

**COUNCIL ACTION FORM**

**SUBJECT: AGREEMENT WITH UNITED WAY OF STORY COUNTY TO ADMINISTER HUMAN SERVICES CAPITAL FUNDING PROGRAM**

**BACKGROUND:**

At the September 12, 2017, City Council meeting, the City Council provided direction to staff regarding the establishment of a program to fund capital projects for local human services agencies. While \$500,000 have been appropriated for this program, the Council indicated its desire initially to expend \$250,000 to support this initiative, and provided direction regarding the parameters of the program, which will be administered by United Way of Story County (UWSC).

Staff has prepared an agreement that outlines the terms of the program as expressed by the City Council. The agreement has been approved by UWSC. The key points are as follows:

1. UWSC will receive \$250,000 from the City of Ames to be used for the program.
2. Funds may only be used for new construction or renovation work on primary or secondary buildings.
3. Fund recipients must provide matching funds of at least 50% of the total project cost. Matching funds must be in cash; in-kind contributions will not be acceptable as a match.
4. Grant awards will be a minimum of \$7,500 and a maximum of \$100,000 for each individual project.
5. Only agencies that have been accepted into the ASSET process as of the time of the award will be eligible to receive funding.
6. Requests will be prioritized on the basis of the current City of Ames ASSET priorities.
7. UWSC may determine the application process, required submittals, and grant agreements, and will make awards to agencies it determines best meet the requirements of the program.
8. UWSC will incorporate a paragraph into the grant agreement with recipients requiring repayment of grant funds if, within five years of the completion of the

improvements, the recipient sells, transfers, leases, or sub-leases the improved property, or ceases occupancy of the property for reason other than the property becoming uninhabitable due to disaster, or if the recipient defaults on any of the grant terms or conditions. The repayment will be based on a graduated scale, with 100% of the grant being repaid if in the first year, 80% being repaid if in the second year, and so forth until 20% is required to be repaid in the fifth year. The grantee is not obligated to repay any funds after the fifth year. Any repaid funds will be returned to the City, not to UWSC.

9. UWSC agrees to disburse the funds received no later than June 30, 2018. Funds not disbursed by this date are to be returned to the City.
10. The agreement requires UWSC to document to whom the funds were disbursed. UWSC must keep any documents related to the grant program for a period of five years, which are to be made available for review at the City's request.

**ALTERNATIVES:**

1. Approve the Human Services Capital Program Administration agreement with United Way of Story County.
2. Direct staff to modify the agreement.
3. Do not approve an agreement with United Way of Story County.

**MANAGER'S RECOMMENDED ACTION:**

The City Council has provided direction regarding the components of a human services agency capital grant program, and City staff has incorporated those components into the attached agreement signed by United Way of Story County. This agreement will provide a structure for the disbursement of \$250,000 in City funds for human services capital projects.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the Human Services Capital Program Administration agreement with United Way of Story County.

**CONTRACT WITH UNITED WAY OF STORY COUNTY, INC.  
FOR ADMINISTRATION OF  
HUMAN SERVICES AGENCY CAPITAL FUNDING PROGRAM**

**THIS AGREEMENT**, made and entered into the \_\_\_ day of \_\_\_\_\_, 2017, by and between the **CITY OF AMES, IOWA**, a municipal corporation organized and existing pursuant to the laws of the State of Iowa (hereinafter sometimes called “City” or “City of Ames”) and **United Way of Story County, Inc.** (an entity organized and existing pursuant to the laws of the State of Iowa and hereinafter sometimes called “UWSC”);

**WITNESSETH THAT:**

**WHEREAS**, the City of Ames has determined that capital funds should be distributed to human services agencies that participate in the Analysis of Social Services Evaluation Team (ASSET) process; and

**WHEREAS**, United Way of Story County, Inc. has an established process to solicit proposals and determine award amounts for worthy capital improvement projects undertaken by ASSET agencies;

