

AGENDA

RULES MEETING OF THE BOARD OF TRUSTEES VILLAGE OF PARK FOREST, COOK AND WILL COUNTIES, ILLINOIS

Village Hall
Roll Call

8:00 p.m.

June 7, 2010

1. A Contract to Restore Asphalt for Water Main Breaks and Storm Sewer Repairs
2. A Resolution Authorizing Execution of a Subgrantee Agreement between Cook County, Illinois and the Village of Park Forest Regarding the Neighborhood Stabilization Program
3. A Resolution Authorizing Execution of a Developer Agreement between the Village of Park Forest and Habitat for Humanity Chicago South Suburbs Regarding the Neighborhood Stabilization Program

Mayor's Comments

Manager's Comments

Trustee's Comments

Attorney's Comments

Audience to Visitors

Adjournment

Agenda Items are Available in the Lobby of Village Hall

AGENDA BRIEFING

DATE: May 20, 2010

TO: Mayor John Ostenburg
Board of Trustees

FROM: Kenneth Eyer,
Director of Public Works

RE: Award of contract to restore Asphalt for Water Main Breaks and Storm Sewer Repairs

BACKGROUND/DISCUSSION:

On May 19, four (4) bids were opened for Asphalt Restoration caused by water main breaks and storm sewer collapses. The project was advertised in a local newspaper as required by law.

On May 24 the Board awarded the contract to John Zarlengo Asphalt Paving Company Inc., located at 1201 Piacenti Lane, Chicago Heights, IL 60411 at a total contract price of \$36,303.47. John Zarlengo Asphalt has withdrawn his bid for this contract (see attached letter). The Village is keeping half his cash bid bond as penalty for withdrawal. The cash Bid Bond was in two checks totaling \$1,900. The amount the Village would retain is \$950.

The next qualified bidder is Pavement Systems, Inc. 13820 S. California Ave., Blue Island, IL 60406. The total contract price for Pavement Systems Inc is \$51,775.00

The Public Works Department requests that the Board authorize award of this contract with a 15% contingency for a total amount of \$59,541.25.

SCHEDULE FOR CONSIDERATION: This item will appear on the Agenda of the Rules and Special Regular meeting of June 7 for your consideration.

2010 Spring Asphalt bid tab

2010 SPRING ASPHALT RESTORATION

ITEM	QUAN-TITY/	UNIT	Pavement Systems, Inc. Blue Island, IL		John Zarlengo Asphalt Chicago Heights, IL		All Pro Paving, Inc. Frankfort, IL		Abbey Paving & Sealcoat Aurora, IL		
			UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	
1	Class D Patch Special 14 1/2" (108 Monee Road)	4	S.Y.	\$ 300.00	\$ 1,200.00	\$ 125.00	\$ 500.00	\$ 600.00	\$ 2,400.00	\$ 275.00	\$ 1,100.00
2	Class D Patch Special 5 1/2" (Street)	382	S.Y.	\$ 65.00	\$ 24,830.00	\$ 47.50	\$ 18,145.00	\$ 62.50	\$ 23,875.00	\$ 67.50	\$ 25,785.00
3	Class D Patch Special 4" (Driveway)	99	S.Y.	\$ 45.00	\$ 4,455.00	\$ 52.53	\$ 5,200.47	\$ 81.80	\$ 8,098.20	\$ 55.00	\$ 5,445.00
4	Traffic Control	1	L.S.		\$ 100.00		\$ 210.00		\$ 1,900.00		\$ 1,000.00
	Addendum No. 1	326	S.Y.	\$ 65.00	\$ 21,190.00	L.S.	\$ 12,248.00	\$ 62.50	\$ 20,375.00	\$ 67.50	\$ 22,005.00
	BASE BID TOTAL				\$ 51,775.00		\$ 36,303.47		\$ 56,648.20		\$ 55,335.00

Engineers Estimate
Village of Park Forest

ITEM	QUAN-TITY/	UNIT	UNIT PRICE	TOTAL
1	Class D Patch Special 14 1/2" (108 Monee Road)	4	S.Y.	\$ 130.50 \$ 522.00
2	Class D Patch Special 5 1/2" (Street)	382	S.Y.	\$ 49.50 \$ 18,909.00
3	Class D Patch Special 4" (Driveway)	99	S.Y.	\$ 36.00 \$ 3,564.00
4	Traffic Control	1	L.S.	\$ 1,200.00
	Addendum No. 1	326	S.Y.	\$ 49.50 \$ 16,137.00
	BASE BID TOTAL			\$ 40,332.00

John Zarlengo Asphalt Paving Contractor

Commercial and Industrial Paving and Parking Areas

1201 PIACENTI LANE
CHICAGO HEIGHTS, ILLINOIS 60411
708-481-3232 Fax 481-2217

June 2, 2010

Kenneth A. Eyer
Director of Public Works
Village of Park Forest
350 Victory Drive
Park Forest, IL 60466

Dear Kenneth:

I regret to inform you that I must withdraw my bid entered on May 19, 2010. Due to circumstances beyond my control, I cannot complete the project. I understand the Village's policies of only reimbursing half of the deposit submitted, but I request that the entire deposit be returned if possible.

I have performed work for the Village for years and often times do extra items at not cost. For example, on a recent project I completed a couple extra holes that were in the area of the contacted work. I have also completed drain repairs without payment upon request. I am only mentioning these matters because of my respect for the Village. Please consider my request to reimburse the full deposit. If not, I understand.

Thank you for the opportunity to bid on this job and please keep me in mind for future work.

Sincerely,


John Zarlengo Sr.
President

AGENDA BRIEFING

DATE: June 2, 2010

TO: Mayor Ostenburg
Board of Trustees

FROM: Hildy L. Kingma, AICP
Director of Economic Development and Planning

RE: Resolution Authorizing Execution of a Subgrantee Agreement between Cook County, Illinois and the Village of Park Forest regarding the Neighborhood Stabilization Program

BACKGROUND/DISCUSSION:

In August 2009, the South Suburban Mayors and Managers Association (SSMMA) submitted an application to Cook County for Neighborhood Stabilization Program (NSP) funds on behalf of the communities that are part of the South Suburban Housing and Community Development Collaborative. In November 2009, the Cook County Board voted to fund the SSMMA application for \$8.9 million to support projects in 11 of the communities that are part of the Collaborative. Park Forest received \$500,000 as part of this grant award for the purchase and rehabilitation of foreclosed homes. Park Forest's plan is to work with Habitat for Humanity Chicago South Suburbs on this project, and to sell the rehabbed homes to their partner families. Habitat for Humanity will work with the Village to identify potential partner families currently living in the Village. We hope to be able to purchase and rehabilitate between five and seven homes with this grant.

The purpose of the NSP is to assist communities that have been or are likely to be affected by foreclosed and abandoned properties, while also providing affordable homeownership and rental opportunities to households at or below 125 percent of the area median income in "areas of greatest need". The communities that are part of the South Suburban Housing and Community Development Collaborative rank at the top of the list of "areas of greatest need" in the Chicago area based on income and unemployment levels and the high risk of housing foreclosure and abandonment.

At this time, Cook County is requiring that each of the Collaborative communities that were funded as a result of the SSMMA application must have its own Subgrantee Agreement with the County. The Agreement that is attached was prepared by Cook County and the Technical Assistance Advisor hired by the U.S. Department of Housing and Urban Development (HUD). Please note that Village and Collaborative Staff continue to work with Cook County Staff to correct scrivener errors and obtain all of the exhibits to the Agreement. However, some exhibits are still being drafted by HUD and Cook County. If any Board members would like to see the exhibits that are not yet attached, they can be made available to the Board as soon as the Village receives them. The Village Attorney has reviewed this Agreement.

SCHEDULE FOR CONSIDERATION: This item will appear on the agenda of the Board Rules Meeting of June 7, 2010.

RESOLUTION

**A RESOLUTION AUTHORIZING EXECUTION OF A SUBGRANTEE AGREEMENT
BETWEEN COOK COUNTY, ILLINOIS
AND THE VILLAGE OF PARK FOREST
REGARDING THE NEIGHBORHOOD STABILIZATION PROGRAM**

BE IT RESOLVED by the Village Mayor and Board of Trustees of the Village of Park Forest, Cook and Will Counties, Illinois, in the exercise of their home rule authority, as follows:

SECTION 1. The Subgrantee Agreement attached hereto and incorporated herein by reference as Exhibit A is hereby approved, subject to the review and approval of the Village Attorney.

SECTION 2. The Village Manager is directed and authorized to sign the Agreement in substantially the form attached and the Village Clerk is directed and authorized to attest the signature of the Village Manager.

SECTION 3. This Resolution shall be in full force and effect from and after its passage, approval and publication as provided by law.

PASSED this ____ day of _____, 2010.

APPROVED:

ATTEST:

Village Mayor

Village Clerk

EXHIBIT A

SUBGRANTEE AGREEMENT BETWEEN
COOK COUNTY, ILLINOIS
AND THE VILLAGE OF PARK FOREST
REGARDING THE NEIGHBORHOOD STABILIZATION PROGRAM

**SUBGRANTEE AGREEMENT
NEIGHBORHOOD STABILIZATION PROGRAM
(MULTIPLE NSP ACTIVITIES – PER PROGRAM SUMMARY AND BUDGET)**

This AGREEMENT is entered into as of the 7th day of June, 2010, by and between the COUNTY OF COOK, Illinois, a body corporate and politic of the State of Illinois with offices at 69 W. Washington Street, Suite 2900, Chicago, Illinois hereinafter "COUNTY or "CCBCD" and Village of Park Forest, Cook and Will Counties having a principal place of business or offices at 350 Victory Drive, Park Forest, Illinois, 60466 ("SUBGRANTEE").

RECITALS

WHEREAS, the Illinois General Assembly has granted COUNTY authority to make all contracts and do all other acts in relation to the property and concerns of the COUNTY necessary to the exercise of its corporate powers (Illinois Compiled Statutes, Chapter 55, paragraphs 5/5-1005), and to enter into agreements for the purposes of receiving funds from the United States government under the "**Housing and Community Development Act of 1974**," and other subsequent housing acts, and may disburse those funds and other county funds for community development and other housing program activities (Illinois Compiled Statutes, Chapter 55, paragraph 5/5-1093); and

WHEREAS, the United States government has appropriated funds for the redevelopment of abandoned, and foreclosed upon homes and other vacant properties under Title III of the Housing and Economic Recovery Act of 2008 (Pub. L 110-289, 122 Stat. 2850, enacted July 30, 2008) ("**HERA**"), to be treated as though such funds were Community Development Block Grant funds under the Housing and Community Development Act of 1974, (Pub. L 93-383) as amended (the "**ACT**") and to be administered through the United States Department of Housing and Urban Development ("**HUD**"); and

WHEREAS, the COUNTY has applied to HUD for HERA funds to be used for a Neighborhood Stabilization Program (NSP) for the purpose of acquiring and redeveloping abandoned and foreclosed homes and other vacant properties that might otherwise become sources of blight within Cook County's communities; and

WHEREAS, the NSP will be subject to the rules and regulations of HERA, Title 24 of the Code of Federal Regulations, Part 570 (Community Development Block Grants, Part 92 of the HOME Investment Partnership Program (HOME) and NSP guidelines as stipulated by HUD; and

WHEREAS, the COUNTY, as part of its application to HUD, has stated that it will select certain program recipients to acquire and redevelop foreclosed and abandoned properties for affordable housing under the NSP; and

WHEREAS, on May 19, 2009 and November 4, 2009 approval and authority was given by the Cook County Board of Commissioners for the Bureau of Community Development "**CCBCD**" (formerly operating as the Department of Planning and Development) to execute agreements to administer the program and award \$24,039,689 of

the COUNTY'S NSP allocation to assist families with homeownership, conduct rehabilitation and/or redevelopment of the acquired properties, demolish vacant properties and otherwise obtain vacant properties for NSP use. A copy of the Program Summary and Budget are Board Approval for the awards being attached hereto and incorporated herein by reference as Exhibits A and E respectively; and

WHEREAS, the COUNTY has selected the SUBGRANTEE, to assist with the operations of NSP.

WHEREAS, the COUNTY hereby agrees to loan funds to SUBGRANTEE for the purchase of various foreclosed, abandoned and vacant properties for the benefit of eligible NSP families (NSP Beneficiaries); and

WHEREAS, the Eligible Activity(ies) of acquisition and rehabilitation meet(s) the national objective, as the activity(ies) provide(s) neighborhood stabilization housing opportunities for families at or below 120% of the area median income and/or benefit to an area where all the residents of a primarily residential area in which at least 51% of the residents have incomes at or below 120% of area median income.

WHEREAS, SUBGRANTEE possesses the legal authority to execute an agreement to undertake the activity described herein and its governing body has duly adopted or passed as an official act, a resolution, motion or similar action authorizing the person identified as the official representative of the SUBGRANTEE to execute the AGREEMENT, all understandings and assurances contained herein, and directing the authorization of the person identified as the official representative of the SUBGRANTEE to act in connection with the execution of the AGREEMENT and to provide such additional information as may be required; and

WHEREAS, the COUNTY and SUBGRANTEE enter into this Agreement pursuant to their respective powers to enter into such Agreements, as those powers are defined in the Illinois Constitution and applicable statutes.

WHEREAS, Although this parties agree to enter into this agreement as specified above, COUNTY may utilize a designated SUBRECIPIENT to assist COUNTY with oversight of the NSP Activities contemplated by this agreement.

I. INCORPORATION AND CONSTRUCTION

A. ALL RECITALS SET FORTH ABOVE ARE INCORPORATED HEREIN AND MADE PART HEREOF, THE SAME CONSTITUTING THE FACTUAL BASIS FOR THIS AGREEMENT.

B. THE SECTION HEADINGS OF THE PARAGRAPHS AND SUBPARAGRAPHS OF THIS AGREEMENT ARE FOR CONVENIENCE OF REFERENCE ONLY AND SHALL NOT BE DEEMED TO CONSTITUTE PART OF THIS AGREEMENT OR TO AFFECT THE CONSTRUCTION HEREOF.

C. **THE FOLLOWING EXHIBITS ARE HEREBY INCORPORATED HEREIN:**

Exhibit A	Program Summary and Budget
Exhibit B	General Financial Management Responsibilities
Exhibit C	Minimum Construction Standards
Exhibit D	Disclosures and Certifications*
Exhibit E	Cook County Board Approval
Exhibit F	Request for Obligation of Funds
Exhibit G	29A
Exhibit H	NSP Procedural Manual

SUBGRANTEE agrees to execute any all of the Certifications included as part of Exhibits D and G as applicable.

II. STATEMENT OF WORK AND ELIGIBLE COSTS

A. Statement of Work Summary: SUBGRANTEE agrees to perform activities described in this Section II, and in the attached Exhibit A and corresponding Schedule 2 (as applicable) and in accordance with the time periods specified in this agreement. SUBGRANTEE agrees to cooperate with and coordinate PROJECT activities with and/or other parties, including but not limited to any SUBRECIPIENT agent of COUNTY, as may be designated by COUNTY, during the term of this agreement. SUBGRANTEE shall ensure compliance with the NSP program rules, this agreement and NSP Procedural Manuals previously provided to SUBGRANTEE. SUBGRANTEE shall select and enter into agreements with DEVELOPERS and other parties on behalf of COUNTY and shall ensure that requests are made for eligible costs associated with the acquisition, construction, rehabilitation, redevelopment, demolition of blighted structures and resale, and rental of various single family dwelling units, multifamily structures or public facilities ("PROJECT"). Notwithstanding the foregoing, the type and number of units shall be subject to the Project Summary and Budget and separate written approval by COUNTY through its process for obligating NSP funds (see the County's Activity Setup and Funds Obligation Request form attached hereto as Exhibit F). Each Project approval shall constitute a separate addenda to this agreement.

Designated SUBRECIPIENT: If notified by COUNTY, SUBGRANTEE, agrees to fully cooperate with the designated SUBRECIPIENT of County assigned to SUBGRANTEE'S Neighborhood Stabilization Program. The designated SUBRECIPIENT shall have the authority to oversee request for obligation of funds, payout requests, determine cost reasonableness as it related to SUBGRANTEE and its DEVELOPER, and otherwise act on behalf of COUNTY as specified in this agreement. COUNTY reserves the right to modify the assigned designated SUBRECIPIENT from time to time as may be necessary to carryout the NSP.

Statement of Work Specifics: Although the locations of these dwelling units (individually the "PROPERTY" and more than one the "PROPERTIES") are yet to be determined, each PROPERTY must be located within areas of greatest need as defined in COUNTY'S NSP Substantial Amendment to its Annual Action Plan, as may be limited and defined in the Program Summary and Budget. The following is the criteria for expenditure of NSP funds based on the Program Summary Budget:

Eligible Activity	Description	Required Property Status	Appraisal
B	Acquisition and Rehabilitation serving households with income between 0 to 50% AMI	Foreclosed or Abandoned	w/in 60days of last offer to purchase
B	Acquisition and Rehabilitation serving households with income between 51% to 120% AMI	Foreclosed or Abandoned	w/in 60days of last offer to purchase
D	Demolition	Vacant Structure	Prior to Purchase
E	Redevelopment	Vacant Structure or Land with Previous Structure	Prior to Purchase

Properties purchased under Eligible Activity B shall be purchased at a 1% discount of the current market value, based on an appraisal that is completed within no less than 60 from the date that the written offer to purchased is presented to seller. Blighted PROPERTIES meeting the foregoing criteria may also be purchased for demolition and construction of a new single family dwelling unit, upon prior written approved by the COUNTY. After rehabilitation, in accordance with the COUNTY'S Property Standards, attached hereto as Exhibit H and as such is further outlined in the COUNTY'S NSP Policy and Procedures Manual, each PROPERTY shall be sold or rented to households whose incomes do not exceed one hundred twenty percent (120%) of the median family income of the Chicago-Naperville-Joliet MSA as published by HUD from time to time, adjusted for family size, unless restricted by terms of the attached Exhibit A. Households shall be determined to be income-eligible households using the IRS Form 1040 Adjusted Gross Income definition of income calculation.

B. ELIGIBLE COSTS: SUBGRANTEE agrees to administer the PROJECT in accordance with: the ACT; HERA; Federal Register Notice, Vol. 73, No. 194, published October 6, 2008; Title 24 CFR Part 570 (Community Development Block Grants); Part 92 of the HOME Investment Partnership Program (HOME), NSP guidelines as stipulated by HUD (and outlined in the COUNTY'S NSP Policy and Procedures Manual) and other applicable federal, state, and local laws, ordinances and regulations. SUBGRANTEE shall require such compliance and assurances in all lower tier contracts and subcontracts financed in whole or in part with the NSP funds. SUBGRANTEE shall perform all acts with responsibility to COUNTY and its designated SUBRECIPIENT, in the same manner as COUNTY is required to perform all acts with responsibility to the Federal government. The scope of activities to be performed, pursuant to this AGREEMENT, will be governed by, and limited to, the following:

1. Except as otherwise set forth in Exhibit A, SUBGRANTEE may not request disbursement of funds under this AGREEMENT until the funds are needed for payment of eligible costs. At the time an initial request for funds is made, SUBGRANTEE shall submit a Request for Obligation of Funds (See

Exhibit F) to the COUNTY'S designated SUBRECIPIENT. The amount of each initial request and each subsequent request must be limited to eligible costs as determined by the COUNTY'S Department of Housing which is under the Bureau of Community Development ("CCBCD"). At the time that an initial request for funds is made, the COUNTY will establish a projected payout schedule and shall have the final decision on when payouts are made

2. The COUNTY shall provide funds to SUBGRANTEE to reimburse SUBGRANTEE for eligible costs that the COUNTY and its designated SUBRECIPIENT determine to be customary and reasonably associated with the PROJECT, as follows:

(a) **Customary closing costs.** Each PROPERTY acquired under this PROJECT, under Eligible Use B, must be acquired at a minimum of one percent (1%) discount from the current market value based on an appraisal not older than six (6) months from the date the written offer to purchase the PROPERTY is submitted to the seller. If the property value is estimated to be \$25,000 or less, the current market value may be established by a County Assessors' valuation, a broker's price opinion or other reliable sources. Appraisals must be performed by an appraiser listed on the FHA Appraiser Roster and approved by the COUNTY.

(b) **Costs of Rehabilitation, Demolition or Redevelopment.** These costs must be directly attributed to the PROJECT and include, but are not limited to costs of rehabilitation, demolition and new construction, as applicable, including supplies, materials, and hiring contractors, subcontractors, and trades necessary to complete the work. All work that must be performed by a licensed or certified craftsman or tradesman required by either the unit of local government or the State of Illinois must be carried out by properly licensed or certified craftsman or tradesman. Each PROPERTY rehabilitated or constructed under this PROJECT shall have an after-rehabilitation market value not to exceed \$275,200 per unit. However, **in no event should the NSP investment exceed \$150,000 per unit without the separate written approval of COUNTY.** Such after-rehabilitation value shall be established by an appraisal performed by a State licensed or certified appraiser in accordance with title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) (12 U.S.C. 3331 et seq.) (See the Current FHA Appraiser Roster).

(c) **DEVELOPER Fees.** If a DEVELOPER fee percentage is specified in the Program Summary and Budget, a DEVELOPER fee for the total development costs of a PROPERTY (including acquisition, rehabilitation and/or construction) may be paid to a DEVELOPER as payment is made for these costs. Notwithstanding the foregoing, however, **DEVELOPER fees for the project may not exceed a total of 12% of the total development costs per PROPERTY**, without the written consent of CCBCD. In no event shall a DEVELOPER be paid a

DEVELOPER fee and a consultant fee. However, if DEVELOPER is also acting as a General Contractor (CG), DEVELOPER shall also be entitled to an additional fee of 2% of the total development costs. Higher fees are subject to separate written approval of COUNTY.

(d) **SUBGRANTEE Project Delivery Costs** SUBGRANTEE may be reimbursed for reasonable and necessary Project Delivery Costs in an amount up to 2% of the total NSP award. Project Delivery Costs are those costs that are reasonable and necessary to produce a NSP designated unit at a specific address. SUBGRANTEE may not seek reimbursement for charges incurred by the DEVELOPER under the project budget. Any funds remaining after delivery of all PROPERTY(IES) shall be reprogrammed at COUNTY's discretion. COUNTY will hold back an additional 4% of the total NSP award as Project Delivery Costs for project oversight for designated SUBRECIPIENT or agents of the COUNTY.

(e) **Carrying Costs**. Usual and customary costs associated with carrying each PROPERTY until it is sold to an eligible household, including, but not limited to, management fees, maintenance costs, insurance, real estate taxes, and replacement reserves.

(f) **Selling Costs**. Costs associated with the sale of each PROPERTY to an eligible household, including, but not limited to, the costs of advertising the unit for sale, screening potential homebuyers, performing income qualification procedures, and preparing required documentation.

(g) Other such related costs that have the same intent as this AGREEMENT, are eligible for NSP funding, however must be approved in writing in advance by the COUNTY.

III. BUDGET; TERMS OF NSP FUNDING; REIMBURSEMENT PROCEDURES

A. NSP funds in the amount of \$500,000 (FIVE HUNDRED THOUSAND DOLLARS) shall be made available to the SUBGRANTEE for the acquisition, rehabilitation, demolition and/or redevelopment of PROPERTIES approved by COUNTY established under the NSP guidelines., and upon the execution of documentation as described in this Section III. Notwithstanding the foregoing, COUNTY recognizes that SUBGRANTEE'S Program and Project(s) are unique; therefore, the NSP Activities that are allowable under this agreement shall be restricted to those listed in the Program Summary and Budget (see Exhibit A).

B. Upon purchase, SUBGRANTEE, its designated title holder, and/or qualified developer (under contact with SUBGRANTEE) (hereinafter, as applicable, "**PROGRAM PARTNER**") shall take title to PROPERTY via Warranty Deed or assume a beneficial interest in the PROPERTY via a Trust Agreement. Simultaneously, the applicable PROGRAM PARTNER shall execute a note and a mortgage and regulatory and land use restriction agreement in favor of COUNTY, to ensure the repayment of the NSP funds that COUNTY has paid towards the acquisition and rehabilitation, demolition and/or redevelopment of the PROPERTY. COUNTY shall record said mortgage against the PROPERTY. If the costs for

rehabilitation, demolition, and/or redevelopment are known at the time of acquisition, the same may be accomplished by executing one mortgage and note to include acquisition, and construction costs. If rehabilitation, redevelopment or demolition costs were not included in the original note and mortgage at the time of purchase and PROGRAM PARTNER desires additional funds to rehabilitate, redevelop or demolish PROPERTY, hereinafter collectively, PROGRAM PARTNER shall execute a second note and mortgage for the amount of the preliminary rehabilitation or demolition. Such amount shall be subject to the program budget. The documents shall be drafted to ensure repayment of any NSP funds that COUNTY will provide SUBGRANTEE toward the rehabilitation, demolition and/or redevelopment of the PROPERTY. The COUNTY shall record said second mortgage against the PROPERTY. All of the following conditions shall be included in the mortgage instruments to be executed by the PROGRAM PARTNER.

In the event that any one or more of these conditions occur, the mortgage financed in part or in full with COUNTY NSP funds shall be considered in default:

1. The SUBGRANTEE, its designee and/or qualified developer fails to sell or rent the PROPERTIES or any PROPERTY as affordable housing for households whose incomes are below one hundred twenty percent (120%) of the area median family income (AMI), or such other AMI percentage as limited in the Summary of Program and Budget to the initial buyer or renter thereof as applicable,
2. If, during the time any COUNTY mortgage with SUBGRANTEE, or qualified developer, SUBGRANTEE and/or qualified developer, remains on title for any PROPERTY, the SUBGRANTEE and/or qualified developer files any petition in bankruptcy, or for a receiver, or insolvency, or for reorganization of composition, or makes any assignment for the benefit of creditors or to a trustee for creditors, or permits an adjudication in bankruptcy, the taking of possession of the PROPERTIES or any PROPERTY or any part thereof by the receiver, or the seizure and sale of the PROPERTIES or any PROPERTY or any part thereof under judicial process or pursuant to any power of sale, and fails to have such adverse action set aside within forty-five (45) days.
3. The SUBGRANTEE and/or qualified developer transfers, or otherwise encumbers the PROPERTIES or any PROPERTY, without the prior express written consent of the COUNTY.
4. If, during the time any COUNTY mortgage with SUBGRANTEE and/or qualified developer as mortgagor remains on any PROPERTY, the SUBGRANTEE and/or qualified developer fails to maintain the PROPERTIES or any PROPERTY and its grounds and equipment pertinent thereto according to applicable NSP Program property standards and all local and state codes and ordinances.
5. If, during the time any COUNTY mortgage with SUBGRANTEE and/or qualified developer as mortgagor remains on any PROPERTY, the SUBGRANTEE and/or qualified developer shall fail to purchase fire and extended coverage insurance and flood insurance, if required, thereon and provide and file a certificate of said coverage with the COUNTY, the proceeds

of which, in the event said structure shall be destroyed or damaged by fire or other casualty, shall be used for reconstruction of said structure upon the said real estate.

