

INTERGOVERNMENTAL AGREEMENT FOR HOUSING LANDLORD INCENTIVE ASSISTANCE BETWEEN THE COUNTY OF CHAMPAIGN AND THE HOUSING AUTHORITY OF CHAMPAIGN COUNTY

THIS AGREEMENT is made and entered by and among the County of Champaign, Illinois (“County”) and the Housing Authority of Champaign County (“HACC”) (herein after collectively referred to as “the Parties”), effective on the last date signed by a Party hereto.

WHEREAS, Section 10 of Article VII of the Illinois Constitution of 1970 and the Illinois Intergovernmental Cooperation Act, 5 ILCS 220/1 et seq. enables the parties to enter into agreements among themselves and provide authority for intergovernmental cooperation; and

WHEREAS, the County is in receipt of funds pursuant to the American Rescue Plan Act of 2021, P.L. 117-2 (“ARPA Funds”); and

WHEREAS, the County is authorized by Section 603(c)(1)(A) of the Social Security Act and the United States Department of Treasury Interim and Final Rule 31 CFR Part 35 to transfer ARPA Funds to respond to the pandemic public health emergency or its negative economic impacts, including community violence interventions and services or programs to increase long-term housing security; and

WHEREAS, HACC is a municipal corporation in Champaign County; and

WHEREAS, the Parties desire to enter into this Agreement to recognize the roles and responsibilities for each Party in assisting community violence interventions.

NOW, THEREFORE, the Parties agree as follows:

Section 1. Purpose and Scope: The purpose of this Agreement is for the County to provide ARPA Funds to HACC for provision of landlord incentives to increase housing opportunities for additional participants, thereby providing basic needs that help household stability and decrease factors that may lead to community violence.

Section 2. Funding Amount: The County, subject to the terms and conditions of this Agreement, hereby agrees to provide ARPA Funds in amount of up to \$85,000.00 to HACC for landlord incentives.

Section 3. Funding Requirements: Each of the following requirements must be met to utilize ARPA Funds for the purpose specified in this Agreement:

- A. HACC will provide landlord incentives, as detailed in Attachment 1.
- B. The project must occur between March 3, 2021 and December 31, 2024.
- C. The maximum amount of assistance from this Agreement shall be \$85,000.
- D. HACC must provide reporting information to the County as required in Section 4.
- E. The County will transfer ARPA Funds to HACC in an amount up to \$85,000 in support of this assistance, available beginning in County fiscal year 2022. The transferred funds shall be provided to HACC on a quarterly reimbursement basis, based on documentation and reporting of landlord incentives provided per household and landlord. A Risk Assessment Form, Reporting Form, and landlord incentive documentation shall be submitted by HACC to the County prior to the first payment; followed by documentation and Reporting Form for the remaining payment(s). The County shall provide the Risk Assessment Form and Reporting Form templates to HACC.

Section 4. Roles and Responsibilities of HACC: HACC agrees to adhere to funding requirements and provide information needed that include the following:

- A. HACC will adhere to the ARPA Funds fiscal, accounting, and audit procedures that conform to the Generally Accepted Accounting Principles (GAAP) and the requirements of Federal Uniform Guidance (2 CFR Part 200).
- B. HACC will adhere to all applicable state and federal requirements regarding labor standards for the project(s), including 2 CFR 200, Appendix II; 40 U.S.C. 3702 and 3704; and 29 CFR Part 5.
- C. HACC will provide landlord incentives with ARPA Funds in accordance with Section 3.

- D. HACC will submit reporting information to the County as required by the Department of Treasury, upon request of the County. Information will include but is not limited to: location of project; number of individuals/households served by the project; population categories served by the project; project funding sources and amounts; project expenditure details; project scope and purpose; details regarding how the project responds to public health related or negative economic impacts of the pandemic; how the project strives to reduce community violence; project timeline and status; Davis Bacon and Labor Reporting for capital expenditures over \$10 million.
- E. HACC will provide to the County, upon reasonable notice, access to and the right to examine such books and records of HACC. HACC will make reports to the County as the County may reasonably require so that the County may determine whether there has been compliance with this Agreement.
- F. No person shall be excluded from participation in programs the County is funding, be denied the benefits of such program, or be subjected to discrimination under any program or activity funded in whole or in part with the funds provided under this Agreement on the ground of race, ethnicity, color, national origin, sex, sexual orientation, gender identity or expression, religion, disability, or on any other ground upon which such discrimination is prohibited by law. HACC understands that Executive Order 13985, Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, applies to the use of ARPA Funds.
- G. HACC will comply with all applicable statutes, ordinances, and regulations. HACC will not use any of these ARPA Funds for lobbying purposes. If it is determined by the County that any expenditure made with ARPA Funds provided under this Agreement is prohibited by law, HACC will reimburse the County any amount that is determined to have been spent in violation.

