

## Margaret Hawth

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**From:** Molly De Marco <mollydemarco@gmail.com>  
**Sent:** Friday, February 17, 2023 12:18 PM  
**To:** Margaret Hawth; Matt Efird  
**Cc:** Jackie Jenks; Susan Laidlaw  
**Subject:** IFC's request to fund emergency housing for Fiscal Years 2023 and 2024  
**Attachments:** FY23\_IFC\_PerformanceAgreement\_Workplan\_final.docx; IFC Request for InterLocal Agreement FY23.pdf; FY23\_IFC Performance Agreement for Homelessness Services\_final.docx

Hi Margaret and Matt:

Below are our requests for FY 2023 and FY 2024, which you need by February 20th to put in front of the Hillsborough Town Commission at their next meeting.

We are also attaching the original request document so you have that readily available. It covers the need for this request. I'm also again attaching the sample service agreement and work plan so that you have all information in one place. We understand that, for FY 2023 at least, the town may opt for a different funding mechanism.

### FY 2023 Request

We are requesting that the Town of Hillsborough contribute their portion of the annual joint funding allotment from the county and the three towns for Fiscal Year 2023. This funding will be used to provide emergency housing to people experiencing homelessness and will allow for a dedicated funding stream for these essential services.

This breaks down as follows, based upon the 2020 Census data:

<b>Jurisdiction</b>	<b>Percent</b>
Orange County	39.5%
Town of Chapel Hill	39.7%
Town of Carrboro	14.3%
Town of Hillsborough	6.5%

Given IFC's request for \$650,000 for fiscal year 2023 and the 2020 population breakdown, the amounts to be contributed by each jurisdiction for FY 2023 are as follows:

<b>Jurisdiction</b>	<b>Contribution</b>
Orange County	\$256,750
Town of Chapel Hill	\$258,050
Town of Carrboro	\$92,950
Town of Hillsborough	\$42,250

## FY 2024 Request

We are requesting that the Town of Hillsborough enter into a similar arrangement for Fiscal year 2024 with a 3% increase in the amount of funding to account for inflation.

<b>Jurisdiction</b>	<b>Contribution</b>
Orange County	\$264,453
Town of Chapel Hill	\$265,792
Town of Carrboro	\$95,739
Town of Hillsborough	\$43,518

Please let us know if you have any questions. Thank you for your continued attention to this request.

Molly De Marco

Attachments: FY23 funding request, FY23 performance agreement with Chapel Hill (including workplan)



March 14, 2022

Dear Managers White, Jones, Hammersley and Peterson:

IFC is following up our Outside Agencies/Human Services Application with a **request to enter a process for an inter-local agreement to fund our emergency housing programs: HomeStart for women and families and Community House for men**. We are asking that funding for our emergency housing programs be considered separately from the Outside Agencies/Human Services process. We will, however, work through the Outside Agencies/Human Services process for funding for our food security programs.

**The emergency housing programs that IFC provides are unique in Orange County. No other organization provides these essential basic human services in our community.** Without these vital services, more people would be living outdoors, given the worsening affordable housing crisis.

**IFC is requesting \$650,000 annually through an inter-local agreement for our emergency housing programs**, which is approximately 20% of our \$3.2 million annual budget and a bit less than half of our shelter costs of \$1.4 million. We request an initial 5-year agreement, indexed for inflation, to be considered for renewal at the end of the initial period.

**Currently, funds from the Towns and County only total 12% of our budget, which is extremely low for basic safety net services that would otherwise need to be provided by local governments. The local governments of comparable college towns provide significantly higher percentages of the budget for the essential services provided by nonprofit social service agencies like IFC (see attached chart).** The information on the chart is from interviews we conducted with the Executive Director of each organization and verified using public information including IRS 990 returns. We believe the organizations are good comparisons to IFC.

To summarize our findings, the three organizations that we compare ourselves to receive on average of 26.4% of their expenses in county and town funding. This is double the 12.7% that IFC currently receives. The \$650,000 we are requesting would be 20.1% of our expenses.

**IFC currently raises 70% of our annual revenue from private sources, including individuals, the faith community, foundations, and businesses. We also leverage significant in-kind support to meet people's basic needs.** Community members volunteer almost 15,000 hours of staffing each year, and nearly all the food distributed at the Community Market and served at the Community Kitchen and both shelters is donated. We maintain two reserve funds to draw from in emergencies and for needed capital maintenance on our three buildings (projected at \$110,000 annually, which is 1% of the value of our aging buildings). **Without larger, sustained funding from the local government, we are not able to sustain all our safety net services and face making very difficult decisions.**

IFC's annual operating costs have increased over time due to several factors, including the addition of the new Community House building in 2015, increased requirements from funders and other expenses necessary to keep up with information technology advances, staffing and facility needs. Costs jumped again this past year when we moved the Community Kitchen and Community Market out of the Old Chapel Hill Town Hall, as the Town of Chapel Hill had provided rent, utilities and building maintenance at no charge for 30+ years. Leaving

Old Town Hall was a divestment of \$48,000 per year of in-kind, public support, a cost that IFC has now incurred. Unexpected one-time gifts and bequests have covered our funding gap to date, but we cannot rely on these unexpected funds to continue to materialize.

