

MEMORANDUM

Date: June 15, 2026
To: Finance and Personnel Committee
From: Owen Carter, Community Services *W*
Re: Approval of (3) HUD, Emergency Solutions Grant (ESG) Sub Awards

The Department of Housing and Urban Development (HUD) has provided the City of Rockford with \$195,054 in funds for the Emergency Solutions Grant Program. The City of Rockford is permitted, under program rules, to utilize the funding directly for eligible services or to sub-grant funds to partnering agencies. An RFP for these funds was issued on November 18, 2025, and all applications met bid requirements and were reviewed by staff for eligible uses of funds. The Health and Human Services Department is seeking City Council approval to award (3) Emergency Solutions Grant (ESG) Sub Awards from the Department of Housing and Urban Development (HUD) totaling \$75,420. The Health and Human Services Department will award the following to partner agencies: Institute for Community Alliances (\$30,000), Shelter Care Ministries (\$40,420), and Remedies Renewing Lives (\$5,000). The Community Services Department will retain \$119,634. The grant term is from January 1, 2026 to December 31, 2026.

The Grant Purpose

Eligible clients receive housing and supportive services through a sub-recipient agreement with the Shelter Care Ministries, and Remedies Renewing Lives. This allows clients to alleviate housing cost burdens and prevent homelessness. ICA will be funded for the maintenance and upkeep of our Homeless Management Information System (HMIS).

How Grant Funds Will Be Used

The funds will reimburse sub-recipients for approved client's housing and supportive services. The grant does NOT require the city to bear any additional costs.

RESOLUTION
of the
CITY COUNCIL OF THE CITY OF ROCKFORD, ILLINOIS
SUBMITTED BY: FINANCE AND PERSONNEL COMMITTEE

RESOLUTION APPROVING THREE SUB-AWARD AGREEMENTS FOR HUD'S
EMERGENCY SOLUTIONS GRANT

WHEREAS, the City of Rockford was selected by the Department of Housing and Urban Development (HUD) to receive the Emergency Solutions Grant Program grant award. An RFP to disseminate these funds was issued opened on November 18, 2025, allowing agencies to apply for funding; and

WHEREAS, all applications received met bid requirements and were reviewed by staff for eligible uses of funds; and

WHEREAS, the funds may be utilized for outreach, emergency shelter, Homeless Management Information System (HMIS), homeless prevention, and rapid rehousing; and

WHEREAS, the City of Rockford would grant \$75,420.00 in funds to partner agencies.

BE IT RESOLVED, THEREFORE, by the City Council of the City of Rockford that the following agencies' sub-award agreements be approved.

- | | | |
|----------------------------------|----------|---|
| A. Inst. For Community Alliances | \$30,000 | HMIS, Administration |
| B. Shelter Care Ministries | \$40,420 | Emergency Shelter Operations and Services, Administration |
| C. Remedies Renewing Lives | \$5,000 | Shelter Operations |

BE IT FURTHER RESOLVED that this Resolution shall be in full force and effective immediately upon its adoption.

The above and foregoing Resolution was adopted by the City Council of the City of Rockford, Illinois, this _____ day of June 2026.

Mayor Thomas P. McNamara
City of Rockford, Illinois

ATTEST:

ANGELA L. HAMMER, Interim Legal Director
Ex Officio Keeper of the Records and
Seal of the City of Rockford, Illinois

RECOMMENDATION FOR RESOLUTION

TO THE CITY COUNCIL OF THE CITY OF ROCKFORD:

Council Members:

The Committee on Finance & Personnel, to whom was referred the matter of approving three sub-award agreements for the HUD Emergency Solutions Grant Program grant award, hereby begs leave to report recommending approval of said agreements.

Inst. For Community Alliances	\$30,000	HMIS, Administration
Shelter Care Ministries	\$45,420	Emergency Shelter Operations and Services, Administration
Remedies Renewing Lives	\$5,000	Shelter Operations

The Legal Director shall prepare the appropriate resolution.

Kevin Frost (Chair)

Chad Tuneberg (Vice chair)

Frank Beach

Dawn Granath

Jaime Salgado

Frost: Ayes:___ Nays:___ Absent:___
Tuneberg: Ayes:___ Nays:___ Absent:___
Beach: Ayes:___ Nays:___ Absent:___
Granath: Ayes:___ Nays:___ Absent:___
Salgado: Ayes:___ Nays:___ Absent:___

**CONTINUUM OF CARE PROGRAM
EMERGENCY SOLUTIONS GRANT AGREEMENT
Institute for Community Alliances**

THIS AGREEMENT is made and entered into this January 28, 2026 by and between the City of Rockford, a municipal corporation, by and through its Health and Human Services Department (hereinafter referred to as “City”) and **Institute for Community Alliances** (hereinafter referred to as the “Subrecipient”); and

WHEREAS the United States Department of Housing and Urban Development (hereinafter referred to as HUD) has established the Emergency Solutions Grant program (ESG) to provide grants to agencies to provide homeless prevention, rapid rehousing, HMIS and shelter services; and

WHEREAS HUD has approved the application of the City and the Subrecipient for grant funds under the ESG program; and

WHEREAS the Council of the City of Rockford approved awards for the 2025 ESG program on January 20, 2026; and

WHEREAS the proposal by the Subrecipient is to provide Emergency Shelter and Administration services; and

WHEREAS the purpose of this Agreement is to set forth the parameters for the implementation of the ESG Funds;

NOW THEREFORE, the City and the Subrecipient do mutually agree as follows:

I. INCORPORATION

The parties agree to be bound by the 2025 HUD ESG Application of the City to HUD and the ESG grant agreement between the City and to HUD. The terms and conditions of that Application and Agreement are incorporated in and made a part of this Agreement.

II. TERMS

This Agreement shall be in effect as from January 28, 2026 until December 31, 2026 subject to termination procedures as described herein.

III. SCOPE OF DUTIES -- CITY

3.1 The City’s total fund obligation for this project is \$30,000

IV. SCOPE OF DUTIES -- SUBRECIPIENT

4.1 This Agreement shall result in the payment to the Subrecipient of the following amounts for services:

HMIS	\$28,950
Administration	\$1,050

4.2 Justification of Expenditures and Payments

The funds provided under the HUD grant shall be placed in an escrow account by the City. The City shall develop a process and may draft a withdrawal form to allow for monthly draws by the Subrecipient through the City. Failure to expend funds and request reimbursement in a timely manner will result in grant sanctions or termination.

The Subrecipient is responsible for ensuring that their financial practices meet the standards established by the federal General Accounting Office, the OMB Circular "Uniformed Administrative Requirements, Cost Principles, and Audit requirements for Federal Awards" effective December 14, 2014, and the CFR (Code of Federal Regulations) 576 subpart B "Program Components and Eligible Activities", and any current applicable HUD governance.

DISBURSEMENT REQUESTS FOR THE PREVIOUS MONTH ARE DUE NO LATER THAN 15 DAYS FOLLOWING THE MONTH IN WHICH THE COSTS OCCUR. ANY REPORT RECEIVED AFTER THAT TIME MAY NOT BE REVIEWED UNTIL THE FOLLOWING MONTH. ALL REQUESTS FROM SUBRECIPIENT FOR REIMBURSEMENT WILL BE REVIEWED FOR ACCURACY. ONLY COSTS DETERMINED AS ELIGIBLE WILL BE PROCESSED FOR REIMBURSEMENT. IF A COST REQUIRES CLARIFICATION OR CORRECTION, IT WILL NOT BE REIMBURSED BUT WILL BE RETURNED TO THE SUBRECIPIENT FOR CLARIFICATION/CORRECTION. THESE COSTS, ONCE CORRECTED, CAN BE SUBMITTED IN THE FOLLOWING MONTH'S REQUEST.

All program costs and expenditures must be supported by properly executed invoices, contracts, vouchers, receipts or other official documentation evidencing in proper detail the nature and propriety of the charges. All checks, invoices, and accounting documents pertaining in whole or in part of this Agreement shall be clearly identified and readily accessible.

Subrecipient may not charge an indirect cost rate to the grant unless there is a federally approved cost rate assigned to the grant.

The Subrecipient must provide documentation of the cash match required by HUD when submitting disbursement requests. The Subrecipient shall provide the balance of funds requested.

The drawdown of funds must be at an acceptable rate (at or about 1/12th per month). 1/12th of administrative costs must be drawn and documented monthly. No more than 8% of each request may be drawn down in administrative funds per month.

No changes to the Subrecipient budget will be permitted without prior approval by the City. Any Subrecipient seeking changes to their budget

must submit in writing to the City the nature of their request including all supporting documentation that justifies the budget change. If a Subrecipient fails to request a needed modification, the City may choose to modify a Subrecipient budget by less than 10% without HUD's approval, or over 10% with HUD's approval, if spending does not occur across all budget categories as appropriate by month. This does not prohibit a Subrecipient from requesting a budget modification if needed.

ABSOLUTELY NO BUDGET CHANGES MAY BE MADE IN THE FINAL QUARTER (3 MONTHS) OF THE GRANT TERM. Budget requests must be received by the City of Rockford no later than 90 days prior to the end of the grant term.

A DEFAULT SHALL CONSIST OF ANY USE OF GRANT FUNDS FOR A PURPOSE OTHER THAN AUTHORIZED BY THIS GRANT AGREEMENT. DEFAULT SHALL REQUIRE AT A MINIMUM REPAYMENT OF FUNDS DETERMINED TO HAVE BEEN USED FOR OTHER THAN THE PURPOSES DEFINED IN THIS GRANT AGREEMENT AND MAY INCLUDE ADDITIONAL PENALTIES UP TO AND INCLUDING THE TERMINATION OF THE GRANT.

