



## REPORT TO TOWN BOARD

**FROM:** Andrew J. Quarnstrom, Township Supervisor

**DATE:** April 5<sup>th</sup>, 2022

**SUBJECT:** Explanation of Township Resolution 2022-0403

**A. Introduction:** The purpose of this Resolution is to approve an Intergovernmental Agreement (IGA) between the City of Champaign Township and the City of Champaign for rental assistance funding in an amount not to exceed fifty thousand dollars (\$50,000.00).

**B. Recommended Action:** The Township Administration recommends approval of this Resolution.

### C. Summary:

The City of Champaign Township has provided emergency rental assistance since 2018. The Township's normal rental assistance program continued on through the Covid pandemic while additional Covid specific rental assistance was added to through various outside funding types. This IGA is relative to the township's normal rental assistance program and not Covid specific rental assistance.

### D. Background:

**1. Township Rental Assistance Need.** The City of Champaign Township rental assistance program provides funding to community members to help with rental and mortgage costs. The program provides up to \$600 in rent or mortgage assistance to a household through direct payments to landlords or banks. To be eligible, the household must be in the City of Champaign Township, be under 40% Median Family Income, have a written lease or mortgage and have income from employment or another verifiable source. Households are eligible to apply once every two years.

As a result of the COVID-19 pandemic, there was an increased demand for rent and mortgage assistance. Throughout the pandemic the Township has provided significantly more rental assistance than in years past with the support of additional funding from grants such as the Emergency Solutions Grants, Champaign Urbana Public Health Department Grants, United Way Grants, and passthrough funding from the City's Community Development Block Grant. In the last two years, the Township provided over \$700,000 in rental, mortgage, and utility assistance to families impacted by COVID-19.

Unfortunately, the demand for this program has continued while grant funding to assist residents has become scarcer. The Township exhausted operating funds to support the rental assistance program at the beginning of March yet there is still a significant demand on the Township for rental assistance services.

**2. Prior City funding of Rent, Mortgage, and Utility Assistance.** The Township has partnered with the City since July 202 to provide rent, utility, and mortgage relief. With Community Development Block Grant-Covid Virus (CDBG-CV) round one funding, a subrecipient agreement in the amount of \$50,000.00 was

executed to provide rent and mortgage assistance. In January 2021 the Township received an additional \$331,743 from the CDBG-CV round three allocation. In total, these two allocations benefited 172 households. Each of these allocations provided rental, utility, and mortgage assistance to those specifically impacted by Covid.

**E. Alternatives:**

1. Approve Ordinance 2022-0403, a Resolution entering into an Intergovernmental Agreement with the City of Champaign for rental assistance funding in the amount not to exceed \$50,000.00.
2. Do not approve Resolution 2022-0403, a Resolution entering into an Intergovernmental Agreement with the City of Champaign for rental assistance funding in the amount not to exceed \$50,000.00.

**F. Discussion of Alternatives:**

**Alternative 1-** Approves Resolution 2022-0403 and allows the Township Supervisor to sign an Intergovernmental Agreement with the City of Champaign for additional funding for the Township's rental assistance program not to exceed \$50,000.00.

**a. Advantages**

1. Approving Resolution 2022-0403 will ensure continuation of the Township's normal rental assistance program through the end of the fiscal year on June 30, 2022.

**b. Disadvantages**

1. No disadvantage to approving Resolution 2022-0403.

**Alternative 2-** Do not approve Resolution 2022-0403.

**a. Advantages**

1. None.

**b. Disadvantages**

1. The Township will have to terminate the normal rental assistance program for the remainder of the fiscal year or consider transferring funds from other accounts to supplement the program.

**G. Community Input:** Input can be given during the public comments section of the meeting at which this item is considered.

**H. Budget Impact:** Should the Resolution be approved, there is no budget impact.

**I. Staffing Impact:** Approximately 2 hours of staff time were needed to write this report.

Prepared by:

Andrew Quarnstrom  
Township Supervisor