C. Acquisition of property shall be subject to environmental review clearance by the Illinois Historic Preservation Office and reimbursement for acquisition shall be subject to the submission of the following information to the COUNTY'S designated SUBRECIPIENT, unless otherwise specified by COUNTY, prior to closing:

1. Copy of hazard insurance policy naming COUNTY as a loss payee as follows:

COUNTY OF COOK, Illinois, a body corporate and
politic of the State of Illinois
Bureau of Community Development
Neighborhood Stabilization Program
69 W. Washington Street, Suite 2900
Chicago, Illinois 60602

2. Preliminary rehabilitation/redevelopment budget for the property. SUBGRANTEE WILL PROVIDE INFORMATION TO COUNTY AND QUALIFIED DEVELOPER AS TO DATE, TIME, AND LOCATION OF CLOSING.

D. Reimbursement for rehabilitation, demolition, new construction, and other carrying costs of a PROPERTY shall be subject to the submission of the following information to the COUNTY:

1. Original, executed Request for Obligation of NSP Funds.
2. Payment form 29A (See Exhibit G).
3. A detailed scope of work for the rehabilitation of each unit in the PROPERTY for which reimbursement is being requested.
4. Receipts for materials, appropriate lien waivers from contractors, and, "paid in full" or "paid to date" invoices from contractor with copy of SUBGRANTEE'S and or qualified developer's payment check(s).
5. Additional documentation, if requested, at sole discretion of COUNTY.
6. SUBGRANTEE and/or qualified developer may request reimbursement of eligible rehabilitation or construction costs on an ongoing basis throughout the rehabilitation period.
7. SUBGRANTEE, or qualified developer may subcontract all or any portion of the PROJECT, as allowed by COUNTY policy, to such engineers, architects, construction contractors or other entities as SUBGRANTEE and/or qualified developer shall deem appropriate or necessary and upon such terms

as may be acceptable to SUBGRANTEE and/or qualified developer, provided applicable administrative and procurement requirements are followed as set forth in this AGREEMENT. General Contractors working on NSP PROPERTIES, unless otherwise approved by COUNTY, must be certified by the COUNTY, prior to being able to bid for and work on NSP Projects. SUBGRANTEE and/or qualified developer certifies that it will include in its contracts financed in whole or in part with NSP funds, all clauses required by Federal laws, executive orders, or regulations, and each contractor will also include in its subagreements and contracts financed in whole or in part with NSP funds all applicable clauses required by Federal laws, executive orders, or regulations.

8. Any change orders requested by contractors and subcontractors must be sent by SUBGRANTEE and/or qualified developer with a letter of explanation stating the cause and need for the change order to COUNTY'S designated SUBRECIPIENT, unless otherwise specified by COUNTY, for approval prior to authorization of work. All change orders are required to be first approved by COUNTY's designated SUBRECIPIENT, subject to the final required approval by COUNTY.

9. SUBGRANTEE and/or qualified developer shall erect a sign in a prominent place at each job site crediting COUNTY and HUD for funding of the PROJECT by including the following statement:

"Funding for this Project has been provided, in part, by the Cook County Department of Housing, under the Bureau of Community Development from a grant provided by the U.S. Department of Housing and Urban Development's Neighborhood Stabilization Program."

All such signs shall be provided by COUNTY or its designated SUBRECIPIENT to SUBGRANTEE at no charge.

E. Resale of any PROPERTY to an income eligible household shall be subject to the submission of the following information to the COUNTY'S designated SUBRECIPIENT prior to closing and in accordance with the following procedures:

1. Original, executed Request for Payment form 29A, if closing will require NSP funds from COUNTY.
2. A copy of the executed contract between SUBGRANTEE and purchaser.
3. Documentation of the purchaser household characteristics and income in a form approved by the COUNTY.
4. Documentation verifying that purchaser has completed eight hours of homebuyer counseling from a HUD-approved housing counseling agency.
5. A copy of financing commitment letter from SUBGRANTEE and/or qualified developer or other lender(s), if any.

6. A copy of Truth-in-Lending statement from SUBGRANTEE and/or qualified developer or other lender(s), if any.
7. A commitment for an acceptable ALTA form of mortgagee's policy of title insurance in the amount of the mortgage to be given by COUNTY, issued by a title insurance company satisfactory to the COUNTY, insuring "County of Cook, by and through the Cook County Bureau of Community Development, its successors and/or assigns" subject only to those exceptions to title as the COUNTY shall approve.
8. Copy of hazard insurance policy naming COUNTY as a loss payee as specified above.
9. Information as to date, time, and location of closing.

F. Mortgage Documentation, buyer subsidies, affordability periods and repayment terms for PROPERTY shall be based on the following:

1. **Occupancy, Resale, Conversion of For Sale Single Family PROPERTY (1 Unit)**. For single family for sale PROPERTY, SUBGRANTEE and/or qualified developer shall have a period of 6 months (the disposition grace period), after completion of rehabilitation, redevelopment or other construction, in which to re-sell or re-sell under a lease-purchase option (as applicable, subject to the Program Summary Budget) each PROPERTY. The sales price of any PROPERTY shall be the lesser of the appraised value or the aggregation of all costs of acquisition, rehabilitation, and redevelopment. Any gap between the cost of acquisition, rehabilitation and/or redevelopment and the appraised value, shall be considered a development subsidy and shall be subject to separate underwriting considerations by the COUNTY. SUBGRANTEE and/or qualified developer may not unreasonably delay acquisition, rehabilitation, redevelopment, sale or lease/purchase of PROPERTY. Acquisition, rehabilitation and redevelopment shall be subject to the timeline outlined in Section IV below.

In the event that a ready, willing, and able NSP eligible buyer or lease-purchaser is not found for the PROPERTY within the allotted time, SUBGRANTEE and/or qualified developer may send a written request to the COUNTY'S designated SUBRECIPIENT for an extension of time to find an eligible beneficiary. COUNTY may grant extensions in its sole discretion by written response within thirty (30) days of such request. In the event that an extension is not granted or a response is not received from COUNTY'S designated SUBRECIPIENT or COUNTY, the PROPERTY shall convert to a rental PROPERTY, ninety (90) days after expiration of the disposition grace period, if a buyer or lease-purchaser has not taken possession of the PROPERTY. In such event SUBGRANTEE and/or qualified developer shall provide proof to COUNTY'S designated SUBRECIPIENT that a qualified developer who has experience maintaining affordable rental housing holds title to PROPERTY at that time (90 days after expiration of the disposition grace period) and such developer agrees to operate PROPERTY as rental housing for the affordability period. Notwithstanding the foregoing, nothing in this

paragraph shall prevent qualified developer from selling the property, during the affordability period, to a qualified NSP buyer.

COUNTY shall have the sole discretion of determining whether the SUBGRANTEE and/or qualified developer has satisfied these requirements. In the event that the requirements have not been met, the entire amount of the Mortgage and Note shall immediately become due and owing County, unless SUBGRANTEE and/or qualified developer assists and cooperates fully with COUNTY and designated SUBRECIPIENT for the transfer of the PROPERTY to a qualified developer that has experience managing affordable rental housing, for the remainder of the affordability period (See III.F.5.) for rules governing lease-purchase.

Municipality	High Cost	F/C & A Risk	Low/Mod Population	Unemployment 2008	Score	Allowable Forgivable Buyer Subsidy
Ford Heights	68.6	12.1	85.25	34.7	200.65	50%
Robbins	64.1	11.4	77.67	25.4	178.57	50%
Harvey	77.2	14.5	70.66	13	175.36	45%
Dixmoor	60.7	10.8	78.17	20.5	170.17	45%
Phoenix	67.4	11.9	71.84	12.1	163.24	40%
Riverdale	69.9	12.3	61.64	15.1	158.94	40%
Blue Island	64.1	11.4	59.79	10.1	145.39	35%

2. **High Priority Areas.** The COUNTY has designated certain areas of greatest need as having a higher priority for economic growth and development. The areas are as follows:

Except as specified below, if the single family PROPERTY is located within any of the high priority areas, SUBGRANTEE and/or qualified developer may provide a buyer subsidy up to the percentage listed in the chart above to eligible buyers. Buyer subsidies exceeding the amounts listed above must have separate written approval from COUNTY. Buyers are considered eligible for the subsidy, if they meet the following criteria:

- A. Able to obtain a first mortgage for the remaining portion of the purchase price, independent of County financing
- B. Consistent and stable work history
- C. Must occupy the premises as a primary residence
- D. Income must not exceed 120% of the area median income, unless further restricted in the Program Summary and Budget

Exception: For all other eligible NSP areas, as such areas are listed in Exhibit A, COUNTY will permit not more than 15% of the sale price to remain in the single family home as a homebuyer subsidy, without the separate written consent of COUNTY. The subsidy limitations in this section shall not apply when the SUBGRANTEE contracts with Habitat for Humanity (a Non-Profit

DEVELOPER) to act as the Lender/Loan Servicer for Single Family Resale PROPERTIES (separate underwriting criteria may apply).

3. RELEASE OF MORTGAGE AND NOTE UPON RESALE. At the time each single family PROPERTY (1 Unit) is sold to an income eligible household, COUNTY will release its prior recorded liens (mortgage and note) against the PROPERTY, subject to the guidelines listed in this Section III, and the purchaser shall execute a 0% Interest, Forgivable Note and Junior Mortgage in favor of COUNTY for the agreed upon homebuyer subsidy. This Junior Mortgage shall be 0% interest, and shall be forgiven over the applicable affordability period (credit being given for any period that the property is leased), beginning in year five of the loan. County will not require repayment so long as an income eligible household occupies the PROPERTY as a primary residence, during the affordability period. Any remaining balance of the NSP loan must be repaid at the time of sale of the house. The amount of the NSP loan that must be repaid does not include the Development Subsidy as referenced in herein or the Buyer Subsidy as referenced in above.

4. The following affordability period restrictions shall apply to each NSP PROPERTY, except as otherwise approved by COUNTY in writing:

**Affordability Period and Intended Usage Chart
with Recapture Provisions/Homebuyer Units**

Amount of Grant or Loan	Affordability Period	Terms	Recapture Back to Cook County
Under \$15,000 per unit	Homebuyer: 5 years	Nothing is forgiven Years 1-5. 100% due back if homebuyer fails to maintain as principal residence, sells or transfers title within first 5 years	100% due; all is forgiven after year 5
\$15,000 to \$39,999 per unit	Homebuyer: 10 years	Nothing is forgiven Years 1-5. 100% due back if homebuyer fails to maintain as principal residence, sells or transfers title within first 5 years. Partial forgiveness after year 5	100% due; year 1 to 5, beginning year 6, 20% of balance is forgiven per year, all is forgiven after year 10
\$40,000 + per unit	Homebuyer: 15 years	Nothing is forgiven Years 1-10. 100% due back if homebuyer fails to maintain as principal residence, sells or transfers title within first 10 years. Partial forgiveness after year 10	100% due; year 1 to 10, beginning year 11, 20% of balance is forgiven per year, all is forgiven after year 15
Any amount for new construction or reconstruction	Homebuyer: 20 years	Nothing is forgiven Years 1-10. 100% due back if homebuyer fails to	100% due; year 1 to 10, beginning year 11, 10% of balance is forgiven per

		maintain as principal residence, sells or transfers title within first 10 years. Partial forgiveness after year 10	year, all is forgiven after year 20
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Cook County will establish the actual amount of the Homebuyer Subsidy to be “recaptured” (repayment based on the above detailed forgiveness schedule) based on the availability of “net proceeds”. Net proceeds are hereby defined as any amount remaining after the sale price minus any superior loan or lien repayment and reasonable seller closing costs have been deducted.

Payments made to the County through resale are considered program income. Such funds shall be received by the COUNTY in its Disaster Recovery System and utilized for other NSP Eligible Activities.

5. Lease-Purchase of Single Family Property. For lease-purchase transactions, SUBGRANTEE and/or qualified developer is encouraged to identify a qualified developer that has experience with managing affordable rental housing, to take title and manage the PROPERTY, during the option period of up to 3 years.

SUBGRANTEE and/or qualified developer with experience managing affordable housing shall provide the lease-purchaser the option to purchase the PROPERTY within a period of time designed by SUBGRANTEE not to exceed 3 years and not less than 2 years.. SUBGRANTEE and/or qualified developer shall also assist lease-purchasers with identifying resources for homeownership preparation. This shall include, but is not necessarily limited to requiring lease-purchasers to obtain a minimum of eight (8) hours of housing counseling from a HUD certified Housing Counselor, prior to entering into a lease agreement for each PROPERTY. A certificate of completion must be attached to the lease agreement. Upon expiration of the three year option period, such purchaser shall be required to obtain a First Mortgage. SUBGRANTEE and/or qualified developer shall also set aside sufficient funds from rental payments to assist lease-purchaser (tenant) with a 5% down payment towards the purchase of the PROPERTY. The requirements for homebuyer purchase outlined in this AGREEMENT shall govern the transfer of title to qualified lease-purchaser. In the event that the lease-purchaser is unable to qualify for and close on the loan within ninety (90) days after the expiration of the lease-purchase period, and SUBGRANTEE and/or qualified developer is unable to sell the PROPERTY to another qualified NSP homebuyer, the PROPERTY shall automatically convert to a rental PROPERTY for the duration of the affordability period, and shall be subject to the NSP rules governing rental property as specified in this AGREEMENT, and in the COUNTY’S NSP Procedural Manual. Notwithstanding the conversion period, nothing in this section/agreement shall be deemed to prevent Developer from selling Property to a qualified NSP beneficiary, during the affordability and rental conversion period. Unless otherwise approved in writing by COUNTY, which such approval shall not be

unreasonably withheld, conditioned or delayed, SUBGRANTEE and/or qualified developer agrees to act as landlord during such remaining affordability period, under the terms of the deferred note, mortgage and regulatory land use restriction. Unless otherwise approved in writing by COUNTY, SUBGRANTEE and/or qualified developer agrees to remain in the transaction, as a landlord of each single family PROPERTY that is converted to a rental PROPERTY, for the duration of the affordability period.

6. SUBGRANTEE or Qualified Developer as Landlord in General. THE UNITS WILL BE DESIGNATED AS AFFORDABLE TO SUCH HOUSEHOLDS FOR A PERIOD OF YEARS BASED ON THE AMOUNT OF THE SUBSIDY (SEE AFFORDABILITY PERIOD CHART BELOW)

Affordability Period Rental Housing

All NSP-assisted housing units that are considered “rental housing” will be subject to the following minimum affordability restrictions based on the requirements of the COUNTY’S HOME Investment Partnership Program (HOME):

Assistance Per Unit	Affordability Period
Under \$15,000	5 Years
\$15,000-\$40,000	10 Years
\$40,000 and above	15 Years
New/Reconstruction	20 Years

The COUNTY may impose an additional “Negotiated Extended Affordability Period” which may be utilized in cases when it is necessary to extend the Mortgage term, in order to ensure affordability for the PROPERTY.

Affordability will be enforced through the recording of deed restrictions and covenants running with the land to be executed at the acquisition closing on each PROPERTY.

For the purposes of this AGREEMENT, the COUNTY has established three definitions of “Affordable rents” to determine the maximum allowable rent for NSP-assisted units. These rent levels include utilities. If the tenant pays utilities, a utility allowance must be subtracted from the maximum allowable rent to determine the maximum contract rent. Utility allowances shall be calculated as they are currently calculated for the COUNTY HOME Rental Housing projects. The COUNTY will review and approve the rents charged on an annual basis. The rent limits shall be updated by HUD on an annual basis, and distributed by the COUNTY to all owners and property managers.

Low Income (Set-aside): For NSP-assisted units designated as Set-aside units (those occupied by households earning less than 50% of the area median income), rents shall not exceed the limits established by the

HOME Investment Partnerships Program for very low-income families (24 CFR Part 92.252(b)), otherwise known as "low HOME rents".

Moderate Income: For NSP-assisted units occupied by households earning between 51 and 80% of the area median income, rents shall not exceed the maximum limits established by the HOME Investment Partnerships Program (24 CFR Part 92.252(a)), otherwise known as "high HOME rents".

Middle Income: For NSP-assisted units occupied by households earning between 81 and 120% of the area median income, rents shall not exceed 110% of Fair Market Rents (FMR) for comparable units in the area as established by HUD under 24 CFR 888.111.

The following separate restrictions shall also apply based on the type of housing:

Multi-Family PROPERTY (5 Units and Up) and Single Family PROPERTY (With 2-4 Units), if SUBGRANTEE and/or qualified developer no longer desires to operate PROPERTY as an affordable rental PROPERTY, or if COUNTY elects not to extend the affordability period, SUBGRANTEE and/or qualified developer must provide the then current occupant(s), that have a viable not-for-profit tenants' organization (not-for-profit registered with the Secretary of State of Illinois, in good standing, majority of occupying tenant participation, possessing the financial means with assistance from County or other financial institution and existing for at least one year prior to the end of the affordability period) with the right of first refusal to purchase the PROPERTY. All leases for the property must indicate any remaining affordability period and clearly indicate the right of first refusal that any viable tenants' organization in the PROPERTY existing at the end of the affordability period, shall have the right of first refusal to purchase the property at the end of the affordability period. The PROPERTY must be sold to the new buyer at a price that is at least 1% less than the then current appraised value. After any existing liens in favor of COUNTY are satisfied, COUNTY and any qualified developer, if any on title, shall share equally in the proceeds from the resale. COUNTY, at its sole discretion, may leave any portion due COUNTY as a buyer subsidy for new buyer or to assist the tenant organization.

Single Family PROPERTY (With Only 1 Unit). At the end of the initial affordability period for single family rental PROPERTY, SUBGRANTEE and/or qualified developer may request an extension of the affordability period from COUNTY. Such request shall not be unreasonably denied, where SUBGRANTEE and/or qualified developer has maintained the single family rental PROPERTY consistent with NSP rules and regulations. In the event that a request for an extension is granted, COUNTY shall release its prior lien on the property and SUBGRANTEE and/or qualified developer shall execute a new mortgage, note and regulatory land use restriction agreement in favor of COUNTY at such new and agreed upon terms and affordability period. As a matter of

policy and in the interest of maintaining affordability, the COUNTY has a preference for establishing a deferred note, when qualified developer has maintained the single family PROPERTY in compliance with NSP rules and regulations and shares the COUNTY'S goals of furthering affordable housing. At the end of the affordability period, if SUBGRANTEE and/or qualified developer no longer desires to operate PROPERTY as an affordable single family rental PROPERTY, or the COUNTY elects not to extend the affordability period, SUBGRANTEE and/or qualified developer must provide the then current occupant, that is in good standing with the rental obligation and lease agreement, with the right of first refusal to purchase the PROPERTY. All leases for the property must indicate any remaining affordability period and clearly indicate the right of first refusal that any then current occupying tenant may have to purchase the property at the end of the affordability period.

7. SUBGRANTEE undertaking the construction or demolition of PROPERTY not listed in III.F. (non rental or for sale housing), shall be at terms established by COUNTY with SUBGRANTEE, and shall govern repayment terms. In general Demolition and non-housing related Public Facilities will be established upon Deferred and/or Forgivable Mortgage and Note terms. Other commercial properties will be established upon terms set by COUNTY.

8. COUNTY or its designated SUBRECIPIENT will provide boilerplate mortgage, note and regulatory agreement documentation to SUBGRANTEE for the purposes of ensuring that the COUNTY's interest is adequately protected on each PROPERTY. SUBGRANTEE shall be responsible for ensuring that documents are drafted and properly recorded for each PROPERTY.

G. Upon release of funds by HUD for the PROJECT, the COUNTY shall make disbursements to the SUBGRANTEE in compliance with II.B. above. All claims of SUBGRANTEE developer shall comply with the following requirements:

1. SUBGRANTEE shall submit a listing of all disbursements of NSP funding, on a form provided by the COUNTY to COUNTY'S designated SUBRECIPIENT, or as otherwise directed by COUNTY;

2. Any request for reimbursement or advancement pertaining to work under contracts and subcontracts shall include SUBGRANTEE'S certification as follows:

For interim payments to contractors and subcontractors, certification that the work for which payment is requested has been performed and is in place and to the best of SUBGRANTEE'S knowledge, information and belief, the quality of such work is in accordance with the subcontract, subject to:

- (i) any evaluation of such work as a functioning project upon substantial completion;
- (ii) the results of any subsequent tests permitted by the subcontract; and
- (iii) any defects or deficiencies not readily apparent upon inspection of the work; and

3. For final payment, that the work has been performed in a good, workmanlike, satisfactory manner and in conformance with the subcontract and local building code.

4. Processing of all requests for payment shall be contingent upon the submission of the required documentation to COUNTY's designated SUBRECIPIENT (or as otherwise directed by COUNTY) that fully complies with all applicable Federal, state, county or local statutes, rules or regulations. COUNTY reserves the right to withhold funded amounts until all such requirements are met. In order to process requests for payment.

5. If so requested by COUNTY or its designated SUBRECIPIENT, SUBGRANTEE shall forward to COUNTY or its designated SUBRECIPIENT, respectively, all billings, vouchers, and other documents representing any accounts payable, in such timely and reasonable manner as both parties shall determine.

H. This PROJECT shall be identified as NSP AGREEMENT No.: NSP-01-SG- PAR-6-7-10, which identifying number shall be used by SUBGRANTEE on all payment requests. SUBGRANTEE'S requests for payment shall also refer to the corresponding NSP Project/DRGR number for each Property (after the initial Request for Obligation of Funds is approved – as this number will be initially assigned by COUNTY).

IV. SCHEDULE FOR COMPLETION AND TIMELINESS.

A. Time is of the essence of this AGREEMENT. SUBGRANTEE shall be responsible for meeting the completion dates for the activities listed below, except where delay is caused by County. If a SUBGRANTEE does not meet a completion date, SUBGRANTEE shall immediately submit a revised implementation schedule to COUNTY'S designated SUBRECIPIENT or as otherwise directed by COUNTY, for approval by the COUNTY. Failure to achieve these deadlines may result in the loss or reduction of grant funds.

<u>Activity</u>	<u>Completion Date</u>
Submittal of Affirmative Marketing Plan and Acquisition of first Property	Month 1
100% Obligation (evidence of contracts and good faith budget as submitted through Voluntary acquisition, environmental review request and obligation request to CCBCD)	Month 2
10% completion of Acquisition	Month 7
50% completion of Acquisition and 20% completion of Construction, Rehabilitation and/or Demolition	Month 9
90% completion of Acquisition and 70% completion of Construction, Rehabilitation and/or Demolition	Month 12
90% of completion of Construction, Rehabilitation and/or Demolition	Month 15

<u>Activity</u>	<u>Completion Date</u>
100% of completion of Expenditure of NSP Funds	Month 16

In the event that SUBGRANTEE is unable to act or meet any of the time requirements for the Activities listed above, or if in sole opinion of COUNTY, SUBGRANTEE will be unable to meet its obligations under this agreement to secure contracts, acquire, rehabilitate, redevelop, expend funds or satisfy the NSP Program requirements, COUNTY reserves the right to act on behalf of SUBGRANTEE or COUNTY'S NSP Program to meet NSP requirements. This may include, but is not limited to the termination of the loan award to SUBGRANTEE and redirecting to funds to other NSP areas of greatest need.

Upon completion of construction or rehabilitation, all funds must have been expended, any unused funds will be recaptured and reprogrammed by the COUNTY at its sole discretion.

B. SUBGRANTEE shall complete address specific commitment (100% Obligation) of NSP Funds pursuant to the PROJECT and PROGRAM by **June 15, 2010 (Month 2)**, unless separate written consent is given by the COUNTY. If SUBGRANTEE is delayed in the commitment of the PROJECT funds by any cause legitimately beyond its control, as determined by the COUNTY, such that it cannot complete the PROJECT and PROGRAM by such date, it shall immediately give written notice to COUNTY'S designated SUBRECIPIENT or as otherwise directed by COUNTY, of the anticipated delay, the reasons therefore and request an extension of time for completion of the PROJECT. Upon review and approval by the County, the time for completion may (in COUNTY'S sole discretion) be extended by the County for a maximum of one (1) month, or such other longer period of time as may be approved by COUNTY in its sole discretion.

C. After a period of ten (10) months from the date of this AGREEMENT, the COUNTY or its designated SUBRECIPIENT may review the progress of the PROJECT. At the time of this review, if the SUBGRANTEE or DEVELOPER has not demonstrated significant progress toward completion and, and delays are determined by COUNTY or its designated SUBRECIPIENT to be within the control of the SUBGRANTEE, or its DEVELOPER, designated SUBRECIPIENT may recommend to the COUNTY that this AGREEMENT be terminated, and all further payments suspended, and the COUNTY shall act upon said recommendation and notify the SUBGRANTEE of its action.

V. PROGRAM INCOME

A. SUBGRANTEE must keep detailed accounting records, in a form approved by COUNTY, of the income and expenses of its NSP portfolio. Such records shall be submitted to COUNTY for its review no later than forty-five (45) days after the end of SUBGRANTEE'S fiscal year or from time to time as requested by COUNTY should HUD require additional reporting periods.

B. Payments received by SUBGRANTEE as proceeds from each PROPERTY are considered program income under the NSP. Except as otherwise herein provided, amounts repaid by purchasers directly to SUBGRANTEE and lease-purchasers for the PROPERTY shall be returned to COUNTY by SUBGRANTEE. Program income must be accurately accounted for, and must be re-used for an eligible NSP activity in a COUNTY approved area of greatest need within Cook County. When program income is received by SUBGRANTEE and transferred to COUNTY for receipt into COUNTY'S DRGR (Disaster Grants Recovery System), COUNTY shall make said amounts available to be re-utilized for other NSP Activities in the municipal area from which it originated, as such areas and amounts are defined in the Project Summary and Budget, for a period of 5 years. Any retained program income is disbursed for eligible activities before additional cash withdrawals are made by COUNTY from the U.S. Treasury. Funds must be clearly marked as being related to SUBGRANTEE'S NSP Program to ensure proper credit to SUBGRANTEE for the 5 year period.