Orange County has one of the highest income disparities in the state. **When adequately funded, IFC helps to make this community more affordable for low-income residents and workers who make this a diverse and desirable place to live.**

Thank you for your thoughtful consideration and dependable partnership confronting the causes and responding to the effects of poverty in our community. We appreciate the decisions ahead of you.

Sincerely,



Jackie Jenks

President & CEO



Vicky Kim

Board Chair

Cc: Board of County Commissioners, Orange County  
Mayor and Council, Town of Chapel Hill  
Mayor and Council, Town of Carrboro  
Mayor and Council, Town of Hillsborough

## Local Government Support for Organizations Providing Shelter Services in Comparable Towns

Community	Organization	Expense Budget	Shelter Expenses of Total	Shelter Capacity	Town & County Support	Percentage of Local Support	Town/County Split	Inter-local Agreement
Chapel Hill/ Carrboro, NC	IFC	\$3,225,531	44%	90	\$410,000	12.7%	40/60	--
Gainesville, FL	Grace Market	\$4,025,584	67%	146	\$1,500,000	37.3%	50/50*	Yes
Ann Arbor, MI	County Shelter Association	\$2,531,583	55%	65	\$640,000	25.3%	40/60	Coordinated Funding
State College, PA	Housing Transitions	\$1,100,000	27%	13	\$183,315	16.7%	15/85	No

\*Used to be 50/50. Now county funds a different shelter

**STATE OF NORTH CAROLINA  
COUNTY OF ORANGE**

**CONTRACT FOR  
FY22-23 PERFORMANCE AGREEMENT  
FOR HOMELESSNESS SERVICES**

This Contract is made and entered into by and between the “Town of Chapel Hill”, herein “Town”, and “Inter-Faith Council for Social Service, Inc.”, herein “Contractor”, for services hereinafter described for the Town of Chapel Hill. This Contract is for Homelessness Services.

**WITNESSETH**

That for and in consideration of the mutual promises and conditions set forth below, the Town and Contractor agree:

1. Duties of the Contractor: The Contractor agrees to perform those duties described in Exhibit A attached hereto and incorporated herein by reference.
2. Duties of the Town: The Town shall pay for the Contractor’s services as set forth in Exhibit A.
3. Fee Schedule and Maximum Sum: Contract amount is not to exceed \$258,050 total and quarterly payments not to exceed \$64,512.50. Payment shall be made for work performed in Exhibit A.
4. Billing and Payment: The Contractor shall submit a bill to the Town quarterly for work performed under the terms of this Contract. The Contractor shall bill and the Town shall pay the rates set forth therein. Payment will be made by the Town within thirty (30) days of receipt of an accurate invoice, approved by the contact person or his/her designee.
5. Indemnification and Hold Harmless: The Contractor agrees to indemnify and hold harmless the Town of Chapel Hill and its officers, agents and employees from all loss, liability, claims or expense (including reasonable attorneys’ fees) arising from bodily injury, including death or property damage to any person or persons proximately caused in whole or in part by the negligence or willful misconduct of the Contractor except to the extent same are caused by the negligence or misconduct of the Town.
6. Insurance Provisions: The Town requires evidence of Contractor’s current valid insurance (if applicable) in the amounts stated below during the duration of the named project and further requires that the Town be named as an additional insured for Commercial General Liability and Business Automobile policies. The required coverage limits are: 1) Commercial General Liability and Business Automobile - \$1,000,000 per occurrence and 2) Workers’ Compensation - \$100,000 for both employer’s liability and bodily injury by disease for each employee and \$500,000 for the disease policy limit. Based on nature of services to be provided by the contractor and assessment of risk posed to the Town, the Town may require evidence of supplementary insurance coverages.