4.3 Inspection for Compliance

The Subrecipient agrees to have available to the City, upon request, all its books, documents, papers and records for inspection, audit and copying during normal business hours, by the administrator of this Agreement for the City named below, HUD, and the Comptroller General of the United States, or their duly authorized representatives concerning charges, fees, expenses and costs under this Agreement. Subrecipient also agrees to have available documentation of source and use of all other funds utilized in providing and supporting the services defined by this grant agreement.

4.4 Matching Funds

The Subrecipient shall provide the balance of the funds as required.

4.5 General Operation

a. Federal, State and Local Requirements

The Subrecipient must provide services that are in compliance with all applicable Federal, State, and local licensing requirements and other requirements regarding the condition of the structure and operation of the services.

b. Participation of Homeless Persons

1. The Subrecipient must provide for the consultation and participation of not less than one homeless person or formerly homeless person on the board of directors or an equivalent policy making entity of the Subrecipient, to the extent that such entity considers and makes policies and decisions regarding any project, supportive services, or assistance

provided under this part. This requirement is waived if an applicant is unable to meet it and presents a plan, for HUD approval, to otherwise consult with homeless or formerly homeless persons in considering and making such policies and decisions. Participation of such a person on boards or policy making entities who is also a participant in the program does not constitute a conflict of interest under 24 CFR Part 576.404.

2. The Subrecipient, to the maximum extent practicable, shall involve homeless individuals and families, through employment, volunteer services, or otherwise, in constructing, rehabilitating, maintaining, and operating the project and in providing supportive services for the project. Subrecipient may be required to submit a Section 3 report documenting this activity.
- c. Termination of Assistance to Participants and Appeal Procedures
The Subrecipient certifies that they have and will provide to the City a written procedure for termination of assistance and appeal procedure in accordance with 24 CFR Part 576.402 at the time of grant award. This procedure must be in compliance with HEARTH Act standards as implemented by the Continuum of Care. The Subrecipient must exercise judgment and examine all extenuating circumstances in determining when violations warrant termination so that a program participant's assistance is terminated ***only in the most severe cases.***
 - d. Displacement and Relocation
The Subrecipient shall minimize the displacement of program participants and provide relocation assistance in accordance with 24 CFR 576.408.
 - e. Records and Reports. The Subrecipient must keep any records and make any reports (including those pertaining to race, ethnicity, gender, and disability status data) that HUD may require within the time frame required. The Subrecipient must register on the Federal Funding Accountability and Transparency Act (FFATA) subaward reporting system within 30 days of this agreement signature date and provide documentation of completion to City.

The ESG program and fiscal report is due to the City no later than 15 days after the end of each month. At project completion, a final report is due within 15 days from the date of the final disbursement of funds. Also, all leveraged funds must be documented.

The Subrecipient agrees to provide information for, abide by and report on the ESG performance standards established in the most

recent local Consolidated Plan (<http://rockfordil.gov/community-economic-development/cedd-reports.aspx>) The Subrecipient also agrees to provide information for the Annual Housing Assessment Report (AHAR), Housing Inventory Count (HIC) report, and Point in Time (PIT) count.

The Subrecipient must document on a case-by-case basis that clients meet the HUD definition of homeless.

The Subrecipient shall maintain all records relating to this grant for no less than 5 years after the expenditure of funds from the grant under which participants were served. Where Continuum of Care funds are used for the acquisition, new construction or rehabilitation of a project site, records must be retained until 15 years after the date that the project site is first occupied, or used, by program participants.

- f. Annual Assurances. The Subrecipient must provide an annual assurance for each year assistance is received that the project will be operated for the purpose specified in the application.
- g. Applicability of OMB (Office of Management and Budget) Uniform Guidance. The policies, guidelines, and requirements of OMB Uniform Guidance 2 CFR part 200 apply except where inconsistent with the provisions of the McKinney Act, other Federal statutes, or this part.
- h. Audit
The financial management systems used by the Subrecipient under this program must provide for audits in accordance with 24 CFR part 45. If a single audit is required, the audit must be submitted to the City within ninety days of the end of the Subrecipient's fiscal year. If a Single Audit is not required, an audited financial statement must be submitted.
- i. Monitoring
 - The City reserves the right to conduct periodic site visits to monitor the project's progress and ensure compliance.
 - For this award, a minimum of one desk review will take place.
 - When feasible, a 30-day notice will be provided to the Subrecipient prior to the visit.
 - The Subrecipient shall cooperate fully with the City's monitoring efforts, including providing access to project sites, records, and personnel.

- The Subrecipient shall implement corrective action plans as needed to address any deficiencies or non-compliance identified during site visits.
- Failure to comply with monitoring requests, or failure to correct deficiencies identified through monitoring, may result in withholding of funds, disallowance of costs, suspension or termination of this agreement, or any other remedies as allowed under 2 CFR §200.339.

j. Site Change (if applicable)

The Subrecipient must utilize the site(s) specified in the application.

In the event that the Subrecipient wishes to change the project site(s), retention of this grant is subject to the new site(s) meeting all requirements by the City and HUD and requires written approval by the City.

k. Site Inspections (if applicable)

The Subrecipient shall inspect each permanent housing unit to assure that each unit meets the applicable Housing Quality Standards (HQS) under 24 CFR Part 982. Occupancy cannot occur until the unit satisfies the appropriate standards. The Subrecipient shall inspect all units at least annually and before any change in occupant during the grant period to ensure that the units continue to meet the HQS. For those units failing to meet the HQS, the owner shall have 30 days from the date of the lease agreement to correct the deficiencies. The Subrecipient will provide copies of all inspections to the City.

l. Centralized of Coordinated Assessment

The Subrecipient is required to participate in the Centralized or Coordinated Assessment process as established by the Northern IL Continuum of Care.

m. HMIS

Subrecipient agrees to participate in the homeless management information system (HMIS). Such participation will include, but is not limited to, entry and update of client data for all persons served under this project. This also includes utilizing HMIS to generate and submit timely and accurate reports. Subrecipient must participate in HMIS user and/or HMIS governance committees. Subrecipient further agrees to noncompliance terms of HMIS participation including loss of HUD funding. Subrecipients providing legal services or services to victims of domestic violence must use an HMIS comparable system and provide de-identified data quarterly to the City.

- n. The Subrecipient must abide by the Northern Illinois Homeless Coalition Policy on Chronic Homelessness which follows the HUD Notice CPD 14-012 regarding prioritization of persons experiencing homelessness in Continuum of Care funded Permanent Supportive Housing:

First Priority – Chronically homeless individuals and families with the longest history of homelessness and with the most severe needs.

Second Priority – Chronically homeless individuals and families with the longest history of homelessness.

Third Priority – Chronically homeless individuals and families with the most severe service needs.

Fourth Priority – All other chronically homeless individuals and families.

- o. The Subrecipient must abide by the Northern Illinois Homeless Coalition Policy on Involuntary Separation of Families which is as follows:

The Northern Illinois Homeless Coalition recognizes that a family unit is self-defined by the family at time of entrance into coordinated intake, emergency/transitional shelter or permanent housing. This family unit may not be discriminated against based upon any protected class status or marital status per HUD guidance.

Entities that engage in involuntary separation of families are not eligible to apply for HUD funding through the Continuum of Care.

Families who are involuntarily separated in a facility funded through the Continuum of Care may call the Homeless Hotline at 844-710-6919 to file a complaint.

The Continuum of Care Collaborative Applicant will provide training to members on this policy annually.

V. COMPLIANCE WITH LAW

In all matters pertaining to the execution of this Agreement, the Subrecipient shall conform strictly to all federal, state and municipal laws, applicable rules and regulations, and any and all amendments thereto, and to the methods and procedures of all governmental boards, bureaus, offices, commissions and other agencies. The Subrecipient agrees to comply with all requirements promulgated by HUD and enforce compliance with the following laws and regulations as are applicable to the provisions of services under this Agreement, incorporated herein by reference, and to inform any entities with which it associates itself for purposes of effectuation of this Agreement, of the parameters of the following federal laws with which all

parties must comply as well as all entities associated with this project:

- A. Subtitle C of Title IV of the Stewart B. McKinney Homeless Assistance Act 42 USC 11381 et seq., the HEARTH ACT, all applicable requirements under 24 CFR Parts 91 and 576 interim rule.
- B. Section 3 of the Housing and Urban Development Act of 1968: The work to be performed under this contract is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968 as amended (12 USC 1701 u). Section 3 requires that to the greatest extent feasible, opportunities for training and employment arising in connection with the planning and carrying out of this project shall be given to lower income persons residing within the City of Rockford or Metropolitan Area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the City of Rockford or the Metropolitan Area. Any agreements that include construction are required to file a Section 3 report with the City of Rockford annually.
- C. The Drug-Free Workplace Act of 1988 and HUD's implementing regulations at 24 CFR Part 24 subpart F.: Recipients are required to administer in good faith, a policy designed to ensure that homeless facilities are free from the illegal use, possession, or distribution of drugs or alcohol by participants. Recipients must also certify that they will provide a drug-free workplace.
- D. Title VI of the Civil Rights Act of 1964: This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 83-352) and HUD regulations with respect thereto, including the regulations under- 24 CFR Part 1. In the sale, lease or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for-such transfer, prohibiting discrimination upon the basis of race, color, religion, sex, or national origin, in the sale, lease or rental or in the use or occupancy of such land or any improvements entered or to be erected thereon, and providing that the Subrecipient and the United States are beneficiaries of and entitled to enforce such covenant. The Subrecipient, in undertaking its obligations in carrying out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant and will not itself so discriminate.
- E. Equal Employment Opportunity: In carrying out this Agreement, the Subrecipient shall not discriminate against any employee or applicant for employment because of race, color, religion, age, sex,

national origin, mental disability or physical handicap. The Subrecipient shall take affirmative action to insure that applicants for employment are hired, managed and supervised without regard to their race, color, religion, age, sex, national origin, mental disability or physical handicap. Such action shall include, but not be limited to the following: Employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Subrecipient shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the federal government setting forth the provisions of this nondiscrimination clause. The Subrecipient shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, age, sex, national origin, mental disability or physical handicap. The Subrecipient shall incorporate the foregoing requirements of this paragraph in all of its contracts for program work, and will require its contractors, if any, for such work to incorporate such requirements in all subcontracts for program work.

