



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Laurel Lunt Prussing, Mayor, City of Urbana

FROM: Elizabeth H. Tyler, FAICP, Community Development Director

DATE: April 5, 2012

SUBJECT: A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF AN URBANA HOME CONSORTIUM COMMUNITY HOUSING DEVELOPMENT ORGANIZATION AGREEMENT (Homestead Corporation of Champaign-Urbana CHDO Operating FY 2012-2013)

Description

Included on the agenda of the April 9, 2012 meeting of the Urbana Committee of the Whole is a Resolution Approving and Authorizing the Execution of an Urbana HOME Consortium Community Housing Development Agreement. Also provided in this memo is an overview of the HOME Investment Partnerships Program funding requests from Community Housing Development Organizations (CHDOs) for FY 2012-2013. In response to the invitation to area organizations for HOME Program funding requests, the City of Urbana and Urbana HOME Consortium received a total of three applications from CHDOs for operating funds. Funding is being recommended for one of these applications.

CHDO Operating funding is expected to be available in the amount of **\$38,454** for FY 2012-2013, in addition to **\$34,264** unobligated carryover from previous years.

Background

Applications for FY 2012-2013 HOME funding for affordable housing projects were made available between December 12, 2011 and March 7, 2012. On December 12, 2011, staff conducted two training workshops to answer any questions about the application, activity eligibility, and the process itself. Staff was also available throughout the application period to answer questions and to assist with applications as requested.

Applications requesting HOME Program CHDO Project and CHDO Operating funds were submitted by three agencies after the deadline was extended: Ecological Construction Laboratory (Eco Lab), Homestead Corporation of Champaign Urbana (Homestead), and Champaign County Neighborhood Alliance for Habitat (Neighborhood Alliance). The applications are attached for review.

Champaign County Neighborhood Alliance for Habitat (Neighborhood Alliance) applied for

CHDO project and operating funds but is currently unable to receive HOME funding due to a conflict of interest issue. Staff submitted an exception request to the Department of Housing and Urban Development (HUD) and hopes to be able to begin carrying out contracts signed in FY 2011-2012 with Neighborhood Alliance for the construction of four single-family homes. Until the exception is granted that will waive the conflict of interest provisions of the HOME Program, these applications will not be reviewed.

A. CHDO Project Funds

No project applications for FY 2012-2013 funding were received that are eligible for funding at this time. Neighborhood Alliance submitted an application that has been attached for informational purposes only. Eco Lab and Homestead are currently carrying out other contracts that must move forward before additional contracts can be executed. Staff is continuing to work to identify feasible projects in the Consortium area, and a rolling CHDO Project application process is currently underway.

B. CHDO Operating Funds

HUD regulations allow PJs, at their discretion, to set aside 5% of the annual allocation for operating expenses of certified CHDOs. Consortium policies further cap annual CHDO Operating (CO) awards at a maximum of \$35,000 for each CHDO.

Three applications for CHDO Operating Funds were received as part of the FY 2012-2013 funding cycle. The Consortium may allocate up to 5% to CHDOs for operating costs and is anticipating an allocation of \$38,454 for FY 2012-2013. Unobligated CHDO Operating carryover in the amount of \$34,264 is also available from FY 2009-2010, 2010-2011, and 2011-2012. Following is a summary of the CHDO Operating funds requested:

1) Ecological Construction Laboratory (Eco Lab)

Amount Funded: \$0

Amount Requested: \$23,840

Eco Lab has not received CHDO Operating funds since FY 2010-2011. The organization is currently certified until July 15, 2012, per the direction of the Community Development Commission and Urbana City Council. Eco Lab currently has a \$19,310 carryover fund from its last allocation of CHDO Operating.

Eco Lab is currently staffed by members of Passive Housing Institute US, as well as by Interim Executive Director Paul Gallagher. The organization is finishing the project at 1302 West Dublin, Urbana, and hopes to have a homebuyer for the project soon. The HOME Technical Committee intends to revisit this application for CHDO operating funds once Eco Lab has been recertified in August, 2012.

