part of the Subrecipient Agreement, the Subrecipient Agreement shall control.

**Section 4. Grant Award.** Subject to the terms of the Grant Agreement and this Subrecipient Agreement, the City agrees to provide up to **\$21,406.10** in ESG funds to the Subrecipient for activities identified as the responsibility of the Subrecipient in the Application. The Subrecipient agrees to use funds granted to it by the City pursuant to this Subrecipient Agreement to undertake those activities in the Application identified as the responsibility of the Subrecipient in the manner identified in the Application. The Subrecipient agrees that funds awarded it pursuant to this Subrecipient Agreement shall be used for the following purposes:

Operations:	\$ 21,406.10
Essential Services:	\$ 0.00

The Subrecipient has secured/will secure Matching Funds which shall be used for the following purposes:

Operations Matching Funds:	\$ 21,406.10
Essential Services Matching Funds:	\$ 0.00

Given the total amounts of Grant Funds and Matching Funds, the amount of Total Committed Funds is shown below:

Total Committed Funds	\$ 42,812.20
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**Section 5. Matching Funds.** Subject to the terms of the this Subrecipient Agreement, the Subrecipient agrees to provide a matching contribution in funds equal to **\$21,406.10** which is being provided by the City pursuant to this Subrecipient Agreement. Documentation of Matching Funds is required of all projects. Matching contributions may be obtained from any source, including any Federal source other than the ESG program, as well as state, local, and private sources. Subrecipients are required to maintain detailed fiscal records during each year of the project to ensure adequate documentation of all expenditures related to the grant, including those paid through the use of cash match sources.

If a Federal source of funds is used for matching contributions, the Subrecipient must ensure that the laws governing any funds to be used as matching contributions do not prohibit those funds from being directly used to match ESG funds. If ESG funds are used to satisfy the matching requirements of another Federal program,



then funding from that program may not be used to satisfy the matching requirement for these Grant Funds.

The Subrecipient acknowledges and agrees that the City shall not be responsible for providing the Subrecipient with any funds to meet the Subrecipient's matching requirements. However, nothing herein shall prohibit the City from making funds available to the Subrecipient for emergency shelter operations or essential services activities in addition to funds granted to the Subrecipient pursuant to this Subrecipient Agreement.

**Section 6. Allowable Costs – Emergency Shelter Component.** In general, ESG funds may be used for costs of providing essential services to homeless families and individuals in emergency shelters and operating emergency shelters:

- 1) **Essential Services:** ESG funds may be used to provide essential services to individual and families who are in an emergency shelter. Eligible costs include case management, child care, education services, employment assistance and job training, outpatient health services, legal services, transportation, substance abuse treatment, services for special populations.
- 2) **Operations:** Eligible costs are the costs of maintenance (including minor or routine repairs), rent, security, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the operation of the emergency shelter.

As shown in Section 4, the Subrecipient is authorized to only use ESG funds for Operations pursuant to this Subrecipient Agreement.

**Section 7. Payouts.** The Subrecipient understands and agrees that a request for disbursement of ESG funds pursuant to this Subrecipient Agreement shall not be made until such funds are needed to pay eligible costs related to the Project that have been expended. Subrecipient understands and agrees that funding in the full amount of this Subrecipient Agreement is contingent upon the City receiving said ESG funds, and should the funds be discontinued or reduced for any reason, Subrecipient understands and agrees that funding under this Subrecipient Agreement could cease or be reduced without advance notice. The Subrecipient must:

- A. Maintain adequate documentation to demonstrate the homeless eligibility of persons served by ESG funds;
- B. Maintain records that show the eligible essential services costs and shelter operating costs of the program;
- C. Use required forms to show participant eligibility, the calculation of resident rent, the policy showing savings program (if any) and the procedures for communicating said information to the participant, which must be maintained in participant file.
- D. Submit proper documentation of eligible expenses for match to the city on a quarterly basis.
- E. Submit quarterly reports to the City of Urbana no later than 15 days after the end of the quarter; Failure to submit reports to the City may result in the withholding or suspension of grant funds until such reports are received and approved by the City.
- F. Maintain files and records as required which relate to the overall administration of the ESG program;
- G. Provide information for Annual Performance Report (APR) within required timeframes; and
- H. Enter participant data into the HMIS, and update all participant changes while in the program.

The Subrecipient authorizes the City and HUD to conduct on-site reviews, examine tenant income records, and to conduct any other procedure or practice necessary to audit and assure compliance with this Subrecipient Agreement and applicable HUD regulations. The Subrecipient will ensure that all documents related to this Project shall be kept for a period of five (5) years after project completion. The Subrecipient shall maintain such records and accounts, including program records, project records; financial records; equal opportunity records; records demonstrating compliance with the income determination and requirements of 24 CFR 92.203; record keeping requirements of 24 CFR 92.508; records demonstrating compliance with the lead-based paint requirements of 24 CFR 92.355; records supporting exceptions to the

conflict of interest prohibition pursuant to 24 CFR 92.356; and any other records as are deemed necessary by the City to assure a proper accounting and monitoring of all HOME Funds. In the event the City determines that such records are not being adequately maintained by the Subrecipient, the City may cancel this Subrecipient Agreement.

With respect to all matters covered by this Subrecipient Agreement, records will be made available for examination, audit, inspection or copying purposes at any time during normal business hours and as often as the City, HUD, representatives of the Comptroller General of the United States or other Federal agency may require. The Subrecipient will permit same to be examined and excerpts or transcriptions made or duplicated from such records, and audits made of all invoices, materials, records of personnel and of employment and other data relating to all matters covered by this Subrecipient Agreement. The City's right of inspection and audit shall obtain likewise with reference to any audits made by any other agency, whether local, State or Federal.