For example:

If the SUBGRANTEE received grant funds for use in the City of Markham, all program income originated from that City shall be returned to COUNTY. COUNTY will designate or earmark those funds for the City of Markham for a period of 5 years. After such time said funds shall be retained by COUNTY for disbursement in other NSP areas for NSP eligible projects.

Therefore, SUBGRANTEES are encouraged and urged to maximize and effectively utilize the NSP funds for greater neighborhood stabilization.

VI. UNIFORM ADMINISTRATIVE REQUIREMENTS

A. SUBGRANTEE MUST COMPLY WITH APPLICABLE PORTIONS OF 24 CFR PART 84 UNIFORM ADMINISTRATIVE REQUIREMENTS FOR GRANTS AND AGREEMENTS WITH INSTITUTIONS OF HIGHER EDUCATION, HOSPITALS, AND OTHER NON-PROFIT ORGANIZATIONS, EXCEPT THAT SUBGRANTEE MAY NAME ITS DEVELOPMENT TEAM. THESE REGULATIONS IMPLEMENT OMB CIRCULAR 110 AND SET FORTH UNIFORM REQUIREMENTS FOR NONPROFIT ORGANIZATIONS, INCLUDING FINANCIAL MANAGEMENT SYSTEMS, PROPERTY STANDARDS, PROCUREMENT STANDARDS, REPORTING AND RECORD KEEPING.

B. SUBGRANTEE MUST COMPLY WITH THE REQUIREMENTS AND STANDARDS OF OMB CIRCULAR A-122, "COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS." THIS CIRCULAR ESTABLISHES PRINCIPLES FOR DETERMINING ALLOWABLE COSTS.

C. SUBGRANTEE MUST COMPLY WITH OMB CIRCULAR A-133 "AUDIT REQUIREMENTS." FOR ANY YEAR THAT SUBGRANTEE AND OR QUALIFIED DEVELOPER EXPENDS MORE THAN \$500,000 IN FEDERAL FUNDS, SUBGRANTEE AND/OR QUALIFIED DEVELOPER MUST HAVE A SINGLE AUDIT WHICH INCLUDES ITS FINANCIAL STATEMENTS AND ITS FEDERAL AWARDS FROM ALL APPLICABLE

FEDERAL PROGRAMS. NOTWITHSTANDING THE FOREGOING, IF NSP FUNDING IS THE SOLE SOURCE OF FEDERAL FUNDS DURING ANY YEAR IN WHICH SUBGRANTEE AND/OR QUALIFIED DEVELOPER EXPENDS MORE THAN \$500,000 IN FEDERAL FUNDS, A PROGRAM-SPECIFIC AUDIT MAY BE CONDUCTED.

IV. OTHER PROGRAM REQUIREMENTS

A. THE PROJECT WILL BE CONDUCTED AND ADMINISTERED IN COMPLIANCE WITH APPLICABLE FEDERAL CIVIL RIGHTS AND FAIR HOUSING LAW, INCLUDING, BUT NOT LIMITED TO:

1. TITLE VI OF THE CIVIL RIGHTS ACT OF 1964 (PUB. L. 88-352, 42 U.S.C. §2000D ET SEQ.) AND IMPLEMENTING REGULATIONS ISSUED AT 24 CFR PART 1.
2. TITLE VIII OF THE CIVIL RIGHTS ACT OF 1968 (PUB. L. 90-208, 42 U.S.C. §2000D ET SEQ.), AS AMENDED; AND THE SUBGRANTEE WILL ADMINISTER ALL PROGRAMS AND ACTIVITIES RELATED TO HOUSING AND COMMUNITY DEVELOPMENT IN A MANNER TO AFFIRMATIVELY FURTHER FAIR HOUSING.
3. THE FAIR HOUSING ACT (42 U.S.C. 3601-20).
4. EXECUTIVE ORDER 11063, AS AMENDED BY EXECUTIVE ORDER 12259 (EQUAL OPPORTUNITY IN HOUSING), AND IMPLEMENTING REGULATIONS IN 24 CFR PART 107.
5. AGE DISCRIMINATION ACT OF 1975 (PUB. L. 94-135), AS AMENDED, AND IMPLEMENTING REGULATIONS WHEN PUBLISHED FOR EFFECT.

B. SECTION 109 OF THE ACT REQUIRES THAT NO PERSON IN THE UNITED STATES SHALL ON THE GROUNDS OF RACE, COLOR, NATIONAL ORIGIN, RELIGION, OR SEX BE EXCLUDED FROM PARTICIPATION IN, BE DENIED THE BENEFITS OF, OR BE SUBJECTED TO DISCRIMINATION UNDER ANY PROGRAM OR ACTIVITY RECEIVING FEDERAL FINANCIAL ASSISTANCE MADE AVAILABLE TO THE ACT. DISCRIMINATION ON THE BASIS OF AGE IS ALSO PROHIBITED.

C. IF THE PROJECT IS FOR A CAPITAL IMPROVEMENT ON A FACILITY OR FOR REHABILITATION OF RESIDENTIAL PROPERTY IF SUCH PROPERTY CONTAINS MORE THAN SEVEN (7) UNITS, THE SUBGRANTEE SHALL COMPLY WITH THE FEDERAL LABOR STANDARDS AND PREVAILING WAGE RATES, INCLUDING THE CONDUCTING OF EMPLOYEE INTERVIEWS OF THE CONTRACTOR AND/OR SUBCONTRACTORS AT THE JOB SITE.

D. COUNTY IS RESPONSIBLE FOR THE PREPARATION OF ENVIRONMENTAL REVIEWS FOR THE PROJECT AND ENFORCEMENT OF ENVIRONMENTAL STANDARDS. COUNTY AND SUBGRANTEE AGREE AND ACKNOWLEDGE THAT THIS AGREEMENT DOES NOT CONSTITUTE A COMMITMENT OF FUNDS OR SITE APPROVAL FOR A PARTICULAR PROPERTY OR PROPERTIES, AND THAT SUCH COMMITMENT OF FUNDS OR APPROVAL MAY OCCUR ONLY UPON

SATISFACTORY COMPLETION OF ENVIRONMENTAL REVIEW UNDER 24 CFR PART 58. SUBGRANTEE SHALL SUPPLY ALL INFORMATION REQUESTED BY COUNTY TO COMPLETE SUCH REVIEWS, SHALL CARRY OUT ANY MITIGATING MEASURES REQUIRED BY COUNTY, AND SHALL NOT ACQUIRE, REHABILITATE, CONVERT, LEASE, REPAIR OR CONSTRUCT PROPERTY, NOR COMMIT OR EXPEND NSP OR LOCAL FUNDS FOR A PROPERTY OR PROPERTIES UNTIL COUNTY HAS COMPLETED AN ENVIRONMENTAL REVIEW TO THE EXTENT REQUIRED UNDER 24 CFR PART 58 AND HAS GIVEN NOTIFICATION OF ITS APPROVAL IN ACCORDANCE WITH 24 CFR PART 58.

E. NO PROPERTY OR PROPERTIES LOCATED IN A FLOODPLAIN AND/OR SUBJECT TO THE NATIONAL FLOOD INSURANCE PROGRAM SHALL BE ACQUIRED OR REHABILITATED AS PART OF THIS PROJECT, WITHOUT SEPARATE WRITTEN APPROVAL OF CCBCD.

F. SUBGRANTEE AND/OR QUALIFIED DEVELOPER SHALL COMPLY WITH THE RELOCATION REQUIREMENTS OF TITLE II AND THE ACQUISITION REQUIREMENTS OF TITLE III OF THE UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970, AS AMENDED, AND THE IMPLEMENTING REGULATIONS AT 24 CFR PART 42, AS MODIFIED BY PARAGRAPH K OF THE FEDERAL REGISTER, VOLUME 73, NO. 194. NO PERSON(S) SHALL BE DISPLACED AS PART OF THIS PROJECT.

G. SUBGRANTEE AND/OR QUALIFIED DEVELOPER MUST COMPLETE CERTIFICATIONS SHOWING EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE IN ACCORDANCE WITH EXECUTIVE ORDER 11246, AS SET FORTH IN EXHIBIT "E" ATTACHED HERETO AND MADE A PART HEREOF. SUBGRANTEE SHALL FURTHER, TO THE EXTENT IT IS APPLICABLE, COMPLY WITH SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1973 BY MAKING EFFORTS TO OFFER TRAINING AND EMPLOYMENT OPPORTUNITIES TO LOW AND VERY LOW INCOME RESIDENTS OF THE PROJECT AREA, SHOULD SUBGRANTEE AND/OR QUALIFIED DEVELOPER FIND IT NECESSARY TO HIRE ADDITIONAL EMPLOYEES TO CARRY OUT THE PROJECT, AND BY MAKING EFFORTS TO AWARD CONTRACTS TO SECTION 3 BUSINESS CONCERNS WHEN CONTRACTING FOR THE REHABILITATION WORK INVOLVED IN THE PROJECT.

H. SUBGRANTEE AND/OR QUALIFIED DEVELOPER SHALL COMPLY WITH THE LEAD-BASED PAINT POISONING PREVENTION ACT (42 U.S.C. §4821-4846), THE RESIDENTIAL LEAD-BASED PAINT HAZARD REDUCTION ACT OF 1992 (42 U.S.C. §4851-4856) AND IMPLEMENTING REGULATIONS AT 24 CFR PART 35; SUBPARTS A, B, J, K, AND R OF THIS PART APPLY TO THIS PROJECT.

I. SUBGRANTEE AND/OR QUALIFIED DEVELOPER SHALL NOT USE DEBARRED, SUSPENDED OR INELIGIBLE CONTRACTORS OR SUBCONTRACTORS IN CARRYING OUT THIS PROJECT.

J. SUBGRANTEE AND/OR QUALIFIED DEVELOPER SHALL COMPLY WITH ADMINISTRATIVE AND PROCUREMENT REQUIREMENTS IN ACCORDANCE WITH 24 CFR PART 84 (EXCEPT THAT SUBGRANTEE AND/OR QUALIFIED DEVELOPER MAY NAME ITS DEVELOPMENT TEAM), INCLUDING THE CONFLICT OF INTEREST

PROVISIONS AND THE FOLLOWING PROVISIONS, TO ASSURE THE BEST AVAILABLE PRICE FOR ANY SUBCONTRACTS FOR REHABILITATION ACTIVITIES ASSOCIATED WITH THE PROJECT:

1. SUBGRANTEE AND/OR QUALIFIED DEVELOPER SHALL AVOID PURCHASING UNNECESSARY ITEMS.
2. WHERE APPROPRIATE, AN ANALYSIS SHOULD BE MADE OF LEASE AND PURCHASE ALTERNATIVES TO DETERMINE WHICH WOULD BE MOST ECONOMICAL AND PRACTICAL.
3. THE BID SPECIFICATIONS OR WORK WRITE-UPS SHALL INCLUDE: A CLEAR AND ACCURATE DESCRIPTION OF THE TECHNICAL REQUIREMENTS FOR THE MATERIAL, PRODUCT OR SERVICE TO BE PROCURED (SUCH DESCRIPTIONS SHALL NOT CONTAIN FEATURES WHICH UNDULY RESTRICT COMPETITION); REQUIREMENTS WHICH THE BIDDER/OFFEROR MUST FULFILL AND ALL OTHER FACTORS TO BE USED IN EVALUATING BIDS; A DESCRIPTION, WHENEVER PRACTICABLE, OF TECHNICAL REQUIREMENTS IN TERMS OF FUNCTIONS TO BE PERFORMED, INCLUDING THE RANGE OF ACCEPTABLE CHARACTERISTICS OR MINIMUM ACCEPTABLE STANDARDS; SPECIFIC FEATURES OF **"BRAND NAME OR EQUAL"** DESCRIPTIONS THAT BIDDERS ARE REQUIRED TO MEET; ACCEPTANCE TO THE EXTENT PRACTICABLE AND ECONOMICALLY FEASIBLE, OF PRODUCTS AND SERVICES DIMENSIONED IN THE METRIC SYSTEM OF MEASUREMENT; PREFERENCE, TO THE EXTENT PRACTICABLE AND ECONOMICALLY FEASIBLE, FOR PRODUCTS AND SERVICES THAT CONSERVE NATURAL RESOURCES, PROTECT THE ENVIRONMENT, AND ARE ENERGY EFFICIENT.
4. THE SUBGRANTEE AND/OR QUALIFIED DEVELOPER SHALL SUBMIT THE BID SPECIFICATIONS OR WORK WRITE-UPS AND PLANS TO THE COUNTY'S DESIGNATED SUBRECIPIENT, OR AS OTHERWISE DIRECTED BY COUNTY PRIOR TO ANY ADVERTISING OR BID SOLICITATION. IN THE EVENT CCBCD FAILS TO RESPOND TO ANY SUCH APPROVAL REQUEST WITHIN 5 BUSINESS DAYS OF RECEIPT THEREOF, STAFF APPROVAL MAY BE PRESUMED BY SUBGRANTEE AND/OR QUALIFIED DEVELOPER.
5. THE SUBGRANTEE AND/OR QUALIFIED DEVELOPER SHALL INCLUDE IN ANY INVITATION FOR BIDS OR WORK WRITE-UP BEING USED TO SOLICIT BIDS, THE STATEMENT **"MINORITIES AND WOMEN CONTRACTORS ARE ENCOURAGED TO SUBMIT BIDS."** SUBGRANTEE SHALL SEND AN INVITATION TO BID TO THE MBE AND WBE FIRMS CURRENTLY LISTED AND CERTIFIED WITH CCBCD, AS APPROPRIATE FOR THE TYPE OF WORK TO BE DONE. IF THE PROJECT IN AGGREGATE IS OVER THE SMALL PURCHASE THRESHOLD OF \$100,000, SEALED BIDS WILL BE REQUIRED AND SUBGRANTEE SHALL ADVERTISE IN THE CLASSIFIED SECTION OF A LOCAL NEWSPAPER WITH AN ADVERTISEMENT AD SIZE OF AT LEAST A 1" X 3" SPACE

SPECIFICALLY INVITING MBE/WBE FIRMS WITH CCBCD CERTIFICATION TO SUBMIT BIDS (SUBJECT TO COUNTY LABOR STANDARDS).

6. IF SEALED BIDS ARE REQUIRED, ALL BIDS WILL BE PUBLICLY OPENED AT THE TIME AND PLACE PRESCRIBED IN THE INVITATION FOR BIDS.

7. IF SEALED BIDS ARE REQUIRED, THE SUBGRANTEE AND/OR QUALIFIED DEVELOPER SHALL PROVIDE THE COUNTY'S DESIGNATED AGENT WITH A COPY OF THE CLASSIFIED ADVERTISEMENTS AND THE RESULTS FROM THE BID OPENING.

8. THE CONTRACT AWARD WILL BE MADE, IN WRITING, TO THE LOWEST QUALIFIED RESPONSIVE AND RESPONSIBLE BIDDER MEETING SPECIFICATIONS. ANY OR ALL BIDS MAY BE REJECTED, IF THERE IS REASON TO BELIEVE THAT THE LOW BIDDER WILL BE UNABLE TO COMPLETE THE PROJECT IN ACCORDANCE WITH THE BID SPECIFICATIONS, INCLUDING, BUT NOT LIMITED TO, THE FOLLOWING REASONS: CONTRACTOR HAS BEEN DEBARRED BY THE U.S. GOVERNMENT FROM WORKING ON FEDERALLY FUNDED PROJECTS, CONTRACTOR IS UNABLE TO FURNISH ANY REQUIRED BOND, CONTRACTOR HAS A POOR RECORD OF PAST PERFORMANCE, OR CONTRACTOR'S BID IS UNUSUALLY LOW IN RELATION TO OTHER BIDS AND CONTRACTOR IS NOT ABLE TO DOCUMENT HOW IT WILL BE ABLE TO MEET THE BID SPECIFICATIONS FOR THE AMOUNT BID.

9. EXCEPT AS OTHERWISE REQUIRED BY STATUTE, SUBGRANTEE AND/OR QUALIFIED DEVELOPER MAY FOLLOW ITS OWN REQUIREMENTS RELATING TO BID GUARANTEES, PERFORMANCE BONDS, AND PAYMENT BONDS, EXCEPT FOR CONTRACTS OR SUBCONTRACTS EXCEEDING \$100,000. SUCH CONTRACTS OR SUBCONTRACTS MUST MEET THE FOLLOWING REQUIREMENTS: A BID (PER LINE ITEM) GUARANTEE FROM EACH BIDDER EQUIVALENT TO FIVE PERCENT OF THE BID AMOUNT SHALL BE OBTAINED CONSISTING OF A BID BOND, CERTIFIED CHECK, OR OTHER NEGOTIABLE INSTRUMENT; A PERFORMANCE BOND ON THE PART OF THE CONTRACTOR FOR 100 PERCENT OF THE CONTRACT PRICE SHALL BE REQUIRED; AND A PAYMENT BOND ON THE PART OF THE CONTRACTOR FOR 100 PERCENT OF THE CONTRACT PRICE SHALL BE REQUIRED.

10. SUBGRANTEE SHALL PROVIDE THE COUNTY'S DESIGNATED AGENT WITH COPIES OF ALL EXECUTED CONTRACTS, INCLUDING A COPY OF THIS CONTRACT.

K. IN THE ACQUISITION AND DISPOSITION OF REAL PROPERTY AND THE PROVISION OF ASSISTANCE, IN ACCORDANCE WITH 24 CFR §570.611, NO PERSON WHO EXERCISES OR HAS EXERCISED ANY FUNCTIONS OR RESPONSIBILITIES WITH RESPECT TO NSP ACTIVITIES, OR WHO IS IN A POSITION TO PARTICIPATE IN A DECISION MAKING PROCESS OR GAIN INSIDE INFORMATION WITH REGARD TO

SUCH ACTIVITIES, MAY OBTAIN A FINANCIAL INTEREST OR BENEFIT FROM AN NSP ASSISTED ACTIVITY, OR HAVE A FINANCIAL INTEREST IN ANY CONTRACT, SUBCONTRACT, OR AGREEMENT WITH RESPECT TO AN NSP ASSISTED ACTIVITY, OR WITH RESPECT TO THE PROCEEDS OF THE NSP ASSISTED ACTIVITY, EITHER FOR THEMSELVES OR THOSE WITH WHOM THEY HAVE BUSINESS OR IMMEDIATE FAMILY TIES, DURING THEIR TENURE OR FOR ONE YEAR THEREAFTER. THIS APPLIES TO ANY PERSON WHO IS AN EMPLOYEE, AGENT, CONSULTANT, OR OFFICER OF SUBGRANTEE.

L. THE ARCHITECTURAL BARRIERS ACT, THE AMERICANS WITH DISABILITIES ACT, AND SECTION 504 OF THE REHABILITATION ACT OF 1973 SHALL BE FOLLOWED, TO THE EXTENT APPLICABLE TO THE PROJECT.

M. SUBGRANTEE AGREES THAT TO THE BEST OF ITS KNOWLEDGE, NEITHER THE PROJECT NOR THE FUNDS PROVIDED THEREFORE 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 CONTRAVENTION OF CHAPTER 15 OF TITLE 5, UNITED STATES CODE, REFERRED TO AS THE HATCH ACT.

N. SUBGRANTEE CERTIFIES, TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THAT:

1. NO FEDERALLY APPROPRIATED FUNDS HAVE BEEN PAID OR WILL BE PAID, BY OR ON BEHALF OF THE UNDERSIGNED, TO ANY PERSON FOR INFLUENCING OR ATTEMPTING TO INFLUENCE AN OFFICER OR EMPLOYEE OF AN AGENCY, A MEMBER OF CONGRESS, AN OFFICER OR EMPLOYEE OF CONGRESS, OR AN EMPLOYEE OF A MEMBER OF CONGRESS IN CONNECTION WITH THE AWARDED OF ANY FEDERAL CONTRACT, THE MAKING OF ANY FEDERAL GRANT, THE MAKING OF ANY FEDERAL LOAN, THE ENTERING INTO OF ANY COOPERATIVE AGREEMENT, AND THE EXTENSION, CONTINUATION, RENEWAL, AMENDMENT, OR MODIFICATION OF ANY FEDERAL CONTRACT, GRANT, LOAN, OR COOPERATIVE AGREEMENT.

2. IF ANY FUNDS OTHER THAN FEDERALLY APPROPRIATED FUNDS HAVE BEEN PAID OR WILL BE PAID TO ANY PERSON FOR INFLUENCING OR ATTEMPTING TO INFLUENCE AN OFFICER OR EMPLOYEE OF ANY AGENCY, A MEMBER OF CONGRESS, AN OFFICER OR EMPLOYEE OF CONGRESS, OR AN EMPLOYEE OF A MEMBER OF CONGRESS IN CONNECTION WITH THIS FEDERAL CONTRACT, GRANT, LOAN, OR COOPERATIVE AGREEMENT, THE UNDERSIGNED SHALL COMPLETE AND SUBMIT STANDARD FORM, "DISCLOSURE FORM TO REPORT LOBBYING," IN ACCORDANCE WITH ITS INSTRUCTIONS.

3. THE UNDERSIGNED SHALL REQUIRE THAT THE LANGUAGE OF THIS CERTIFICATION BE INCLUDED IN THE AWARD DOCUMENTS FOR ALL SUBAWARDS AT ALL TIERS (INCLUDING SUBCONTRACTS, SUBGRANTS, AND CONTRACTS UNDER GRANTS, LOANS, AND

COOPERATIVE AGREEMENTS) AND THAT ALL SUBGRANTEES SHALL CERTIFY AND DISCLOSE ACCORDINGLY.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

O. THE SUBGRANTEE CERTIFIES THAT IT WILL PROVIDE A DRUG-FREE WORKPLACE BY:

1. PUBLISHING A STATEMENT NOTIFYING EMPLOYEES THAT THE UNLAWFUL MANUFACTURE, DISTRIBUTION, DISPENSING, POSSESSION OR USE OF A CONTROLLED SUBSTANCE IS PROHIBITED IN THE SUBGRANTEE'S WORKPLACE AND SPECIFYING THE ACTIONS THAT WILL BE TAKEN AGAINST EMPLOYEES FOR VIOLATION OF SUCH PROHIBITION;

2. ESTABLISHING A DRUG-FREE AWARENESS PROGRAM TO INFORM EMPLOYEES ABOUT

(A) THE DANGERS OF DRUG ABUSE IN THE WORKPLACE;

(B) THE SUBGRANTEE'S POLICY OF MAINTAINING A DRUG-FREE WORKPLACE;

(C) ANY AVAILABLE DRUG COUNSELING, REHABILITATION, AND EMPLOYEE ASSISTANCE PROGRAMS; AND

(D) THE PENALTIES THAT MAY BE IMPOSED UPON EMPLOYEES FOR DRUG ABUSE VIOLATIONS OCCURRING IN THE WORKPLACE.

3. MAKING IT A REQUIREMENT THAT EACH EMPLOYEE TO BE ENGAGED IN THE PERFORMANCE OF THE GRANT BE GIVEN A COPY OF THE STATEMENT REQUIRED BY PARAGRAPH (1);

4. NOTIFYING THE EMPLOYEE IN THE STATEMENT REQUIRED BY PARAGRAPH (1) THAT, AS A CONDITION OF EMPLOYMENT UNDER THE GRANT, THE EMPLOYEE WILL

(A) ABIDE BY THE TERMS OF THE STATEMENT; AND

(B) NOTIFY THE EMPLOYER OF ANY CRIMINAL DRUG STATUTE CONVICTION FOR A VIOLATION OCCURRING IN THE WORKPLACE NO LATER THAN FIVE DAYS AFTER SUCH CONVICTION;

5. NOTIFYING THE CCBCD WITHIN TEN (10) DAYS AFTER RECEIVING NOTICE UNDER SUBPARAGRAPH (4)(B) FROM AN EMPLOYEE OR OTHERWISE RECEIVING ACTUAL NOTICE OF SUCH CONVICTION;

6. TAKING ONE OF THE FOLLOWING ACTIONS, WITHIN 30 DAYS OF RECEIVING NOTICE UNDER SUBPARAGRAPH (4)(B), WITH RESPECT TO ANY EMPLOYEE WHO IS SO CONVICTED:

(A) TAKING APPROPRIATE PERSONNEL ACTION AGAINST SUCH AN EMPLOYEE, UP TO AND INCLUDING TERMINATION; OR

(B) REQUIRING SUCH EMPLOYEE TO PARTICIPATE SATISFACTORILY IN A DRUG ABUSE ASSISTANCE OR REHABILITATION PROGRAM APPROVED FOR SUCH PURPOSES BY A FEDERAL, STATE, OR LOCAL HEALTH, LAW ENFORCEMENT, OR OTHER APPROPRIATE AGENCY;

7. MAKING A GOOD FAITH EFFORT TO CONTINUE TO MAINTAIN A DRUG-FREE WORKPLACE THROUGH IMPLEMENTATION OF PARAGRAPHS (1), (2), (3), (4), (5) AND (6).

V. COUNTY'S OBLIGATION TO PROSECUTE AGREEMENT

A. COUNTY SHALL FORTHWITH FILE ALL APPLICABLE DOCUMENTS AND SHALL COMPLY WITH ALL APPLICABLE RULES AND REGULATIONS TO SECURE A RELEASE OF FUNDS FOR THE PROJECT.

B. AFTER THE COUNTY HAS RECEIVED NOTIFICATION THAT FUNDS FOR THE PROJECT HAVE BEEN RELEASED BY HUD, THE SUBGRANTEE SHALL BE AUTHORIZED TO BEGIN THE PROJECT SO LONG AS THE PROJECT REMAINS IN COMPLIANCE WITH THE NEIGHBORHOOD STABILIZATION PROGRAM AND THIS AGREEMENT.