1) Homestead Corporation

Amount Funded: \$25,000

Amount Requested: \$25,000

Homestead has received CHDO Operating funds annually since FY 1998-1999.

The City of Urbana has received all required quarterly reports and pay requests with supporting documentation from Homestead to date. Homestead has a continually strong staff capacity and consistently utilizes operating funds for eligible expenditures on a timely basis. Operating funding in the amount of \$25,000 is being recommended to support Homestead's CHDO activities that will be continuing into the coming program year, including: 510 E. Beardsley, Champaign; 1107 N. Gregory, Urbana; and construction of a single-family unit at another property located in Champaign. Homestead was also recently selected as a developer, in partnership with Brinshore Development, LLC, to construct affordable housing at the Kerr Avenue site in Urbana. An application for Low Income Housing Tax Credits is forthcoming this summer, and if funded, will be an eligible CHDO activity.

3) Champaign County Neighborhood Alliance for Habitat (Neighborhood Alliance)

Amount Funded: \$0

Amount Requested: \$28,250

Neighborhood Alliance is currently ineligible for funding due to a pending conflict of interest issue. Staff hopes to hear from HUD regarding the exception request within the next few weeks. The FY 11-12 contract for operating funding in the amount of \$27,528 has not been reimbursed and is still available. Any funding allocations to Neighborhood Alliance must be considered after the exception is granted or after October 28, 2012, whichever date is sooner.

The HOME Technical Committee recommended funding Homestead Corporation for FY 2012-2013 in the amount of \$25,000 from unobligated CHDO Operating carryover from previous years. Regarding the remaining two requests, the Committee took into account the \$19,310 carryover funds available to Eco Lab, as well as the expiration date of its most recent CHDO certification, which is July 15, 2012. The Technical Committee wishes to consider this funding application after the recertification process has been completed in July, 2012. Neighborhood Alliance currently has an operating contract for \$27,528, which has not been drawn due to the conflict of interest issue. Neighborhood Alliance may be considered for funding once the conflict of interest issue has been resolved.

The funding recommendation for Homestead will draw from three fiscal years: FY 2009-2010, FY 2010-2011, and FY 2011-2012. The funds granted to Homestead will be used to reimburse eligible expenses made in carrying out HOME activities during FY 2012-2013. Staff ordinarily would not present these contracts to Council for approval until after the Annual Action Plan has been approved, but the funding allocated as part of this contract is from previous fiscal years and will contribute to meeting the Consortium's timeliness goals for the current program year.

During its March 27, 2012 regular meeting, the Urbana Community Development Commission forwarded the Resolution to Council with a unanimous recommendation for approval.

Options

- 1) Approve the Resolution Approving and Authorizing the Execution of and Urbana HOME Consortium Community Housing Development Organization Agreement.

- 2) Approve the Resolution with changes.
- 3) Do not approve the Resolution.

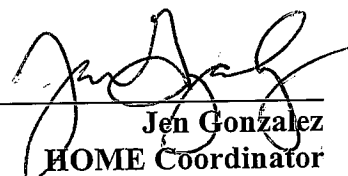
Fiscal Impacts

The funding included as part of the attached agreement is unobligated from previous fiscal years and will not impact the City's current budget.

Recommendations

Staff and the Urbana Community Development Commission recommend that Council approve the Resolution Approving and Authorizing the Execution of and Urbana HOME Consortium Community Housing Development Organization Agreement.

Memorandum Prepared By:



Jen Gonzalez
HOME Coordinator
Grants Management Division

Attachments:

- 1) Applications for Funding:
 - a. **CHDO Reserve (for Projects):**
Neighborhood Alliance Application (Informational purposes only)
 - b. **CHDO Operating (for Operating Funds only):**
E-co Lab – *CHDO Operating*
Homestead – *CHDO Operating*
Neighborhood Alliance – *CHDO Operating* (Informational purposes only)
- 2) A Resolution Approving and Authorizing the Execution of an Urbana HOME Consortium Community Housing Development Organization Agreement (Homestead Corporation of Champaign-Urbana CHDO Operating FY 2012-2013)
- 3) Urbana HOME Consortium Community Housing Development Organization Agreement (Homestead Corporation of Champaign-Urbana Operating Agreement FY 2012-2013)
- 4) *Relevant minutes from the March 27, 2012 regular meeting of the Urbana Community Development Commission.*