- F. Hatch Act (Title USCS Chapter 15): Neither the Human Services Department Program, nor funds provided thereof, nor the personnel employed in the administration of the program shall be in any way or to any extent engaged in the conduct of political activities in violation of this Act.
- G. Section 504 of the Rehabilitation Act of 1973: The Subrecipient agrees to comply with the appropriate provisions of Section 504 of the Rehabilitation Act of 1973: HUD regulations (24 CDR Part 8) and 24 CFR part 8.11 through part 8.14), and shall not discriminate against otherwise qualified applicants for employment on the basis of handicap or as defined in said Act, nor shall the Subrecipient discriminate in employment upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection training, including apprenticeship based upon a handicapping condition.
- H. Procurement: The Subrecipient shall develop procedures for fair and competitive procurement of goods and services in compliance with federal standards.
- I. Equipment
The Subrecipient must maintain detailed and accurate inventory records of equipment purchased with HUD funds and follow control, disposition and other requirements as outlined in Part 84.34 of the Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and other Non-Profit Organizations. Under specific circumstances under equipment

disposition, HUD may reserve the right to transfer the title of equipment to the Federal government or to a third party named by the Federal government.

- J. Administrative Assistance: At the request of the Subrecipient, the appropriate departments of the City shall provide appropriate technical assistance to the Subrecipient in complying with these laws and regulations as part of the City monitoring process.
- K. Conflict of Interest: The City and the Subrecipient hereby covenant and agree:
 - 1. No member of the City Council nor any other public official who exercises any functions or responsibilities with respect to this program during the individual's terms or for one year thereafter, shall have any personal or financial interest, direct or indirect, other than the employee's salary, in any matter to be performed in connection with the program assisted under this Agreement.
 - 2. The provisions of subparagraph 1 shall also apply to employees of the Subrecipient.
 - 3. The provisions of subparagraph 1 shall also apply to the unpaid members of the board of directors of the Subrecipient and the Community Action Agency.
- L. Lead Based Paint
The Subrecipient shall comply with the requirements of the Lead Based Paint Poisoning Prevention Act and the EPA Renovation, Repair and Painting Rule.
- M. HUD Approval A Subrecipient may not make any significant changes to their program without the approval of the City and HUD. Significant changes include, but are not limited to, a change in the project site, changes in the types of activities, any budget change, and a change in the category of participant to be served.
- N. Faith-based Activities Faith-based Subrecipient may not engage in explicitly religious activities (activities that involve overt religious content such as worship, religious instruction or proselytization) as part of the programs or services directly funded under a HUD program activity. Faith-based Subrecipients also must provide written notice to beneficiaries and prospective beneficiaries describing certain religious liberty protections available to them.
- O. HMIS. Subrecipient agrees to participate in the homeless management information system (HMIS). Such participation will

include, but is not limited to, entry and update of client data for all persons served under this project. This also includes utilizing HMIS to generate and submit timely and accurate reports. Subrecipient must participate in HMIS user and/or HMIS governance committees. Subrecipient further agrees to noncompliance terms of HMIS participation including loss of HUD funding. Subrecipients providing legal services or services to victims of domestic violence must use an HMIS comparable system and provide de-identified data quarterly to the City and complete monthly ESG reports as required.

VI. **PROGRAM AND AGENCY DOCUMENTS**

The City requires the Subrecipient to submit copies of the following program certifications to the City along with this executed agreement (only submit check marked documents; others are already on file with the City.)

- The forms and procedure utilized to document evidence of homelessness
- The form utilized to provide an assessment of needs/services of participants
- Procedure for providing case management services, including frequency
- Procedure for documenting income/need including the forms used
- Policy that states how the Subrecipient maintains the confidentiality of records and locations in accordance with 24 CFR 576.500 (c)(x)(i)(ii)(iii)(2)
- Policy that states the Subrecipient will ensure the confidentiality of records pertaining to any individual or family that was provided family violence prevention or treatment services through the project. (24 CFR 576.500 Subpart F)
- Policy that states the address or location of any family violence projects assisted with grant funds will not be made public, except with written authorization of the person responsible of the operation of such project (if applicable) (24 CFR 576.500 Subpart F)
- Policy addressing record retention (24 CFR 576.500)
- Conflict of interest policy (24 CFR 576.404)
- A list of the current Board of Directors list. Also, provide documentation of participation of a homeless or formerly homeless person on your board or equivalent decision making body. Provide minutes documenting their participation. (24 CFR 576.405)

- Policy addressing compliance with faith-based activities requirements in accordance with 24 CFR part 576.406, including that Subrecipient does not discriminate against a program participant or prospective program participant on the basis of religion or religious beliefs when providing program assistance. Also, a policy that states a faith-based Subrecipient will not engage in such explicitly religious activities (activities that involve overt religious content activities as worship, religious instruction or proselytization) as part of the programs or services directly funded under a HUD program activity. Faith-based Subrecipients also must provide a copy of the written notice to beneficiaries and prospective beneficiaries describing certain religious liberty protections available to them.
- Policy that states that to the maximum extent practical, individuals and families experiencing homelessness are involved, through employment, provision of volunteer services or otherwise in constructing, rehabilitating, maintaining, and operating facilities for the project and in providing supportive services for the project in accordance with 24 CFR 576.405(c)
- Non-discrimination/fair housing affirmation policy
- A list of properties in this program and dates of last Housing Quality Standards inspection for permanent housing units in accordance with IV 4.7 j of this document (if applicable)
- In the case of a project that provides housing or services to families, a policy that states that Subrecipient will ensure any children being served in the program are enrolled in school and connected to appropriate services in the community, including early childhood programs such as Head Start, part C of the Individuals with Disabilities Education Act, and programs authorized under subtitle B of title VII of the McKinney-Vento Act – including the name or position of the staff person that will ensure this compliance.
- Policy that states the Subrecipient will take the educational needs of children in account when families are placed in housing and will, to the maximum extent practicable, place families with children as close as possible to their school of origin so as not to disrupt such children's education.
- Confirmation that the Subrecipient, its officers, and employees are not debarred or suspended from doing business with the Federal Government
- Outreach plan to reach out to the chronically and most at risk of homelessness

- Discharge/termination policy and appeals process in accordance with CFR 24 part 576.402
- Most recent agency audit
- Proof of FFTA registration
- Proof of 501c3 or other non-profit status
- Proof of CCR registration
- DUNS #

VII. LIASON

The Director of the Human Services Department shall designate one member of the City staff as liaison with the Subrecipient. The Subrecipient must utilize the liaison for any requests regarding the Continuum of Care ESG grant. The liaison will consult with HUD as deemed necessary.

VIII. DEFAULT

7.1 If, through any cause, the Subrecipient shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or if the Subrecipient shall violate any of the covenants, agreements or stipulations of this contract, the City shall thereupon have the right to terminate this Agreement by giving written notice to the Subrecipient of such termination and specifying the effective date of such termination, at least sixty (60) days before the effective date of such termination. In the event that the Subrecipient corrects or cures said default to the satisfaction of the City prior to said date, this Agreement shall not be terminated for cause by the City.

Notwithstanding the above, the Subrecipient shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of this Agreement.

7.2 Should review of Subrecipient performance show nonconformity with the Scope of Services, or any other terms or conditions herein, the Subrecipient shall be in breach of this Agreement, and the City may take appropriate actions as it deems necessary, including but not limited to temporary withholding or reduction of payment, suspension of program operations, or any remedy prescribed by the Rules and Regulations of the Office of Management and Budget of the United States Government and the United States Department of Housing and Urban Development.

IX. ADMINISTRATION

The terms and provisions of this Agreement shall be administered on behalf of the City of Rockford. Unless law otherwise requires, all necessary notices, submissions and approvals shall be given to or by the Mayor.

X. NOTICES

All notices, approvals, demands, requests or other documents required or permitted under this Agreement, other than routine communications necessary for the day-to-day operation of this program, shall be deemed properly given if hand delivered or sent by United States mail, postage prepaid, to the following addresses.

AS TO THE CITY: Mayor Tom McNamara
City of Rockford
425 East State Street
Rockford, Illinois 61104

AS TO THE SUBRECIPIENT: David Eberbach
Executive Director
Institute for Community Alliances
1111 – 9th St. Suite 245
Des Moines, IA 50314

XI. AMENDMENTS

This Agreement may be amended by written instrument executed by the parties hereto, acting therein by their duly authorized representatives. The City or the Subrecipient may request changes in the Scope of Services to be performed hereunder. Such changes, including any increase or decrease in the amount of compensation for the Subrecipient which are mutually agreed upon by and between the City and the Subrecipient shall be incorporated in written amendments to this Agreement.

XII. SEVERABILITY

If any term or provision of this Agreement of the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining term and provision hereof shall be deemed valid and be enforced to the fullest extent permitted by law.

XIII. TERMINATION FOR CONVENIENCE

This Agreement may be terminated by either Party for any reason upon thirty (30) days' written notice to the other Party. This Agreement may be terminated by the City immediately due to lack of available funding or due to failure of Subrecipient to perform or comply with the terms of this Agreement. In the event of termination, Subrecipient shall be compensated for services rendered up to the date of termination. Any funds not expended by the termination date shall be returned by Subrecipient to the City within thirty (30) days of demand.

XIV. HOLD HARMLESS

The Subrecipient shall hold harmless, defend and indemnify the City from any and all claims, actions, suits, charges, and judgments whatsoever that arise out of the Subrecipient's performance or nonperformance of the services or subject matter in this Subrecipient Agreement.

XV. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois and the Ordinances of the City of Rockford.