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

TO THE CITY: Kelly H. Mierkowski, Manager, Grants Management Division  
Dept. of Community Development Services  
City of Urbana  
400 South Vine Street  
Urbana, Illinois 61801

TO THE SUBRECIPIENT: Sheila Ferguson, Chief Executive Officer  
Community Elements  
1801 Fox Drive  
Champaign, Illinois 61820

**Section 9. Default.** A default shall consist of any use of grant funds for a purpose other than as authorized herein, failure of the Subrecipient to provide the essential services or utilize shelter operation funds in the minimum amounts and for the minimum time period in accordance with the requirements of Attachment A provisions, noncompliance with the Act or Attachment A provisions, failure to return the executed subrecipient agreement, failure to maintain detailed financial records concerning the use of the Grant Funds, or any other material breach of the Subrecipient Agreement.

In the event of a default by the Subrecipient, the City shall give written notice of such default which notice shall describe the nature of the default and the Section of this Subrecipient Agreement which the City believes was breached. The Subrecipient shall have fourteen (14) calendar days from the date it receives the aforesaid notice to either cure the default or provide evidence in written form that no such default in fact occurred. In the event that the Subrecipient fails to cure the default or provide written evidence that no such default in fact occurred, the City shall have the right to take one or more of the following actions:

- A. Direct the Subrecipient to submit progress schedules for completing approved activities;
- B. Issue a letter of warning advising the Subrecipient of the default, establishing a date by which corrective actions must be completed and putting the Subrecipient on notice that more serious actions will be taken if the default is not corrected or is repeated;
- C. Direct the Subrecipient to establish and maintain a management plan that assigns responsibilities for carrying out remedial actions;
- D. Direct the Subrecipient to suspend, discontinue, or not incur costs for the affected activity;
- E. Reduce or recapture the grant authorized herein;

- F. Direct the Subrecipient to reimburse the City for costs inappropriately charged to the City;
- G. Other appropriate action including, but not limited to, any remedial action legally available.

If it is the decision of the City to require the repayment to the City of any grant funds provided to the Subrecipient, the Subrecipient agrees to pay back to the City all such funds up to the amount of grant funds provided to them by the City (hereafter called "Recapture") within thirty (30) days. No delay or omission by the City in exercising any right or remedy available to it under this Subrecipient Agreement shall impair any such right or remedy or constitute a waiver or acquiescence in any Subrecipient default.

**Section 10. Certification by Subrecipient.** The Subrecipient agrees to the State of Illinois required certifications provided for in the Grant Agreement, appended to this Subrecipient Agreement as if set forth herein. These certifications are required by State statute and are in addition to any certifications required by any Federal funding source as set forth in this Agreement. Subrecipients execution of this Agreement shall serve as its attestation that the certifications made herein are true and correct.

**Section 11. Subgrants by the Subrecipient.** The Subrecipient shall not assign, convey or otherwise transfer any of its rights, duties or obligations under this Subrecipient Agreement to another person without the express written consent of the City and authorization of DHS. In the event Subrecipient seeks to assign, convey or otherwise transfer any of its rights, duties or obligations under this Subrecipient Agreement, the Subrecipient must demonstrate that an open, impartial and competitive selection process will be used in making any such assignment, conveyance or transfer of its rights, duties and/or obligations.

**Section 12. Notices.** Any notice required to be given pursuant to this Subrecipient Agreement may be given in any one or more of the following ways and such notice shall be deemed effect as hereinafter stated:

- A. By certified or registered U.S. First Class Mail with return receipt requested in which case if such notice is placed in a properly addressed envelope bearing proper postage, such notice shall be deemed effective four (4) days after placement with the U.S. Postal Service.
- B. By overnight courier services in which case if such notice is properly directed with courier service fees paid for by the sender, such notice shall be deemed effective the next business day after delivery.
- C. By facsimile if the sender's facsimile machine provides a printed receipt which acknowledges that the recipient's facsimile machine received the transmission, such notice shall be deemed effective the next business day after delivery.

**Section 13. Dispute Resolution and Governing Law.** In the event of a dispute between the parties to this Subrecipient Agreement, the parties, before filing any court action, shall jointly select a mediator and shall make a good faith effort in such mediation to resolve their differences. The parties shall share equally in the cost of such mediation service. In the event mediation fails to resolve the dispute between the parties, either party may file and maintain an action in the Circuit for the Sixth Judicial Circuit, Champaign, Illinois. The law of the State of Illinois shall govern any and all actions to enforce, construe and/or interpret this Subrecipient Agreement.

IN WITNESS WHEREOF, the City and the Subrecipient have respectively signed this Subrecipient Agreement and have caused their seals to be affixed hereto.

**CITY OF URBANA, ILLINOIS:**

BY: \_\_\_\_\_  
 Laurel Prussing, Mayor

DATE \_\_\_\_\_

ATTEST: \_\_\_\_\_  
Phyllis Clark, City Clerk

DATE: \_\_\_\_\_

**COMMUNITY ELEMENTS (SUBRECIPIENT):**

BY: \_\_\_\_\_  
Name & Title:

DATE: \_\_\_\_\_

ATTEST: \_\_\_\_\_  
Name & Title:

DATE: \_\_\_\_\_

**ATTACHMENT A:**

**24 CFR Part 91 and 576**

**Homeless Emergency Assistance and Rapid Transition to Housing:  
Emergency Solutions Grants Program and Consolidated Plan  
Conforming Amendments; Interim Final Rule**

**December 5, 2011**

**ATTACHMENT B**  
**STATE OF ILLINOIS REQUIRED**  
**CERTIFICATIONS**

**A RESOLUTION APPROVING AN EMERGENCY SOLUTIONS GRANTS PROGRAM  
SUBRECIPIENT AGREEMENT WITH CRISIS NURSERY**

(FY 2015-2016)

WHEREAS, the City of Urbana (the "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, prior to April 15<sup>th</sup>, 2015, the City submitted an application to the Illinois Department of Human Services (hereinafter "DHS") for the Emergency Solutions Grants Program (hereinafter "ESG") funds to continue emergency shelter programs sponsored by three private non-profit organizations: Community Elements, Champaign, Illinois; Crisis Nursery, Urbana, Illinois; and The Salvation Army, Champaign, Illinois (hereinafter collectively referred to as the "Participating Organizations"); and

WHEREAS, on June 24<sup>th</sup>, 2015 the City received notice that DHS approved the City's application for ESG funds; and

WHEREAS, on June 26<sup>th</sup>, 2015, the City executed an ESG Grant Agreement (**Agreement No. FCSUH03755**) with DHS to govern expenditure of ESG funds by the City and Participating Organizations; and

WHEREAS, the Participating Organizations have heretofore expressed their intent to assume responsibility from the City for their respective emergency shelter programs with ESG funds and in accordance with ESG regulations; and

WHEREAS, in its application for ESG funds, the City declared its intent to provide ESG funds to the Participating Organizations for their use in

continuing their respective emergency shelter operations and essential services for homeless individuals and families.