RESOLUTION NO. _____

**A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF AN URBANA HOME
CONSORTIUM COMMUNITY HOUSING DEVELOPMENT ORGANIZATION AGREEMENT**

**(Homestead Corporation of Champaign-Urbana
CHDO Operating FY 2012-2013)**

WHEREAS, The City Council of the City of Urbana, Illinois, has found and determined that execution of the attached Community Housing Development Organization agreement is desirable and necessary to carry out one of the corporate purposes of the City of Urbana, to wit: implementation of Strategies and Objectives to Address the Affordable Housing Needs of Low and Moderate Income Households described in the City of Urbana and *Urbana HOME Consortium FY 2010-2014 Consolidated Plan*.

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

Section 1. That an Agreement providing \$25,000 in HOME Program funds, for administration and operating expenses related to the continued operation and agency capacity expansion, between the City of Urbana and Homestead Corporation of Champaign-Urbana, in substantially the form of the copy of said Agreement attached hereto and hereby incorporated by reference, be and the same is hereby authorized and approved.

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

PASSED by the City Council this _____ day of _____, _____.

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____,

_____.

Laurel Lunt Prussing, Mayor

**URBANA HOME CONSORTIUM
COMMUNITY HOUSING DEVELOPMENT ORGANIZATION
AGREEMENT**

(Homestead Corporation of Champaign-Urbana CHDO Operating FY 2012-2013)

THIS AGREEMENT, made and entered into by and between the CITY OF URBANA, an Illinois Municipal Corporation, acting as lead entity for the Urbana HOME Consortium (hereinafter the "City"), and **Homestead Corporation of Champaign-Urbana**, a not-for-profit corporation incorporated under the laws of the State of Illinois (hereinafter "**Homestead**").

WITNESSETH:

WHEREAS, the City of Urbana, the City of Champaign, and Champaign County have been jointly designated as a Participating Jurisdiction by the U.S. Department of Housing and Urban Development (hereinafter "HUD") for purposes of receiving HOME Investment Partnership (hereinafter "HOME") Program funds in the name of the Urbana HOME Consortium under provisions of Title II of the Cranston-Gonzales National Affordable Housing Act of 1990, as amended (42 U.S.C. 12701 *et seq.*) (hereinafter the "National Affordable Housing Act"); and

WHEREAS, the Urbana City Council has adopted Consolidated Plans for Program Years **2005-2009** and **2010-2014**, and the Annual Action Plans for Program Years **2009-2010**, **2010-2011** and **2011-2012** which include funding for administrative costs incurred by Community Housing Development Organizations (hereinafter "CHDOs") in accordance with an Intergovernmental Agreement Concerning Administration of a Champaign/Urbana/Champaign County HOME Investment Partnerships Consortium executed by Mayor Tod Satterthwaite on behalf of the City on July 16, 2003 (hereinafter the "Intergovernmental Agreement"); and

WHEREAS, the Consolidated Plans encourage the development of non-profit housing development organizations eligible for CHDO status and promotes increasing the capacity for affordable housing production at the neighborhood level; and

WHEREAS, **Homestead** has fulfilled all HOME Program requirements necessary to be certified as a CHDO; and

WHEREAS, **Homestead** has been designated as an eligible recipient of CHDO funds for the Urbana HOME Consortium for **FY 2012-2013**; and

WHEREAS, **Homestead** has applied to the City for Urbana HOME Consortium funding for administration and operating costs related to the continued operation of HOME funded rental housing properties and new homebuyer assistance programs, and for the building of agency capacity (hereinafter the "Operating Activities"); and

WHEREAS, the City has the right and authority, pursuant to both the HOME Program and the Intergovernmental Agreement to allocate Urbana HOME Consortium funds to **Homestead** for the Operating Activities.