IN WITNESS WHEREOF, the City and the Subrecipient have executed this Agreement on the date above first written.

CITY OF ROCKFORD, a municipal corporation.

BY: _____
Thomas McNamara, Mayor
City of Rockford

BY: _____
David Eberbach, Executive Director
Institute for Community Alliances

**CONTINUUM OF CARE PROGRAM
EMERGENCY SOLUTIONS GRANT AGREEMENT
Shelter Care Ministries**

THIS AGREEMENT is made and entered into this January 28, 2026 by and between the City of Rockford, a municipal corporation, by and through its Health and Human Services Department (hereinafter referred to as "City") and **Shelter Care Ministries** (hereinafter referred to as the "Subrecipient"); and

WHEREAS the United States Department of Housing and Urban Development (hereinafter referred to as HUD) has established the Emergency Solutions Grant program (ESG) to provide grants to agencies to provide homeless prevention, rapid rehousing, HMIS and shelter services; and

WHEREAS HUD has approved the application of the City and the Subrecipient for grant funds under the ESG program; and

WHEREAS the Council of the City of Rockford approved awards for the 2025 ESG program on January 20, 2026; and

WHEREAS the proposal by the Subrecipient is to provide Emergency Shelter and Administration services; and

WHEREAS the purpose of this Agreement is to set forth the parameters for the implementation of the ESG Funds;

NOW THEREFORE, the City and the Subrecipient do mutually agree as follows:

I. INCORPORATION

The parties agree to be bound by the 2025 HUD ESG Application of the City to HUD and the ESG grant agreement between the City and to HUD. The terms and conditions of that Application and Agreement are incorporated in and made a part of this Agreement.

II. TERMS

This Agreement shall be in effect as from January 28, 2026 until December 31, 2026 subject to termination procedures as described herein.

III. SCOPE OF DUTIES -- CITY

3.1 The City's total fund obligation for this project is \$40,420

IV. SCOPE OF DUTIES -- SUBRECIPIENT

4.1 This Agreement shall result in the payment to the Subrecipient of the following amounts for services:

Shelter Operations	\$23,820
Shelter Case Management	\$15,200
Administration	\$1,400

4.2 Justification of Expenditures and Payments

The funds provided under the HUD grant shall be placed in an escrow account by the City. The City shall develop a process and may draft a withdrawal form to allow for monthly draws by the Subrecipient through the City. Failure to expend funds and request reimbursement in a timely manner will result in grant sanctions or termination.

The Subrecipient is responsible for ensuring that their financial practices meet the standards established by the federal General Accounting Office, the OMB Circular "Uniformed Administrative Requirements, Cost Principles, and Audit requirements for Federal Awards" effective December 14, 2014, and the CFR (Code of Federal Regulations) 576 subpart B "Program Components and Eligible Activities", and any current applicable HUD governance.

DISBURSEMENT REQUESTS FOR THE PREVIOUS MONTH ARE DUE NO LATER THAN 15 DAYS FOLLOWING THE MONTH IN WHICH THE COSTS OCCUR. ANY REPORT RECEIVED AFTER THAT TIME MAY NOT BE REVIEWED UNTIL THE FOLLOWING MONTH. ALL REQUESTS FROM SUBRECIPIENT FOR REIMBURSEMENT WILL BE REVIEWED FOR ACCURACY. ONLY COSTS DETERMINED AS ELIGIBLE WILL BE PROCESSED FOR REIMBURSEMENT. IF A COST REQUIRES CLARIFICATION OR CORRECTION, IT WILL NOT BE REIMBURSED BUT WILL BE RETURNED TO THE SUBRECIPIENT FOR CLARIFICATION/CORRECTION. THESE COSTS, ONCE CORRECTED, CAN BE SUBMITTED IN THE FOLLOWING MONTH'S REQUEST.

All program costs and expenditures must be supported by properly executed invoices, contracts, vouchers, receipts or other official documentation evidencing in proper detail the nature and propriety of the charges. All checks, invoices, and accounting documents pertaining in whole or in part of this Agreement shall be clearly identified and readily accessible.

Subrecipient may not charge an indirect cost rate to the grant unless there is a federally approved cost rate assigned to the grant.

The Subrecipient must provide documentation of the cash match required by HUD when submitting disbursement requests. The Subrecipient shall provide the balance of funds requested.

The drawdown of funds must be at an acceptable rate (at or about 1/12th per month). 1/12th of administrative costs must be drawn and documented monthly. No more than 8% of each request may be drawn down in administrative funds per month.

No changes to the Subrecipient budget will be permitted without prior approval by the City. Any Subrecipient seeking changes to their budget

must submit in writing to the City the nature of their request including all supporting documentation that justifies the budget change. If a Subrecipient fails to request a needed modification, the City may choose to modify a Subrecipient budget by less than 10% without HUD's approval, or over 10% with HUD's approval, if spending does not occur across all budget categories as appropriate by month. This does not prohibit a Subrecipient from requesting a budget modification if needed.

ABSOLUTELY NO BUDGET CHANGES MAY BE MADE IN THE FINAL QUARTER (3 MONTHS) OF THE GRANT TERM. Budget requests must be received by the City of Rockford no later than 90 days prior to the end of the grant term.

A DEFAULT SHALL CONSIST OF ANY USE OF GRANT FUNDS FOR A PURPOSE OTHER THAN AUTHORIZED BY THIS GRANT AGREEMENT. DEFAULT SHALL REQUIRE AT A MINIMUM REPAYMENT OF FUNDS DETERMINED TO HAVE BEEN USED FOR OTHER THAN THE PURPOSES DEFINED IN THIS GRANT AGREEMENT AND MAY INCLUDE ADDITIONAL PENALTIES UP TO AND INCLUDING THE TERMINATION OF THE GRANT.

4.3 Inspection for Compliance

The Subrecipient agrees to have available to the City, upon request, all its books, documents, papers and records for inspection, audit and copying during normal business hours, by the administrator of this Agreement for the City named below, HUD, and the Comptroller General of the United States, or their duly authorized representatives concerning charges, fees, expenses and costs under this Agreement. Subrecipient also agrees to have available documentation of source and use of all other funds utilized in providing and supporting the services defined by this grant agreement.

4.4 Matching Funds

The Subrecipient shall provide the balance of the funds as required.

4.5 General Operation

a. Federal, State and Local Requirements

The Subrecipient must provide services that are in compliance with all applicable Federal, State, and local licensing requirements and other requirements regarding the condition of the structure and operation of the services.

b. Participation of Homeless Persons

1. The Subrecipient must provide for the consultation and participation of not less than one homeless person or formerly homeless person on the board of directors or an equivalent policy making entity of the Subrecipient, to the extent that such entity considers and makes policies and decisions regarding any project, supportive services, or assistance

provided under this part. This requirement is waived if an applicant is unable to meet it and presents a plan, for HUD approval, to otherwise consult with homeless or formerly homeless persons in considering and making such policies and decisions. Participation of such a person on boards or policy making entities who is also a participant in the program does not constitute a conflict of interest under 24 CFR Part 576.404.

2. The Subrecipient, to the maximum extent practicable, shall involve homeless individuals and families, through employment, volunteer services, or otherwise, in constructing, rehabilitating, maintaining, and operating the project and in providing supportive services for the project. Subrecipient may be required to submit a Section 3 report documenting this activity.
- c. Termination of Assistance to Participants and Appeal Procedures
The Subrecipient certifies that they have and will provide to the City a written procedure for termination of assistance and appeal procedure in accordance with 24 CFR Part 576.402 at the time of grant award. This procedure must be in compliance with HEARTH Act standards as implemented by the Continuum of Care. The Subrecipient must exercise judgment and examine all extenuating circumstances in determining when violations warrant termination so that a program participant's assistance is terminated ***only in the most severe cases.***
 - d. Displacement and Relocation
The Subrecipient shall minimize the displacement of program participants and provide relocation assistance in accordance with 24 CFR 576.408.
 - e. Records and Reports. The Subrecipient must keep any records and make any reports (including those pertaining to race, ethnicity, gender, and disability status data) that HUD may require within the time frame required. The Subrecipient must register on the Federal Funding Accountability and Transparency Act (FFATA) subaward reporting system within 30 days of this agreement signature date and provide documentation of completion to City.

The ESG program and fiscal report is due to the City no later than 15 days after the end of each month. At project completion, a final report is due within 15 days from the date of the final disbursement of funds. Also, all leveraged funds must be documented.

The Subrecipient agrees to provide information for, abide by and report on the ESG performance standards established in the most

recent local Consolidated Plan (<http://rockfordil.gov/community-economic-development/cedd-reports.aspx>) The Subrecipient also agrees to provide information for the Annual Housing Assessment Report (AHAR), Housing Inventory Count (HIC) report, and Point in Time (PIT) count.

The Subrecipient must document on a case-by-case basis that clients meet the HUD definition of homeless.

The Subrecipient shall maintain all records relating to this grant for no less than 5 years after the expenditure of funds from the grant under which participants were served. Where Continuum of Care funds are used for the acquisition, new construction or rehabilitation of a project site, records must be retained until 15 years after the date that the project site is first occupied, or used, by program participants.

- f. Annual Assurances. The Subrecipient must provide an annual assurance for each year assistance is received that the project will be operated for the purpose specified in the application.
- g. Applicability of OMB (Office of Management and Budget) Uniform Guidance. The policies, guidelines, and requirements of OMB Uniform Guidance 2 CFR part 200 apply except where inconsistent with the provisions of the McKinney Act, other Federal statutes, or this part.
- h. Audit
The financial management systems used by the Subrecipient under this program must provide for audits in accordance with 24 CFR part 45. If a single audit is required, the audit must be submitted to the City within ninety days of the end of the Subrecipient's fiscal year. If a Single Audit is not required, an audited financial statement must be submitted.
- i. Monitoring
 - The City reserves the right to conduct periodic site visits to monitor the project's progress and ensure compliance.
 - For this award, a minimum of one Desk Review will take place.
 - When feasible, a 30-day notice will be provided to the Subrecipient prior to the visit.
 - The Subrecipient shall cooperate fully with the City's monitoring efforts, including providing access to project sites, records, and personnel.