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

Section 1. That an Agreement providing \$6,239.81 in Emergency Solutions Grants funds to Crisis Nursery, so as to continue their respective emergency shelter program for homeless individuals and families, in substantially the form of the copy of said Agreement attached hereto and hereby incorporated by reference, be and the same is hereby authorized and approved.

Section 2. That the Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, be and the same is authorized to attest to said execution of said Agreement in substantial the form appended hereto as an exhibit as so authorized and approved for and on behalf of the City of Urbana, Illinois.

PASSED by the City Council this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_.

AYES:

NAYS:

ABSTAINS:

\_\_\_\_\_  
Phyllis D. Clark, City Clerk

APPROVED by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_.

\_\_\_\_\_  
Laurel Lunt Prussing, Mayor



**EMERGENCY SOLUTIONS GRANTS  
SUBRECIPIENT AGREEMENT WITH CRISIS NURSERY**

<b>CFDA #</b>	14.231
<b>CFDA Title</b>	Emergency Shelter Grants Program
<b>State Awarding Agency</b>	Illinois Department of Human Services
<b>Federal Awarding Agency</b>	Department of Housing and Urban Development

This Subrecipient Agreement is made by and between the City of Urbana, Illinois (hereinafter the "City"), and Crisis Nursery (hereinafter the "Subrecipient") for Emergency Solutions Grants Agreement No. FCSTH03755.

WITNESSETH:

WHEREAS, prior to April 15<sup>th</sup>, 2015, the City submitted an application to the Illinois Department of Human Services (hereinafter "DHS") for Emergency Solutions Grants Program (hereinafter "ESG") funds to continue eligible activities under the ESG program sponsored by three private non-profit organizations: Community Elements, Champaign, Illinois; Crisis Nursery, Urbana, Illinois; and The Salvation Army, Champaign, Illinois (hereinafter collectively referred to as the "Participating Organizations"); and

WHEREAS, in its application for ESG funds the City declared its intent to provide ESG funds to the Participating Organizations for their use in continuing to operate their respective emergency shelters and essential social services for homeless individuals and families; and

WHEREAS, the Participating Organizations have heretofore expressed their intent to assume responsibility from the City for continuing the operation of their respective emergency shelters and to provide essential services to homeless individuals and families with ESG funds and in accordance with ESG regulations; and

WHEREAS, on June 24<sup>th</sup>, 2015, the City received notice that DHS approved the City's application for ESG funds; and

WHEREAS, on June 26<sup>th</sup>, 2015, the City executed an ESG Grant Agreement with DHS to govern expenditure of ESG funds by the City and the Participating Organizations; and

NOW, THEREFORE, in consideration of the matters set forth above and below, the parties agree as follows.

**Section 1. Definitions.** Whenever used in this Subrecipient Agreement:

- A. The term "Grant Agreement" means the agreement between the City and DHS executed by the City on June 26<sup>th</sup>, 2015, in connection with the ESG Grant Agreement No. FCSUH03755.
- B. The term "Grant Funds" means the assistance provided under this Subrecipient Agreement.
- C. The term "Grant Application" means the application submission, August 29, 2014, on the basis of which an ESG grant was approved by DHS, including the certifications and assurances and any information or documentation required to meet any ESG award conditions.
- D. The term "Act" shall mean Subtitle C of Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11381 *et seq.*) as amended by the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) and all rules and regulations promulgated thereto.
- E. The term "State" means the State of Illinois.
- F. The term "Matching Funds" means the Subrecipient's provision value, whether in money or in-kind

services, equal to any money provided by the City to the Subrecipient.

**Section 2. Purpose of Subrecipient Agreement.** The purpose of this Subrecipient Agreement is to set forth the terms and conditions under which the City shall grant ESG funds to the Subrecipient for its emergency shelter. This Subrecipient Agreement sets forth rights and responsibilities of both parties in connection with the Subrecipient providing emergency shelter and essential social services to homeless individuals and families. In this Subrecipient Agreement, the Subrecipient assumes full responsibility for adherence to all applicable laws, assurances, regulations, and guidelines associated with the ESG. Subject to the execution of this Agreement by both parties, the Subrecipient is authorized to incur costs against this agreement from the beginning date July 1, 2015 through the ending date of June 30, 2016.

**Section 3. Applicable Laws, Assurances, Regulations, Guidelines.** The Subrecipient Agreement and all activities undertaken by the Subrecipient pursuant thereto shall be governed by the Act; the Homeless Emergency Assistance and Rapid Transition to Housing; Emergency Solutions Grants Program and Consolidated Plan Conforming Amendments; Interim Rule which were published at 24 CFR Part 91 and 576 on December 5, 2011, at FR-5474-I-01, a copy of which is attached hereto as Attachment A incorporated herein and made a part hereof. The Application is incorporated herein as part of this Subrecipient Agreement; however, in the event of a conflict between any part of the Application and any part of the Subrecipient Agreement, the Subrecipient Agreement shall control.