Section 5. Roles and Responsibilities of the County:

- A. The County shall provide ARPA Funds to HACC in an amount up to \$85,000 in support of this assistance. The transferred funds shall be provided to HACC on a quarterly reimbursement basis, based on documentation and reporting of landlord incentives provided per household and landlord. A Risk Assessment Form, Reporting Form, and

landlord incentive documentation shall be submitted by HACC to the County prior to the first payment; followed by documentation and Reporting Form for the remaining payment(s). The County shall provide the Risk Assessment Form and Reporting Form templates to HACC.

- B. The County shall provide oversight as described in this Agreement for the purpose of ensuring that ARPA Funds are spent in compliance with Federal law, and in compliance with the intended purpose of the funds as set forth in this Agreement.

Section 6. Term and Termination: This Agreement shall commence upon its execution between the Parties. This Agreement may be terminated by either party upon a thirty-day notice in writing to the other party. Upon termination, HACC shall provide to the County an accounting of the ARPA Funds and shall remit unspent ARPA Funds to the County. Additionally, if HACC does not spend the ARPA Funds in accordance with the regulations and requirements specified in this Agreement, HACC will be required to repay the County in the amount of ARPA funds that were utilized incorrectly.

Section 7. Amendments: This Agreement may be amended only by an agreement of the parties executed in the same manner in which this Agreement is executed.

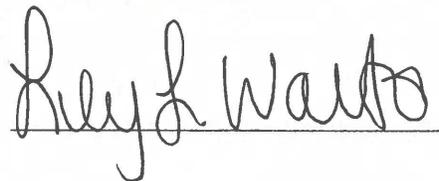
Section 8. Limitation of Liability: Under no circumstances shall either Party be liable to the other Party or any third Party for any damages resulting from any part of this Agreement such as, but not limited to, loss of revenue or anticipated profit or lost business, costs of delay or failure of delivery, which are not related to or the direct result of a Party's negligence or breach.

The Parties agree to the terms and conditions set forth above as demonstrated by their signatures as follows:

**THE COUNTY OF CHAMPAIGN,
ILLINOIS**

By: 

**HOUSING AUTHORITY OF
CHAMPAIGN COUNTY**

By: 

Date: August 19, 2022

Date: October 27, 2022

ATTEST: Meghan Robinson

ATTEST: Deanna

APPROVED AS TO FORM:

Peter Ladwein

APPROVED AS TO FORM:

Grant B. Henry



Growing & Moving Forward Together

**HOUSING AUTHORITY OF CHAMPAIGN COUNTY
CHAMPAIGN COUNTY AMERICAN RESCUE PLAN ACT**

AFFORDABLE HOUSING FUNDING PROPOSAL

Proposed Program	Funding Request
LANDLORD INCENTIVES	
Opportunity Area Landlord Incentive	\$170,000
Tenant Damage Reimbursement	\$25,000
SUPPORTIVE SERVICES/REHAB	
Supportive Services	\$300,000
Total Request:	\$495,000

Landlord Incentive Proposal

Champaign County ARPA Funding

About Us

The Housing Authority of Champaign County (HACC) is a municipal corporation organized pursuant to the Illinois Housing Authority Act. The jurisdiction of HACC includes all incorporated and unincorporated areas of the County of Champaign, Illinois. HACC was created in 1943 and for many years built, owned and managed only traditional public housing pursuant to Section 9 of the 1937 Housing Act. In 2010, HACC became one of only 39 Public Housing Authorities in the country to be designated as a **Moving to Work (MTW) Agency**.

Currently, HACC administers approximately 1300 HCV Tenant Based Vouchers. A Tenant-Based Voucher is a component of the Federal Housing Choice Voucher Program. Under this program, a voucher is provided to an eligible family or individual, which allows them to locate housing of their choice, including single-family homes, townhouses, apartments, and mobile homes. The participant is free to choose any housing in Champaign County that meets the requirements of the program and where the landlord is willing to accept the voucher payment. The family will pay a portion of the rent based on HACC's MTW flat rent schedule. The difference between the tenant rent and the total rent is paid by HACC directly the landlord each month.