- The Subrecipient shall implement corrective action plans as needed to address any deficiencies or non-compliance identified during site visits.
- Failure to comply with monitoring requests, or failure to correct deficiencies identified through monitoring, may result in withholding of funds, disallowance of costs, suspension or termination of this agreement, or any other remedies as allowed under 2 CFR §200.339.

j. Site Change (if applicable)

The Subrecipient must utilize the site(s) specified in the application.

In the event that the Subrecipient wishes to change the project site(s), retention of this grant is subject to the new site(s) meeting all requirements by the City and HUD and requires written approval by the City.

k. Site Inspections (if applicable)

The Subrecipient shall inspect each permanent housing unit to assure that each unit meets the applicable Housing Quality Standards (HQS) under 24 CFR Part 982. Occupancy cannot occur until the unit satisfies the appropriate standards. The Subrecipient shall inspect all units at least annually and before any change in occupant during the grant period to ensure that the units continue to meet the HQS. For those units failing to meet the HQS, the owner shall have 30 days from the date of the lease agreement to correct the deficiencies. The Subrecipient will provide copies of all inspections to the City.

l. Centralized of Coordinated Assessment

The Subrecipient is required to participate in the Centralized or Coordinated Assessment process as established by the Northern IL Continuum of Care.

m. HMIS

Subrecipient agrees to participate in the homeless management information system (HMIS). Such participation will include, but is not limited to, entry and update of client data for all persons served under this project. This also includes utilizing HMIS to generate and submit timely and accurate reports. Subrecipient must participate in HMIS user and/or HMIS governance committees. Subrecipient further agrees to noncompliance terms of HMIS participation including loss of HUD funding. Subrecipients providing legal services or services to victims of domestic violence must use an HMIS comparable system and provide de-identified data quarterly to the City.

- n. The Subrecipient must abide by the Northern Illinois Homeless Coalition Policy on Chronic Homelessness which follows the HUD Notice CPD 14-012 regarding prioritization of persons experiencing homelessness in Continuum of Care funded Permanent Supportive Housing:

First Priority – Chronically homeless individuals and families with the longest history of homelessness and with the most severe needs.

Second Priority – Chronically homeless individuals and families with the longest history of homelessness.

Third Priority – Chronically homeless individuals and families with the most severe service needs.

Fourth Priority – All other chronically homeless individuals and families.

- o. The Subrecipient must abide by the Northern Illinois Homeless Coalition Policy on Involuntary Separation of Families which is as follows:

The Northern Illinois Homeless Coalition recognizes that a family unit is self-defined by the family at time of entrance into coordinated intake, emergency/transitional shelter or permanent housing. This family unit may not be discriminated against based upon any protected class status or marital status per HUD guidance.

Entities that engage in involuntary separation of families are not eligible to apply for HUD funding through the Continuum of Care.

Families who are involuntarily separated in a facility funded through the Continuum of Care may call the Homeless Hotline at 844-710-6919 ext. 5 to file a complaint.

The Continuum of Care Collaborative Applicant will provide training to members on this policy annually.

V. COMPLIANCE WITH LAW

In all matters pertaining to the execution of this Agreement, the Subrecipient shall conform strictly to all federal, state and municipal laws, applicable rules and regulations, and any and all amendments thereto, and to the methods and procedures of all governmental boards, bureaus, offices, commissions and other agencies. The Subrecipient agrees to comply with all requirements promulgated by HUD and enforce compliance with the following laws and regulations as are applicable to the provisions of services under this Agreement, incorporated herein by reference, and to inform any entities with which it associates itself for purposes of effectuation of this Agreement, of the parameters of the following federal laws with which all

parties must comply as well as all entities associated with this project:

- A. Subtitle C of Title IV of the Stewart B. McKinney Homeless Assistance Act 42 USC 11381 et seq., the HEARTH ACT, all applicable requirements under 24 CFR Parts 91 and 576 interim rule.
- B. Section 3 of the Housing and Urban Development Act of 1968: The work to be performed under this contract is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968 as amended (12 USC 1701 u). Section 3 requires that to the greatest extent feasible, opportunities for training and employment arising in connection with the planning and carrying out of this project shall be given to lower income persons residing within the City of Rockford or Metropolitan Area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the City of Rockford or the Metropolitan Area. Any agreements that include construction are required to file a Section 3 report with the City of Rockford annually.
- C. The Drug-Free Workplace Act of 1988 and HUD's implementing regulations at 24 CFR Part 24 subpart F.: Recipients are required to administer in good faith, a policy designed to ensure that homeless facilities are free from the illegal use, possession, or distribution of drugs or alcohol by participants. Recipients must also certify that they will provide a drug-free workplace.
- D. Title VI of the Civil Rights Act of 1964: This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 83-352) and HUD regulations with respect thereto, including the regulations under- 24 CFR Part 1. In the sale, lease or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for-such transfer, prohibiting discrimination upon the basis of race, color, religion, sex, or national origin, in the sale, lease or rental or in the use or occupancy of such land or any improvements entered or to be erected thereon, and providing that the Subrecipient and the United States are beneficiaries of and entitled to enforce such covenant. The Subrecipient, in undertaking its obligations in carrying out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant and will not itself so discriminate.
- E. Equal Employment Opportunity: In carrying out this Agreement, the Subrecipient shall not discriminate against any employee or applicant for employment because of race, color, religion, age, sex,

national origin, mental disability or physical handicap. The Subrecipient shall take affirmative action to insure that applicants for employment are hired, managed and supervised without regard to their race, color, religion, age, sex, national origin, mental disability or physical handicap. Such action shall include, but not be limited to the following: Employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Subrecipient shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the federal government setting forth the provisions of this nondiscrimination clause. The Subrecipient shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, age, sex, national origin, mental disability or physical handicap. The Subrecipient shall incorporate the foregoing requirements of this paragraph in all of its contracts for program work, and will require its contractors, if any, for such work to incorporate such requirements in all subcontracts for program work.

- F. Hatch Act (Title USCS Chapter 15): Neither the Human Services Department Program, nor funds provided thereof, nor the personnel employed in the administration of the program shall be in any way or to any extent engaged in the conduct of political activities in violation of this Act.

- G. Section 504 of the Rehabilitation Act of 1973: The Subrecipient agrees to comply with the appropriate provisions of Section 504 of the Rehabilitation Act of 1973: HUD regulations (24 CDR Part 8) and 24 CFR part 8.11 through part 8.14), and shall not discriminate against otherwise qualified applicants for employment on the basis of handicap or as defined in said Act, nor shall the Subrecipient discriminate in employment upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection training, including apprenticeship based upon a handicapping condition.

- H. Procurement: The Subrecipient shall develop procedures for fair and competitive procurement of goods and services in compliance with federal standards.

Equipment: The Subrecipient must maintain detailed and accurate inventory records of equipment purchased with HUD funds and follow control, disposition and other requirements as outlined in Part 84.34 of the Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and other Non-Profit Organizations. Under specific circumstances under equipment disposition, HUD may reserve the right to transfer the title

of equipment to the Federal government or to a third party named by the Federal government.

- J. Administrative Assistance: At the request of the Subrecipient, the appropriate departments of the City shall provide appropriate technical assistance to the Subrecipient in complying with these laws and regulations as part of the City monitoring process.
- K. Conflict of Interest: The City and the Subrecipient hereby covenant and agree:
 - 1. No member of the City Council nor any other public official who exercises any functions or responsibilities with respect to this program during the individual's terms or for one year thereafter, shall have any personal or financial interest, direct or indirect, other than the employee's salary, in any matter to be performed in connection with the program assisted under this Agreement.
 - 2. The provisions of subparagraph 1 shall also apply to employees of the Subrecipient.
 - 3. The provisions of subparagraph 1 shall also apply to the unpaid members of the board of directors of the Subrecipient and the Community Action Agency.
- L. Lead Based Paint: The Subrecipient shall comply with the requirements of the Lead Based Paint Poisoning Prevention Act and the EPA Renovation, Repair and Painting Rule.
- M. HUD Approval: A Subrecipient may not make any significant changes to their program without the approval of the City and HUD. Significant changes include, but are not limited to, a change in the project site, changes in the types of activities, any budget change, and a change in the category of participant to be served.
- N. Faith-based Activities: Faith-based Subrecipient may not engage in explicitly religious activities (activities that involve overt religious content such as worship, religious instruction or proselytization) as part of the programs or services directly funded under a HUD program activity. Faith-based Subrecipients also must provide written notice to beneficiaries and prospective beneficiaries describing certain religious liberty protections available to them.
- O. HMIS: Subrecipient agrees to participate in the homeless management information system (HMIS). Such participation will include, but is not limited to, entry and update of client data for all persons served under this project. This also includes utilizing HMIS

to generate and submit timely and accurate reports. Subrecipient must participate in HMIS user and/or HMIS governance committees. Subrecipient further agrees to noncompliance terms of HMIS participation including loss of HUD funding. Subrecipients providing legal services or services to victims of domestic violence must use an HMIS comparable system and provide de-identified data quarterly to the City and complete monthly ESG reports as required.

VI. PROGRAM AND AGENCY DOCUMENTS

The City requires the Subrecipient to submit copies of the following program certifications to the City along with this executed agreement (only submit check marked documents; others are already on file with the City.)