**Section 4. Grant Award.** Subject to the terms of the Grant Agreement and this Subrecipient Agreement, the City agrees to provide up to **\$6,239.81** in ESG funds to the Subrecipient for activities identified as the responsibility of the Subrecipient in the Application. The Subrecipient agrees to use funds granted to it by the City pursuant to this Subrecipient Agreement to undertake those activities in the Application identified as the responsibility of the Subrecipient in the manner identified in the Application. The Subrecipient agrees that funds awarded it pursuant to this Subrecipient Agreement shall be used for the following purposes:

Operations:	\$ 6,239.81
Essential Service	\$ 0.00

The Subrecipient has secured/will secure Matching Funds which shall be used for the following purposes:

Operations Matching Funds:	\$ 2,000.00
Essential Services Matching Funds:	\$ 4,239.81

Given the total amounts of Grant Funds and Matching Funds, the amount of Total Committed Funds is shown below:

Total Committed Funds	\$ 12,479.62
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**Section 5. Matching Funds.** Subject to the terms of the this Subrecipient Agreement, the Subrecipient agrees to provide a matching contribution in funds equal to **\$6,239.81** which is being provided by the City pursuant to this Subrecipient Agreement. Documentation of Matching Funds is required of all projects. Matching contributions may be obtained from any source, including any Federal source other than the ESG program, as well as state, local, and private sources. Subrecipients are required to maintain detailed fiscal records during each year of the project to ensure adequate documentation of all expenditures related to the grant, including those paid through the use of cash match sources.

If a Federal source of funds is used for matching contributions, the Subrecipient must ensure that the laws governing any funds to be used as matching contributions do not prohibit those funds from being directly used to match ESG funds. If ESG funds are used to satisfy the matching requirements of another Federal program, then funding from that program may not be used to satisfy the matching requirement for these Grant Funds.

The Subrecipient acknowledges and agrees that the City shall not be responsible for providing the Subrecipient with any funds to meet the Subrecipient's matching requirements. However, nothing herein shall prohibit the City from making funds available to the Subrecipient for emergency shelter operations or essential services activities in addition to funds granted to the Subrecipient pursuant to this Subrecipient Agreement.

**Section 6. Allowable Costs – Emergency Shelter Component.** In general, ESG funds may be used for costs of providing essential services to homeless families and individuals in emergency shelters and operating emergency shelters:

- 1) **Essential Services:** ESG funds may be used to provide essential services to individual and families who are in an emergency shelter. Eligible costs include case management, child care, education services, employment assistance and job training, outpatient health services, legal services, transportation, substance abuse treatment, services for special populations.
- 2) **Operations:** Eligible costs are the costs of maintenance (including minor or routine repairs), rent, security, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the operation of the emergency shelter.

As shown in Section 4, the Subrecipient is authorized to only use ESG funds for Operations pursuant to this Subrecipient Agreement.

**Section 7. Payouts.** The Subrecipient understands and agrees that a request for disbursement of ESG funds pursuant to this Subrecipient Agreement shall not be made until such funds are needed to pay eligible costs related to the Project that have been expended. Subrecipient understands and agrees that funding in the full amount of this Subrecipient Agreement is contingent upon the City receiving said ESG funds, and should the funds be discontinued or reduced for any reason, Subrecipient understands and agrees that funding under this Subrecipient Agreement could cease or be reduced without advance notice. The Subrecipient must:

- A. Maintain adequate documentation to demonstrate the homeless eligibility of persons served by ESG funds;
- B. Maintain records that show the eligible essential services costs and shelter operating costs of the program;
- C. Use required forms to show participant eligibility, the calculation of resident rent, the policy showing savings program (if any) and the procedures for communicating said information to the participant, which must be maintained in participant file.
- D. Submit proper documentation of eligible expenses for match to the city on a quarterly basis.
- E. Submit quarterly reports to the City of Urbana no later than 15 days after the end of the quarter; Failure to submit reports to the City may result in the withholding or suspension of grant funds until such reports are received and approved by the City.
- F. Maintain files and records as required which relate to the overall administration of the ESG program;
- G. Provide information for Annual Performance Report (APR) within required timeframes; and
- H. Enter participant data into the HMIS, and update all participant changes while in the program.

The Subrecipient authorizes the City and HUD to conduct on-site reviews, examine tenant income records, and to conduct any other procedure or practice necessary to audit and assure compliance with this Subrecipient Agreement and applicable HUD regulations. The Subrecipient will ensure that all documents related to this Project shall be kept for a period of five (5) years after project completion. The Subrecipient shall maintain such records and accounts, including program records, project records; financial records; equal opportunity records; records demonstrating compliance with the income determination and requirements of 24 CFR 92.203; record keeping requirements of 24 CFR 92.508; records demonstrating compliance with the lead-based paint requirements of 24 CFR 92.355; records supporting exceptions to the conflict of interest prohibition pursuant to 24 CFR 92.356; and any other records as are deemed necessary by

the City to assure a proper accounting and monitoring of all HOME Funds. In the event the City determines that such records are not being adequately maintained by the Subrecipient, the City may cancel this Subrecipient Agreement.

With respect to all matters covered by this Subrecipient Agreement, records will be made available for examination, audit, inspection or copying purposes at any time during normal business hours and as often as the City, HUD, representatives of the Comptroller General of the United States or other Federal agency may require. The Subrecipient will permit same to be examined and excerpts or transcriptions made or duplicated from such records, and audits made of all invoices, materials, records of personnel and of employment and other data relating to all matters covered by this Subrecipient Agreement. The City's right of inspection and audit shall obtain likewise with reference to any audits made by any other agency, whether local, State or Federal.

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

TO THE CITY: Kelly H. Mierkowski, Manager, Grants Management Division  
Dept. of Community Development Services  
City of Urbana  
400 South Vine Street  
Urbana, Illinois 61801

TO THE SUBRECIPIENT: Stephanie Record, Executive Director  
Crisis Nursery  
1309 West Hill Street  
Urbana, Illinois 61801

**Section 9. Default.** A default shall consist of any use of grant funds for a purpose other than as authorized herein, failure of the Subrecipient to provide the essential services or utilize shelter operation funds in the minimum amounts and for the minimum time period in accordance with the requirements of Attachment A provisions, noncompliance with the Act or Attachment A provisions, failure to return the executed Subrecipient Agreement, failure to maintain detailed financial records concerning the use of the Grant Funds, or any other material breach of the Subrecipient Agreement.