7. Non-Discrimination: The Contractor contractually agrees to administer all functions pursuant to this Contract without discrimination because of race, creed, sex, national origin, age, economic status, sexual orientation, gender identity or gender expression.
8. Federal and State Legal Compliance: The Contractor must be in full compliance with all applicable federal and state laws, including those on immigration.
9. E-Verify: The Contractor shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, should Contractor utilize a subcontractor(s), Contractor shall require the subcontractor(s) to comply with the requirements of Article 2, Chapter 64 of the General Statutes. Pursuant to North Carolina General Statute § 143-133.3 (c)(2), contracts solely for the purchase of apparatus, supplies, materials, and equipment are exempt from this E-Verify provision.
10. Amendment: This Contract may be amended in writing by mutual agreement of the Town and Contractor.
11. Termination: Either party may terminate this Contract at any time by giving the other party thirty (30) days written notice of termination prior to the end of the term as described herein.
12. Interpretation/Venue: This Contract shall be construed and enforced under the laws of North Carolina. The courts and the authorities of the State of North Carolina shall have exclusive jurisdiction over all controversies between the parties which may arise under or in relation to this Contract. In the event of any dispute between the parties, venue is properly laid in Orange County, North Carolina for any state court action and in the Middle District of North Carolina for any federal court action. Contrary to any provision that may be contained in any exhibit attached hereto the Town shall not consent to 1) resolving any dispute by means of arbitration and/or 2) waiver of a trial by jury.
13. Preference: In the event that the terms of any exhibit attached hereto are not consistent with the terms of this Contract, this Contract shall have preference; provided that where either any exhibit attached hereto or this Contract establishes higher standards for performance by either party, the higher standard, wherever located, shall apply.
14. Severability: The parties intend and agree that if any provision of this Contract or any portion thereof shall be held to be void or otherwise unenforceable, all other portions of this Contract shall remain in full force and effect.
15. Assignment: This Contract shall not be assigned without the prior written consent of the parties.
16. Entire Agreement: This Contract shall constitute the entire agreement of the parties and no other warranties, inducements, considerations, promises, or interpretations shall be implied or impressed upon this Contract that are not expressly addressed herein. All prior agreements, understandings and discussions are hereby superseded by this Contract.

17. Construction Project Related Sales Tax: If applicable, the Contractor shall furnish the Town certified statements setting forth, the cost of all materials purchased from each vendor and the amount of North Carolina sales and use taxes paid thereon. In the event the Contractor makes several purchases from the same vendor, the Contractor's certified statement shall indicate the invoice number, the inclusive dates of the invoices, the total amount of the invoices, and the North Carolina sales and use taxes paid thereon. The Contractor's certified statement shall also include the cost of any tangible personal property withdrawn from the Contractor's warehouse stock and the amount of North Carolina sales or use tax paid thereon by the Contractor. The Contractor shall furnish such additional information as the Commissioner of Revenue of the State of North Carolina may require to substantiate a refund claim by the Town for sales or use taxes. The Contractor shall obtain and furnish to the Town similar certified statements by the subcontractors. The certified statements to be furnished shall be in the form of the standard CONTRACTOR'S SALES TAX REPORT and shall be submitted with each request for payment. The Town will not make payment to the Contractor until the CONTRACTOR'S SALES TAX REPORTS ARE SUBMITTED. Any and all refunds received by the Town of said taxes shall remain with the Town, and the Contractor shall not be entitled to such refund.
18. Term: This Contract, unless amended as provided herein, shall be in effect until June 30, 2023.

*[SIGNATURES ON FOLLOWING PAGE.]*



This Contract is between the Town of Chapel Hill and Inter-Faith Council for Social Service, Inc for Homelessness Services.

IN WITNESS WHEREOF, the parties hereto cause this agreement to be executed in their respective names.

**INTER-FAITH COUNCIL FOR SOCIAL SERVICE**

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
PRINTED NAME & TITLE

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
PRINTED NAME & TITLE

**TOWN OF CHAPEL HILL**

\_\_\_\_\_  
DEPARTMENT HEAD/EXECUTIVE DIRECTOR OR DEPUTY/TOWN MANAGER

\_\_\_\_\_  
PRINTED NAME & DEPARTMENT

ATTEST BY TOWN CLERK:

\_\_\_\_\_  
TOWN CLERK

TOWN SEAL

**Town Clerk** attests date this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Approved as to Form and Authorization

\_\_\_\_\_  
ATTORNEY FOR TOWN

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
FINANCE OFFICER

\_\_\_\_\_  
DATE

EXHIBIT A

**INTER-FAITH COUNCIL FOR SOCIAL SERVICE, Inc.**

**WORK PLAN**

FY 2022-2023

Ensure a Community Network of Safe Emergency Shelter Services	
<u>Action</u>	<u>Expected Outcome</u>
Provide Town of Chapel Hill Residents with Emergency Shelter Services, including sleeping quarters, restrooms and shower facilities.	Chapel Hill residents access the most appropriate social safety net services.
Provide additional shelter spaces during the cold weather season and during inclement weather events	Chapel Hill residents access the most appropriate social safety net services.
Take referrals into shelter from the Orange County Coordinated Entry system	Chapel Hill residents are able to access the shelter through Coordinated Entry.
Provide shelter staffing during hours of operation.	Staff will be present on-site during hours of operation.
Community members who lack a fixed, regular, and adequate nighttime residence will receive shelter during the program year.	Serve 260 homeless households during the program year.
Maintain accurate accounting records and ensure internal controls are consistently followed. Require that staff and volunteers conduct themselves in a professional manner that promotes a safe, healthful, inclusive and productive work environment.	Provide the Town with audited Financial Statements within 6 months of the close of IFC's fiscal year. Address any issues promptly and report back on their resolution.
Submit regular progress reports to the Town. Reports are due at a minimum by October 15, January 15, April 15, and July 15 (July 15 report shall include 4 <sup>th</sup> quarter accomplishments as well as a cumulative report) and will provide information about activities, challenges, and other relevant information regarding the implementation of this Work Plan.	4 reports submitted annually; 1 after each quarter