NOW, THEREFORE, the parties hereby agree as follows.

1. **Preamble** The preamble set forth above is hereby incorporated and made part of this Community Housing Development Organization Agreement (hereinafter the "Agreement").
2. **Purpose** The purpose of this Agreement is to pledge **FY 2009-2010, FY 2010-2011 and FY 2011-2012** Urbana HOME Consortium carryover CHDO operating funds to **Homestead** to reimburse eligible HOME CHDO Program administrative and operating activities incurred during **FY 2012-2013**.
3. **Pledge of HOME and Match Funds** The City pledges to **Homestead** \$25,000 in Urbana HOME Consortium funds for the Operating Activities (\$4,334.95 in FY 2009-2010 HOME funds, \$18,391.75 in FY 2010-2011 HOME funds, and \$2,273.30 in FY 2011-2012 HOME funds).

Specific uses of said funds are for administration and operating activities related to the continued operation and capacity building of the organization as shown in Exhibit 1.

Homestead shall not request disbursement of HOME funds until HOME funds are needed to pay eligible costs related to the Operating Activities. The amount of any request for funds shall not exceed the amount needed and shall be supported by appropriate documentation (i.e. payroll documentation, receipts, invoices). The City shall make payment to **Homestead** within fourteen (14) calendar days of receipt of a complete and acceptable request by the City. The City reserves the right to withhold disbursement of funds until appropriate documentation is submitted. All checks shall be made payable to "**Homestead Corporation of Champaign-Urbana**." All monies granted to **Homestead** pursuant to this Agreement shall be expended by **Homestead** by **August 31, 2013**.

4. **Eligible Uses of Funds**. **Homestead** may expend funds per 24 CFR 92.208(a) and 24 CFR 92.300(f).

24 CFR 92.208(a): Up to 5 percent of a participating jurisdiction's fiscal year HOME allocation may be used for the operating expenses of community housing development organizations (CHDOs). These funds may not be used to pay operating expenses incurred by a CHDO acting as a subrecipient or contractor under the HOME Program. Operating expenses means reasonable and necessary costs for the operation of the community housing development organization. Such costs include salaries, wages, and other employee compensation and benefits; employee education, training, and travel; rent; utilities; communication costs; taxes; insurance; equipment; materials and supplies. The requirements and limitations on the receipt of these funds by CHDOs are set forth in 92.300(f).

24 CFR 92.300(f): Limitation on community housing development organization operating funds. A community housing development organization may not receive HOME funding for any fiscal year in an amount that provides more than 50 percent or \$50,000, whichever is greater, of the community housing development organization's total operating expenses in that fiscal year. This also includes organizational support and housing education provided under section 233(b)(1), (2), and (6) of the Act, as well as funds for operating expenses provided under 92.208.

5. **Financial Responsibility** The allocation of funds by the City pursuant to this Agreement shall in no way obligate the City for any financial responsibility incurred by the Operating Activities in excess of the funding pledged herein.

6. **Equal Employment Homestead** agrees that there shall be no discrimination against any person who is employed in carrying out the Operating Activities, or against any applicant for such employment, because of race, color, religion, sex, age, or national origin, or any other discrimination prohibited by Urbana law, 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. **Homestead** further agrees to the following.
 - A. It shall 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.
 - B. It shall furnish the City and HUD with 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.
 - C. It shall 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.
 - D. It shall abide by the Urbana Human Rights Ordinance regarding equal employment.

7. **Certifications Homestead** represents the following with respect to this Agreement.
 - A. **Homestead** possesses legal authority to receive HOME Program funds from the City and to execute the Operating Activities as described herein.
 - B. The governing body of **Homestead** 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 **Homestead** to act in connection with this Agreement and to provide such additional information as may be required.
 - C. **Homestead**, its successors and assigns, agrees to fulfill the Operating Activities in accordance with HOME Program regulations promulgated at 24 CFR Part 92.