VI. RECORDS & REPORTS

A. SUBGRANTEE AUTHORIZES CCBCD, COUNTY (INCLUDING ITS DESIGNATED SUBRECIPIENT), HUD, AND THE COMPTROLLER GENERAL OF THE UNITED STATES TO CONDUCT ON-SITE REVIEWS, TO EXAMINE, INSPECT, AND AUDIT THE SUBGRANTEE'S RECORDS, RENTAL APPLICATIONS AND TO CONDUCT ANY OTHER PROCEDURES OR PRACTICES TO ASSURE COMPLIANCE WITH THE PROVISIONS OF THIS AGREEMENT UPON DEMAND.

B. AT THE REQUEST OF CCBCD OR COUNTY, THE COUNTY'S DESIGNATED AGENT, THE SUBGRANTEE SHALL FURNISH IMMEDIATELY, IF REQUIRED BY THE COMPTROLLER GENERAL, OTHERWISE WITHIN THREE (3) BUSINESS DAYS OF SUCH REQUEST, SUCH REPORTS, BUDGETS, CERTIFICATIONS AND OTHER DOCUMENTS REQUIRED PURSUANT TO FEDERAL, STATE, OR COUNTY RULES, REGULATIONS AND POLICIES THAT ARE APPLICABLE TO THE PROJECT AND SHALL GIVE SPECIFIC ANSWERS TO QUESTIONS FROM THE COUNTY, FROM TIME TO TIME, RELATIVE TO THE SUBGRANTEE'S CONTRACTS AND OPERATIONS IN CONNECTION WITH THE PROJECT.

C. IF REQUIRED BY HUD, SUBGRANTEE SHALL, EACH YEAR AS LONG AS THE PROJECT REMAINS IN EFFECT, COMPLETE AN AUDIT OF THE PROJECT, CONDUCTED BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT, AND SHALL SUBMIT A COPY OF THE AUDIT REPORT TO CCBCD WITHIN SIX MONTHS OF THE CLOSE OF SUBGRANTEE'S YEAR END. PLEASE NOTE THE SINGLE AUDIT REQUIREMENTS CONTAINED ABOVE.

D. SUBGRANTEE SHALL SUBMIT TO COUNTY'S DESIGNATED AGENT, OR AS OTHERWISE SPECIFIED BY COUNTY, ALL REQUIRED INFORMATION TO SHOW COMPLIANCE WITH APPLICABLE LAWS, RULES AND REGULATIONS, AS SPECIFIED IN THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO:

PRIOR TO ACQUISITION OF ANY PROPERTY, ITS AFFIRMATIVE MARKETING PLAN. BENEFICIARY DATA ON INCOME, RACE, ETHNICITY, GENDER OF SINGLE HEAD-OF-HOUSEHOLDS, AND OTHER DATA REQUESTED BY COUNTY NECESSARY TO COMPLETE COUNTY'S REPORTING REQUIREMENTS TO HUD.

E. SUBGRANTEE SHALL PROVIDE A PROGRESS REPORT TO THE COUNTY'S DESIGNATED AGENT, OR TO SUCH OTHER ENTITY AS MAY BE SPECIFIED BY COUNTY, BY THE FIFTH OF EACH MONTH, REPORTING ON THE STATUS OF THE PROJECT IN RELATION TO THE PROJECT TARGET DATES. THE PROGRESS REPORTS SHALL BEGIN UPON THE SIGNING OF THIS AGREEMENT AND SHALL CONTINUE THROUGHOUT THE ACQUISITION AND REHABILITATION PERIOD OF THE PROJECT.

F. SUBGRANTEE SHALL SUBMIT EACH YEAR TO COUNTY AN ANNUAL REPORT OF THE STATUS OF THE PROJECT IN A FORM PRESCRIBED BY CCBCD, OR AT THE REQUEST OF CCBCD FROM TIME TO TIME IF NECESSARY TO MEET NSP REPORTING REQUIREMENTS.

SUBGRANTEE SHALL MAINTAIN THE FOLLOWING RECORDS:

FOR EACH PROPERTY WHILE IT IS OWNED BY A HOMEBUYER/PURCHASER AND FOR A PERIOD OF FIVE YEARS AFTER SUCH HOMEBUYER/PURCHASER HAS SOLD OR OTHERWISE VACATED EACH PROPERTY: RECORDS PERTAINING TO THE TENANCY OF EACH HOUSEHOLD OCCUPYING THE PROPERTY, INCLUDING A COPY OF THE

CONTRACT, CLOSING DOCUMENTATION, AND THOSE RECORDS THAT DEMONSTRATE THAT THE HOUSEHOLD WAS INCOME ELIGIBLE.

FOR A PERIOD OF FIVE YEARS AFTER EACH YEAR OF THE PROJECT: DOCUMENTATION OF ALL ACTIVITIES UNDERTAKEN IN CONNECTION WITH SUBGRANTEE'S AFFIRMATIVE MARKETING PLAN.

FOR AS LONG AS SUBGRANTEE OWNS A PROPERTY AND FOR FIVE YEARS THEREAFTER: ALL FINANCIAL RECORDS PERTAINING TO THE ACQUISITION AND REHABILITATION OF THE PROPERTY.

IF ANY LITIGATION, CLAIM, NEGOTIATION, AUDIT OR OTHER ACTION INVOLVING THE RECORDS HAS BEEN STARTED BEFORE THE EXPIRATION OF THE FIVE YEAR PERIOD, THE RECORDS MUST BE RETAINED UNTIL COMPLETION OF THE ACTION AND RESOLUTION OF ALL ISSUES WHICH ARISE FROM IT, OR UNTIL THE END OF THE REGULAR FIVE YEAR PERIOD, WHICHEVER IS LATER.

SUBGRANTEE SHALL COOPERATE WITH THE COUNTY AND ITS DESIGNATED AGENT TO FACILITATE THE MAINTENANCE OF ANY AND ALL OTHER FINANCIAL RECORDS AS REQUESTED BY THE COUNTY FOR THE LENGTH OF TIME REQUESTED, AS MAY BE REQUIRED BY TITLE 24 CFR PART 570.

VII. SUSPENSION AND TERMINATION; REVERSION OF ASSETS

A. IN ACCORDANCE WITH 24 CFR §85.43, SUSPENSION OR TERMINATION OF THIS AGREEMENT MAY OCCUR IF THE SUBGRANTEE MATERIALLY FAILS TO COMPLY WITH ANY TERM OF THE AWARD. THE AWARD MAY ALSO BE TERMINATED FOR CONVENIENCE AND IN ACCORDANCE WITH 24 CFR §85.44 BY THE GIVING OF NOTICE AS SPECIFIED BELOW.

B. DURING THE IMPLEMENTATION OF THE PROJECT, COUNTY MAY TERMINATE THIS AGREEMENT OR MAY SUSPEND PAYMENT OF NSP FUNDS TO SUBGRANTEE FOR SUBGRANTEE'S BREACH OF THE AGREEMENT, ABANDONMENT OF THE PROJECT OR OCCURRENCE RENDERING IMPOSSIBLE THE PERFORMANCE BY SUBGRANTEE OF THIS AGREEMENT. COUNTY MAY ALSO SUSPEND PAYMENTS OF NSP FUNDING DUE TO USE OF FUNDS IN A MANNER UNRELATED TO SUBGRANTEE'S PERFORMING THE PROJECT, FAILURE BY SUBGRANTEE IN SUBMITTING SUPPORTING INFORMATION OR DOCUMENTATION FOR A CLAIM, SUBMISSION BY SUBGRANTEE OF INCORRECT OR INCOMPLETE REPORTS, OR SUBGRANTEE'S SUSPENSION OF ITS PURSUIT OF THE PROJECT.

C. IN THE EVENT COUNTY ELECTS TO TERMINATE THIS AGREEMENT OR TO SUSPEND PAYMENTS, FOR ANY REASON STATED HEREINABOVE IN PARAGRAPH A AND B OF THIS SECTION VII, IT SHALL NOTIFY THE SUBGRANTEE IN WRITING OF SUCH ACTION, SPECIFYING THE PARTICULAR DEFICIENCY, AT LEAST FIVE (5) BUSINESS DAYS IN ADVANCE OF ANY SUCH ACTION AND ESTABLISHING A TIME AND A PLACE FOR THE SUBGRANTEE TO REFUTE THE ALLEGED DEFICIENCY AT A TIME PRIOR TO COUNTY'S TAKING SUCH ACTION. AFTER ALLOWING THE

SUBGRANTEE THE OPPORTUNITY TO REFUTE OR CORRECT THE ALLEGED DEFICIENCY, IF THE ALLEGED DEFICIENCY CONTINUES TO EXIST, IN THE REASONABLE OPINION OF THE COUNTY, THE COUNTY MAY WITHHOLD PAYMENT TO THE PROJECT UNTIL SUCH TIME AS THE VIOLATION OR BREACH IS REMEDIED. NO ACTION TAKEN OR WITHHELD BY THE COUNTY UNDER THIS PARAGRAPH SHALL RELIEVE THE SUBGRANTEE OF ITS LIABILITY TO THE COUNTY FOR ANY FUNDS EXPENDED IN VIOLATION OF ANY OF THE TERMS OF THIS AGREEMENT. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS SECTION SHALL BE DEEMED TO PROHIBIT COUNTY FROM TERMINATING THE AGREEMENT IF SAID TERMINATION IS FOR CONVENIENCE.

D. REVERSION OF ASSETS. UPON EXPIRATION OR TERMINATION OF THIS AGREEMENT, THE SUBGRANTEE MUST TRANSFER TO THE COUNTY ANY NSP FUNDING ON HAND AT THE TIME OF EXPIRATION OR TERMINATION AND ANY ACCOUNTS RECEIVABLE ATTRIBUTABLE TO USE OF NSP FUNDS. SINCE THE PROJECT ALSO INVOLVES REAL PROPERTY THAT HAS OR WILL BE ACQUIRED OR IMPROVED WITH NSP FUNDS, RECAPTURE OF THESE FUNDS HAS BEEN ENSURED BY RECORDING OF MORTGAGES IN ACCORDANCE WITH SECTION III.B. HEREOF. IF, PRIOR TO MARCH 1, 2013, ANY PROPERTY UNDER THIS AGREEMENT HAS NOT BEEN MAINTAINED FOR THE PURPOSE STATED IN SECTION II.A. HEREOF, SUBGRANTEE SHALL PAY TO COUNTY AN AMOUNT EQUAL TO THE CURRENT MARKET VALUE OF THE PROPERTY LESS ANY PORTION OF THE VALUE ATTRIBUTABLE TO EXPENDITURES OF NON-NSP FUNDS FOR THE ACQUISITION OF, OR IMPROVEMENT TO, THE PROPERTY.

VIII. REMEDIES

A. IN THE EVENT OF ANY VIOLATION OR BREACH OF THIS AGREEMENT BY SUBGRANTEE, MISUSE OR MISAPPLICATION OF FUNDS DERIVED FROM THIS AGREEMENT BY SUBGRANTEE OR ANY VIOLATION OF ANY OF THE STATUTES, RULES AND REGULATIONS, DIRECTLY OR INDIRECTLY, BY THE SUBGRANTEE AND/OR ANY OF ITS AGENTS OR REPRESENTATIVES, THEN SUBGRANTEE, TO THE FULLEST EXTENT PERMITTED BY LAW, AGREES TO INDEMNIFY, AND HOLD THE COUNTY HARMLESS FROM ANY REQUIREMENT TO REPAY TO HUD THE NSP FUNDING RECEIVED BY SUBGRANTEE FOR THIS PROJECT OR PENALTIES AND EXPENSES, INCLUDING ATTORNEYS' FEES AND OTHER COSTS OF LITIGATION, RESULTING FROM SUCH ACTION OR OMISSION BY SUBGRANTEE.

B. IN THE EVENT HUD, OR ANY OTHER FEDERAL AGENCY, MAKES ANY CLAIM WHICH WOULD GIVE RISE TO INVOKING THE REMEDY PROVISIONS, AS SET FORTH IN THIS SECTION VIII, THEN THE COUNTY OR SUBGRANTEE SHALL IMMEDIATELY NOTIFY THE OTHER PARTY, IN WRITING, PROVIDING THE FULL DETAILS OF THE ALLEGED VIOLATION. THE SUBGRANTEE SHALL HAVE THE RIGHT TO CONTEST THE CLAIM, IN ITS OWN NAME OR IN THE NAME OF THE COUNTY, WITH ITS CONSENT, THROUGH ALL LEVELS OF ANY ADMINISTRATIVE PROCEEDINGS OR IN ANY COURT OF COMPETENT JURISDICTION WITHOUT ANY COST TO THE COUNTY. UPON ANY FINAL ADJUDICATION, OR UPON ANY SETTLEMENT AGREED TO

BETWEEN THE SUBGRANTEE AND THE FEDERAL AGENCY, THE SUBGRANTEE SHALL PROMPTLY PAY ANY FUNDS FOUND DUE AND OWING.

C. AS LONG AS THE COUNTY IS NOT IN JEOPARDY OF LOSING ANY OTHER FEDERAL FUNDING, OF ANY KIND OR DESCRIPTION, AS A RESULT OF THE ALLEGED BREACH, THE SUBGRANTEE SHALL HAVE COMPLETE RIGHT TO SETTLE OR COMPROMISE ANY CLAIM AND TO PAY ANY JUDGMENT TO THE FEDERAL GOVERNMENT, SO LONG AS COUNTY IS INDEMNIFIED.

IF THE COUNTY HAS LOST OR BEEN PREVENTED FROM RECEIVING ANY FEDERAL FUNDS, OTHER THAN THE FUNDS FOR THE PROJECT, AS A RESULT OF ANY ALLEGED VIOLATION SUBJECT TO THE REMEDY PROVISIONS HEREOF, THE SUBGRANTEE SHALL REPAY, UPON DEMAND BY THE COUNTY, SUCH AMOUNT OF NSP FUNDING DUE, AS A RESULT OF THE ALLEGED BREACH, AND THE SUBGRANTEE MAY THEN PURSUE ANY REMEDY IT MAY HAVE IN AN APPROPRIATE FORUM IN ITS OWN NAME OR IN THE NAME OF THE COUNTY, WHICHEVER IS APPLICABLE.

D. TO THE FULLEST EXTENT ALLOWED BY LAW, THE SUBGRANTEE SHALL ASSUME THE DEFENSE OF AND SHALL PAY, INDEMNIFY, AND HOLD HARMLESS COUNTY, ITS DESIGNEES, AND ITS EMPLOYEES FROM ALL SUITS, ACTIONS, CLAIMS, MECHANICS' LIENS, DEMANDS, DAMAGES, LOSSES, EXPENSES, AND COSTS OF EVERY KIND AND DESCRIPTION TO WHICH THE COUNTY, ITS DESIGNEES, AND ITS EMPLOYEES MAY BE SUBJECT BY REASON OF ANY ACT OR OMISSION OF SUBGRANTEE, ITS AGENTS OR EMPLOYEES, IN UNDERTAKING AND PERFORMING UNDER THIS AGREEMENT. ALL LITIGATION ACTIVITY IS SUBJECT TO APPROVAL BY THE STATE'S ATTORNEY'S OFFICE. THE SUBGRANTEE DOES NOT HEREBY WAIVE ANY DEFENSES OR IMMUNITY AVAILABLE TO IT WITH RESPECT TO THIRD PARTIES.

MISCELLANEOUS PROVISIONS

A. AMENDMENTS – ANY PROPOSED CHANGE IN THIS AGREEMENT SHALL BE SUBMITTED TO THE OTHER PARTY FOR PRIOR APPROVAL. NO MODIFICATIONS, ADDITIONS, DELETIONS, OR THE LIKE, TO THIS AGREEMENT SHALL BE EFFECTIVE UNLESS AND UNTIL SUCH CHANGES ARE EXECUTED IN WRITING BY THE AUTHORIZED OFFICERS OF EACH PARTY. SUBGRANTEE ACKNOWLEDGES THAT HUD MAY FROM TIME TO TIME ISSUE UPDATED GUIDANCE REGARDING THE NSP PROGRAM THAT MAY REQUIRE AMENDMENT OF THIS AGREEMENT AND AGREES TO COOPERATE WITH COUNTY IN MAKING SUCH AMENDMENT.

B. SUBJECT TO FINANCIAL ASSISTANCE AGREEMENT - THIS AGREEMENT IS MADE SUBJECT TO FINANCIAL ASSISTANCE AGREEMENTS BETWEEN THE COUNTY AND THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, WITH THE RIGHTS AND REMEDIES OF THE PARTIES HERETO BEING IN ACCORDANCE WITH THIS AGREEMENT.

C. ASSIGNMENT - SUBGRANTEE SHALL NOT ASSIGN THIS AGREEMENT OR ANY PART THEREOF, NOR SHALL SUBGRANTEE TRANSFER OR ASSIGN ANY PROPERTY OR ASSETS ACQUIRED USING NSP FUNDING OR CLAIMS DUE OR TO BECOME DUE HEREUNDER, WITHOUT THE WRITTEN APPROVAL OF THE COUNTY HAVING FIRST

BEEN OBTAINED. THE CONTRACTING OR SUBCONTRACTING OF REHABILITATION WORK ON THE PROPERTIES DOES NOT CONSTITUTE AN ASSIGNMENT.

D. ATTORNEY'S OPINION - IF REQUESTED, SUBGRANTEE SHALL PROVIDE AN OPINION OF ITS ATTORNEY, IN A FORM REASONABLY SATISFACTORY TO THE STATE'S ATTORNEY'S OFFICE, THAT ALL STEPS NECESSARY TO ADOPT THIS AGREEMENT, IN A MANNER BINDING UPON SUBGRANTEE, HAVE BEEN TAKEN BY SUBGRANTEE.

E. SEVERABILITY - IN THE EVENT ANY PROVISION OF THIS AGREEMENT SHALL BE HELD INVALID OR UNENFORCEABLE BY ANY COURT OF COMPETENT JURISDICTION, SUCH HOLDING SHALL NOT INVALIDATE OR RENDER UNENFORCEABLE ANY OTHER PROVISION HEREOF.

F. AGREEMENT DURATION – THIS AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT FOR AS LONG AS THE REQUIRED AFFORDABILITY PERIOD OF THE PROJECT, WHICH SHALL BE AS LONG AS COUNTY HOLDS ANY MORTGAGE LOANS OUTSTANDING ON ANY PROPERTY WITH SUBGRANTEE UNDER THIS AGREEMENT AND OR 40 YEARS, WHICHEVER IS THE EARLIER TO OCCUR, UNLESS SOONER TERMINATED BY THE PARTIES.

H. NO PARTNERSHIP – NOTHING CONTAINED IN THIS AGREEMENT, ANY MORTGAGE, NOTE OR ANY OTHER DOCUMENT OR INSTRUMENT RELATED TO THIS PROJECT SHALL BE DEEMED TO CREATE A JOINT VENTURE, PARTNERSHIP RELATIONSHIP, OR EMPLOYER/EMPLOYEE RELATIONSHIP BETWEEN THE COUNTY AND SUBGRANTEE. SUBGRANTEE SHALL AT ALL TIMES REMAIN AN "**INDEPENDENT CONTRACTOR**" WITH RESPECT TO THE SERVICES TO BE PERFORMED UNDER THIS AGREEMENT.

COUNTY SHALL PROVIDE, UPON REQUEST, COPIES OF ALL LAWS, REGULATIONS, STATUTES, ORDERS, AND OMB CIRCULARS CITED IN THIS AGREEMENT, OR INTERNET LINKS TO SUCH.

NOTICES

If to COUNTY: Cook County Bureau of Community Development
William Moore, Bureau Chief and Director
69 W. Washington, St., Ste. 2900
Chicago, IL 60602
312-603-1007
wmoore@cookcountygov.com

With a copy to: Cook County Department of Housing
Melissa L. Williams-Compliance
69 W. Washington, St., Ste. 2900
Chicago, IL 60602
312-603-1055
mlwilliams@cookcountygov.com

If to SUBGRANTEE:

Village of Park Forest

Thomas K. Mick, Village Manager
350 Victory Drive
Park Forest, IL 60466
phone 708/748-1129
fax 708/503-8560
tmick@vopf.com

Paul L. Stephanides, Attorney
Robbins Schwartz Nicholas Lifton & Taylor, Ltd.
24 W. Cass Street, 5th Floor
Joliet, IL 60432
phone 815/722-6560
fax 815/722-0450
pstephanides@rsnlt.com

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT on the dates recited below to be effective on the date first written above.

COUNTY OF COOK, a body corporate and politic in the State of Illinois.

By: _____
William Moore, Bureau Chief
Bureau of Community Development

Attest: _____
Cook County Clerk

Approved
as to form: _____
Assistant State's Attorney

Name of SUBGRANTEE

Village of Park Forest, Cook and Will Counties

By: _____
Signature

Printed Name/title _____

Date: _____

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Thomas K. Mick is personally known to me to be the Village Manager of Park Forest and the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that assigned, sealed and Thomas K. Mick, he delivered the said instrument as a free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this _____ day of _____, 2010.

My Commission expires: _____

Notary Public

EXHIBIT A
PROGRAM SUMMARY AND BUDGET
Neighborhood Stabilization Program

ELIGIBLE USE: A B C D E Admin (Circle)

1. **PROGRAM RECIPIENT:** Village of Park Forest, Illinois
ADDRESS: 350 Victory Drive, Park Forest, Illinois 60466
PROGRAM MANAGER: Hildy L. Kingma, AICP
PHONE: 708/283-5622 **FAX:** 708/748-4355
2. **PROGRAM TITLE:** **Neighborhood Stabilization Program**
3. **PROJECT NUMBERS:** **See Below**
4. **BUDGET AUTHORITY:** **\$500,000**
5. **DEVELOPER FEE:** **Up to 12%**
6. **Additional FEE if DEVELOPER IS ALSO THE GC** **Up to 2%**
7. **PROJECT DELIVERY:** **6%**

Note: Program Recipients may not act as a Consultant and DEVELOPER. Project soft costs may not be claimed if also charged as part of the consultant fee. Moreover, personnel (staff) that is paid under other COUNTY grants may not also be paid with NSP funds.

8. **MATCHING FUNDS:** **[\$ 0] SOURCE(S):**
[\$ 0] SOURCE(S):
[\$ 0] SOURCE(S):
[\$ 0] SOURCE(S):

9. **PROGRAM TYPE:**

ADMINISTERING THE FOLLOWING NSP PROGRAMS:

Budget Amount	Description	Restrictions	Number of Units to Be Created
[<u>\$500,000</u>]	Activity B- Acquisition and Rehabilitation serving households 0 to 50% AMI	Foreclosed or Abandoned	<u>3</u>
[<u>\$0</u>]	Activity B- Acquisition and Rehabilitation serving households 51% to 120% AMI	Foreclosed or Abandoned	<u>0</u>
[<u>\$0</u>]	D Demolition	Vacant	<u>0</u>
[<u>\$0</u>]	E Public Facilities	Vacant	<u>0</u>

14. INTEREST RATE: See CCBCD's Posted Rates or as Otherwise Agreed in Mortgage Documentation

15. Eligible NSP Areas of Greatest Need (must be in eligible census tracts). NSP funds must be restricted to the following communities:

Municipality	Program Income Re-Use Period for all NSP Funds
<u>Village of Park Forest, IL</u>	<u>5</u>

The parties agree that this schedule, Exhibit A and other related portions of the agreement may be amended or modified by addendum at anytime to add other municipalities, award amounts and/or properties at COUNTY's sole discretion and subject to SUBGRANTEE's acceptance of the same.

SCHEDULE 1

DISBURSEMENT OF NSP1 COOK COUNTY FUNDS

The initial project budget estimate will be submitted to the County at the time the request to obligate funds is made. The County shall provide written approval or notice of deficiency within 7 days of receipt of such request. If the initial budget and environmental reviews are approved, COUNTY will make any funds necessary to advance the project within 20 days of such approved request. Funds disbursed to SUBGRANTEE must be expended within 15 days to tender by COUNTY. Failure to expend funds within 15 days of receipt of the same (without written approval of COUNTY) shall subject SUBRECIPIENT to forfeit the NSP award. Upon receipt, SUBGRANTEE will place the funds in a non-interest bearing account. These funds can be used for all eligible activities, including but not limited to acquisition costs, construction costs, rehabilitation costs, activity delivery costs, and consultant fees (if included in the budget for each PROPERTY).

Expenditure of these funds will be subject to approval by COUNTY and/or COUNTY'S designated third party agent for payment. Payments will be made in accordance with the budget in the grant agreement between SUBGRANTEE and COUNTY. SUBGRANTEE will submit all documentation on the required forms to COUNTY or its designated third party agent. Assuming all requirements have been met, COUNTY will then send the requested reimbursement to SUBGRANTEE if for SUBGRANTEE'S project delivery costs or SUBGRANTEE'S DEVELOPER, if for costs incurred by DEVELOPER.

COUNTY will use its best efforts to provide the requested funds in time for closing. In any event, COUNTY shall give SUBGRANTEE at least 72 hours prior notice as to whether the requested funds will or will not be available at closing

SCHEDULE 2

SCOPE OF SERVICES

INTENTIONALLY LEFT BLANK

EXHIBIT B

I. GENERAL FINANCIAL MANAGEMENT RESPONSIBILITIES

SUBGRANTEE agrees to implement sound financial management procedures, pursuant to 24 CFR Part 85, where applicable; and, OMB Circulars A-87, A-110, A-122 and A-133, where applicable, and, Federal Treasury regulations. In particular, the following procedures and policies apply:

- A. NSP advanced and unexpended funds must be placed in a non-interest bearing account. (Federal Treasury regulations prohibit the investment of federal funds in any income-earning financial instruments, including NOW accounts). NSP funds should be placed in separate accounts.
- B. Maintain separate accounting records with subsidiary accounts for each Project of the NSP Program.
- C. Pre-number all checks and adequately safeguard all blank checks.
- D. Assign the responsibility for cash receipts and disbursement duties to a person other than the person who performs bank reconciliations.
- E. Record all cash receipts and other financial transactions in a timely manner.
- F. Verify mathematical accuracy of all accounts payable invoices, formally approves these invoices for payment, and cancels them when paid.
- G. Perform bank reconciliations, locate and explain all differences, and designate a responsible local official (other than the person performing the reconciliation) to review bank reconciliations.
- H. Per Federal Treasury regulations, funds must be drawn down as close as possible to their actual use. Excess funds, funds which will not be promptly used by the Developer, or funds remaining must be returned to the County upon Project closeout or Project suspension.
- I. All transfers, amendments, and revisions to approved budget authorizations must receive prior approval from the County.
- J. NSP funds must not be used by the SUBGRANTEE for audits conducted by Independent Public Accountants, for entertainment, or other uses as specified in 24 CFR Part 85, where applicable; and OMB Circulars A-110, A-122, A-133, and A-87, where applicable.