- The forms and procedure utilized to document evidence of homelessness
- The form utilized to provide an assessment of needs/services of participants
- Procedure for providing case management services, including frequency
- Procedure for documenting income/need including the forms used
- Policy that states how the Subrecipient maintains the confidentiality of records and locations in accordance with 24 CFR 576.500 (c)(x)(i)(ii)(iii)(2)
- Policy that states the Subrecipient will ensure the confidentiality of records pertaining to any individual or family that was provided family violence prevention or treatment services through the project. (24 CFR 576.500 Subpart F)
- Policy that states the address or location of any family violence projects assisted with grant funds will not be made public, except with written authorization of the person responsible of the operation of such project (if applicable) (24 CFR 576.500 Subpart F)
- Policy addressing record retention (24 CFR 576.500)
- Conflict of interest policy (24 CFR 576.404)
- A list of the current Board of Directors list. Also, provide documentation of participation of a homeless or formerly homeless person on your board or equivalent decision making body. Provide minutes documenting their participation. (24 CFR 576.405)

- Policy addressing compliance with faith-based activities requirements in accordance with 24 CFR part 576.406, including that Subrecipient does not discriminate against a program participant or prospective program participant on the basis of religion or religious beliefs when providing program assistance. Also, a policy that states a faith-based Subrecipient will not engage in such explicitly religious activities (activities that involve overt religious content activities as worship, religious instruction or proselytization) as part of the programs or services directly funded under a HUD program activity. Faith-based Subrecipients also must provide a copy of the written notice to beneficiaries and prospective beneficiaries describing certain religious liberty protections available to them.
- Policy that states that to the maximum extent practical, individuals and families experiencing homelessness are involved, through employment, provision of volunteer services or otherwise in constructing, rehabilitating, maintaining, and operating facilities for the project and in providing supportive services for the project in accordance with 24 CFR 576.405(c)
- Non-discrimination/fair housing affirmation policy
- A list of properties in this program and dates of last Housing Quality Standards inspection for permanent housing units in accordance with IV 4.7 j of this document (if applicable)
- In the case of a project that provides housing or services to families, a policy that states that Subrecipient will ensure any children being served in the program are enrolled in school and connected to appropriate services in the community, including early childhood programs such as Head Start, part C of the Individuals with Disabilities Education Act, and programs authorized under subtitle B of title VII of the McKinney-Vento Act – including the name or position of the staff person that will ensure this compliance.
- Policy that states the Subrecipient will take the educational needs of children in account when families are placed in housing and will, to the maximum extent practicable, place families with children as close as possible to their school of origin so as not to disrupt such children's education.
- Confirmation that the Subrecipient, its officers, and employees are not debarred or suspended from doing business with the Federal Government
- Outreach plan to reach out to the chronically and most at risk of homelessness

- Discharge/termination policy and appeals process in accordance with CFR 24 part 576.402
- Most recent agency audit
- Proof of FFTA registration
- Proof of 501c3 or other non-profit status
- Proof of CCR registration
- DUNS #

VII. LIASON

The Director of the Human Services Department shall designate one member of the City staff as liaison with the Subrecipient. The Subrecipient must utilize the liaison for any requests regarding the Continuum of Care ESG grant. The liaison will consult with HUD as deemed necessary.

VIII. DEFAULT

7.1 If, through any cause, the Subrecipient shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or if the Subrecipient shall violate any of the covenants, agreements or stipulations of this contract, the City shall thereupon have the right to terminate this Agreement by giving written notice to the Subrecipient of such termination and specifying the effective date of such termination, at least sixty (60) days before the effective date of such termination. In the event that the Subrecipient corrects or cures said default to the satisfaction of the City prior to said date, this Agreement shall not be terminated for cause by the City.

Notwithstanding the above, the Subrecipient shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of this Agreement.

7.2 Should review of Subrecipient performance show nonconformity with the Scope of Services, or any other terms or conditions herein, the Subrecipient shall be in breach of this Agreement, and the City may take appropriate actions as it deems necessary, including but not limited to temporary withholding or reduction of payment, suspension of program operations, or any remedy prescribed by the Rules and Regulations of the Office of Management and Budget of the United States Government and the United States Department of Housing and Urban Development.

IX. ADMINISTRATION

The terms and provisions of this Agreement shall be administered on behalf of the

City of Rockford. Unless law otherwise requires, all necessary notices, submissions and approvals shall be given to or by the Mayor.

X. NOTICES

All notices, approvals, demands, requests or other documents required or permitted under this Agreement, other than routine communications necessary for the day-to-day operation of this program, shall be deemed properly given if hand delivered or sent by United States mail, postage prepaid, to the following addresses.

AS TO THE CITY: Mayor Tom McNamara
City of Rockford
425 East State Street
Rockford, Illinois 61104

AS TO THE SUBRECIPIENT: Sarah Parker
Executive Director
Shelter Care Ministries
218 7th Street
Rockford, IL 61104

XI. AMENDMENTS

This Agreement may be amended by written instrument executed by the parties hereto, acting therein by their duly authorized representatives. The City or the Subrecipient may request changes in the Scope of Services to be performed hereunder. Such changes, including any increase or decrease in the amount of compensation for the Subrecipient which are mutually agreed upon by and between the City and the Subrecipient shall be incorporated in written amendments to this Agreement.

XII. SEVERABILITY

If any term or provision of this Agreement of the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining term and provision hereof shall be deemed valid and be enforced to the fullest extent permitted by law.

XIII. TERMINATION FOR CONVENIENCE

This Agreement may be terminated by either Party for any reason upon thirty (30) days' written notice to the other Party. This Agreement may be terminated by the City immediately due to lack of available funding or due to failure of Subrecipient to perform or comply with the terms of this Agreement. In the event of termination, Subrecipient shall be compensated for services rendered up to the date of

termination. Any funds not expended by the termination date shall be returned by Subrecipient to the City within thirty (30) days of demand.

XIV. HOLD HARMLESS

The Subrecipient shall hold harmless, defend and indemnify the City from any and all claims, actions, suits, charges, and judgments whatsoever that arise out of the Subrecipient's performance or nonperformance of the services or subject matter in this Subrecipient Agreement.

XV. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois and the Ordinances of the City of Rockford.

IN WITNESS WHEREOF, the City and the Subrecipient have executed this Agreement on the date above first written.

CITY OF ROCKFORD, a municipal corporation.

BY: _____
Thomas McNamara, Mayor
City of Rockford

BY: _____
Sarah Parker, Executive Director
Shelter Care Ministries

**CONTINUUM OF CARE PROGRAM
EMERGENCY SOLUTIONS GRANT AGREEMENT
Remedies Renewing Lives**

THIS AGREEMENT is made and entered into this January 28, 2026 by and between the City of Rockford, a municipal corporation, by and through its Health and Human Services Department (hereinafter referred to as “City”) and **Remedies Renewing Lives** (hereinafter referred to as the “Subrecipient”); and

WHEREAS the United States Department of Housing and Urban Development (hereinafter referred to as HUD) has established the Emergency Solutions Grant program (ESG) to provide grants to agencies to provide homeless prevention, rapid rehousing, HMIS and shelter services; and

WHEREAS HUD has approved the application of the City and the Subrecipient for grant funds under the ESG program; and

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III. SCOPE OF DUTIES -- CITY

3.1 The City’s total fund obligation for this project is \$5,000

IV. SCOPE OF DUTIES -- SUBRECIPIENT

4.1 This Agreement shall result in the payment to the Subrecipient of the following amounts for services:
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4.2 Justification of Expenditures and Payments

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DISBURSEMENT REQUESTS FOR THE PREVIOUS MONTH ARE DUE NO LATER THAN 15 DAYS FOLLOWING THE MONTH IN WHICH THE COSTS OCCUR. ANY REPORT RECEIVED AFTER THAT TIME MAY NOT BE REVIEWED UNTIL THE FOLLOWING MONTH. ALL REQUESTS FROM SUBRECIPIENT FOR REIMBURSEMENT WILL BE REVIEWED FOR ACCURACY. ONLY COSTS DETERMINED AS ELIGIBLE WILL BE PROCESSED FOR REIMBURSEMENT. IF A COST REQUIRES CLARIFICATION OR CORRECTION, IT WILL NOT BE REIMBURSED BUT WILL BE RETURNED TO THE SUBRECIPIENT FOR CLARIFICATION/CORRECTION. THESE COSTS, ONCE CORRECTED, CAN BE SUBMITTED IN THE FOLLOWING MONTH'S REQUEST.

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No changes to the Subrecipient budget will be permitted without prior approval by the City. Any Subrecipient seeking changes to their budget

must submit in writing to the City the nature of their request including all supporting documentation that justifies the budget change. If a Subrecipient fails to request a needed modification, the City may choose to modify a Subrecipient budget by less than 10% without HUD's approval, or over 10% with HUD's approval, if spending does not occur across all budget categories as appropriate by month. This does not prohibit a Subrecipient from requesting a budget modification if needed.

ABSOLUTELY NO BUDGET CHANGES MAY BE MADE IN THE FINAL QUARTER (3 MONTHS) OF THE GRANT TERM. Budget requests must be received by the City of Rockford no later than 90 days prior to the end of the grant term.

A DEFAULT SHALL CONSIST OF ANY USE OF GRANT FUNDS FOR A PURPOSE OTHER THAN AUTHORIZED BY THIS GRANT AGREEMENT. DEFAULT SHALL REQUIRE AT A MINIMUM REPAYMENT OF FUNDS DETERMINED TO HAVE BEEN USED FOR OTHER THAN THE PURPOSES DEFINED IN THIS GRANT AGREEMENT AND MAY INCLUDE ADDITIONAL PENALTIES UP TO AND INCLUDING THE TERMINATION OF THE GRANT.

4.3 Inspection for Compliance

The Subrecipient agrees to have available to the City, upon request, all its books, documents, papers and records for inspection, audit and copying during normal business hours, by the administrator of this Agreement for the City named below, HUD, and the Comptroller General of the United States, or their duly authorized representatives concerning charges, fees, expenses and costs under this Agreement. Subrecipient also agrees to have available documentation of source and use of all other funds utilized in providing and supporting the services defined by this grant agreement.