- D. **Homestead** acknowledges there is no match requirement for these HOME CHDO funds disbursed by the City in the amount of **\$25,000**.
- E. **Homestead** shall comply with the regulations, policies, guidelines, and requirements of federal management circulars as they relate to the acceptance and use of federal funds for the Operating Activities. **Homestead** agrees to maintain financial records in accordance with applicable Federal guidelines; OMB circulars A-110, A-122, and A-133; the following requirements of 24 CFR Part 84: 84.2, 84.5, 84.13, 84.16, 84.21, 84.22, 84.26 - 84.28, 84.30, 84.31, 84.34 - 84.37, 84.40 - 84.48, 84.51, 84.60 - 84.62, 84.72, and 84.73. **Homestead** shall separately and accurately identify use of HOME funds pursuant to this Agreement.
- F. **Homestead** shall comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no person in the United States shall on the ground 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 **Homestead** receives federal financial assistance.
- G. **Homestead** shall comply with 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.
- H. **Homestead** shall establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties in accordance with 24CFR92.356, and enforce such safeguards. Further, it will immediately report to the City any suspected or actual conflict situation.
- I. No Federal appropriated funds have been paid or will be paid, by or on behalf of **Homestead**, to any person for influencing or attempting to influence an officer or employee of any agency including the City, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal 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 an officer or employee of

any agency including the City, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, **Homestead** will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. This form must be completed and submitted to the City prior to the execution of this agreement and prior to any disbursement of funds.

- J. **Homestead** shall 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 Operating Activities.
 - K. **Homestead** authorizes the City and HUD to conduct on-site reviews, examine personnel records, and to conduct any other procedure or practice necessary to assure compliance with this Agreement. **Homestead** will ensure that all documents related to this Operating Activities shall be kept for a period of five years after project completion (**September 2018**). Records to be retained include, but are not limited to timesheets; receipts and invoices for materials, supplies, and services; and documentation used to request re-imbursement of expenses.
 - L. **Homestead** shall at all times observe and comply with all laws, ordinances, or regulations of Federal, State, and local governments which may in any manner affect the performance of this Agreement. **Homestead** shall be liable to perform all acts to the City in the same manner as the City performs these functions to the Federal government.
 - M. **Homestead** shall be responsible for any and all claims, costs, causes, actions, and expenses, including, but not limited to, attorneys' fees incurred by reason of a lawsuit or claim for compensation arising in favor of any person, including the employees, officers, independent contractors, subcontractors, or agents of **Homestead**, on account of personal injuries or death, or damages to property occurring, growing out of, incident to, or resulting under this Operating Activities, 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 **Homestead** 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.
 - N. **Homestead** shall have full control of the ways and means of performing the services referred to herein. **Homestead** acknowledges and agrees that its employees, representatives, subcontractors, and agents may in no respect be considered employees of the City.
8. **Affirmative Marketing.** **Homestead** must adopt an affirmative marketing policy and procedure acceptable to HUD to attract beneficiaries for their HOME-funded projects per

24 CFR 92.351. Affirmative marketing steps consist of actions to provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, color, national origin, sex, religion, familial status or disability. The affirmative marketing requirements and procedures adopted must include:

- Methods for informing the public, owners, and potential beneficiaries about Federal fair housing laws and the City’s affirmative marketing policy
- Requirements and practices **Homestead** must adhere to in order to carry out the affirmative marketing procedures and requirements
- Procedures to be used by **Homestead** to inform and solicit applications from persons in the housing market area who are not likely to apply for the housing without special outreach
- Records that will be kept describing actions taken by **Homestead** to affirmatively market units and records to assess the results of these actions
- A description of how the **Homestead** will annually assess the success of affirmative marketing actions and what corrective actions will be taken where affirmative marketing requirements are not met.

9. **Prohibition Against Lobbying** **Homestead** acknowledges that no funds disbursed pursuant to this Agreement shall be used to finance lobbying activities. Furthermore, **Homestead** acknowledges that no **Homestead** employee funded in whole or part pursuant to this Agreement shall engage in lobbying activities at any time during the term of this Agreement. For purposes of this Agreement the term “lobbying activities” shall include the following.