- K. Upon termination or suspension of this Agreement, by its natural completion and closeout or otherwise, the SUBGRANTEE will return to the County all NSP funds on hand and accounts receivable, and upon the County's request all other property of whatever nature acquired with NSP funds, or, at the direction of the County, dispose of them pursuant to 24 CFR Sections 85.33 and 85.34 or OMB Circular A-110, where applicable.
- L. SUBGRANTEE accepts full financial and management responsibility for the SUBGRANTEE's audit and monitoring findings and agrees to reimburse the County for any and all findings not accepted by the United States Department of Housing and Urban Development.

II. RECORDS REQUIREMENTS

SUBGRANTEE agrees to maintain the following records:

- 1. Full description of each activity carried out, (or being carried out) including the location, amount of NSP and other funds budgeted, obligated and expended for the activity.
- 2. Where the Agreement with the SUBGRANTEE allows the SUBGRANTEE to select recipients of program activities, the basis of eligibility of each recipient. Where family income is an eligibility criterion, evidence of qualification.
- 3. For each unit occupied by a low or very low income household, the size and income of the household;
- 4. Fair housing and equal opportunity records containing:
 - a. Data on the extent to which each racial and ethnic group and single-headed households (by gender of household head) have applied for, participated in, or benefitted from, any program or activity funded in whole or in part with NSP funds.
 - b. Data on employment in each of the SUBGRANTEE's operating units funded in whole or in part with NSP funds, with such data maintained in the categories prescribed on the Equal Employment Opportunity Commission's EEO-4 form; and documentation of any actions undertaken to assure equal employment opportunities to all persons regardless of race, color, religion, national origin, sex, ancestry, age, marital status, familial status, unfavorable discharge from the military, or handicap in units funded in whole or in part with NSP funds.
 - c. Documentation of actions undertaken to meet the requirements of Section 3 of the Housing Development Act of 1968,

as amended (12 U.S.C. 1701U), relative to the hiring and training of lower income residents and the use of local businesses.

- d. Data indicating the racial/ethnic character of each business entity receiving a contract or subcontract of \$10,000 or more paid, or to be paid, with NSP funds, data indicating which of those entities are women's business enterprises as defined in Executive Order 12138, the amount of the contract or subcontract, and documentation of affirmative steps taken pursuant to 24 CFR Section 85.36(e) or OMB Circular A-110, where applicable, and Executive Orders 11625 and 12138 to assure minority businesses and women's business enterprises are utilized when possible as sources of supplies, equipment, construction and services.
 - e. Documentation of the affirmative actions the SUBGRANTEE has taken to overcome the effects of prior discrimination, where the SUBGRANTEE has previously discriminated against persons on the ground of race, color, religion, national origin, sex, ancestry, marital status, familial status, age, unfavorable discharge from the military, or handicap in administering a program or activity funded in whole or in part with NSP funds.
- 5. Financial records, in accordance with the applicable OMB Circulars listed in 24 CFR Section 92.505.
 - 6. Records of the number of minority and female persons and of all persons hired in full time positions, and the number of minority and female persons and all persons employed in permanent full time positions, recorded in the format of EEO-4 form available from the County, and submitted to the County as required by the County.
 - 7. Record of the racial or ethnic group and sex of each recipient of program benefits, as per OMB directive 15 (i.e., Blacks, American Indians and Alaskan Natives, Hispanics and Asians and Pacific Islanders).
 - 8. Records of the SUBGRANTEE's actions to utilize minority and women business firms, and of the award of all contracts for supplies, equipment, construction or services with specific list of contracts awarded to minority and women businesses.

III. GUIDELINES FOR PREPARING FINANCIAL STATEMENTS

The County of Cook is responsible for the administration of Neighborhood Stabilization Program (NSP) funds received from the Department of Housing and Urban Development (HUD). SUBGRANTEES receiving NSP funds are accountable to the County in the same manner that the County is accountable to HUD.

The NSP portion of the SUBGRANTEE'S Single Audit Report must be presented in a clear, concise format. Minimum information required for each Project is as follows:

- 1) Property Address: _____
- 2) Project/DRGR Number(s) : See Below
- 3) Total Program Budget: [\$ _____]

Project/DR GR Number by Activity	Project Budget	Amount of Current Draw	Cumulative of all Draws	Disbursements	Cumulative of all Disbursements	Project Fund Balance
B _____	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]
B _____	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]
B _____	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]
B _____	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]
C _____	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]
D _____	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]
E _____	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]
E _____	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]
E _____	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]
A, B, E	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]	[\$ _____]

Direct Benefit: 50% [\$ _____] 80% [\$ _____] 120%
 [\$ _____]

Area Benefit:* 50% [\$ _____] 80% [\$ _____] 120%
 [\$ _____]

* (Families receiving an indirect benefit from the activity in a primarily residential area where at Least 51% of the residents are at or below 120% of the AMI)

COUNTY RESERVES THE RIGHT TO MODIFY THE DRAW REQUEST FORM AT ANY TIME AFTER AGREEMENT EXECUTION.

- 4) Program Budget Balance: [\$_____]
- 5) Obligation Date: _____
- 6) Expenditure Date: _____
- 7) Questioned Costs:
- 8) Project Complete Yes No
- 9) Return on Investment
- 10) Compliance Test

Please note that if a Project is complete and an amount remains representing unused funds, said unused funds must be utilized on other eligible activities as specified in the agreement.

The AMI of families residing in or designated to reside in the PROPERTY must be listed on all draw reports.

EXHIBIT C

THE FOLLOWING DOCUMENTS HAVE BEEN INTENTIONALLY OMITTED AND HAVE PREVIOUSLY BEEN PROVIDED TO SUBGRANTEE:

1. THE COOK COUNTY CONSTRUCTION GUIDEBOOK AND
2. THE MINIMUM CONSTRUCTION STANDARDS FOR NEW COSTRUCTION
AND MULTI-FAMILY HOUSING

EXHIBIT D

DISCLOSURES AND CERTIFICATIONS

I. GENERAL CERTIFICATIONS

THE FOLLOWING CERTIFICATIONS ARE MADE PURSUANT TO STATE LAW AND THE CODE. THE UNDERSIGNED IS CAUTIONED TO CAREFULLY READ THESE CERTIFICATIONS PRIOR TO SIGNING THE SIGNATURE PAGE. SIGNING THE SIGNATURE PAGE SHALL CONSTITUTE A WARRANTY BY THE UNDERSIGNED THAT ALL THE STATEMENTS, CERTIFICATIONS AND INFORMATION SET FORTH WITHIN THESE CERTIFICATIONS ARE TRUE, COMPLETE AND CORRECT AS OF THE DATE THE SIGNATURE PAGE IS SIGNED. THE UNDERSIGNED IS NOTIFIED THAT IF THE COUNTY LEARNS THAT ANY OF THE FOLLOWING CERTIFICATIONS WERE FALSELY MADE, THAT ANY CONTRACT ENTERED INTO WITH THE UNDERSIGNED SHALL BE SUBJECT TO TERMINATION.

A. Persons and Entities subject to disqualification

No person or business entity shall be awarded a contract or sub-contract, for a period of five (5) years from the date of conviction or entry of a plea or admission of guilt, civil or criminal, if that person or business entity:

1. Has been convicted of an act committed, within the State of Illinois, of bribery or attempting to bribe an officer or employee of a unit of state, federal, or local government or school district in the State of Illinois in that officer's or employee's official capacity;
2. Has been convicted by federal, state or local government of an act of bid-rigging or attempting to rig bids as defined by the Sherman Anti-Trust Act and Clayton Act. 15 U.S.C. Sec. 1 et seq.;
3. Has been convicted of bid-rigging or attempting to rig bids under the laws of federal, state or local government;
4. Has been convicted of an act committed, within the State, of price-fixing or attempting to fix prices as defined by the Sherman Anti-Trust Act and Clayton Act 15 U.S.C. Sec 1 et seq.;
5. Has been convicted of price-fixing or attempting to fix prices under the laws of the State;
6. Has been convicted of defrauding or attempting to defraud any unit of state or local government or school district within the State of Illinois;
7. Has made an admission of guilt of such conduct set forth in subsections 1 – 6 above which admission is a matter of record, whether or not such

person or business entity was subject to prosecution for the offense or offenses admitted to; or

8. Has entered a plea of nolo contendere to charge of bribery, price-fixing, bid-rigging, or fraud set forth in subsections 1 – 6 above.

In the case of bribery or attempting to bribe, a business entity may not be awarded a contract if an official, agent or employee of such business entity committed the Prohibited Act on behalf of the business entity and pursuant to the direction or authorization of an officer, director or other responsible official of the business entity, and such Prohibited Act occurred within three (3) years prior to the award of the contract. In addition, a business entity shall be disqualified if an owner, partner or shareholder controlling, directly or indirectly, 20% or more of the business entity, or an officer of the business entity has performed any Prohibited Act within five (5) years prior to the award of the contract.

THE UNDERSIGNED HEREBY CERTIFIES THAT: The Undersigned has reads the provisions stated in Section A, Persons and Entities Subject to Disqualification, that the Undersigned has not committed any Prohibited Act set forth in Section A, and that award of the Contract to the Undersigned would not violate the provisions of such Section or of the Code.

B. Bid-Rigging or Bid Rotating

THE UNDERSIGNED HEREBY CERTIFIES THAT: In accordance with 720 ILCS 5/33 E-11, neither the Undersigned nor any Affiliated Entity is barred from award of the contract as result of a conviction for the violation of State laws prohibiting bid-rigging or bid-rotating.

C. Delinquency of tax payments

THE UNDERSIGNED HEREBY CERTIFIES THAT: The Undersigned is not an owner or a party responsible for the payment of any tax or fee administered by Cook County ("COUNTY"), by a local municipality, or by the Illinois Department of Revenue, which such tax or fee is delinquent, such as bar award of a contact or subcontract pursuant to the Code, Chapter 34, Section 34-129.

D. Illinois Human Rights Act

THE UNDERSIGNED HEREBY CERTIFIES THAT: It is in compliance with the Illinois Human Rights Act (775 ILCS 5/2-105), and agrees to abide by the requirements of the Act as part of its contractual obligations.

E. MacBride principles, Code Chapter 34, Section 34-132

If the Primary contractor currently conducts business operations in Northern Ireland, or will conduct business during the projected duration of the COUNTY contract, the primary contractor shall make all reasonable and good faith efforts

to conduct any such business operations in Northern Ireland in accordance with the MacBride Principles for Northern Ireland as defined in Illinois Public Act 85-1390.

REQUIRED DISCLOSURES

1. **DISCLOSURE OF LOBBYIST CONTACTS:** list all persons or entities that have made lobbying contacts on your behalf with respect to this contract:

Name	Address
_____	_____
_____	_____
_____	_____

2. **LOCAL BUSINESS PREFERENCE DISCLOSURE; CODE, CHAPTER 34, SECTION 34-151(P):**

"Local Business": shall mean a person authorized to transact business in this State and having a bona fide establishment for transacting business located within Cook County at which it was actually transacting business on the date when any competitive solicitation for a public contract is first advertised or announce and further which employs the majority of its regular, full time work force within Cook County, including a foreign corporation duly authorized to transact business in this State and which has a bona fide establishment for transacting business located within Cook County at which it was actually transacting business on the date when any competitive solicitation for a public contract is first advertised or announced and further which employs the majority of its regular, full time work force within Cook County.

- a) Is bidder a "local business" as defined above?

Yes No

- b) If yes, list business address(es) within Cook County

Yes No

3. THE CHILD SUPPORT ENFORCEMENT ORDINANCE (PREFERENCE (CODE, CHAPTER 34, SECTION 34-366)

Every applicant for a county privilege shall be in full compliance with any child support order before such Applicant is entitled to receive or renew a county privilege. When delinquent child support exists, the COUNTY shall not issue or renew any COUNTY privilege, and may revoked any COUNTY privilege. All applicants are required to review the Cook County Affidavit of Child Support Obligations attached to this agreement, based upon the definitions and other information included in such Affidavit:

Applicant has no "substantial ownership"

OR

The Cook County Affidavit of child support obligations has been completed by all "substantial owners" and is attached to this agreement.

II. EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION

Neighborhood Stabilization Program County of Cook

The undersigned understands and agrees that it is a SUBGRANTEE of a Project funded in part by the Neighborhood Stabilization Program of the County of Cook. The undersigned also agrees there shall be no discrimination against any employee who is employed in carrying out work from the assistance received from the County of Cook and the Department of Housing and Urban Development, or against any applicant for such employment, because of race, color, religion, sex, age or national origin, including but not limited to employment, upgrading, demotion or transfer; recruitment or recruitment advertising; lay off or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

SUBGRANTEE further agrees to the following:

- (1) It will incorporate or cause to be incorporated into any grant contract, loan, grant insurance or guarantee involving federally assisted construction work, or modification thereof, which is paid for in whole or in part with funds obtained from the Neighborhood Stabilization Program, the language contained in HUD Equal Employment Opportunity Regulations at 42 CFR 130.15(b), in Executive Order 11246, as amended by Executive Orders 11375 and 12006, and implementing regulations issued in 41 CFR Chapter 60.
- (2) It will be bound by said equal opportunity clause with respect to its own employment practices when it participates in any Neighborhood Stabilization Program construction.
- (3) It will assist and cooperate actively with the County of Cook, the Department of Housing and Urban Development and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations and relevant orders of the Secretary of Labor.
- (4) It will furnish the County of Cook, the Department of Housing and Urban Development and the Secretary of Labor such information as they may require for the supervision of such compliance, and will otherwise assist the County of COOK and the Department of Housing and Urban Development in the discharge of primary responsibility for securing compliance.
- (5) It will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from or who has not demonstrated eligibility for government contracts and federally assisted construction contracts pursuant to the Executive Order.

- (6) It will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the Secretary of Labor, the County of Cook or the Department of Housing and Urban Development.
- (7) In the event that SUBGRANTEE fails or refuses to comply with the undertaking, the County of Cook, or the Department of Housing and Urban Development may take any or all of the following actions: cancel, terminate or suspend in whole or in part this grant, refrain from extending any further assistance to SUBGRANTEE until satisfactory assurance of future compliance has been received; and refer the case to the Department of Housing and Urban Development for appropriate legal proceedings.

Name of SUBGRANTEE

Date: _____

Signature

Printed Name/Title

STATE OF ILLINOIS)
) **SS**
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that _____ is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that as _____ signed, sealed and delivered the said instrument as a free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this _____ day of March, 2010.

Notary Public

My Commission expires: _____

Certifications and Disclosures provided as part of the NSP application:

- III. MBE/WBE UTILIZATION AND OUTREACH PLAN**
- IV. OWNERSHIP DISCLOSURE STATEMENT**
- V. AFFIDAVIT OF CHILD SUPPORT OBLIGATIONS**

See Attached Documents

EXHIBIT E

BOARD APPROVAL

November 4, 2009 – Item #34

APPROVED

Transmitting a Communication, dated October 7, 2009 from

MAURICE S. JONES, Director, Department of Planning and Development

requesting authorization to allocate and expend funds awarded to Cook County under a U.S. Department of Housing and Urban Development (HUD) grant for the purposes of the Neighborhood Stabilization Program (NSP), authorized under Title III of the Housing Economic Recovery Act 2008 (HERA). The purpose of the Neighborhood Stabilization Program is to assist communities that have been or are likely to be affected by foreclosed and/or abandoned properties. The Program will provide affordable rental and home ownership opportunities to eligible income households. Cook County has been awarded \$28,156,321.00 for implementation in suburban Cook County communities with the greatest need. Cook County utilized HUD foreclosure and abandonment data to determine priority areas that are eligible for funding. Approval for acceptance of this grant award was given by the Cook County Board of Commissioners on May 19, 2009.

The Department has subsequently received various applications and requests for such funds from the community and has made recommendations for the allocation and expenditure of the same.

I respectfully request approval to allocate and expend funds from this grant award and that the President of the Cook County Board of Commissioners, the Chief of the Bureau of Capital, Planning and Facilities Management, or his designee, is authorized to execute on behalf of the County of Cook, any and all documents necessary to facilitate administration of the Program approved herein, including but not limited to the NSP grant agreement and any modifications thereto. The approval of this award for administration of the Program by this Honorable Body will permit the Neighborhood Stabilization Program to move forward.

Estimated Fiscal Impact: None. Grant Award: \$24,039,689.00. Funding period: March 31, 2009 through March 31, 2013. (753-847 Account).

EXHIBIT F

NSP Activity Setup and Funds Obligation Request Form

DATE _____

Instructions: Complete this form and submit to the NSP Project Manager for approval of your NSP. Refer to your NSP Policy and Procedures Manual for further details governing each Activity type. Documentation is not required to be submitted at the same time as the setup form, but must be submitted prior to requesting payment. This form can be returned by email to NSP1@cookcountygov.com, by clicking the "Submit Form" button above, by mailing it to 69 W. Washington Street, Ste. 2900, Chicago, IL 60602, or faxing it to 312-603-6548

Check One

Initial Setup Supplemental Amount Requested Project ID #:

Projected Costs for this \$ _____ Amount to Obligate \$ _____ Project Balance \$ _____

Program Recipient Name: _____

Contact Name _____)

Address: _____ City: _____ Zip : _____

Phone: _____ Email: _____

Targeted Census Tract#:/ Block Group #: _____
(visit: www.factfinder.census.gov for census tract and block group information)

Property Site Address: _____ City: _____ Zip: _____

Funds Requested: Acquisition\$ _____ Rehab/Redev \$ _____ Demolition \$ _____

Project Delivery Soft Costs \$ _____ Subtotal of Project \$ _____ Developer Fee \$ _____

(Project delivery costs for SUBGRANTEES may not exceed limits without written approval)

Please provide a short narrative to describe the use of NSP funds, the scope of the project, and the end use of the property including Eligible Activity, please also submit color photo(s) of the property:

Seller Information:

Seller Name: HUD

Address: _____ City: _____ Zip: _____ Phone: _____ Email: _____

Please check all boxes) that indicate the type of Activity for which NSP funds will be used at this address:

Amount	Amount	Amount
[] <input type="checkbox"/> A- Financing	[] <input type="checkbox"/> B – Home Rehab	[] <input type="checkbox"/> E- Public Facility
[] <input type="checkbox"/> C- Land Bank Facility	[] <input type="checkbox"/> B – Home Redev	[] <input type="checkbox"/> E- Public
[] <input type="checkbox"/> D- Demolition Commercial	[] <input type="checkbox"/> B – Rental Rehab	[] <input type="checkbox"/> E-
[] <input type="checkbox"/> Counseling	[] <input type="checkbox"/> B – Rental Redev	[] <input type="checkbox"/> E- Housing
	[] <input type="checkbox"/> B – Rental Rehab	[] <input type="checkbox"/> E- Redev
		[] <input type="checkbox"/> E- Rehab
		[] <input type="checkbox"/> E- Acquisition
		[] <input type="checkbox"/> E- Green Energy/Home

Foreclosed (Bank Owned) Abandoned (Vacant for 90 Days -- Taxes not paid for same period)

Appraisal Market Value Preliminary Title Report Disclosure to Seller of Fair Market Value

Offer 1% less than Appraised Value Appraisal w/in 60 days of last offer

Occupied by seller Occupied by buyer Vacant Occupied by tenant (not buyer)

documentation regarding vacant or occupied property attached—see Appraisal

Type of property

Single Property is currently: family, detached Single family, attached Manufactured. Home

Condo (restrictions may apply) Multi-Family Property

No. of bedrooms: 6

AMI Benefit 50% [] 80% [] 120% [\$_____]

(The amount above should be cumulative for the Project)

I hereby request the an obligation of NSP funds for the property(ies) listed on this form, pursuant

to the terms of the Neighborhood Stabilization Program and any related agreements executed by me or on behalf of the entity which I represent. I understand that Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government. The information provided in this document may be submitted to the U.S. Department of Housing and Urban Development as part of monitoring the NSP.

Construction Manager

Research Analyst/Contracts

Supervisor Approval

Project Setup Approval Sheet
CCBCD STAFF PLEASE PROVIDE ANSWER (✓) THEN INTIAL AFTER EACH ITEM

<u>Pass these reviews and inspections</u>	<u>Staff Sign-Off</u>	<u>Date</u>
<input type="checkbox"/> Census Tract Eligible	_____	_____
<input type="checkbox"/> Activity Eligible	_____	_____
<input type="checkbox"/> Appraisal Verified 1% / 60 Days	_____	_____
<input type="checkbox"/> Review of Occupancy Status	_____	_____
<input type="checkbox"/> Environmental Review	_____	_____
<input type="checkbox"/> A Housing Quality Standards (HQS) inspection	_____	_____
<input type="checkbox"/> Rehab/Redev Assessment	_____	_____
<input type="checkbox"/> Energy Audit (if applicable)	_____	_____
<input type="checkbox"/> DRGR Entry # _____	_____	_____
<input type="checkbox"/> Request to Obligate Planner Approved	_____	_____
<input type="checkbox"/> Request to Obligate Mgr. Approved	_____	_____
<input type="checkbox"/> Legal Notified	_____	_____
<input type="checkbox"/> Agreement Drafted	_____	_____
<input type="checkbox"/> Agreement Executed	_____	_____
<input type="checkbox"/> Funds Obligated	_____	_____
<input type="checkbox"/> Check Requested (29A)	_____	_____

NEIGHBORHOOD STABILIZATION PROGRAM

COOK COUNTY, ILLINOIS

ENVIRONMENTAL REVIEW REQUEST

Submit this form when you are ready for environmental request

PROJECT NUMBER (ENTERED BY CCBCD) _____

LEAD APPLICANT NAME _____

MUNICIPALITY _____

ADDRESS _____

JOB DESCRIPTION _____

OWNER/APPLICANT Yes

- Homeownership Purchase and Rehabilitation
- Rental Housing Purchase and Rehabilitation
- Demolition
- Land banking
- Homeownership Purchase and Redevelopment
- Rental Housing Purchasing and Redevelopment
- Green Building, Rehabilitation and Redevelopment
- Homebuyer Counseling

UNITS 1

Yes **Has the project been reviewed by SHPO and found to have no significance to the historic, architectural or archeological resources of the community?**

Yes **Is the property located in a floodplain?**

Yes **Is the project in compliance with applicable statutes and regulations?**

Please attach color photographs of front and rear of PROPERTY

Cook County Use Only

OBLIGATION OF FUNDS APPROVAL SHEET

CCBCD STAFF PLEASE PROVIDE ANSWER (X), STATUS, THEN INTIAL & DATE AFTER EACH ITEM

<u>Pass these reviews and inspections</u>	<u>Status</u>	<u>Staff Sign-Off</u>	<u>Date</u>
Contract Executed & Attached	_____	_____	_____
Appraisal Verified 1% / 60 Days	_____	_____	_____
Review of Occupancy Status	_____	_____	_____
Voluntary Acquisition Letter Sent & Attached	_____	_____	_____
Environmental Review Approved	_____	_____	_____
Housing Quality Standards (HQS) Inspection	_____	_____	_____

(Rehab/Redev Inspection)			
Energy Green Components	_____	_____	_____
Included			
Good Faith Estimate of Project	_____	_____	_____
Budget Attached			
Request to Obligate Planner	_____	_____	_____
Approved			
Request to Obligate Mgr.	_____	_____	_____
Approved			
Census Tract Eligible	_____	_____	_____
AMI Identified or Area Benefit	_____	_____	_____
Verified (51% at or below			
120%)			
Activity Eligible	_____	_____	_____
DRGR Project #(s) Reviewed	_____	_____	_____
Funds Obligated	_____	_____	_____

All Boxes Above Must Be Checked First Before Initiating Expenditure & Closing Date:

Pre-Closing Advance	_____	_____	_____
Requested			
Finance Approved	_____	_____	_____
Manager Approved	_____	_____	_____
Bureau Approved	_____	_____	_____
Closing Date Set	_____	_____	_____
Legal Notified	_____	_____	_____
Mortgage Docs Drafted	_____	_____	_____
Closing Checklist Complete	_____	_____	_____
Check Requested (29A)	_____	_____	_____
Closing Held	_____	_____	_____

EXHIBIT G

I. SAMPLE FORM 29A



COOK COUNTY GOVERNMENT (FORM 29A)

IN 09-00483

IN 09-00483
Invoice Number

Vendor Number



Seller's Name & Address

Date _____
FOR COUNTY USE ONLY

Req. No. _____
DEPARTMENT

Purchase Order No. _____
ACCOUNT

COST CENTER



Delivered to

F.E.I.N./S.S. # MUST BE PROVIDED IN THE SPACE ABOVE OR VOUCHER WILL BE RETURNED

QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT

DEPARTMENT APPROVAL	TOTAL
----------------------------	--------------

WE HEREBY CERTIFY THAT THIS INVOICE IS RENDERED IN FULL CONFORMITY WITH THE PURCHASE ORDER OR CONTRACT AND MEETS THE SPECIFICATIONS CONTAINED THEREIN. FEDERAL REGULATIONS ARE ALSO COMPLIED WITH.

I HEREBY CERTIFY THAT I HAVE EXAMINED THE RECEIVING REPORT FROM THE USING DEPARTMENT AND IT AGREES WITH THIS INVOICE AND THAT SATISFACTORY EVIDENCE IS ATTACHED HEREWITH OF RECEIPT OF GOODS AND OR SERVICES.

EXAMINED AND APPROVED

AUDITOR

II. 29A CERTIFICATION PAGE

SUBRECIPIENT
29A CERTIFICATION

FORM 2

PROGRAM: CDBG ESG HPRP CDBG-R NSP-1 HOME

PAYABLE TO: _____

AMOUNT: _____

PROJECT NO: _____

PURPOSE: _____

_____ hereby certify to the authenticity and accuracy of the provided information. I further certify that all statements made regarding the _____ project are true and accurate and that I have authority to submit the attached documentation. I understand that providing false information will subject my organization or municipality to termination from the CDBG/HOME/NSP/ESG Program(s) and there may be additional penalties for providing false information including, but not limited to, referral to the appropriate law enforcement agencies for filing of criminal charges. 18 U.S.C. § 1001 makes it a felony to knowingly, and willfully, make a material false statement on a matter within the jurisdiction of any Federal agency. I understand that knowingly and willfully making a material false statement or concealing a material fact could subject me to a fine or imprisonment of up to 5 years, or both.