Increasing Housing Options

On Average, HACC has approximately 200 new admissions or port-ins each year, in addition to this, HACC has the financial capacity to increase our voucher program to serve more families. In 2021, we saw a year of exceptional growth as we absorbed 50 vouchers from Ford County, increased our voucher program by 50, and received funding for 113 emergency housing vouchers all to serve individuals and families living in Champaign County. In 2022, we anticipate another increase of approximately 30-50 additional vouchers.

The Problem

With the increase in Housing Choice Vouchers in the community, the availability of quality housing has become an area of concern for advocates of the families we serve. Voucher holders often encounter landlords who refuse to take them or find other ways to avoid renting to them such as claiming that they have no available apartments when apartments are available. The problem is that regardless of how many vouchers are made available by the HACC, there remains a critical need for additional housing units. It is important to note that the economic impact of the pandemic and the eviction moratorium

placed significant hardship on landlords as many of their tenants may not have been able to make rent due to loss of wages or other pandemic related concerns.

Historic Considerations

Historically, housing insecurity disproportionately affects communities of color. Discrimination, once endorsed by the government through redlining, has made black and Hispanic families pay more for housing than white families and forcing people of color to reside in specific areas. These practices have had long-term effects and are still a cause of concern today. Families that do not have access to safe, affordable, and stable housing face the possibility of homelessness as well as several other negative outcomes such as higher rates of depression, not performing well in school or on the job, an increased risk of chronic health conditions and more. These negative outcomes were further exacerbated by the COVID-19 pandemic when families faced unemployment, uncertainty about their futures, and faced the possibility of permanent loss of housing.

ARPA funds can be utilized to assist marginalized communities and those impacted most by the pandemic through the application of Landlord Incentives, Supportive Services. All proposed solutions align with HACC's mission to *"Create quality living environments as a foundation for individuals to achieve their full potential"* by increasing the number of available housing units that are safe and affordable and by providing housing stability to families in need.

Landlord Incentives

The Housing Authority of Champaign County (HACC) proposes to utilize funding from the American Rescue Plan Act granted to Champaign County to expand our existing Landlord Incentive Program. The Goal of the Landlord Incentive Program is to increase housing opportunities and options to Housing Choice Voucher (HCV) participants while supporting local landlords who may have experienced hardship through the eviction moratorium. We believe the implementation of these incentives help to increase housing opportunities and will assist in disseminating the concentration of voucher recipients in low income or impoverished areas, retaining existing landlords and recruiting new landlords.

Voucher Data

For the past three years, the number of new admissions and port-ins has increased from 168 in 2018 to 216 in 2021. Furthermore, there has been a decline in voucher holders moving from high poverty areas to low poverty areas (174 in 2018 down to 96 in 2021). These numbers demonstrate the need for additional affordable housing in Champaign County, especially in areas of high opportunity, and the use of landlord incentives as an effective tool to address both issues.

Opportunity Area Incentive Program

HACC proposes to utilize data based on the U.S. Census Bureau census tract of low, moderate, middle, and upper to expand the current landlord incentive program. The following incentives would be provided to the landlords for choosing to rent their property to HACC voucher recipients. With the goal being to get families stable housing preferably in higher opportunity areas. The chart below details HACC's funding request based on how many moves in each census tract that we anticipate this year.

High Opportunity Area Incentive Program

Class	Family Median Income	Proposed Incentive	Anticipated Lease Up 2022	Total F
Low	50%	\$500	90	\$45,000
Moderate	50-80%	\$1,000	50	\$50,000
Middle	80% -120%	\$1,000	30	\$30,000
Upper	120% or Greater	\$1,500	30	\$45,000
				\$170,000

Tenant Damage Reimbursement - \$25,000

The Housing Authority of Champaign County recognizes that rental property owners who participate in the Section 8 program to provide affordable housing sometimes have potential financial risk because of the limitation on security deposits and waiting list requirements. To help compensate owners for financial loss, HACC proposes to develop a Tenant Damage Reimbursement Program to support landlords who experience significant damages caused to their unit by a Section 8 tenant.

HACC will make a one-time payment up to \$1,000 to a landlord to make repairs for participant responsible damages (beyond normal wear and tear) to assist the unit in passing Housing Quality Standards so housing assistance payments can continue and the unit will be occupied by another HCV participant. We anticipate providing this incentive to approximately 25 landlords in 2022 bringing the total funding request in this category to \$25,000.