- any activity related to the election or appointment of an individual to public office, including, but not limited to, contributions to campaign funds, solicitation in an attempt to influence the outcome of an election for public office, and preparation and dissemination of campaign materials
- sponsorship of candidate forums
- sponsorship of voter registration drives
- provision of transportation to polling places
- contributing financially to elected or appointed public officials in an attempt to influence legislation
- hiring an individual or individuals to represent an organization and/or its position before elected or appointed public officials .

10. **Request for Disbursement of Funds** **Homestead** may request disbursement of HOME funds on a calendar quarter basis for reimbursement of eligible CHDO Operating expenses incurred during the previous quarter. An exception to this will be made for the fourth quarter in order to facilitate financial close-out procedures associated with the end of the fiscal year. The schedule for disbursement requests is as follows:

<u>Expenses Incurred During:</u>	<u>Pay Request Submitted:</u>
July-September	by October 15 th
October-December	by January 15 th
January-March	by April 15 th

April-June

by June 21st

Each request for payment shall be accompanied by documentation supporting the amount requested including, but not limited to, payroll documentation, receipts, and invoices. The City shall make payment to **Homestead** within fourteen (14) calendar days of submission of a complete and acceptable payment request to the City. The City reserves the right to withhold disbursement of funds until appropriate documentation is submitted.

HUD regulations mandate that CHDOs utilizing CHDO Operating HOME funds must also be working on or toward an eligible housing project utilizing CHDO Project HOME funds. Such a project must be underway and to the point of drawing HOME Project funds within 24 months of the effective date of the CHDO Operating Agreement. If this requirement is not fulfilled, **Homestead** shall repay to the City all HOME funds disbursed pursuant to this agreement. Although the disbursement of CHDO Operating funds is not tied directly to the draw down of CHDO Project funds, the City reserves the right to delay disbursement of Operating Funds if it is evident that the CHDO project is experiencing excessive delays.

11. **Agency Training** In order to ensure that the specific housing needs of the community continue to be addressed in ways that include current best practices, and that **Homestead** understands and abides by all applicable local state and federal regulations involved in the use of HOME funds, the City requires that **Homestead** completes a minimum of four (4) approved workshops, conferences or training opportunities annually. The City may directly administer such training, or may recommend opportunities conducted by other agencies.
12. **Compliance Homestead** agrees that if the City determines that **Homestead** has not complied with or is not complying with the provisions of this Agreement and so notifies **Homestead** by written notice of said violations and **Homestead** fails to correct said violations within thirty (30) days from receipt of said notice, the City may terminate this Agreement by written notice and may take any other action as may be permitted pursuant to this Agreement.
13. **Notices** Notices and communications under this Agreement shall be sent first class, prepaid to the respective parties as follows:

TO THE CITY:

Kelly Mierkowski, Manager
Grants Management Division
400 South Vine Street
Urbana, Illinois 61801

TO CHDO:

Aaron Smith, Executive Director
Homestead Corporation of Champaign-Urbana
306 W. Griggs St.
Urbana IL 61801

14. **Contingencies** This Agreement, including the provision of funds by the Urbana HOME Consortium for the Operating Activities as described herein, is contingent upon the following:
 - Receipt of FY 2012-2013 HOME Program funds by the City of Urbana on behalf of the Urbana HOME Consortium in an amount not less than **\$769,083**.
15. **Assignment Homestead** shall not assign this Agreement, nor any part thereof, without prior written approval of the City.
16. **Modification** No modification of this Agreement, including modification of the budget in *Exhibit 1*, shall be effective unless in writing and executed by the parties hereto.
17. **Disbarment & Suspension** The undersigned, Homestead Corporation, certifies that it is not debarred or suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549.

Homestead shall establish procedures to ensure they do not make any award to grantees and subgrantees (including contractors) at any tier in violation of the non procurement, debarment, and suspension common. No award of the contracts covered under the subject Agreement shall be made to any contractor who is at the time ineligible under the provisions of any applicable regulations of the City of Urbana, Illinois or the Federal Government to receive an award of such contract.