In the event of a default by the Subrecipient, the City shall give written notice of such default which notice shall describe the nature of the default and the Section of this Subrecipient Agreement which the City believes was breached. The Subrecipient shall have fourteen (14) calendar days from the date it receives the aforesaid notice to either cure the default or provide evidence in written form that no such default in fact occurred. In the event that the Subrecipient fails to cure the default or provide written evidence that no such default in fact occurred, the City shall have the right to take one or more of the following actions:

- A. Direct the Subrecipient to submit progress schedules for completing approved activities;
- B. Issue a letter of warning advising the Subrecipient of the default, establishing a date by which corrective actions must be completed and putting the Subrecipient on notice that more serious actions will be taken if the default is not corrected or is repeated;
- C. Direct the Subrecipient to establish and maintain a management plan that assigns responsibilities for carrying out remedial actions;
- D. Direct the Subrecipient to suspend, discontinue, or not incur costs for the affected activity;
- E. Reduce or recapture the grant authorized herein;
- F. Direct the Subrecipient to reimburse the City for costs inappropriately charged to the City;

G. Other appropriate action including, but not limited to, any remedial action legally available.

If it is the decision of the City to require the repayment to the City of any grant funds provided to the Subrecipient, the Subrecipient agrees to pay back to the City all such funds up to the amount of grant funds provided to them by the City (hereafter called "Recapture") within thirty (30) days. No delay or omission by the City in exercising any right or remedy available to it under this Subrecipient Agreement shall impair any such right or remedy or constitute a waiver or acquiescence in any Subrecipient default.

**Section 10. Certification by Subrecipient.** The Subrecipient agrees to the State of Illinois required certifications provided for in the Grant Agreement appended to this Subrecipient Agreement as if set forth herein. These certifications are required by State statute and are in addition to any certifications required by any Federal funding source as set forth in this Agreement. Subrecipients execution of this Agreement shall serve as its attestation that the certifications made herein are true and correct.

**Section 11. Subgrants by the Subrecipient.** The Subrecipient shall not assign, convey or otherwise transfer any of its rights, duties or obligations under this Subrecipient Agreement to another person without the express written consent of the City and authorization of DHS. In the event Subrecipient seeks to assign, convey or otherwise transfer any of its rights, duties or obligations under this Subrecipient Agreement, the Subrecipient must demonstrate that an open, impartial and competitive selection process will be used in making any such assignment, conveyance or transfer of its rights, duties and/or obligations.

**Section 12. Notices.** Any notice required to be given pursuant to this Subrecipient Agreement may be given in any one or more of the following ways and such notice shall be deemed effect as hereinafter stated:

- A. By certified or registered U.S. First Class Mail with return receipt requested in which case if such notice is placed in a properly addressed envelope bearing proper postage, such notice shall be deemed effective four (4) days after placement with the U.S. Postal Service.
- B. By overnight courier services in which case if such notice is properly directed with courier service fees paid for by the sender, such notice shall be deemed effective the next business day after delivery.
- C. By facsimile if the sender's facsimile machine provides a printed receipt which acknowledges that the recipient's facsimile machine received the transmission, such notice shall be deemed effective the next business day after delivery.

**Section 13. Dispute Resolution and Governing Law.** In the event of a dispute between the parties to this Subrecipient Agreement, the parties, before filing any court action, shall jointly select a mediator and shall make a good faith effort in such mediation to resolve their differences. The parties shall share equally in the cost of such mediation service. In the event mediation fails to resolve the dispute between the parties, either party may file and maintain an action in the Circuit for the Sixth Judicial Circuit, Champaign, Illinois. The law of the State of Illinois shall govern any and all actions to enforce, construe and/or interpret this Subrecipient Agreement.

IN WITNESS WHEREOF, the City and the Subrecipient have respectively signed this Subrecipient Agreement and have caused their seals to be affixed hereto.

**CITY OF URBANA, ILLINOIS:**

BY: \_\_\_\_\_  
Laurel Prussing, Mayor

DATE \_\_\_\_\_

ATTEST: \_\_\_\_\_  
Phyllis Clark, City Clerk

DATE: \_\_\_\_\_

**CRISIS NURSERY (SUBRECIPIENT):**

BY: \_\_\_\_\_  
Name & Title:

DATE: \_\_\_\_\_

ATTEST: \_\_\_\_\_  
Name & Title:

DATE: \_\_\_\_\_

**ATTACHMENT A:**

**24 CFR Part 91 and 576**

**Homeless Emergency Assistance and Rapid Transition to Housing:  
Emergency Solutions Grants Program and Consolidated Plan  
Conforming Amendments; Interim Final Rule**

**December 5, 2011**

**ATTACHMENT B**  
**STATE OF ILLINOIS REQUIRED**  
**CERTIFICATIONS**



RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION APPROVING AN EMERGENCY SOLUTIONS GRANTS PROGRAM  
SUBRECIPIENT AGREEMENT WITH THE SALVATION ARMY**

(FY 2015-2016)

WHEREAS, the City of Urbana (the "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, prior to April 15<sup>th</sup>, 2015, the City submitted an application to the Illinois Department of Human Services (hereinafter "DHS") for the Emergency Solutions Grants Program (hereinafter "ESG") funds to continue emergency shelter programs sponsored by three private non-profit organizations: Community Elements, Champaign, Illinois; Crisis Nursery, Urbana, Illinois; and The Salvation Army, Champaign, Illinois (hereinafter collectively referred to as the "Participating Organizations"); and

WHEREAS, on June 24<sup>th</sup>, 2015 the City received notice that DHS approved the City's application for ESG funds; and

WHEREAS, on June 26<sup>th</sup>, 2015, the City executed an ESG Grant Agreement (Agreement No. FCSUH03755) with DHS to govern expenditure of ESG funds by the City and Participating Organizations; and

WHEREAS, the Participating Organizations have heretofore expressed their intent to assume responsibility from the City for their respective emergency shelter programs with ESG funds and in accordance with ESG regulations; and

WHEREAS, in its application for ESG funds, the City declared its intent to provide ESG funds to the Participating Organizations for their use in

continuing their respective emergency shelter operations and essential services for homeless individuals and families.