4.4 Matching Funds

The Subrecipient shall provide the balance of the funds as required.

4.5 General Operation

a. Federal, State and Local Requirements

The Subrecipient must provide services that are in compliance with all applicable Federal, State, and local licensing requirements and other requirements regarding the condition of the structure and operation of the services.

b. Participation of Homeless Persons

1. The Subrecipient must provide for the consultation and participation of not less than one homeless person or formerly homeless person on the board of directors or an equivalent policy making entity of the Subrecipient, to the extent that such entity considers and makes policies and decisions regarding any project, supportive services, or assistance

provided under this part. This requirement is waived if an applicant is unable to meet it and presents a plan, for HUD approval, to otherwise consult with homeless or formerly homeless persons in considering and making such policies and decisions. Participation of such a person on boards or policy making entities who is also a participant in the program does not constitute a conflict of interest under 24 CFR Part 576.404.

2. The Subrecipient, to the maximum extent practicable, shall involve homeless individuals and families, through employment, volunteer services, or otherwise, in constructing, rehabilitating, maintaining, and operating the project and in providing supportive services for the project. Subrecipient may be required to submit a Section 3 report documenting this activity.
- c. Termination of Assistance to Participants and Appeal Procedures
The Subrecipient certifies that they have and will provide to the City a written procedure for termination of assistance and appeal procedure in accordance with 24 CFR Part 576.402 at the time of grant award. This procedure must be in compliance with HEARTH Act standards as implemented by the Continuum of Care. The Subrecipient must exercise judgment and examine all extenuating circumstances in determining when violations warrant termination so that a program participant's assistance is terminated ***only in the most severe cases.***
 - d. Displacement and Relocation
The Subrecipient shall minimize the displacement of program participants and provide relocation assistance in accordance with 24 CFR 576.408.
 - e. Records and Reports. The Subrecipient must keep any records and make any reports (including those pertaining to race, ethnicity, gender, and disability status data) that HUD may require within the time frame required. The Subrecipient must register on the Federal Funding Accountability and Transparency Act (FFATA) subaward reporting system within 30 days of this agreement signature date and provide documentation of completion to City.

The ESG program and fiscal report is due to the City no later than 15 days after the end of each month. At project completion, a final report is due within 15 days from the date of the final disbursement of funds. Also, all leveraged funds must be documented.

The Subrecipient agrees to provide information for, abide by and report on the ESG performance standards established in the most

recent local Consolidated Plan (<http://rockfordil.gov/community-economic-development/cedd-reports.aspx>) The Subrecipient also agrees to provide information for the Annual Housing Assessment Report (AHAR), Housing Inventory Count (HIC) report, and Point in Time (PIT) count.

The Subrecipient must document on a case-by-case basis that clients meet the HUD definition of homeless.

The Subrecipient shall maintain all records relating to this grant for no less than 5 years after the expenditure of funds from the grant under which participants were served. Where Continuum of Care funds are used for the acquisition, new construction or rehabilitation of a project site, records must be retained until 15 years after the date that the project site is first occupied, or used, by program participants.

- f. Annual Assurances. The Subrecipient must provide an annual assurance for each year assistance is received that the project will be operated for the purpose specified in the application.
- g. Applicability of OMB (Office of Management and Budget) Uniform Guidance. The policies, guidelines, and requirements of OMB Uniform Guidance 2 CFR part 200 apply except where inconsistent with the provisions of the McKinney Act, other Federal statutes, or this part.
- h. Audit
The financial management systems used by the Subrecipient under this program must provide for audits in accordance with 24 CFR part 45. If a single audit is required, the audit must be submitted to the City within ninety days of the end of the Subrecipient's fiscal year. If a Single Audit is not required, an audited financial statement must be submitted.
- i. Monitoring
 - The City reserves the right to conduct periodic site visits to monitor the project's progress and ensure compliance.
 - For this award, a minimum of one desk review will take place.
 - When feasible, a 30-day notice will be provided to the Subrecipient prior to the visit.
 - The Subrecipient shall cooperate fully with the City's monitoring efforts, including providing access to project sites, records, and personnel.

- The Subrecipient shall implement corrective action plans as needed to address any deficiencies or non-compliance identified during site visits.
- Failure to comply with monitoring requests, or failure to correct deficiencies identified through monitoring, may result in withholding of funds, disallowance of costs, suspension or termination of this agreement, or any other remedies as allowed under 2 CFR §200.339.

j. Site Change (if applicable)

The Subrecipient must utilize the site(s) specified in the application.

In the event that the Subrecipient wishes to change the project site(s), retention of this grant is subject to the new site(s) meeting all requirements by the City and HUD and requires written approval by the City.

k. Site Inspections (if applicable)

The Subrecipient shall inspect each permanent housing unit to assure that each unit meets the applicable Housing Quality Standards (HQS) under 24 CFR Part 982. Occupancy cannot occur until the unit satisfies the appropriate standards. The Subrecipient shall inspect all units at least annually and before any change in occupant during the grant period to ensure that the units continue to meet the HQS. For those units failing to meet the HQS, the owner shall have 30 days from the date of the lease agreement to correct the deficiencies. The Subrecipient will provide copies of all inspections to the City.

l. Centralized of Coordinated Assessment

The Subrecipient is required to participate in the Centralized or Coordinated Assessment process as established by the Northern IL Continuum of Care.

m. HMIS

Subrecipient agrees to participate in the homeless management information system (HMIS). Such participation will include, but is not limited to, entry and update of client data for all persons served under this project. This also includes utilizing HMIS to generate and submit timely and accurate reports. Subrecipient must participate in HMIS user and/or HMIS governance committees. Subrecipient further agrees to noncompliance terms of HMIS participation including loss of HUD funding. Subrecipients providing legal services or services to victims of domestic violence must use an HMIS comparable system and provide de-identified data quarterly to the City.

n. The Subrecipient must abide by the Northern Illinois Homeless

Coalition Policy on Chronic Homelessness which follows the HUD Notice CPD 14-012 regarding prioritization of persons experiencing homelessness in Continuum of Care funded Permanent Supportive Housing:

First Priority – Chronically homeless individuals and families with the longest history of homelessness and with the most severe needs.

Second Priority – Chronically homeless individuals and families with the longest history of homelessness.

Third Priority – Chronically homeless individuals and families with the most severe service needs.

Fourth Priority – All other chronically homeless individuals and families.

- o. The Subrecipient must abide by the Northern Illinois Homeless Coalition Policy on Involuntary Separation of Families which is as follows:

The Northern Illinois Homeless Coalition recognizes that a family unit is self-defined by the family at time of entrance into coordinated intake, emergency/transitional shelter or permanent housing. This family unit may not be discriminated against based upon any protected class status or marital status per HUD guidance.

Entities that engage in involuntary separation of families are not eligible to apply for HUD funding through the Continuum of Care.

Families who are involuntarily separated in a facility funded through the Continuum of Care may call the Homeless Hotline at 844-710-6919 to file a complaint.

The Continuum of Care Collaborative Applicant will provide training to members on this policy annually.

V. **COMPLIANCE WITH LAW**

In all matters pertaining to the execution of this Agreement, the Subrecipient shall conform strictly to all federal, state and municipal laws, applicable rules and regulations, and any and all amendments thereto, and to the methods and procedures of all governmental boards, bureaus, offices, commissions and other agencies. The Subrecipient agrees to comply with all requirements promulgated by HUD and enforce compliance with the following laws and regulations as are applicable to the provisions of services under this Agreement, incorporated herein by reference, and to inform any entities with which it associates itself for purposes of effectuation of this Agreement, of the parameters of the following federal laws with which all parties must comply as well as all entities associated with this project:

- A. Subtitle C of Title IV of the Stewart B. McKinney Homeless Assistance Act 42 USC 11381 et seq., the HEARTH ACT, all applicable requirements under 24 CFR Parts 91 and 576 interim rule.
- B. Section 3 of the Housing and Urban Development Act of 1968: The work to be performed under this contract is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968 as amended (12 USC 1701 u). Section 3 requires that to the greatest extent feasible, opportunities for training and employment arising in connection with the planning and carrying out of this project shall be given to lower income persons residing within the City of Rockford or Metropolitan Area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the City of Rockford or the Metropolitan Area. Any agreements that include construction are required to file a Section 3 report with the City of Rockford annually.
- C. The Drug-Free Workplace Act of 1988 and HUD's implementing regulations at 24 CFR Part 24 subpart F.: Recipients are required to administer in good faith, a policy designed to ensure that homeless facilities are free from the illegal use, possession, or distribution of drugs or alcohol by participants. Recipients must also certify that they will provide a drug-free workplace.
- D. Title VI of the Civil Rights Act of 1964: This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 83-352) and HUD regulations with respect thereto, including the regulations under- 24 CFR Part 1. In the sale, lease or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for-such transfer, prohibiting discrimination upon the basis of race, color, religion, sex, or national origin, in the sale, lease or rental or in the use or occupancy of such land or any improvements entered or to be erected thereon, and providing that the Subrecipient and the United States are beneficiaries of and entitled to enforce such covenant. The Subrecipient, in undertaking its obligations in carrying out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant and will not itself so discriminate.
- E. Equal Employment Opportunity: In carrying out this Agreement, the Subrecipient shall not discriminate against any employee or applicant for employment because of race, color, religion, age, sex, national origin, mental disability or physical handicap. The

Subrecipient shall take affirmative action to insure that applicants for employment are hired, managed and supervised without regard to their race, color, religion, age, sex, national origin, mental disability or physical handicap. Such action shall include, but not be limited to the following: Employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Subrecipient shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the federal government setting forth the provisions of this nondiscrimination clause. The Subrecipient shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, age, sex, national origin, mental disability or physical handicap. The Subrecipient shall incorporate the foregoing requirements of this paragraph in all of its contracts for program work, and will require its contractors, if any, for such work to incorporate such requirements in all subcontracts for program work.