Homestead shall verify and document that none of its grantees, subgrantees or contractors are debarred, suspended or otherwise excluded from participation through the effective use of the List of Parties Excluded from Federal Procurement or Nonprocurement programs ("List"). Homestead may request assistance from the City of Urbana, to access the List and document results to the file.

18. **Termination** Unless otherwise extended through a modification, this Agreement shall terminate on **August 31, 2013**.
19. **Execution of Agreement**. This Agreement shall be binding upon the City and **Homestead**, their successors and assigns, and shall be effective as of the date executed by the Mayor and attested by the City Clerk.

CITY OF URBANA

Laurel Lunt Prussing, Mayor

Date

Attest: Phyllis D. Clark, City Clerk

HOMESTEAD CORPORATION OF CHAMPAIGN-URBANA

Printed Name

Signature

Date

Printed Name

Signature

Date

Exhibit 1

**Homestead Corporation of Champaign-Urbana
HOME Program Operating Budget
FY 2012-2013**

<u>EXPENSE</u>	<u>AMOUNT</u>
Personnel Services	
Staff Salaries & Benefits	\$ 25,000
Non-Personnel Expenses	
Utilities	\$ 0
Supplies & Equipment	\$ 0
Travel & Training Costs	\$ 0
Audit Fee	<u>\$ 0</u>
TOTAL EXPENSES	\$25,000



**UNAPPROVED
MINUTES
COMMUNITY DEVELOPMENT COMMISSION MEETING
Tuesday, March 27, 2012, City Council Chambers
400 South Vine Street, Urbana, IL 61801**

[...]

Call to Order: Chairperson Cobb called the regular meeting of the Community Development Commission to order at 7:16 p.m.

Roll Call: Connie Eldridge called the roll. A quorum was present.

Commission Members Present: Fred Cobb, Janice Bengtson, Chris Diana, George Francis, Theresa Michelson, Jerry Moreland, Brad Roof, and Anne Silvis

Commission Members Absent: Dennis Vidoni

Others Present: Kelly H. Mierkowski, Jennifer Gonzalez, Connie Eldridge, and Matt Murphy, Community Development Services; Robin Arbiter, Lierman Neighborhood Action Committee (LNAC); Eric Trusner, Kerrie Lee Dunn, and Paula Vanier, Persons Assuming Control of Their Environment (PACE); Aaron P. Smith, Homestead Corporation; Janice McAteer, Developmental Services Center (DSC); Darlene Kloepfel, Champaign County Regional Planning Commission (CCRPC)

[...]

New Business: **An Ordinance Approving and Authorizing the Execution of an Urbana HOME Consortium Community Housing Development Organization Agreement (Homestead Corporation of Champaign-Urbana CHDO Operating FY 2012-2013)** – Ms. Gonzalez stated the HOME Technical Committee voted to approve Homestead's application and provide full funding. The HOME Consortium has had a strong relationship with Homestead since FY 1998-1999. Aaron Smith, Executive Director, reviewed Homestead's current and future projects. Homestead has closed on the house constructed at 1109 North Gregory Street, Urbana, and has secured a buyer for 1107 North Gregory Street. Their project with CWT at 510 East Beardsley Avenue, Champaign is in progress. This project will transition families from CWT to a house. Homestead also hopes to have a third project in Champaign soon.

Homestead Corporation and Brinshore Development L.L.C. were chosen as developers for the Kerr Avenue Sustainable Development Project. If their application for Low Income Housing Tax Credits is approved by the Illinois Housing Development Authority (IHDA), Homestead will then redevelop the Kerr Avenue site.

Ms. Gonzalez clarified that this agreement represents Homestead's CHDO Operating Funding for FY 2012-2013; however, the funds are coming from past years

Commissioner Diana moved to forward to City Council approval of an Ordinance Approving and Authorizing the Execution of an Urbana HOME Consortium Community Housing Development Organization (Homestead Corporation of Champaign-Urbana CHDO Operating FY 2012-2013). Commissioner Moreland seconded the motion, and the motion carried unanimously.

[...]

UNAPPROVED