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

Section 1. That an Agreement providing \$10,248.96 in Emergency Solutions Grants funds to The Salvation Army, so as to continue their respective emergency shelter program for homeless individuals and families, in substantially the form of the copy of said Agreement attached hereto and hereby incorporated by reference, be and the same is hereby authorized and approved.

Section 2. That the Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, be and the same is authorized to attest to said execution of said Agreement in substantial the form appended hereto as an exhibit as so authorized and approved for and on behalf of the City of Urbana, Illinois.

PASSED by the City Council this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_.

AYES:

NAYS:

ABSTAINS:

\_\_\_\_\_  
Phyllis D. Clark, City Clerk

APPROVED by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_.

\_\_\_\_\_  
Laurel Lunt Prussing, Mayor

**EMERGENCY SOLUTIONS GRANTS  
SUBRECIPIENT AGREEMENT WITH THE SALVATION ARMY**

<b>CFDA #</b>	14.231
<b>CFDA Title</b>	Emergency Shelter Grants Program
<b>State Awarding Agency</b>	Illinois Department of Human Services
<b>Federal Awarding Agency</b>	Department of Housing and Urban Development

This Subrecipient Agreement is made by and between the City of Urbana, Illinois (hereinafter the "City"), and The Salvation Army (hereinafter the "Subrecipient") for Emergency Solutions Grants Agreement No. FCSTH03755.

WITNESSETH:

WHEREAS, prior to April 15<sup>th</sup>, 2015, the City submitted an application to the Illinois Department of Human Services (hereinafter "DHS") for Emergency Solutions Grants Program (hereinafter "ESG") funds to continue eligible activities under the ESG program sponsored by three private non-profit organizations: Community Elements, Champaign, Illinois; Crisis Nursery, Urbana, Illinois; and The Salvation Army, Champaign, Illinois (hereinafter collectively referred to as the "Participating Organizations"); and

WHEREAS, in its application for ESG funds the City declared its intent to provide ESG funds to the Participating Organizations for their use in continuing to operate their respective emergency shelters and essential social services for homeless individuals and families; and

WHEREAS, the Participating Organizations have heretofore expressed their intent to assume responsibility from the City for continuing the operation of their respective emergency shelters and to provide essential services to homeless individuals and families with ESG funds and in accordance with ESG regulations; and

WHEREAS, on June 24<sup>th</sup>, 2015, the City received notice that DHS approved the City's application for ESG funds; and

WHEREAS, on June 26<sup>th</sup>, 2015, the City executed an ESG Grant Agreement with DHS to govern expenditure of ESG funds by the City and the Participating Organizations; and

NOW, THEREFORE, in consideration of the matters set forth above and below, the parties agree as follows.

**Section 1. Definitions.** Whenever used in this Subrecipient Agreement:

- A. The term "Grant Agreement" means the agreement between the City and DHS executed by the City on June 26<sup>th</sup>, 2015, in connection with the ESG Grant Agreement No. FCSUH03755.
- B. The term "Grant Funds" means the assistance provided under this Subrecipient Agreement.
- C. The term "Grant Application" means the application submission, August 29, 2014, on the basis of which an ESG grant was approved by DHS, including the certifications and assurances and any information or documentation required to meet any ESG award conditions.
- D. The term "Act" shall mean Subtitle C of Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11381 *et seq.*) as amended by the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) and all rules and regulations promulgated thereto.
- E. The term "State" means the State of Illinois.

F. The term "Matching Funds" means the Subrecipient's provision value, whether in money or in-kind services, equal to any money provided by the City to the Subrecipient.

**Section 2. Purpose of Subrecipient Agreement.** The purpose of this Subrecipient Agreement is to set forth the terms and conditions under which the City shall grant ESG funds to the Subrecipient for its emergency shelter. This Subrecipient Agreement sets forth rights and responsibilities of both parties in connection with the Subrecipient providing emergency shelter and essential social services to homeless individuals and families. In this Subrecipient Agreement, the Subrecipient assumes full responsibility for adherence to all applicable laws, assurances, regulations, and guidelines associated with the ESG. Subject to the execution of this Agreement by both parties, the Subrecipient is authorized to incur costs against this agreement from the beginning date July 1, 2015 through the ending date of June 30, 2016.

**Section 3. Applicable Laws, Assurances, Regulations, Guidelines.** The Subrecipient Agreement and all activities undertaken by the Subrecipient pursuant thereto shall be governed by the Act; the Homeless Emergency Assistance and Rapid Transition to Housing: Emergency Solutions Grants Program and Consolidated Plan Conforming Amendments; Interim Rule which were published at 24 CFR Part 91 and 576 on December 5, 2011, at FR-5474-I-01, a copy of which is attached hereto as Attachment A and incorporated herein and made a part hereof. The Application is incorporated herein as part of this Subrecipient Agreement; however, in the event of a conflict between any part of the Application and any part of the Subrecipient Agreement, the Subrecipient Agreement shall control.