- F. Hatch Act (Title USCS Chapter 15): Neither the Human Services Department Program, nor funds provided thereof, nor the personnel employed in the administration of the program shall be in any way or to any extent engaged in the conduct of political activities in violation of this Act.
- G. Section 504 of the Rehabilitation Act of 1973: The Subrecipient agrees to comply with the appropriate provisions of Section 504 of the Rehabilitation Act of 1973: HUD regulations (24 CDR Part 8) and 24 CFR part 8.11 through part 8.14), and shall not discriminate against otherwise qualified applicants for employment on the basis of handicap or as defined in said Act, nor shall the Subrecipient discriminate in employment upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection training, including apprenticeship based upon a handicapping condition.
- H. Procurement: The Subrecipient shall develop procedures for fair and competitive procurement of goods and services in compliance with federal standards.

Equipment: The Subrecipient must maintain detailed and accurate inventory records of equipment purchased with HUD funds and follow control, disposition and other requirements as outlined in Part 84.34 of the Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and other Non-Profit Organizations. Under specific circumstances under equipment disposition, HUD may reserve the right to transfer the title of equipment to the Federal government or to a third party named by

the Federal government.

- J. Administrative Assistance: At the request of the Subrecipient, the appropriate departments of the City shall provide appropriate technical assistance to the Subrecipient in complying with these laws and regulations as part of the City monitoring process.
- K. Conflict of Interest: The City and the Subrecipient hereby covenant and agree:
 - 1. No member of the City Council nor any other public official who exercises any functions or responsibilities with respect to this program during the individual's terms or for one year thereafter, shall have any personal or financial interest, direct or indirect, other than the employee's salary, in any matter to be performed in connection with the program assisted under this Agreement.
 - 2. The provisions of subparagraph 1 shall also apply to employees of the Subrecipient.
 - 3. The provisions of subparagraph 1 shall also apply to the unpaid members of the board of directors of the Subrecipient and the Community Action Agency.
- L. Lead Based Paint: The Subrecipient shall comply with the requirements of the Lead Based Paint Poisoning Prevention Act and the EPA Renovation, Repair and Painting Rule.
- M. HUD Approval: A Subrecipient may not make any significant changes to their program without the approval of the City and HUD. Significant changes include, but are not limited to, a change in the project site, changes in the types of activities, any budget change, and a change in the category of participant to be served.
- N. Faith-based Activities: Faith-based Subrecipient may not engage in explicitly religious activities (activities that involve overt religious content such as worship, religious instruction or proselytization) as part of the programs or services directly funded under a HUD program activity. Faith-based Subrecipients also must provide written notice to beneficiaries and prospective beneficiaries describing certain religious liberty protections available to them.
- O. HMIS: Subrecipient agrees to participate in the homeless management information system (HMIS). Such participation will include, but is not limited to, entry and update of client data for all persons served under this project. This also includes utilizing HMIS to generate and submit timely and accurate reports. Subrecipient

must participate in HMIS user and/or HMIS governance committees. Subrecipient further agrees to noncompliance terms of HMIS participation including loss of HUD funding. Subrecipients providing legal services or services to victims of domestic violence must use an HMIS comparable system and provide de-identified data quarterly to the City and complete monthly ESG reports as required.

VI. PROGRAM AND AGENCY DOCUMENTS

The City requires the Subrecipient to submit copies of the following program certifications to the City along with this executed agreement (only submit check marked documents; others are already on file with the City.)

- The forms and procedure utilized to document evidence of homelessness
- The form utilized to provide an assessment of needs/services of participants
- Procedure for providing case management services, including frequency
- Procedure for documenting income/need including the forms used
- Policy that states how the Subrecipient maintains the confidentiality of records and locations in accordance with 24 CFR 576.500 (c)(x)(i)(ii)(iii)(2)
- Policy that states the Subrecipient will ensure the confidentiality of records pertaining to any individual or family that was provided family violence prevention or treatment services through the project. (24 CFR 576.500 Subpart F)
- Policy that states the address or location of any family violence projects assisted with grant funds will not be made public, except with written authorization of the person responsible of the operation of such project (if applicable) (24 CFR 576.500 Subpart F)
- Policy addressing record retention (24 CFR 576.500)
- Conflict of interest policy (24 CFR 576.404)
- A list of the current Board of Directors list. Also, provide documentation of participation of a homeless or formerly homeless person on your board or equivalent decision making body. Provide minutes documenting their participation. (24 CFR 576.405)
- Policy addressing compliance with faith-based activities requirements in

accordance with 24 CFR part 576.406, including that Subrecipient does not discriminate against a program participant or prospective program participant on the basis of religion or religious beliefs when providing program assistance. Also, a policy that states a faith-based Subrecipient will not engage in such explicitly religious activities (activities that involve overt religious content activities as worship, religious instruction or proselytization) as part of the programs or services directly funded under a HUD program activity. Faith-based Subrecipients also must provide a copy of the written notice to beneficiaries and prospective beneficiaries describing certain religious liberty protections available to them.

- Policy that states that to the maximum extent practical, individuals and families experiencing homelessness are involved, through employment, provision of volunteer services or otherwise in constructing, rehabilitating, maintaining, and operating facilities for the project and in providing supportive services for the project in accordance with 24 CFR 576.405(c)
- Non-discrimination/fair housing affirmation policy
- A list of properties in this program and dates of last Housing Quality Standards inspection for permanent housing units in accordance with IV 4.7 j of this document (if applicable)
- In the case of a project that provides housing or services to families, a policy that states that Subrecipient will ensure any children being served in the program are enrolled in school and connected to appropriate services in the community, including early childhood programs such as Head Start, part C of the Individuals with Disabilities Education Act, and programs authorized under subtitle B of title VII of the McKinney-Vento Act – including the name or position of the staff person that will ensure this compliance.
- Policy that states the Subrecipient will take the educational needs of children in account when families are placed in housing and will, to the maximum extent practicable, place families with children as close as possible to their school of origin so as not to disrupt such children's education.
- Confirmation that the Subrecipient, its officers, and employees are not debarred or suspended from doing business with the Federal Government
- Outreach plan to reach out to the chronically and most at risk of homelessness
- Discharge/termination policy and appeals process in accordance with CFR 24 part 576.402

- Most recent agency audit
- Proof of FFTA registration
- Proof of 501c3 or other non-profit status
- Proof of CCR registration
- DUNS #

VII. LIASON

The Director of the Human Services Department shall designate one member of the City staff as liaison with the Subrecipient. The Subrecipient must utilize the liaison for any requests regarding the Continuum of Care ESG grant. The liaison will consult with HUD as deemed necessary.

VIII. DEFAULT

7.1 If, through any cause, the Subrecipient shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or if the Subrecipient shall violate any of the covenants, agreements or stipulations of this contract, the City shall thereupon have the right to terminate this Agreement by giving written notice to the Subrecipient of such termination and specifying the effective date of such termination, at least sixty (60) days before the effective date of such termination. In the event that the Subrecipient corrects or cures said default to the satisfaction of the City prior to said date, this Agreement shall not be terminated for cause by the City.

Notwithstanding the above, the Subrecipient shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of this Agreement.

7.2 Should review of Subrecipient performance show nonconformity with the Scope of Services, or any other terms or conditions herein, the Subrecipient shall be in breach of this Agreement, and the City may take appropriate actions as it deems necessary, including but not limited to temporary withholding or reduction of payment, suspension of program operations, or any remedy prescribed by the Rules and Regulations of the Office of Management and Budget of the United States Government and the United States Department of Housing and Urban Development.

IX. ADMINISTRATION

The terms and provisions of this Agreement shall be administered on behalf of the City of Rockford. Unless law otherwise requires, all necessary notices, submissions and approvals shall be given to or by the Mayor.

X. NOTICES

All notices, approvals, demands, requests or other documents required or permitted under this Agreement, other than routine communications necessary for the day-to-day operation of this program, shall be deemed properly given if hand delivered or sent by United States mail, postage prepaid, to the following addresses.

AS TO THE CITY: Mayor Tom McNamara
City of Rockford
425 East State Street
Rockford, Illinois 61104

AS TO THE SUBRECIPIENT: Gary Halbach
President/CEO
Remedies Renewing Lives
215 Easton Parkway
Rockford, IL 61108

XI. AMENDMENTS

This Agreement may be amended by written instrument executed by the parties hereto, acting therein by their duly authorized representatives. The City or the Subrecipient may request changes in the Scope of Services to be performed hereunder. Such changes, including any increase or decrease in the amount of compensation for the Subrecipient which are mutually agreed upon by and between the City and the Subrecipient shall be incorporated in written amendments to this Agreement.

XII. SEVERABILITY

If any term or provision of this Agreement or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining term and provision hereof shall be deemed valid and be enforced to the fullest extent permitted by law.

XIII. TERMINATION FOR CONVENIENCE

This Agreement may be terminated by either Party for any reason upon thirty (30) days' written notice to the other Party. This Agreement may be terminated by the City immediately due to lack of available funding or due to failure of Subrecipient to perform or comply with the terms of this Agreement. In the event of termination, Subrecipient shall be compensated for services rendered up to the date of termination. Any funds not expended by the termination date shall be returned by Subrecipient to the City within thirty (30) days of demand.

XIV. HOLD HARMLESS

The Subrecipient shall hold harmless, defend and indemnify the City from any and all claims, actions, suits, charges, and judgments whatsoever that arise out of the Subrecipient's performance or nonperformance of the services or subject matter in this Subrecipient Agreement.

XV. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois and the Ordinances of the City of Rockford.

IN WITNESS WHEREOF, the City and the Subrecipient have executed this Agreement on the date above first written.

CITY OF ROCKFORD, a municipal corporation.

BY: _____
Thomas McNamara, Mayor
City of Rockford

BY: _____
Gary Halbach, President/CEO
Remedies Renewing Lives