Printed Name

Organization/Municipality

Title

Signature

Date

EXHIBIT H

THE COOK COUNTY NSP PROCEDURAL MANUAL HAS BEEN
PREVIOUSLY PROVIDED TO SUBGRANTEE

INTENTIONALLY LEFT BLANK

AGENDA BRIEFING

DATE: June 2, 2010

TO: Mayor Ostenburg
Board of Trustees

FROM: Hildy L. Kingma, AICP
Director of Economic Development and Planning

RE: Resolution Authorizing Execution of a Developer Agreement between the Village of Park Forest and Habitat for Humanity Chicago South Suburbs regarding the Neighborhood Stabilization Program

BACKGROUND/DISCUSSION:

In August 2009, the South Suburban Mayors and Managers Association (SSMMA) submitted an application to Cook County for Neighborhood Stabilization Program (NSP) funds on behalf of the communities that are part of the South Suburban Housing and Community Development Collaborative. In November 2009, the Cook County Board voted to fund the SSMMA application for \$8.9 million to support projects in 11 of the communities that are part of the Collaborative. Park Forest received \$500,000 as part of this grant award for the purchase and rehabilitation of foreclosed homes. Park Forest's plan is to work with Habitat for Humanity Chicago South Suburbs on this project, and to sell the rehabbed homes to their partner families. Habitat for Humanity will work with the Village to identify potential partner families currently living in the Village. We hope to be able to purchase and rehabilitate between five and seven homes with this grant.

The purpose of the NSP is to assist communities that have been or are likely to be affected by foreclosed and abandoned properties, while also providing affordable rental and homeownership opportunities to households at or below 125 percent of the area median income in "areas of greatest need". The communities that are part of the South Suburban Housing and Community Development Collaborative rank at the top of the list of "areas of greatest need" in the Chicago area based on income and unemployment levels and the high risk of housing foreclosure and abandonment.

The Agreement that is attached was prepared by Cook County and the Technical Assistance Advisor hired by the U.S. Department of Housing and Urban Development (HUD). Please note that Village and Collaborative Staff continue to work with Cook County Staff to correct scrivener errors and obtain all of the exhibits to the Agreement. However, some exhibits are still being drafted by HUD and Cook County. If any Board members would like to see the exhibits that are not yet attached, they can be made available to the Board as soon as the Village receives them. The Village Attorney has reviewed this Agreement.

SCHEDULE FOR CONSIDERATION: This item will appear on the agenda of the Board Rules Meeting of June 7, 2010.

RESOLUTION

**A RESOLUTION AUTHORIZING EXECUTION OF A DEVELOPER AGREEMENT
BETWEEN THE VILLAGE OF PARK FOREST AND
HABITAT FOR HUMANITY CHICAGO SOUTH SUBURBS
REGARDING THE NEIGHBORHOOD STABILIZATION PROGRAM**

BE IT RESOLVED by the Village Mayor and Board of Trustees of the Village of Park Forest, Cook and Will Counties, Illinois, in the exercise of their home rule authority, as follows:

SECTION 1. The Developer Agreement attached hereto and incorporated herein by reference as Exhibit A is hereby approved, subject to the review and approval of the Village Attorney.

SECTION 2. The Village Manager is directed and authorized to sign the Agreement in substantially the form attached and the Village Clerk is directed and authorized to attest the signature of the Village Manager.

SECTION 3. This Resolution shall be in full force and effect from and after its passage, approval and publication as provided by law.

PASSED this ____ day of _____, 2010.

APPROVED:

ATTEST:

Village Mayor

Village Clerk

EXHIBIT A

DEVELOPER AGREEMENT BETWEEN
THE VILLAGE OF PARK FOREST AND
HABITAT FOR HUMANITY CHICAGO SOUTH SUBURBS
REGARDING THE NEIGHBORHOOD STABILIZATION PROGRAM

DEVELOPER AGREEMENT
NEIGHBORHOOD STABILIZATION PROGRAM
(MUTIPLE NSP ACTIVITIES– Per Program Summary and Budget)

This AGREEMENT is entered into as of the 7th day of June, 2010, by and between Village of Park Forest, Cook and Will Counties having a principal place of business or offices at 350 Victory Drive, Park Forest, Illinois, 60466 (hereinafter "MUNICIPALITY" , or "SUBGRANTEE") and Habitat for Humanity Chicago South Suburbs, a(n) Illinois corporation having a principal place of business or offices at 139 W. Joe Orr Road, Chicago Heights, Illinois, 60411 ("DEVELOPER").

RECITALS

WHEREAS, the Illinois General Assembly has granted the County of Cook, hereinafter "COUNTY", the authority to make all contracts and do all other acts in relation to the property and concerns of the COUNTY necessary to the exercise of its corporate powers (Illinois Compiled Statutes, Chapter 55, paragraphs 5/5-1005), and to enter into agreements for the purposes of receiving funds from the United States government under the "Housing and Community Development Act of 1974," and other subsequent housing acts, and may disburse those funds and other county funds for community development and other housing program activities (Illinois Compiled Statutes, Chapter 55, paragraph 5/5-1093);

WHEREAS, the United States government has appropriated funds for the redevelopment of abandoned, and foreclosed upon homes and other vacant properties under Title III of the Housing and Economic Recovery Act of 2008 (Pub. L 110-289, 122 Stat. 2850, enacted July 30, 2008)("HERA"), to be treated as though such funds were Community Development Block Grant funds under the Housing and Community Development Act of 1974, (Pub. L 93-383) as amended (the "ACT") and to be administered through the United States Department of Housing and Urban Development ("HUD"); and

WHEREAS, the COUNTY has applied to HUD for HERA funds to be used for a Neighborhood Stabilization Program (NSP) for the purpose of acquiring and redeveloping abandoned and foreclosed homes and other vacant properties that might otherwise become sources of blight within Cook County's communities; and

WHEREAS, the NSP will be subject to the rules and regulations of HERA, Title 24 of the Code of Federal Regulations, Part 570 (Community Development Block Grants, Part 92 of the HOME Investment Partnership Program (HOME) and NSP guidelines as stipulated by HUD; and

WHEREAS, the COUNTY, as part of its application to HUD, has stated that it will select certain program recipients to acquire and redevelop foreclosed and abandoned properties for affordable housing under the NSP; and

WHEREAS, on May 19, 2009 and November 4, 2009 approval and authority was given by the Cook County Board of Commissioners for the Bureau of Community Development "CCBCD" (formerly operating as the Department of Planning and Development) to execute agreements to administer the program and award \$24,039,689 of the COUNTY'S NSP allocation to assist families with homeownership, conduct rehabilitation and/or

redevelopment of the acquired properties, demolish vacant properties and otherwise obtain vacant properties for NSP use. A copy of the Program Summary and Budget are Board Approval for the awards being attached hereto and incorporated herein by reference as Exhibits A and E respectively; and

WHEREAS, the COUNTY has selected the SUBGRANTEE, to assist with operation of the NSP.

WHEREAS, the SUBGRANTEE has selected, DEVELOPER, to assist with operation of the NSP.

WHEREAS, the COUNTY hereby agrees to loan funds to DEVELOPER for the purchase of various foreclosed, abandoned and vacant properties for the benefit of eligible NSP families (NSP Beneficiaries); and

WHEREAS, the Eligible Activity(ies) of acquisition and rehabilitation meet(s) the national objective, as the activity(ies) provide(s) neighborhood stabilization housing opportunities for families at or below 120% of the area median income and/or benefit to an area where all the residents of a primarily residential area in which at least 51% of the residents have incomes at or below 120% of area median income.

WHEREAS, DEVELOPER possesses the legal authority to execute an agreement to undertake the activity described herein and its governing body has duly adopted or passed as an official act, a resolution, motion or similar action authorizing the person identified as the official representative of the DEVELOPER to execute the AGREEMENT, all understandings and assurances contained herein, and directing the authorization of the person identified as the official representative of the DEVELOPER to act in connection with the execution of the AGREEMENT and to provide such additional information as may be required; and

WHEREAS, the SUBGRANTEE and DEVELOPER enter into this Agreement pursuant to their respective powers to enter into such Agreements, as those powers are defined in the Illinois Constitution and applicable statutes.

I. INCORPORATION AND CONSTRUCTION

- A. All recitals set forth above are incorporated herein and made part hereof, the same constituting the factual basis for this AGREEMENT.
- B. The section headings of the paragraphs and subparagraphs of this AGREEMENT are for convenience of reference only and shall not be deemed to constitute part of this AGREEMENT or to affect the construction hereof.
- C. The following exhibits are hereby incorporated herein:

- Exhibit A. Program Summary and Budget
- Exhibit B. General Financial Management Responsibilities
- Exhibit C. Minimum Construction Standards
- Exhibit D. Disclosures and Certifications*
- Exhibit E. Cook County Board Approval
- Exhibit F. Request for Obligation of Funds
- Exhibit G. 29A
- Exhibit H. NSP Procedural Manual

DEVELOPER agrees to execute any all of the Certifications included as part of Exhibits D and G as applicable.

II. STATEMENT OF WORK AND ELIGIBLE COSTS

A. DEVELOPER agrees to perform activities described in this Section II, and in the attached Exhibit A and corresponding Schedule 2 (if applicable) and in accordance with the time periods specified in this agreement. DEVELOPER agrees to cooperate with and coordinate PROJECT activities with SUBGRANTEE and/or other designated SUBRECIPIENTS and agents of COUNTY, during the term of this agreement. DEVELOPER shall ensure compliance with the NSP program rules, this agreement and NSP Procedural Manuals previously provided to DEVELOPER. DEVELOPER shall ensure that requests are made for eligible necessary and reasonable costs associated with the acquisition, construction, rehabilitation, redevelopment, demolition of blighted structures and resale, and rental of various single family dwelling units, multifamily structures and public facilities ("PROJECT"). Notwithstanding the foregoing, the type and number of units shall be subject to the Project Summary and Budget and separate written approval by the COUNTY via its process for obligating NSP funds (see the County's Activity Setup and Funds Obligation Request form attached hereto as Exhibit F.). Each Project approval shall constitute a separate addenda to this agreement.

Designated SUBRECIPIENT: If notified by COUNTY or SUBGRANTEE of the existence of SUBRECIPIENT that has been designated to work with the SUBGRANTEE on behalf of the COUNTY, DEVELOPER agrees to fully cooperate with said designated SUBRECIPIENT of COUNTY. The designated SUBRECIPIENT shall have the authority to oversee request for obligation of funds, payout requests, determine cost reasonableness as it relates to each PROPERTY under the PROJECT, and otherwise act on behalf of COUNTY as specified in this agreement. COUNTY reserves the right to modify the assigned designated SUBRECIPIENT from time to time as may be necessary to administer the NSP.

Statement of Work Specifics: Although the locations of these dwelling units (individually the "PROPERTY" and more than one the "PROPERTIES") are yet to be determined, each PROPERTY must be located within areas of greatest need as defined in COUNTY'S NSP Substantial Amendment to its Annual Action Plan, as may be limited and defined in the Program Summary and Budget. The following is the criteria for expenditure of NSP funds based on the Program Summary Budget:

B.

Eligible Activity	Description	Required Property Status	Appraisal
B	Acquisition and Rehabilitation serving households with income between 0 to 50% AMI	Foreclosed or Abandoned	w/in 60days of last offer to purchase
B	Acquisition and Rehabilitation serving households with income between 51% to 120% AMI	Foreclosed or Abandoned	w/in 60days of last offer to purchase
D	Demolition	Vacant Structure	Prior to Purchase
E	Redevelopment	Vacant Structure or Land with Previous Structure	Prior to Purchase

Properties purchased under Eligible Activity B shall be purchased at a discount from current market appraised value such that the purchase price of each PROPERTY within the PROJECT shall be at a minimum, 1% below the current (at time of purchase) market appraised value. Blighted PROPERTIES meeting the foregoing criteria may also be purchased for demolition and construction of a new single family dwelling unit, if approved by separate written document by the COUNTY. After rehabilitation in accordance with the COUNTY'S Property Standards Policy attached hereto as Exhibit H, and as such is further outlined in the COUNTY'S NSP Policy and Procedures Manual and, or new construction if applicable, each PROPERTY shall be sold or rented to households whose incomes do not exceed one hundred twenty percent (120%) of the median family income of the Chicago-Naperville-Joliet MSA as published by HUD from time to time, adjusted for family size. Households shall be determined to be income-eligible households using the IRS Form 1040 Adjusted Gross Income definition of income calculation.

- C. **Eligible Costs:** DEVELOPER agrees to administer the PROJECT in accordance with: the ACT; HERA; Federal Register Notice, Vol. 73, No. 194, published October 6, 2008; Title 24 CFR Part 570 (Community Development Block Grants); Part 92 of the HOME Investment Partnership Program (HOME), NSP guidelines as stipulated by HUD (and outlined in the COUNTY'S NSP Policy and Procedures Manual) and other applicable federal, state, and local laws, ordinances and regulations. DEVELOPER shall require such compliance and assurances in all lower tier contracts and subcontracts financed in whole or in part with the NSP funds. DEVELOPER shall perform all acts with responsibility to SUBGRANTEE in the same manner as SUBGRANTEE is required to perform all acts with responsibility to the COUNTY. The scope of activities to be performed, pursuant to this AGREEMENT, will be governed by, and limited to, the following:
1. DEVELOPER may not request disbursement of funds under this AGREEMENT until the funds are needed for payment of eligible costs. At the time an initial request for funds is made, DEVELOPER shall submit a Request for Obligation of Funds (See Exhibit F) to the COUNTY'S designated SUBRECIPIENT or as otherwise directed by COUNTY. The amount of each initial request and each subsequent request must be limited to eligible costs as determined by the COUNTY'S Department of Housing which is under the Bureau of Community Development ("CCBCD"). At the time that an initial request for funds is made, the parties will work together to create a projected payout schedule. COUNTY shall have the final decision on when payouts are made (generally at various stages of the project).
 2. The SUBGRANTEE shall provide funds to DEVELOPER to reimburse DEVELOPER for eligible costs that the COUNTY or its designated SUBRECIPIENT determines to be customary and reasonably associated with the PROJECT, as follows:
 - a. **Minimum number of homes to be acquired, developed, and sold:** shall be 5.
 - b. **Prior approval of acquisitions by MUNICIPALITY:** Developer may not obligate or commit funds pursuant to a purchase agreement for a property to be acquired and developed or contribute a Developer-owned property to this

program without first obtaining written approval of COUNTY and/or its designated SUBRECIPIENT. To request this approval, Developer will provide SUBGRANTEE and the COUNTY'S designated SUBRECIPIENT with a property description, proof of abandoned, foreclosed, or vacant status as applicable, preliminary plans and specifications for rehabilitation or construction work, a preliminary development cost, an estimate of sale price, and an estimate of net sales proceeds including line item estimates of sales and marketing costs, closing costs and financing to be provided to the buyer. SUBGRANTEE will base its approval upon an assessment of NSP compliance (via, authorization from COUNTY and/or its designated SUBRECIPIENT or other method), financial feasibility, conformity to expenditure limits described herein, and the potential marketability of the property. In addition, properties must be located in NSP target areas as described herein.

- c. **Approval and funding of demolition costs:** Primary structures on properties acquired or contributed may not be demolished unless they are declared as blighted by COUNTY. Unless otherwise agreed to in writing, Developer must fund the cost of demolition (if any) out of the funding that is made available in this agreement or the developer's own funds.
- d. **Customary closing costs:** Each PROPERTY acquired under this PROJECT, under Eligible Use B, must be acquired at a minimum of one percent (1%) discount from the current market appraised value of the PROPERTY. The current market appraised value shall be established through an appraisal completed within sixty (60) days prior to an offer made for the PROPERTY. If the property value is estimated to be \$25,000 or less, the appraised value may be established by a County Assessors' valuation, a broker's price opinion or other reliable sources. Appraisals must be performed by an appraiser listed on the FHA Appraiser Roster and approved by the COUNTY and/or its designated compliance agent.
- e. **Costs of Rehabilitation, Demolition or Redevelopment:** These costs can be directly attributed to the project and include, but are not limited to costs of rehabilitation, demolition and new construction, as applicable, including supplies, materials, and hiring contractors, subcontractors, and trades necessary to complete the work. All work for which a licensure or certification program exists locally or in the State of Illinois must be carried out by properly licensed or certified persons. Each PROPERTY rehabilitated or constructed under this PROJECT shall have an after-rehabilitation market appraised value not to exceed \$275,200 per unit. However, in no event should the NSP investment exceed \$150,000 per unit without the separate written approval of COUNTY. Such value shall be established by an after rehabilitation market appraisal performed by a State licensed or certified in accordance with title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) (12 U.S.C. 3331 et seq.) (See the Current FHA Appraiser Roster).
- f. **DEVELOPER Fees:** If a DEVELOPER fee percentage is specified in the Program Summary and Budget, a DEVELOPER fee for the rehabilitation or construction costs of a PROPERTY may be paid to the DEVELOPER as payment is made for these costs. Notwithstanding the foregoing, however, DEVELOPER fees for the project may not exceed a total of 12% % of the

total development cost, or a maximum of \$18,000 per unit, provided that the Developer also sells the home without a broker's assistance. If the Developer engages the services of a third party real estate broker to sell the units and pays a fee as referenced below, the maximum developer fee is the lesser of 8% of the total development cost, or \$12,000 per unit. The applicable Developer fee shall be paid only upon final completion of rehabilitation or construction work is complete and an income eligible buyer purchases the unit and title transfers. The Developer may earn no other fee or profit from sale of an NSP-assisted dwelling unit, other than the general contractor fee described below. Notwithstanding the foregoing, in the event that any consultant of DEVELOPER becomes a DEVELOPER, subject to the prior written consent of CCBCD, such DEVELOPER shall be entitled to the payment of a DEVELOPER fee for the work which it performs as a DEVELOPER in accordance with CCBCD requirements.

SUBGRANTEE is required to provide COUNTY with a copy of this agreement, as a prerequisite to the payment of funds by COUNTY pursuant to this DEVELOPER agreement. Such agreement must also contain information outlining any fee splitting arrangement for project delivery and/or consultant fees.

- g. General contractor fee allowed:** If Developer is acting as general contractor and thus hiring and managing subcontractors, Developer may charge a fee in the form of a mark-up of subcontractor costs. Developer's reimbursement requests for construction costs may include a mark-up of up to **2%** of all valid, documented costs of subcontractors who have performed construction work. However, such mark-up may not be applied to non-construction costs such as taxes, insurance, security, general requirement, or working capital costs. No such fees will be paid to Developer for any NSP property that is rehabilitated or built by a third-party general contractor. All general contractors performing work on NSP-assisted projects must be properly licensed by Cook County. **Notwithstanding the foregoing, in no event shall DEVELOPER fees and General contractor fees as defined herein exceed a combined total of 14% without the express written consent of COUNTY.**
- h. NSP cash down payment assistance per buyer and minimum cash contribution by buyer:** Developer may advance up to \$6,000.00, or half of the required down payment amount, whichever is less, to each NSP-qualified buyer. NSP cash down payment assistance is defined as NSP funding provided to the homebuyer by Developer for down payment and/or closing costs. Notwithstanding the foregoing, each buyer of an NSP home will provide a minimum of \$1000.00 in buyer's own cash or family gifts toward the combined down payment and closing costs.
- i. Other limits on expenditures:** Other acquisition, rehabilitation/construction and soft costs described in Exhibit A are not subject to per-home cost limits on a line-item basis, but must be reasonable and ordinary costs of development and, in the aggregate, must conform to the per-home cost limits

- j. **Carrying Costs.** Usual and customary costs associated with carrying each PROPERTY until it is sold to an eligible household, including, but not limited to, management fees, maintenance costs, insurance, real estate taxes, and replacement reserves.
- k. **Selling Costs:** Costs associated with the sale of each PROPERTY to an eligible household, including, but not limited to, the costs of advertising the unit for sale, screening potential homebuyers, performing income qualification procedures, and preparing required documentation.
- l. **Other such related costs:** Costs that have the same intent as this AGREEMENT, are eligible for NSP funding, and are pre-approved by CCBCD staff.
- m. **Accounting for expenditures:** Developer will account for total NSP expenditures per home by means of assigning an accounting code for NSP-funded or reimbursed expenses for each property and another accounting code, if applicable, for non-NSP funded expenditures (if any). At the time of the sale of an NSP-assisted home, Developer will provide Grantee with a complete accounting of NSP expenditures for that home and non-NSP expenditures, if any. The separate accounting of NSP and other funds used is required for establishing the maximum allowed sale price and will provide necessary financial data on NSP-funded expenditures in the event of a HUD audit of program activities.
- n. **Maximum sales price:** The sale price may not exceed the after-construction market value of the home or the total amount of NSP and non-NSP expenditures, whichever is less. The market value of a home will be determined in accordance with the provisions in the Program Manual.

Repayment of net proceeds of to designated County fund: Upon sale of an NSP-funded home, Developer will transmit the net proceeds of sale to a fund designated by COUNTY. Net proceeds of sale are defined as follows:

- i. The sale price of the home;
- ii. (Minus) the amount of any mortgage assistance and down payment assistance provided to buyer, as defined herein and described on the settlement statement;
- iii. (Minus) Developer costs of sale as documented by the settlement statement, including but not limited to real estate broker fees and seller-paid closing costs;
- iv. (Plus) Any reimbursements to Developer of costs previously paid or reimbursed with NSP funds, such as pro-rated taxes and assessment

III. BUDGET; TERMS OF NSP FUNDING; REIMBURSEMENT PROCEDURES

- A. NSP funds in the amount of FIVE HUNDRED THOUSAND DOLLARS (\$500,000) shall be made available for the acquisition, rehabilitation, demolition and/or redevelopment of PROPERTIES purchased by MUNICIPALITY or DEVELOPER under the NSP, upon receipt of NSP funds from the Department of Housing and Urban Development, and upon the execution of documentation as described in this Section III. Notwithstanding

the foregoing, COUNTY recognizes that SUBGRANTEE'S AND DEVELOPER'S Program and Project(s) are unique; therefore, the NSP Activities that are allowable under this agreement shall be restricted to those listed in the Program Summary and Budget (see Exhibit A).

B. Upon purchase, DEVELOPER (including any third party non-profit organization acceptable to SUBGRANTEE) shall take title via Warranty Deed (or other acceptable form of deed) or assume a beneficial interest in the PROPERTY via a Trust Agreement. Simultaneously, DEVELOPER shall execute a note and a mortgage and regulatory and land use restriction agreement in favor of COUNTY, to ensure recapture of the NSP funds that COUNTY has paid toward the acquisition of the PROPERTY. COUNTY shall record said mortgage against the PROPERTY. DEVELOPER shall execute a second note and mortgage for the amount of the preliminary rehabilitation or demolition/construction budget to ensure recapture of any NSP funds that COUNTY will pay towards the rehabilitation or redevelopment of the PROPERTY and COUNTY shall record said second mortgage against the PROPERTY. If the costs for rehabilitation or redevelopment are known at the time of acquisition, the same may be accomplished by executing one mortgage and note to include acquisition, and construction costs. The terms of the mortgage and note shall be based on the COUNTY'S underwriting and affordability goals set prior to acquisition of the PROPERTY. All of the following conditions shall be included in the mortgage instruments to be executed by the DEVELOPER. In the event that any one or more of these conditions occur, the mortgage financed in part or in full with COUNTY NSP funds shall be considered in default:

1. The DEVELOPER fails to sell or rent the PROPERTIES or any PROPERTY as affordable housing for households whose incomes are below one hundred twenty percent (120%), of the area median family income (AMI), or such other AMI percentage as limited in the Summary of Program and Budget to the initial buyer or renter thereof as applicable,
2. If, during the time any COUNTY mortgage with DEVELOPER as mortgagor remains on title for any PROPERTY, the DEVELOPER files any petition in bankruptcy, or for a receiver, or insolvency, or for reorganization of composition, or makes any assignment for the benefit of creditors or to a trustee for creditors, or permits an adjudication in bankruptcy, the taking of possession of the PROPERTIES or any PROPERTY or any part thereof by the receiver, or the seizure and sale of the PROPERTIES or any PROPERTY or any part thereof under judicial process or pursuant to any power of sale, and fails to have such adverse action set aside within forty-five (45) days.
3. The DEVELOPER transfers, or otherwise encumbers the PROPERTIES or any PROPERTY, without the prior express written consent of the COUNTY.
4. If, during the time any COUNTY mortgage with DEVELOPER as mortgagor remains on any PROPERTY, the DEVELOPER fails to maintain the PROPERTIES or any PROPERTY and its grounds and equipment pertinent thereto according to applicable Housing Quality Standards and all local and state codes and ordinances.
5. If, during the time any COUNTY mortgage with DEVELOPER as mortgagor remains on any PROPERTY, the DEVELOPER shall fail to purchase fire and

extended coverage insurance and flood insurance, if required, thereon and provide and file a certificate of said coverage with the COUNTY, the proceeds of which, in the event said structure shall be destroyed or damaged by fire or other casualty, shall be used for reconstruction of said structure upon the said real estate.

Nothing in this section shall be deemed to prevent DEVELOPER from curing any default within forty-five (45) days. In the event that any such default is not cured, COUNTY may assert any rights and remedies as contemplated by this agreement.

C. Acquisition of property shall be subject to environmental review clearance by the Illinois Historic Preservation Office and reimbursement for acquisition shall be subject to the submission of the following information to the COUNTY'S designated SUBRECIPIENT, unless otherwise specified by COUNTY:

1. Copy of hazard insurance policy naming COUNTY as a loss payee as follows:

COUNTY OF COOK, Illinois, a body corporate and politic of the State of Illinois
Bureau of Community Development
Neighborhood Stabilization Program
69 W. Washington Street, Suite 2900
Chicago, Illinois 60602

2. Preliminary rehabilitation/redevelopment budget for the property and other information necessary to underwrite the property as determined by the County.

3. Information as to date, time, and location of closing.

D. Reimbursement for rehabilitation, demolition, new construction, and other carrying costs of a PROPERTY shall be subject to the submission of the following information to the office of the COUNTY's designated SUBRECIPIENT, unless otherwise specified by COUNTY:

1. Original, executed Request for Obligation of NSP Funds.

2. Payment form 29A (See Exhibit G).

3. A detailed scope of work for the rehabilitation of each unit in the PROPERTY for which reimbursement is being requested.