**Section 4. Grant Award.** Subject to the terms of the Grant Agreement and this Subrecipient Agreement, the City agrees to provide up to **\$10,248.96** in ESG funds to the Subrecipient for activities identified as the responsibility of the Subrecipient in the Application. The Subrecipient agrees to use funds granted to it by the City pursuant to this Subrecipient Agreement to undertake those activities in the Application identified as the responsibility of the Subrecipient in the manner identified in the Application. The Subrecipient agrees that funds awarded it pursuant to this Subrecipient Agreement shall be used for the following purposes:

Operations:	\$ 10,248.96
Essential Services:	\$ 0.00

The Subrecipient has secured/will secure Matching Funds which shall be used for the following purposes:

Operations Matching Funds:	\$ 10,248.96
Essential Services Matching Funds:	\$ 0.00

Given the total amounts of Grant Funds and Matching Funds, the amount of Total Committed Funds is shown below:

Total Committed Funds	\$ 20,497.92
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**Section 5. Matching Funds.** Subject to the terms of the this Subrecipient Agreement, the Subrecipient agrees to provide a matching contribution in funds equal to **\$10,248.96** which is being provided by the City pursuant to this Subrecipient Agreement. Documentation of Matching Funds is required of all projects. Matching contributions may be obtained from any source, including any Federal source other than the ESG program, as well as state, local, and private sources. Subrecipients are required to maintain detailed fiscal records during each year of the project to ensure adequate documentation of all expenditures related to the grant, including those paid through the use of cash match sources.

If a Federal source of funds is used for matching contributions, the Subrecipient must ensure that the laws

governing any funds to be used as matching contributions do not prohibit those funds from being directly used to match ESG funds. If ESG funds are used to satisfy the matching requirements of another Federal program, then funding from that program may not be used to satisfy the matching requirement for these Grant Funds.

The Subrecipient acknowledges and agrees that the City shall not be responsible for providing the Subrecipient with any funds to meet the Subrecipient's matching requirements. However, nothing herein shall prohibit the City from making funds available to the Subrecipient for emergency shelter operations or essential services activities in addition to funds granted to the Subrecipient pursuant to this Subrecipient Agreement.

**Section 6. Allowable Costs – Emergency Shelter Component.** ESG funds may be used for costs of providing essential services to homeless families and individuals in emergency shelters and operating emergency shelters:

- 1) **Essential Services:** ESG funds may be used to provide essential services to individual and families who are in an emergency shelter. Eligible costs include case management, child care, education services, employment assistance and job training, outpatient health services, legal services, transportation, substance abuse treatment, services for special populations.
- 2) **Operations:** Eligible costs are the costs of maintenance (including minor or routine repairs), rent, security, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the operation of the emergency shelter.

As shown in Section 4, the Subrecipient is authorized to only use ESG funds for Operations pursuant to this Subrecipient Agreement.

**Section 7. Payouts.** The Subrecipient understands and agrees that a request for disbursement of ESG funds pursuant to this Subrecipient Agreement shall not be made until such funds are needed to pay eligible costs related to the Project that have been expended. Subrecipient understands and agrees that funding in the full amount of this Subrecipient Agreement is contingent upon the City receiving said ESG funds, and should the funds be discontinued or reduced for any reason, Subrecipient understands and agrees that funding under this Subrecipient Agreement could cease or be reduced without advance notice. The Subrecipient must:

- A. Maintain adequate documentation to demonstrate the homeless eligibility of persons served by ESG funds;
- B. Maintain records that show the eligible essential services costs and shelter operating costs of the program;
- C. Use required forms to show participant eligibility, the calculation of resident rent, the policy showing savings program (if any) and the procedures for communicating said information to the participant, which must be maintained in participant file.
- D. Submit proper documentation of eligible expenses for match to the city on a quarterly basis.
- E. Submit quarterly reports to the City of Urbana no later than 15 days after the end of the quarter; Failure to submit reports to the City may result in the withholding or suspension of grant funds until such reports are received and approved by the City.
- F. Maintain files and records as required which relate to the overall administration of the ESG program;
- G. Provide information for Annual Performance Report (APR) within required timeframes; and
- H. Enter participant data into the HMIS, and update all participant changes while in the program.

The Subrecipient authorizes the City and HUD to conduct on-site reviews, examine tenant income records, and to conduct any other procedure or practice necessary to audit and assure compliance with this Subrecipient Agreement and applicable HUD regulations. The Subrecipient will ensure that all documents related to this Project shall be kept for a period of five (5) years after project completion. The Subrecipient shall maintain such records and accounts, including program records, project records; financial records; equal opportunity records; records demonstrating compliance with the income determination and

requirements of 24 CFR 92.203; record keeping requirements of 24 CFR 92.508; records demonstrating compliance with the lead-based paint requirements of 24 CFR 92.355; records supporting exceptions to the conflict of interest prohibition pursuant to 24 CFR 92.356; and any other records as are deemed necessary by the City to assure a proper accounting and monitoring of all HOME Funds. In the event the City determines that such records are not being adequately maintained by the Subrecipient, the City may cancel this Subrecipient Agreement.

With respect to all matters covered by this Subrecipient Agreement, records will be made available for examination, audit, inspection or copying purposes at any time during normal business hours and as often as the City, HUD, representatives of the Comptroller General of the United States or other Federal agency may require. The Subrecipient will permit same to be examined and excerpts or transcriptions made or duplicated from such records, and audits made of all invoices, materials, records of personnel and of employment and other data relating to all matters covered by this Subrecipient Agreement. The City's right of inspection and audit shall obtain likewise with reference to any audits made by any other agency, whether local, State or Federal.

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

TO THE CITY: Kelly H. Mierkowski, Manager, Grants Management Division  
Dept. of Community Development Services  
City of Urbana  
400 South Vine Street  
Urbana, Illinois 61801

TO THE SUBRECIPIENT: Major Thomas McDowell, Corps Administrator  
The Salvation Army  
2212 N. Market Street  
Champaign, Illinois 61822

**Section 9. Default.** A default shall consist of any use of grant funds for a purpose other than as authorized herein, failure of the Subrecipient to provide the essential services or utilize shelter operation funds in the minimum amounts and for the minimum time period in accordance with the requirements of Attachment A provisions, noncompliance with the Act or Attachment A provisions, failure to return the executed subrecipient agreement, failure to maintain detailed financial records concerning the use of the Grant Funds, or any other material breach of the Subrecipient Agreement.