**NOW, THEREFORE**, the parties hereto have agreed and do agree as follows:

**I  
SCOPE OF SERVICES**

- A. The City of Ames agrees to remit to UWSC the sum of \$250,000.
- B. UWSC agrees to distribute these funds to human services agencies through a capital improvement grant program in accordance with the following conditions:
  - 1. Funds may only be used for new construction or renovation work on primary or secondary buildings.
  - 2. Fund recipients must provide matching funds of at least 50% of the total project cost. Matching funds must be in cash; in-kind contributions will not be acceptable as a match.
  - 3. Grant awards will be a minimum of \$7,500 and a maximum of \$100,000 for each individual project.
  - 4. Only agencies that have been accepted into the ASSET funding process as of the time of the award will be eligible to receive funding.
  - 5. Requests will be prioritized on the basis of the current City of Ames ASSET priorities.

6. UWSC may determine the application process, required submittals, and grant agreements. UWSC shall make awards to agencies that it determines best meet the requirements of this program, using whatever process UWSC deems appropriate.

Notwithstanding the previous paragraph, UWSC shall ensure that grantees retain their ownership or rental of any properties improved through this program for a period of five years, or those grantees would be obligated to repay UWSC some or all of the grant funds. UWSC agrees that any funds repaid to UWSC shall be returned to the City of Ames. To effectuate this provision, UWSC agrees to incorporate the following statement into its grant agreement with fund recipients:

“The grant recipient shall occupy the premises improved with these funds for a period of at least five years from the date the improvements are completed. The recipient shall repay any grant funds received in the event of any of the following during that five-year period:

- a. Any portion of the improved property is sold, transferred, leased, or sub-leased to another party.
- b. Occupancy of the property by the grant recipient ceases for any reason, except for instances in which the property is destroyed or otherwise rendered uninhabitable due to fire, flood, wind, or other disaster.
- c. Any default under or breach of the promises, terms, and conditions stated in the program policies and procedures or this agreement.

Any grant funds required to be repaid under this paragraph shall be repaid in accordance with the following schedule:

100% shall be repaid during the 1<sup>st</sup> year after completion of the improvements  
80% shall be repaid during the 2<sup>nd</sup> year after completion of the improvements  
60% shall be repaid during the 3<sup>rd</sup> year after completion of the improvements  
40% shall be repaid during the 4<sup>th</sup> year after completion of the improvements  
20% shall be repaid during the 5<sup>th</sup> year after completion of the improvements.”

7. UWSC agrees to disburse funds to grant recipients no later than June 30, 2018. Any funds not disbursed after that date shall be returned to the City.

## **II FINANCIAL ACCOUNTING AND ADMINISTRATION**

A. All monies disbursed under this Agreement shall be accounted for by the accrual method of accounting.

B. UWSC shall submit to the City of Ames documentation evidencing in proper detail the disbursement of funds to recipient agencies. All checks or other accounting documents pertaining in whole or in part to this Agreement shall be clearly identified as such and readily accessible for examination and audit by the City or its authorized representative for a period of five years from the creation of such documents.

C. At such time and in such form as the City may require, there shall be furnished to the City such statements, records, reports, data, and information as the City may require with respect to the use made of monies disbursed hereunder. UWSC may dispose of such documents only after a period of five years from their creation.

**III  
DURATION**

This Agreement shall be in full force and effect from and after \_\_\_\_\_, 2017, until June 30, 2018. Either Party may terminate this Agreement by giving written notice to the other Party at least sixty (60) days before the effective date of such termination. From and after the effective date of termination, no further disbursement of funds to recipient agencies shall be made by UWSC. Any money disbursed to UWSC and unencumbered or unspent as of the effective date of termination shall be repaid to the City.

**IV  
DISCRIMINATION PROHIBITED**

In accordance with Chapter 14 of the Municipal Code, no person shall, on the grounds of age, race, color, creed, religion, national origin, disability, sexual orientation, gender identity, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this Agreement.

**IN WITNESS WHEREOF** the parties hereto have, by their authorized representatives, set their hand and seal as of the date first above written.

**CITY OF AMES, IOWA**

ATTEST:

BY \_\_\_\_\_  
Authorized Representative

\_\_\_\_\_  
Diane Voss, City Clerk

**UNITED WAY OF STORY COUNTY, INC.**

BY \_\_\_\_\_  
Authorized Representative