4. Receipts for materials, appropriate lien waivers from contractors, and, "paid in full" or "paid to date" invoices from contractor with copy of DEVELOPER'S payment check(s).

5. Additional documentation, if requested, at the sole discretion of COUNTY.

6. DEVELOPER may request reimbursement of eligible rehabilitation or construction costs on an ongoing basis throughout the rehabilitation period.

7. DEVELOPER may subcontract all or any portion of the PROJECT, as allowed by COUNTY policy, to such engineers, architects, construction contractors or other entities as DEVELOPER shall deem appropriate or necessary and upon such terms as may be acceptable to DEVELOPER, provided applicable administrative and procurement requirements are followed as set forth in Section VI of this AGREEMENT. *General Contractors working on NSP PROPERTIES must be certified by the CCBCD, prior to being able to bid for and work on NSP Projects.* DEVELOPER certifies that it will include in its contracts financed in whole or in part with NSP funds, all clauses required by Federal laws, executive orders, or regulations, and each contractor will also include in its subagreements and contracts financed in whole or in part with NSP funds all applicable clauses required by Federal laws, executive orders, or regulations.
 8. Any change orders requested by contractors and subcontractors must be sent by DEVELOPER with a letter of explanation stating the cause and need for the change order to the COUNTY'S designated SUBRECIPIENT, or as otherwise designated by COUNTY for approval prior to authorization of work.
 9. DEVELOPER shall erect a sign in a prominent place at each job site crediting COUNTY and HUD for funding of the PROJECT by including the following statement:

"Funding for this Project has been provided, in part, by the Cook County Department of Housing, under the Bureau of Community Development from a grant provided by the U.S. Department of Housing and Urban Development's Neighborhood Stabilization Program."
- E. Resale of any PROPERTY to an income eligible household shall be subject to the submission of the following information to the COUNTY'S designated SUBRECIPIENT's office, unless otherwise designated by COUNTY office prior to closing and in accordance with the following procedures:
1. Original, executed Request for Payment form 29A, if closing will require NSP funds from COUNTY.
 2. A copy of the executed contract between DEVELOPER and purchaser.
 3. Documentation of the purchaser household characteristics and income in a form approved by CCBCD.
 4. Documentation verifying that purchaser has completed eight hours of homebuyer counseling from a HUD-approved housing counseling agency.
 5. A copy of financing commitment letter from DEVELOPER or other lender(s), if any.
 6. A copy of Truth-in-Lending statement from DEVELOPER or other lender(s), if any.
 7. A commitment for an acceptable ALTA form of mortgagee's policy of title insurance in the amount of the mortgage to be given by COUNTY, issued by a title insurance company satisfactory to the COUNTY, insuring "*County of Cook,*

by and through the Cook County Bureau of Community Development, its successors and/or assigns” subject only to those exceptions to title as the COUNTY shall approve.”

8. Copy of hazard insurance policy naming COUNTY as a loss payee as specified above.
 9. Information as to date, time, and location of closing.
- F. Mortgage Documentation, buyer subsidies, affordability periods and repayment terms for PROPERTY to be shall be based on the following:

1. Occupancy, Resale, Conversion in General. DEVELOPER shall have a period of 6 months, after completion of rehabilitation, redevelopment or other construction, in which to re-sell or re-sell under a lease-purchase option (as applicable, subject to the Program Summary Budget) or rent each PROPERTY after the rehabilitation or redevelopment is completed. DEVELOPER may not unreasonably delay acquisition, rehabilitation, redevelopment, sale or lease of PROPERTY. The sales price of any PROPERTY shall be the lesser of the appraised value or the aggregation of all costs of acquisition, rehabilitation, and redevelopment. Any gap between the cost of acquisition, rehabilitation and/or redevelopment and the appraised value, shall be considered a Development Subsidy and shall be subject to separate underwriting considerations by the COUNTY. Acquisition, rehabilitation and redevelopment shall be subject to the timeline outlined in Section IV below. In the event that a ready willing and able NSP eligible homebuyer or lease-purchaser is not found for the PROPERTY within the allotted time, DEVELOPER may send a written request to COUNTY’s designated SUBRECIPIENT, unless otherwise directed by COUNTY, requesting an extension of time to find an eligible beneficiary. COUNTY may grant extensions in its sole discretion via written response within thirty (30) days of such request. In the event that an extension is not granted or a response is not received from COUNTY or its designated SUBRECIPIENT, the PROPERTY shall immediately convert to a rental PROPERTY for the time remaining on the initial affordability period. At the end of the initial affordability period all amounts due under the mortgage and note shall immediately become due, unless extended by COUNTY as indicated below.
2. High Priority Areas. The COUNTY has designated certain areas of greatest need as having a higher priority for economic growth and development. The areas are as follows:

MUNICIPALITY	High Cost	F/C & A Risk	Low/Mod Population	Unemployment 2008	Score	Allowable Forgivable Buyer Subsidy
Ford Heights	68.6	12.1	85.25	34.7	200.65	50%
Robbins	64.1	11.4	77.67	25.4	178.57	50%
Harvey	77.2	14.5	70.66	13	175.36	45%
Dixmoor	60.7	10.8	78.17	20.5	170.17	45%
Phoenix	67.4	11.9	71.84	12.1	163.24	40%
Riverdale	69.9	12.3	61.64	15.1	158.94	40%
Blue Island	64.1	11.4	59.79	10.1	145.39	35%

Except as specified below, if the single family PROPERTY is located within any of the high priority areas, DEVELOPER may provide a homebuyer subsidy up to the percentage listed in the chart above to eligible buyers. Homebuyer subsidy's exceeding the amounts listed above must have separate written approval from COUNTY. Homebuyer subsidies exceeding the amounts listed above must have separate written approval from COUNTY. Homebuyers are considered eligible for the subsidy, if they meet the following criteria:

- A. Able to obtain a first mortgage for the remaining portion of the purchase price, independent of County financing,
- B. Consistent and stable work history,
- C. Must occupy the premises as a primary residence
- D. Income must not exceed 120% of the area median income, unless further restricted in the Program Summary and Budget.

Exception: For all other eligible NSP areas, as such areas are listed in Exhibit A, COUNTY will permit not more than 15% of the resale cost to remain in the single family home as a homebuyer subsidy, without the separate written consent of COUNTY.

3. Release of Mortgage and Note Upon Resale. At the time each Single Family PROPERTY (1 Unit) is sold to an income eligible household, COUNTY will release its prior recorded liens (mortgage and note) against the PROPERTY, subject to the guidelines listed in this Section III, and the purchaser shall execute a 0% Interest, Forgivable Note and Junior Mortgage in favor of COUNTY for the agreed upon homebuyer subsidy. This Junior Mortgage shall be 0% interest, and shall be forgiven over the applicable affordability period (credit being given for any period that the property is leased), beginning in year five of the loan. County will not require repayment so long as an income eligible household occupies the PROPERTY as a primary residence, during the affordability period. Any remaining of the NSP loan amount not provided as a homebuyer subsidy shall be repayable to COUNTY upon resale.
4. Affordability Restrictions. The following affordability period restrictions shall apply to each NSP PROPERTY, except as otherwise approved by COUNTY in writing:

Affordability Period and Intended Usage Chart with Recapture Provisions

Amount of Grant or Loan	Affordability Period	Terms	Recapture Back to Cook County
Under \$15,000 per unit	Homebuyer: 5 years	Nothing is forgiven Years 1-5. 100% due back if homebuyer fails to maintain as principal residence, sells or transfers title within first 5 years	100% due; all is forgiven after year 5
\$15,000 to \$39,999	Homebuyer: 10 years	Nothing is forgiven Years 1-5. 100% due back if	100% due; year 1 to 5 , beginning year 6, 20% of

per unit		homebuyer fails to maintain as principal residence, sells or transfers title within first 5 years. Partial forgiveness after year 5	balance is forgiven per year, all is forgiven after year10
\$40,000 + per unit	Homebuyer: 15 years	Nothing is forgiven Years 1-10. 100% due back if homebuyer fails to maintain as principal residence, sells or transfers title within first 10 years. Partial forgiveness after year 10	100% due; year 1 to 10 , beginning year 11, 20% of balance is forgiven per year, all is forgiven after year15
Any amount for new construction or reconstruction	Homebuyer: 20 years	Nothing is forgiven Years 1-10. 100% due back if homebuyer fails to maintain as principal residence, sells or transfers title within first 10 years. Partial forgiveness after year 10	100% due; year 1 to 10 , beginning year 11, 10% of balance is forgiven per year, all is forgiven after year 20

Cook County will establish the actual amount of the Homebuyer Subsidy to be "recaptured" (repayment based on the above detailed forgiveness schedule) based on the availability of "net proceeds". Net proceeds are hereby defined as any amount remaining after the sale price minus any superior loan or lien repayment and reasonable seller closing costs have been deducted.

*The Negotiated County Extended Affordability Period may be utilized in cases when it is necessary to extend the Mortgage term, in order to ensure affordability for the family.

Payments made to COUNTY through recapture are considered program income. Such funds shall be received by the COUNTY in its Disaster Recovery System and utilized for other NSP Eligible Activities.

5. Lease-Purchase and Rental of Single Family PROPERTY. For lease purchase transactions DEVELOPER shall provide the lease-purchaser an option to purchase the PROPERTY within not fewer than 4 years. DEVELOPER shall also assist lease-purchasers with identifying resources for homeownership preparation. This shall include, but is not necessarily limited requiring lease-purchasers to obtain 8 hours of housing counseling from a HUD certified Housing Counselor, prior to entering into a lease agreement for each PROPERTY. A certificate of completion must be attached to the lease agreement. Upon expiration of the 4 year option period, such purchaser shall be required to obtain a First Mortgage. The rules outlined in this agreement shall govern the resale. In the event that the lease-purchaser is unable to qualify for and close on the loan within ninety (90) days after the expiration of the lease-purchase period, the PROPERTY shall automatically convert to a rental PROPERTY for the duration of the affordability period, and shall be subject to the NSP rules governing rental property as specified in this

agreement, and in the COUNTY's NSP Procedural Manual. Lease-Purchaser shall be required to pay rent to DEVELOPER, during such ninety (90) day period. DEVELOPER agrees to act as landlord during such remaining affordability period, under the terms of the deferred note, mortgage and regulatory land use restriction. DEVELOPER agrees to remain in the transaction, as a landlord of each single family PROPERTY, that is converted to a rental PROPERTY, for the duration of the affordability period. No payments shall be due County, during such time. Payments collected by DEVELOPER shall be considered program income.

6. DEVELOPER as Landlord in General. The units will be designated as affordable to such households for a period of years based on the amount of the subsidy (see Affordability Period Chart below)

Affordability Period Rental Housing

All NSP-assisted housing units that are considered "rental housing" will be subject to the following minimum affordability restrictions based on the requirements of the COUNTY'S HOME Investment Partnership Program (HOME):

Assistance Per Unit	Affordability Period
Under \$15,000	5 Years
\$15,000-\$40,000	10 Years
\$40,000 and above	15 Years
New/Reconstruction	20 Years

The COUNTY may impose an additional "Negotiated Extended Affordability Period" which may be utilized in cases when it is necessary to extend the Mortgage term, in order to ensure affordability for the PROPERTY.

Affordability will be enforced through the recording of deed restrictions and covenants running with the land to be executed at the acquisition closing on each PROPERTY.

For the purposes of this AGREEMENT, the COUNTY has established three definitions of "Affordable rents" to determine the maximum allowable rent for NSP-assisted units. These rent levels include utilities. If the tenant pays utilities, a utility allowance must be subtracted from the maximum allowable rent to determine the maximum contract rent. Utility allowances shall be calculated as they are currently calculated for the COUNTY HOME Rental Housing projects. The COUNTY will review and approve the rents charged on an annual basis. The rent limits shall be updated by HUD on an annual basis, and distributed by the COUNTY to all owners and property managers.

Low Income (Set-aside): For NSP-assisted units designated as Set-aside units (those occupied by households earning less than 50% of the area median income), rents shall not exceed the limits established by the

HOME Investment Partnerships Program for very low-income families (24 CFR Part 92.252(b)), otherwise known as “low HOME rents”.

Moderate Income: For NSP-assisted units occupied by households earning between 51 and 80% of the area median income, rents shall not exceed the maximum limits established by the HOME Investment Partnerships Program (24 CFR Part 92.252(a)), otherwise known as “high HOME rents”.

Middle Income: For NSP-assisted units occupied by households earning between 81 and 120% of the area median income, rents shall not exceed 110% of Fair Market Rents (FMR) for comparable units in the area as established by HUD under 24 CFR 888.111.

The following separate restrictions shall also apply based on the type of housing:

Multi-Family: PROPERTY (5 Units and Up) and Single Family PROPERTY (With 2-4 Units). At the end of the affordability period of any PROPERTY, if DEVELOPER no longer desires to operate PROPERTY as an affordable rental PROPERTY, or if COUNTY elects not to extend the affordability period, DEVELOPER must provide the then current occupant(s), that have a viable not-for-profit tenants’ organization (not-for-profit registered with the Secretary of State of Illinois, in good standing, majority of occupying tenant participation, possessing the financial means with assistance from COUNTY or other financial institution and existing for at least one year prior to the end of the affordability period) with the right of first refusal to purchase the PROPERTY. All leases for the property must indicate any remaining affordability period and clearly indicate the right of first refusal that any viable tenants’ organization in the PROPERTY existing at the end of the affordability period, shall have the right of first refusal to purchase the property at the end of the affordability period. COUNTY may leave any portion due COUNTY as a homebuyer subsidy for new buyer or to assist the tenant organization.

Single Family: PROPERTY (With Only 1 Unit). At the end of the initial affordability period for single family rental PROPERTY, DEVELOPER may request an extension of the affordability period from COUNTY’S designated SUBRECIPIENT, unless otherwise specified by COUNTY. Such request shall not be unreasonably denied, where DEVELOPER has maintained the single family rental PROPERTY consistent with NSP rules and regulations. In the event that a request for an extension is granted, COUNTY shall release its prior lien on the property and DEVELOPER shall execute a new mortgage, note and regulatory land use restriction agreement in favor of COUNTY at such new and agreed upon terms and affordability period. As a matter of policy and in the interest of maintaining affordability, the COUNTY has a preference for establishing a deferred note, when DEVELOPER has maintained the single family PROPERTY in compliance with NSP rules and regulations and shares the COUNTY’S goals of furthering affordable housing. At the end of the

affordability period, if DEVELOPER no longer desires to operate PROPERTY as an affordable single family rental PROPERTY, or the COUNTY elects not to extend the affordability period, DEVELOPER must provide the then current occupant, that is in good standing with the rental obligation and lease agreement, with the right of first refusal to purchase the PROPERTY. All leases for the property must indicate any remaining affordability period and clearly indicate the right of first refusal that any then current occupying tenant may have to purchase the property at the end of the affordability period. COUNTY, at its sole discretion, may leave any portion due COUNTY as a homebuyer subsidy for new buyer.

If the owner sells or transfers title, the principal balance, will immediately become due and owing to County, including any share of proceeds.

Payments made to the COUNTY through recapture are considered program income. Such funds shall be receipted by the COUNTY in its Disaster Recovery System and utilized for other NSP Eligible Activities.

Households shall be determined to be income-eligible households using the Section 8/24 CFR Part 5 method of income calculation. The units will be designated as affordable to such households for a period of years, based on the amount of the subsidy (see Affordability Period Chart above), through the recording of deed restrictions and covenants running with the land to be executed at the acquisition closing on each PROPERTY. Each PROPERTY shall be rented at rents not to exceed the Maximum Allowable NSP Rents as published by the COUNTY from time to time. These rents also include utilities. If the tenant pays utilities, a utility allowance must be subtracted from the maximum allowable rent to determine the maximum contract rent. Utility allowances shall be calculated as they are currently calculated for COUNTY'S other housing programs.

7. DEVELOPER Undertaking other Eligible Activities Not Listed in III. F. for all other properties i.e., Demolition, Commercial Property, Parks, Other Public Facilities that are not housing, the Mortgage, Note and Regulatory Land Use Restriction Agreement shall be at terms established by SUBGRANTEE with DEVELOPER, and shall govern repayment terms.
 8. COUNTY will provide boilerplate mortgage, note and regulatory agreement documentation to DEVELOPER for the purposes of ensuring that the COUNTY's interest is adequately protected on each PROPERTY. SUBRCIPIENT shall be responsible for ensuring that documents are drafted and properly recorded for each PROPERTY.
- G. Upon release of funds by HUD for the PROJECT, the SUBGRANTEE shall make disbursements to the DEVELOPER in compliance with II.C. above. All claims of DEVELOPER shall comply with the following requirements:
1. DEVELOPER shall submit a listing of all disbursements of NSP funding, on a form provided by COUNTY;

2. Any request for reimbursement or advancement pertaining to work under contracts and subcontracts shall include DEVELOPER'S certification as follows:
 - a. For interim payments to contractors and subcontractors, certification that the work for which payment is requested has been performed and is in place and to the best of DEVELOPER'S knowledge, information and belief, the quality of such work is in accordance with the subcontract, subject to: (i) any evaluation of such work as a functioning project upon substantial completion; (ii) the results of any subsequent tests permitted by the subcontract; and (iii) any defects or deficiencies not readily apparent upon inspection of the work; and
 - b. For final payment, that the work has been performed in a good, workmanlike, satisfactory manner and in conformance with the subcontract and local building code.
3. Processing of all requests for payment shall be contingent upon the submission of the required documentation to COUNTY'S designated SUBRECIPIENT, unless otherwise directed by COUNTY that fully complies with all applicable Federal, state, county or local statutes, rules or regulations. COUNTY reserves the right to withhold funded amounts until all such requirements are met.
4. If so requested by SUBGRANTEE, COUNTY OR COUNTY'S designated SUBRECIPIENT, DEVELOPER shall forward to the requesting party all billings, vouchers, and other documents representing any accounts payable, in such timely and reasonable manner as both parties shall determine.

H. This PROJECT shall be identified as NSP AGREEMENT No.:

NSP-01-D-HFH 6-7-10

Which identifying number shall be used by DEVELOPER on all payment requests. DEVELOPER'S requests for payment shall also refer to the corresponding NSP Project/DRGR number after the initial request is made to obligate funds for each PROPERTY.

IV. SCHEDULE FOR COMPLETION AND TIMELINESS; TERM OF AGREEMENT

- A. Time is of the essence of this AGREEMENT. DEVELOPER shall be responsible for meeting the completion dates for the activities listed below, except where delay is caused by County. If a DEVELOPER does not meet a completion date, DEVELOPER shall immediately submit a revised implementation schedule to COUNTY'S designated SUBRECIPIENT, unless otherwise required by COUNTY, for approval by COUNTY. Failure to achieve these deadlines may result in the loss or reduction of grant funds.

<u>Activity</u>	<u>Completion Date</u>
i. Submittal of Affirmative Marketing Plan and Acquisition of first Property	Month 1

	<u>Activity</u>	<u>Completion Date</u>
ii.	100% Obligation (evidence of contracts and good faith budget as submitted through Voluntary acquisition, environmental review request and obligation request to CCBCD)	Month 2
iii.	10% completion of Acquisition	Month 7
iv.	50% completion of Acquisition and 20% completion of Construction, Rehabilitation and/or Demolition	Month 9
v.	90% completion of Acquisition and 70% completion of Construction, Rehabilitation and/or Demolition	Month 12
vi.	90% of completion of Construction, Rehabilitation and/or Demolition	Month 13
vii.	100% of completion of Expenditure of NSP Funds	Month 14

In the event that DEVELOPER is unable to act or meet any of the time requirements for the Activities listed above, or if in sole opinion of COUNTY, DEVELOPER will be unable to meet its obligations under this agreement to secure contracts, acquire, rehabilitate, redevelop, expend funds or satisfy the NSP Program requirements, SUBRECIPIENT and COUNTY shall have the right to act on behalf of DEVELOPER to meet NSP requirements. This may include, but is not limited to the termination of the loan award to DEVELOPER.

Upon completion of construction or rehabilitation, all funds must have been expended, any unused funds will be recaptured by COUNTY.

- B. DEVELOPER shall complete address specific commitment (100% Obligation) of NSP Funds pursuant to the PROJECT and PROGRAM by **June 15, 2010 (Month 2)**, unless separate written consent is given by CCBCD. If DEVELOPER is delayed in the commitment of the PROJECT funds by any cause legitimately beyond its control, as determined by the COUNTY, such that it cannot complete the PROJECT and PROGRAM by **June 15, 2010 (Month 2)**, it shall immediately give written notice to SUBGRANTEE and COUNTY'S designated SUBRECIPIENT, unless otherwise specified by COUNTY, of the anticipated delay, the reasons therefore and request an extension of time for completion of the PROJECT. Upon review by, SUBGRANTEE, the COUNTY'S designated SUBRECIPIENT and COUNTY, the time for completion may (in the COUNTY'S sole discretion) be extended by the County for a maximum of one (1) month, or such other longer period of time as may be approved by the COUNTY in its sole discretion.
- C. After a period of ten (10) months from the date of this AGREEMENT, the SUBGRANTEE, and the designated SUBRECIPIENT of COUNTY, unless otherwise specified by COUNTY, may review the progress of the PROJECT. At the time of this review, if the DEVELOPER has not demonstrated significant progress toward completion and, if the DEVELOPER has not made substantial effort toward completion and delays are determined by SUBGRANTEE, the designated SUBRECIPIENT, or as otherwise specified by COUNTY, to be within the control of the DEVELOPER; a recommendation from such reviewing party may recommend to the COUNTY that this AGREEMENT be terminated, and all further payments sus-

pending, and the COUNTY shall act upon said recommendation and notify the DEVELOPER of its action.

- D. This AGREEMENT shall remain in full force and effect for as long as the required affordability period of the PROJECT, which shall be as long as COUNTY has any mortgages or loans outstanding on any PROPERTY under this Agreement and no less than 30 years.

V. PROGRAM INCOME

- A. DEVELOPER must keep detailed accounting records, in a form approved by COUNTY, of the income and expenses of its NSP portfolio. Such records shall be submitted to COUNTY for its review no later than forty-five (45) days after the end of DEVELOPER's fiscal year or from time to time as requested by SUBGRANTEE or COUNTY should HUD require additional reporting periods.
- B. Payments received by DEVELOPER on the notes and mortgages and leases between DEVELOPER and the homebuyer purchaser including lease-purchaser of each PROPERTY are considered program income under the NSP. Amounts repaid by purchasers directly to DEVELOPER and lease-purchasers for the PROPERTY may be retained by DEVELOPER, must be accurately accounted for, and must be re-used for an eligible NSP activity in a SUBGRANTEE and/or COUNTY approved area of greatest need within Cook County. When program income is retained by DEVELOPER, transfers of any grant funds from the COUNTY to DEVELOPER shall be adjusted so that retained program income is disbursed for eligible activities before additional cash withdrawals are made by COUNTY from the U.S. Treasury.

VI. OTHER PROGRAM REQUIREMENTS

- A. The project will be conducted and administered in compliance with applicable federal civil rights and fair housing law, including, but not limited to:
1. Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352, 42 U.S.C. §2000d et seq.) and implementing regulations issued at 24 CFR Part 1.
 2. Title VIII of the Civil Rights Act of 1968 (Pub. L. 90-208, 42 U.S.C. §2000d et seq.), as amended; and that the DEVELOPER will administer all programs and activities related to housing and community development in a manner to affirmatively further fair housing.
 3. The Fair Housing Act (42 U.S.C. 3601-20).
 4. Executive Order 11063, as amended by Executive Order 12259 (Equal Opportunity in Housing), and implementing regulations in 24 CFR Part 107.
 5. Age Discrimination Act of 1975 (Pub. L. 94-135), as amended, and implementing regulations when published for effect.
- B. Section 109 of the ACT requires that no person in the United States shall on the

grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance made available to the ACT. Discrimination on the basis of age is also prohibited.

- C. If the PROJECT is for a capital improvement on a facility or for rehabilitation of residential property if such property contains more than seven (7) units, the DEVELOPER shall comply with the Federal Labor Standards and Prevailing Wage Rates, including the conducting of employee interviews of the contractor and/or subcontractors at the job site.
- D. COUNTY is responsible for the preparation of environmental reviews for the PROJECT and enforcement of environmental standards as specified below. MUNICIPALITY and DEVELOPER agree and acknowledge that this AGREEMENT does not constitute a commitment of funds or site approval for a particular PROPERTY or PROPERTIES, and that such commitment of funds or approval may occur only upon satisfactory completion of environmental review under 24 CFR Part 58. DEVELOPER shall supply all information requested by MUNICIPALITY and COUNTY to complete such reviews, shall carry out any mitigating measures required by MUNICIPALITY and COUNTY, and shall not acquire, rehabilitate, convert, lease, repair or construct property, nor commit or expend NSP or local funds for a PROPERTY or PROPERTIES until COUNTY has completed an environmental review to the extent required under 24 CFR Part 58 and has given notification of its approval in accordance with 24 CFR Part 58.
- E. No PROPERTY or PROPERTIES located in a floodplain and/or subject to the National Flood Insurance Program. No PROPERTY shall be acquired or rehabilitated as part of this PROJECT, without separate written approval of COUNTY.
- F. DEVELOPER shall comply with the relocation requirements of Title II and the acquisition requirements of Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and the implementing regulations at 24 CFR Part 42, as modified by Paragraph K of the Federal Register, Volume 73, No. 194. No person(s) shall be displaced as part of this PROJECT.
- G. DEVELOPER must complete certifications showing equal employment opportunity compliance in accordance with Executive Order 11246, as set forth in Exhibit "E" attached hereto and made a part hereof. DEVELOPER shall further, to the extent it is applicable, comply with Section 3 of the Housing and Urban Development Act of 1973 by making efforts to offer training and employment opportunities to low and very low income residents of the PROJECT area, should DEVELOPER find it necessary to hire additional employees to carry out the PROJECT, and by making efforts to award contracts to Section 3 Business Concerns when contracting for the rehabilitation work involved in the PROJECT.
- H. DEVELOPER shall comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. §4851-4856) and implementing regulations at 24 CFR Part 35; subparts A, B, J, K, and R of this part apply to this PROJECT.