In the event of a default by the Subrecipient, the City shall give written notice of such default which notice shall describe the nature of the default and the Section of this Subrecipient Agreement which the City believes was breached. The Subrecipient shall have fourteen (14) calendar days from the date it receives the aforesaid notice to either cure the default or provide evidence in written form that no such default in fact occurred. In the event that the Subrecipient fails to cure the default or provide written evidence that no such default in fact occurred, the City shall have the right to take one or more of the following actions:

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

- D. Direct the Subrecipient to suspend, discontinue, or not incur costs for the affected activity;
- E. Reduce or recapture the grant authorized herein;
- F. Direct the Subrecipient to reimburse the City for costs inappropriately charged to the City;
- G. Other appropriate action including, but not limited to, any remedial action legally available.

If it is the decision of the City to require the repayment to the City of any grant funds provided to the Subrecipient, the Subrecipient agrees to pay back to the City all such funds up to the amount of grant funds provided to them by the City (hereafter called "Recapture") within thirty (30) days. No delay or omission by the City in exercising any right or remedy available to it under this Subrecipient Agreement shall impair any such right or remedy or constitute a waiver or acquiescence in any Subrecipient default.

**Section 10. Certification by Subrecipient.** The Subrecipient agrees to the State of Illinois required certifications provided for in the Grant Agreement appended to this Subrecipient Agreement as if set forth herein. These certifications are required by State statute and are in addition to any certifications required by any Federal funding source as set forth in this Agreement. Subrecipients execution of this Agreement shall serve as its attestation that the certifications made herein are true and correct.

**Section 11. Subgrants by the Subrecipient.** The Subrecipient shall not assign, convey or otherwise transfer any of its rights, duties or obligations under this Subrecipient Agreement to another person without the express written consent of the City and authorization of DHS. In the event Subrecipient seeks to assign, convey or otherwise transfer any of its rights, duties or obligations under this Subrecipient Agreement, the Subrecipient must demonstrate that an open, impartial and competitive selection process will be used in making any such assignment, conveyance or transfer of its rights, duties and/or obligations.

**Section 12. Notices.** Any notice required to be given pursuant to this Subrecipient Agreement may be given in any one or more of the following ways and such notice shall be deemed effect as hereinafter stated:

- A. By certified or registered U.S. First Class Mail with return receipt requested in which case if such notice is placed in a properly addressed envelope bearing proper postage, such notice shall be deemed effective four (4) days after placement with the U.S. Postal Service.
- B. By overnight courier services in which case if such notice is properly directed with courier service fees paid for by the sender, such notice shall be deemed effective the next business day after delivery.
- C. By facsimile if the sender's facsimile machine provides a printed receipt which acknowledges that the recipient's facsimile machine received the transmission, such notice shall be deemed effective the next business day after delivery.

**Section 13. Dispute Resolution and Governing Law.** In the event of a dispute between the parties to this Subrecipient Agreement, the parties, before filing any court action, shall jointly select a mediator and shall make a good faith effort in such mediation to resolve their differences. The parties shall share equally in the cost of such mediation service. In the event mediation fails to resolve the dispute between the parties, either party may file and maintain an action in the Circuit for the Sixth Judicial Circuit, Champaign, Illinois. The law of the State of Illinois shall govern any and all actions to enforce, construe and/or interpret this Subrecipient Agreement.

IN WITNESS WHEREOF, the City and the Subrecipient have respectively signed this Subrecipient Agreement and have caused their seals to be affixed hereto.

**CITY OF URBANA, ILLINOIS:**

BY: \_\_\_\_\_  
Laurel Prussing, Mayor

DATE \_\_\_\_\_

ATTEST: \_\_\_\_\_  
Phyllis Clark, City Clerk

DATE: \_\_\_\_\_

**THE SALVATION ARMY (SUBRECIPIENT):**

BY: \_\_\_\_\_  
Name & Title:

DATE: \_\_\_\_\_

ATTEST: \_\_\_\_\_  
Name & Title:

DATE: \_\_\_\_\_



**ATTACHMENT A:**

**24 CFR Part 91 and 576**

**Homeless Emergency Assistance and Rapid Transition to Housing:  
Emergency Solutions Grants Program and Consolidated Plan  
Conforming Amendments; Interim Final Rule**

**December 5, 2011**

**ATTACHMENT B**  
**STATE OF ILLINOIS REQUIRED**  
**CERTIFICATIONS**

**2015 ESG  
12 MONTH PROJECT BUDGET  
Grant Term: 7/01/2015 – 6/30/2016**

**Applicant Name: City of Urbana** \_\_\_\_\_

1. ESG-Eligible Activity	2. Total Cost	ESG Funding Request	3. Match Funds	4. Match Source
Street Outreach  <i>Centralized Intake? Emergency Family Shelter? Canteen Street Outreach Program?</i>	\$24,793.16	\$12,396.58	\$12,396.58	<b>Reserved</b>
Emergency Shelter - Operations:  <i>Community Elements – TIMES Center Crisis Nursery The Salvation Army</i>	\$42,812.20 \$ 8,239.81 \$23,572.60	\$21,406.10 \$ 6,239.81 \$10,248.96	\$21,406.10 \$ 2,000.00 \$10,248.96	<b>United Way In-kind PCMC cash reserves General donations</b>
Emergency Shelter - Essential Services:  <i>Crisis Nursery</i>	\$4,239.81	\$0.00	\$4,239.81	<b>In-kind PCMC</b>
Administration:  <i>City of Urbana</i>	\$2,721.20	\$1,360.55	\$1,360.55	<b>HUD-SHP</b>
<b>TOTAL</b>	<b>\$103,304.00</b>	<b>\$51,652.00</b>	<b>\$51,652.00</b>	

- NOTE: 1. Applicant should refer to December 5, 2011 interim rules and regulations for eligible activities and definitions.  
2. Attach formal letters of commitment detailing matching funds and/or value of donations.  
3. In-kind contributions must be supported by appropriate documentation, appraisals, etc.