- I. DEVELOPER shall not use debarred, suspended or ineligible contractors or subcontractors in carrying out this PROJECT.
- J. DEVELOPER shall comply with administrative and procurement requirements in accordance with 24 CFR Part 84 (except that DEVELOPER may name its development team), including the conflict of interest provisions and the following provisions, to assure the best available price for any subcontracts for rehabilitation activities associated with the PROJECT:
 1. DEVELOPER shall avoid purchasing unnecessary items.
 2. Where appropriate, an analysis should be made of lease and purchase alternatives to determine which would be most economical and practical.
 3. The bid specifications or work write-ups shall include: a clear and accurate description of the technical requirements for the material, product or service to be procured (such descriptions shall not contain features which unduly restrict competition); requirements which the bidder/offeror must fulfill and all other factors to be used in evaluating bids; a description, whenever practicable, of technical requirements in terms of functions to be performed, including the range of acceptable characteristics or minimum acceptable standards; specific features of "brand name or equal" descriptions that bidders are required to meet; acceptance to the extent practicable and economically feasible, of products and services dimensioned in the metric system of measurement; preference, to the extent practicable and economically feasible, for products and services that conserve natural resources, protect the environment, and are energy efficient.
 4. The DEVELOPER shall submit the bid specifications or work write-ups and plans to COUNTY'S designated SUBRECIPIENT, or as otherwise specified by COUNTY for staff's approval prior to any advertising or bid solicitation.
 5. The DEVELOPER shall include in any invitation for bids or work write-up being used to solicit bids, the statement "Minorities and women contractors are encouraged to submit bids." DEVELOPER shall send an invitation to bid to the MBE and WBE firms currently listed and certified with CCBCD, as appropriate for the type of work to be done. If the project in aggregate is over the small purchase threshold of \$100,000, sealed bids will be required and DEVELOPER shall advertise in the classified section of a local newspaper with an advertisement ad size of at least a 1" x 3" space specifically inviting MBE/WBE firms with CCBCD certification to submit bids (subject to COUNTY labor standards).
 6. If sealed bids are required, all bids will be publicly opened at the time and place prescribed in the invitation for bids.
 7. If sealed bids are required, the DEVELOPER shall provide the SUBGRANTEE, and COUNTY'S designated agent with a copy of the classified advertisements and the results from the bid opening.
 8. The contract award will be made, in writing, to the lowest qualified responsive and responsible bidder meeting specifications. Any or all bids may be rejected, if there is reason to believe that the low bidder will be unable to complete the

project in accordance with the Bid Specifications, including, but not limited to, the following reasons: contractor has been debarred by the U.S. government from working on Federally funded projects, contractor is unable to furnish any required bond, contractor has a poor record of past performance, or contractor's bid is unusually low in relation to other bids and contractor is not able to document how it will be able to meet the Bid Specifications for the amount bid.

9. Except as otherwise required by statute, DEVELOPER may follow its own requirements relating to bid guarantees, performance bonds, and payment bonds, except for contracts or subcontracts exceeding \$100,000. Such contracts or subcontracts must meet the following requirements: a bid (per line item) guarantee from each bidder equivalent to five percent of the bid amount shall be obtained consisting of a bid bond, certified check, or other negotiable instrument; a performance bond on the part of the contractor for 100 percent of the contract price shall be required; and a payment bond on the part of the contractor for 100 percent of the contract price shall be required.
 10. DEVELOPER shall provide SUBGRANEE and COUNTY'S designated SUBRECIPIENT, unless otherwise by COUNTY, with copies of all executed contracts.
- K. In the acquisition and disposition of real property and the provision of assistance, in accordance with 24 CFR §570.611, no person who exercises or has exercised any functions or responsibilities with respect to NSP activities, or who is in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from an NSP assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to an NSP assisted activity, or with respect to the proceeds of the NSP assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter. This applies to any person who is an employee, agent, consultant, or officer of DEVELOPER.
- L. The Architectural Barriers Act, the Americans with Disabilities Act, and Section 504 of the Rehabilitation Act of 1973 shall be followed, to the extent applicable to the PROJECT.
- M. DEVELOPER agrees that to the best of its knowledge, neither the PROJECT nor the funds provided therefore, and 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 contravention of Chapter 15 of Title 5, United States Code, referred to as the Hatch Act.
- N. DEVELOPER certifies, to the best of its knowledge and belief, that:
- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative

agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standards Form –LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all DEVELOPERS shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

O. The DEVELOPER certifies that it will provide a drug-free workplace by:

- (1) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the DEVELOPER's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (2) Establishing a drug-free awareness program to inform employees about
 - (a) The dangers of drug abuse in the workplace;
 - (b) The DEVELOPER's policy of maintaining a drug-free workplace;
 - (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
- (3) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (1);
- (4) Notifying the employee in the statement required by paragraph (1) that, as a condition of employment under the grant, the employee will
 - (a) Abide by the terms of the statement; and
 - (b) Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
- (5) Notifying the SUBGRANTEE, AND COUNTY'S designated SUBRECIPIENT, unless otherwise specified by COUNTY, within ten (10) days after receiving notice under subparagraph (4)(b) from an employee or otherwise receiving actual notice of such conviction;

- (6) Taking one of the following actions, within 30 days of receiving notice under subparagraph (4)(b), with respect to any employee who is so convicted:
 - (a) Taking appropriate personnel action against such an employee, up to and including termination; or
 - (b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- (7) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (1), (2), (3), (4), (5) and (6).

VII. COUNTY'S OBLIGATION TO PROSECUTE AGREEMENT

- A. COUNTY shall forthwith file all applicable documents and shall comply with all applicable rules and regulations to secure a release of funds for the PROJECT.
- B. After the COUNTY has received notification that funds for the PROJECT have been released by HUD, the DEVELOPER shall be authorized to begin the PROJECT so long as the PROJECT remains in compliance with the Neighborhood Stabilization Program and this AGREEMENT.

VIII. RECORDS & REPORTS

- A. DEVELOPER authorizes COUNTY'S designated SUBRECIPIENT, COUNTY, HUD, and the Comptroller General of the United States to conduct on-site reviews, to examine, inspect, and audit the DEVELOPER'S records, rental applications and to conduct any other procedures or practices to assure compliance with the provisions of this AGREEMENT upon demand.
- B. At the request of SUBGRANTEE, COUNTY'S designated SUBRECIPIENT or COUNTY, the DEVELOPER shall furnish immediately, if required by the Comptroller General, otherwise within three (3) business days of such request, such reports, budgets, certifications and other documents required pursuant to federal, state, or COUNTY rules, regulations and policies that are applicable to the PROJECT and shall give specific answers to questions from the COUNTY, from time to time, relative to the DEVELOPER'S contracts and operations in connection with the PROJECT.
- C. If required by HUD, DEVELOPER shall, each year as long as the PROJECT remains in effect, complete an audit of the PROJECT, conducted by an independent Certified Public Accountant, and shall submit a copy of the audit report to SUBGRANTEE, COUNTY'S designated SUBRECIPIENT and COUNTY within six months of the close of DEVELOPER'S year end. Please note the single audit requirements contained in. above, as applicable.
- D. DEVELOPER shall submit all required information to show compliance with applicable laws, rules and regulations, as specified in this AGREEMENT, including but not limited to:
 1. Prior to acquisition of any PROPERTY, its Affirmative Marketing Plan.

2. Beneficiary data on income, race, ethnicity, gender of single head-of-households, and other data requested by COUNTY or its designated agent necessary to complete COUNTY'S reporting requirements to HUD.
- E. DEVELOPER shall provide a Progress Report to SUBGRANTEE, and COUNTY'S designated SUBRECIPIENT, unless otherwise specified by COUNTY, by the fifth of each month, reporting on the status of the PROJECT in relation to the PROJECT target dates. The Progress Reports shall begin upon the signing of this AGREEMENT and shall continue throughout the acquisition and rehabilitation period of the PROJECT.
 - F. DEVELOPER shall submit each year to SUGRANTEE and COUNTY'S designated SUBRECIPIENT, unless otherwise specified by COUNTY an annual report of the status of the PROJECT in a form prescribed by CCBCD, or at the request of CCBCD from time to time if necessary to meet NSP reporting requirements.
 - G. DEVELOPER shall maintain the following records:
 1. For each PROPERTY while it is owned by a homebuyer/purchaser and for a period of five years after such homebuyer/purchaser has sold or otherwise vacated each PROPERTY: records pertaining to the tenancy of each household occupying the PROPERTY, including a copy of the contract, closing documentation, and those records that demonstrate that the household was income eligible.
 2. For a period of five years after each year of the PROJECT: Documentation of all activities undertaken in connection with DEVELOPER'S affirmative marketing plan.
 3. For as long as DEVELOPER owns a PROPERTY and for five years thereafter: all financial records pertaining to the acquisition and rehabilitation of the PROPERTY.
 4. If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the five year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular five year period, whichever is later.
 5. DEVELOPER shall cooperate with the SUBRECIPIENT, and COUNTY'S designated SUBRECIPIENT, unless otherwise specified by COUNTY, to facilitate the maintenance of any and all other financial records as requested by the COUNTY for the length of time requested, as may be required by Title 24 CFR Part 570.

IX. SUSPENSION AND TERMINATION; REVERSION OF ASSETS

- A. In accordance with 24 CFR §85.43, suspension or termination of this AGREEMENT may occur if the DEVELOPER materially fails to comply with any term of the award. The award may also be terminated for convenience and in accordance with 24 CFR §85.44 as specified below.
- B. During the implementation of the PROJECT, SUBGRANTEE or COUNTY may terminate this AGREEMENT or may suspend payment of NSP funds to DEVELOPER for DEVELOPER'S breach of the AGREEMENT, abandonment of the PROJECT or occurrence rendering impossible the performance by DEVELOPER of this AGREEMENT. COUNTY may also suspend payments of NSP funding due to use of funds in a manner unrelated to DEVELOPER'S performing the PROJECT, failure by DEVELOPER in

submitting supporting information or documentation for a claim, submission by DEVELOPER of incorrect or incomplete reports, or DEVELOPER'S suspension of its pursuit of the PROJECT.

- C. In the event SUBGRANTEE or COUNTY elects to terminate this AGREEMENT or to suspend payments, for any reason stated hereinabove in paragraph A and B of this Section IX, it shall notify the DEVELOPER in writing of such action, specifying the particular deficiency, at least five (5) business days in advance of any such action and establishing a time and a place for the DEVELOPER to refute the alleged deficiency at a time prior to COUNTY'S taking such action. After allowing the DEVELOPER the opportunity to refute or correct the alleged deficiency, if the alleged deficiency continues to exist, in the reasonable opinion of the SUBGRANTEE or COUNTY, the SUBGRANTEE and/or COUNTY may withhold payment to the PROJECT until such time as the violation or breach is remedied. No action taken or withheld by the SUBGRANTEE or COUNTY under this paragraph shall relieve the DEVELOPER of its liability to the SUBGRANTEE and COUNTY for any funds expended in violation of any of the terms of this AGREEMENT. Notwithstanding the foregoing, nothing in this section shall be deemed to prohibit COUNTY from terminating the agreement if said termination is for convenience.

X. REMEDIES

- A. In the event of any violation or breach of this AGREEMENT by DEVELOPER, misuse or misapplication of funds derived from this AGREEMENT by DEVELOPER or any violation of any of the statutes, rules and regulations, directly or indirectly, by the DEVELOPER and/or any of its agents or representatives, then DEVELOPER, to the fullest extent permitted by law, agrees to indemnify, and hold the MUNICIPALITY and COUNTY harmless from any requirement to repay to HUD the NSP funding received by DEVELOPER for this PROJECT or penalties and expenses, including attorneys' fees and other costs of litigation, resulting from such action or omission by DEVELOPER.
- B. In the event HUD, or any other federal agency, makes any claim which would give rise to invoking the remedy provisions, as set forth in this X, then the SUBGRANTEE, COUNTY or DEVELOPER shall immediately notify the other party, in writing, providing the full details of the alleged violation. The DEVELOPER shall have the right to contest the claim, in its own name or in the name of the MUNICIPALITY and/or COUNTY, with its consent, through all levels of any administrative proceedings or in any court of competent jurisdiction without any cost to the SUBGRANTEE or COUNTY. Upon any final adjudication, or upon any settlement agreed to between the DEVELOPER and the Federal agency, the DEVELOPER shall promptly pay any funds found due and owing.
- C. As long as the SUBGRANTEE or COUNTY is not in jeopardy of losing any other Federal funding, of any kind or description, as a result of the alleged breach, the DEVELOPER shall have complete right to settle or compromise any claim and to pay any judgment to the federal government, so long as SUBGRANTEE and COUNTY are indemnified.
- D. If the SUBGRANTEE or COUNTY has lost or been prevented from receiving any federal funds, other than the funds for the PROJECT, as a result of any alleged violation subject to the remedy provisions hereof, the DEVELOPER shall repay, upon demand by the SUBGRANTEE or COUNTY, such amount of NSP funding due, as a result of the alleged breach, and the DEVELOPER may then pursue any remedy it may have in an appropriate forum in its own name or in the name of the SUBGRANTEE or COUNTY, whichever is

applicable.

- E. To the fullest extent allowed by law, the DEVELOPER shall assume the defense of and shall pay, indemnify, and hold harmless SUBGRANTEE, COUNTY, its designees, and its employees from all suits, actions, claims, mechanics' liens, demands, damages, losses, expenses, and costs of every kind and description to which the SUBGRANTEE AND COUNTY, their designees, and its employees may be subject by reason of any act or omission of DEVELOPER, its agents or employees, in undertaking and performing under this AGREEMENT. All litigation activity is subject to approval by the State's Attorney's Office. The DEVELOPER does not hereby waive any defenses or immunity available to it with respect to third parties.

XI. MISCELLANEOUS PROVISIONS

- A. **AMENDMENTS** – Any proposed change in this AGREEMENT shall be submitted to the other party for prior approval. No modifications, additions, deletions, or the like, to this AGREEMENT shall be effective unless and until such changes are executed in writing by the authorized officers of each party. DEVELOPER acknowledges that HUD may from time to time issue updated guidance regarding the NSP program that may require amendment of this AGREEMENT and agrees to cooperate with SUBGRANTEE in making such amendment.
- B. **SUBJECT TO FINANCIAL ASSISTANCE AGREEMENT** - This AGREEMENT is made subject to financial assistance agreements between the SUBGRANTEE, COUNTY and the United States Department of Housing and Urban Development, with the rights and remedies of the parties hereto being in accordance with this AGREEMENT.
- C. **ASSIGNMENT** - DEVELOPER shall not assign this AGREEMENT or any part thereof, nor shall DEVELOPER transfer or assign any property or assets acquired using NSP funding or claims due or to become due hereunder, without the written approval of the COUNTY having first been obtained. The contracting or subcontracting of rehabilitation work on the PROPERTIES does not constitute an assignment.
- D. **ATTORNEY'S OPINION** - If requested, DEVELOPER shall provide an opinion of its attorney, in a form reasonably satisfactory to the State's Attorney's Office, that all steps necessary to adopt this AGREEMENT, in a manner binding upon DEVELOPER, have been taken by DEVELOPER.
- E. **SEVERABILITY** - In the event any provision of this AGREEMENT shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.
- F. **AGREEMENT DURATION** – Unless terminated by the SUBGRANTEE or COUNTY pursuant to the terms of this AGREEMENT above, this AGREEMENT will remain in effect for so long as COUNTY has mortgage loans remaining outstanding on any PROPERTY under this Agreement and no less than forty (40) years.
- G. **NO PARTNERSHIP** – Nothing contained in this AGREEMENT, any mortgage, note or any other document or instrument related to this PROJECT shall be deemed to create a joint venture, partnership relationship, or employer/employee relationship between the COUNTY, SUBGRANTEE and DEVELOPER. DEVELOPER shall at all times remain an "independent contractor" with respect to the services to be performed under this

Agreement.

H. COUNTY shall provide, upon request, copies of all laws, regulations, statutes, orders, and OMB Circulars cited in this AGREEMENT, or internet links to such.

XII. Notices: **If to County:**

Cook County Bureau of Community Development
William Moore, Bureau Chief and Director
69 W. Washington, St., Ste. 2900 Chicago, IL 60602
Phone: 312-603-1007 Email: wmoore@cookcountygov.com

Cook County Bureau of Community Development
Melissa Williams, Compliance
69 W. Washington, St., Ste. 2900 Chicago, IL 60602
Phone: 312-602-1055 Email: mlwilliams@cookcountygov.com

If to SUBGRANTEE: Village of Park Forest, Illinois
Thomas K. Mick, Village Manager
350 Victory Drive, Park Forest, IL 60466
phone 708/748-1129
fax 708/503-8560
tmick@vopf.com

Paul L. Stephanides, Village Attorney
Robbins Schwartz Nicholas Lifton Taylor, Ltd.
24 W. Cass Street, 5th Floor
Joliet, IL 60432
phone 815/722-6560
fax 815/722-0450
pstephanides@rsnlt.com

If to DEVELOPER: Habitat for Humanity Chicago South Suburbs
David Tracy, Executive Director
139 W. Joe Orr Road, Chicago Heights, IL 60411
phone 708/828-7761
fax 708/756-2075
dtracy13@comcast.net

EXHIBIT A
PROGRAM SUMMARY AND BUDGET
FOR DEVELOPER AGREEMENT

Neighborhood Stabilization Program

ELIGIBLE USE: A B C D E Admin (Circle)

1. **PROGRAM RECIPIENT:** Village of Park Forest, Cook and Will Counties
ADDRESS: 350 Victory Drive, Par Forest, Illinois 60466
PROGRAM MANAGER: Hildy L. Kingma **PHONE:** 708/283-5622
FAX: 708/748-4355

2. **DEVELOPER:** Habitat for Humanity Chicago South Suburbs
ADDRESS: 139 W. Joe Orr Road Chicago Hts, Illinois 60411
CONTACT: David Tracy **PHONE:** 708-828-7761
FAX: 708-756-2075

3. **PROGRAM TITLE:** **Neighborhood Stabilization Program**
4. **PROJECT NUMBERS:** See Below
5. **BUDGET AUTHORITY (Award Less 6%):** \$470,000
6. **DEVELOPER FEE:** Up to 12%
7. **Additional FEE if DEVELOPER IS ALSO THE GC:** Up to 2%
9. **PROJECT DELIVERY:** Up to N/A%

Note: Program Recipients may not act as a Consultant and DEVELOPER. Project soft costs may not be claimed if also charged as part of the consultant fee. Moreover, personnel (staff) that is paid under other COUNTY grants may not also be paid with NSP funds.

10. **MATCHING FUNDS:** [\$10,000] **SOURCE(S):** Various materials GIK per house; subject to scope of work

[\$12,000] **SOURCE(S):** Various labor GIK per house; subject to scope of work

[\$3,000] **SOURCE(S):** General donations - per house; subject to scope of work

[\$ 0] **SOURCE(S):**

11. **PROGRAM TYPE:**

ADMINISTERING THE FOLLOWING NSP PROGRAMS:

Budget Amount	Description	Restrictions
<u>[\$500,000]</u>	Activity B- Acquisition and Rehabilitation serving households	Foreclosed or Abandoned

	0 to 50% AMI	
[\$0]	Activity B- Acquisition and Rehabilitation serving households 51% to 120% AMI	Foreclosed or Abandoned
[\$0]	D Demolition	Vacant
[\$0]	E Public Facilities	Vacant

12. ALLOWABLE USE:

- FOR SALE LEASE-PURCHASE OPTION RENTAL
 DEMOLITION COMMERCIAL PUBLIC

13. TYPE OF PROGRAM RECIPIENT:

- SUBRECIPIENT DEVELOPER CONSULTANT GRANTEE

 COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)
 LOCAL GOVERNMENT
 NOT-FOR-PROFIT
 PUBLIC AGENCY
 OTHER: Intergovernmental Agency
 CORPORATION
 COUNTY

14. NARRATIVE/PROGRAM DESCRIPTION AS APPLICABLE TO ACTIVITY:

Habitat for Humanity Chicago South Suburbs shall oversee the acquisition, rehabilitation, demolition and/or redevelopment of various properties located in Cook County's NSP areas of greatest need as outlined in Cook County's Substantial Amendment to its 2008 Action Plan. PROPERTY will be initially owned by Habitat for Humanity Chicago South Suburbs. The work to be performed shall include the rehabilitation, demolition, and/or redevelopment of properties in accordance with Cook

County's Construction Standards as such are defined in Exhibit C and in CCBCD's NSP Construction Guidebook. Rehabilitation and Redevelopment may include, but is not limited to costs of rehabilitation, demolition and new construction, as applicable, including supplies, materials, masonry, carpentry, roofing, drywall & plaster, ceramic tiling, painting and wallpapering, floor covering, HVAC replacement and/or repair, plumbing, electrical, and replacement and/or repair of appliances and other work as approved by the County of Cook, and hiring contractors, subcontractors, and trades necessary to complete the work. All work for which a licensure or certification program exists locally or in the State of Illinois must be carried out by properly licensed or certified persons.

15. ENVIRONMENTAL REVIEW: Required by 24 CFR 58.36

16. INTEREST RATE: See CCBCD's Posted Rates or as Otherwise Agreed in Mortgage Documentation

17. Eligible NSP Areas of Greatest Need (must be in eligible census tracts). NSP funds must be restricted to the following communities:

Municipality	Program Income Re-Use Period for all NSP Funds
<u>Village of Park Forest, IL</u>	<u>5</u>
<u>Totals</u>	

The parties agree that this schedule, Exhibit A and other related portions of the agreement may be amended or modified by addendum at anytime to add other municipalities, award amounts and/or properties at COUNTY's sole discretion and subject to SUBRECIPIENT's acceptance of the same.

EXHIBIT B

I. RECORDS REQUIREMENTS

DEVELOPER agrees to maintain the following records:

- 1. Full description of each activity carried out, (or being carried out) including the location, amount of NSP and other funds budgeted, obligated and expended for the activity.**
- 2. Where the Agreement with the DEVELOPER allows the DEVELOPER to select recipients of program activities, the basis of eligibility of each recipient. Where family income is an eligibility criterion, evidence of qualification.**
- 3. For each unit occupied by a low or very low income household, the size and income of the household;**
- 4. Fair housing and equal opportunity records containing:**
 - a. Data on the extent to which each racial and ethnic group and single-headed households (by gender of household head) have applied for, participated in, or benefitted from, any program or activity funded in whole or in part with NSP funds.**
 - b. Data on employment in each of the DEVELOPER's operating units funded in whole or in part with NSP funds, with such data maintained in the categories prescribed on the Equal Employment Opportunity Commission's EEO-4 form; and documentation of any actions undertaken to assure equal employment opportunities to all persons regardless of race, color, religion, national origin, sex, ancestry, age, marital status, familial status, unfavorable discharge from the military, or handicap in units funded in whole or in part with NSP funds.**
 - c. Documentation of actions undertaken to meet the requirements of Section 3 of the Housing Development Act of 1968, as amended (12 U.S.C. 1701U), relative to the hiring and training of lower income residents and the use of local businesses.**
 - d. Data indicating the racial/ethnic character of each business entity receiving a contract or subcontract of \$10,000 or more paid, or to be paid, with NSP funds, data indicating which of those entities are women's business enterprises as defined in Executive Order 12138, the amount of the contract or subcontract, and documentation of affirmative steps taken pursuant to 24 CFR Section 85.36(e) or OMB Circular A-110, where applicable, and Executive Orders 11625 and 12138 to assure minority businesses and women's business enterprises are utilized when possible as sources of supplies, equipment, construction and services.**

- e. **Documentation of the affirmative actions the DEVELOPER has taken to overcome the effects of prior discrimination, where the DEVELOPER has previously discriminated against persons on the ground of race, color, religion, national origin, sex, ancestry, marital status, familial status, age, unfavorable discharge from the military, or handicap in administering a program or activity funded in whole or in part with NSP funds.**

- 5. **Records of the number of minority and female persons and of all persons hired in full time positions, and the number of minority and female persons and all persons employed in permanent full time positions, recorded in the format of EEO-4 form available from the County, and submitted to the County as required by the County.**

- 7. **Record of the racial or ethnic group and sex of each recipient of program benefits, as per OMB directive 15 (i.e., Blacks, American Indians and Alaskan Natives, Hispanics and Asians and Pacific Islanders).**

- 8. **Records of the DEVELOPER's actions to utilize minority and women business firms, and of the award of all contracts for supplies, equipment, construction or services with specific list of contracts awarded to minority and women businesses.**

EXHIBIT C

THE FOLLOWING DOCUMENTS HAVE BEEN INTENTIONALLY OMITTED AND HAVE PREVIOUSLY BEEN PROVIDED TO DEVELOPER:

1. THE COOK COUNTY CONSTRUCTION GUIDEBOOK AND

1. THE MINIMUM CONSTRUCTION STANDARDS FOR NEW COSTRUCTION AND MULTI-FAMILY HOUSING

EXHIBIT D

DISCLOSURES AND CERTIFICATIONS

I. GENERAL CERTIFICATIONS

THE FOLLOWING CERTIFICATIONS ARE MADE PURSUANT TO STATE LAW AND THE CODE. THE UNDERSIGNED IS CAUTIONED TO CAREFULLY READ THESE CERTIFICATIONS PRIOR TO SIGNING THE SIGNATURE PAGE. SIGNING THE SIGNATURE PAGE SHALL CONSTITUTE A WARRANTY BY THE UNDERSIGNED THAT ALL THE STATEMENTS, CERTIFICATIONS AND INFORMATION SET FORTH WITHIN THESE CERTIFICATIONS ARE TRUE, COMPLETE AND CORRECT AS OF THE DATE THE SIGNATURE PAGE IS SIGNED. THE UNDERSIGNED IS NOTIFIED THAT IF THE COUNTY LEARNS THAT ANY OF THE FOLLOWING CERTIFICATIONS WERE FALSELY MADE, THAT ANY CONTRACT ENTERED INTO WITH THE UNDERSIGNED SHALL BE SUBJECT TO TERMINATION.

A. Persons and Entities subject to disqualification

No person or business entity shall be awarded a contract or sub-contract, for a period of five (5) years from the date of conviction or entry of a plea or admission of guilt, civil or criminal, if that person or business entity:

1. Has been convicted of an act committed, within the State of Illinois, of bribery or attempting to bribe an officer or employee of a unit of state, federal, or local government or school district in the State of Illinois in that officer's or employee's official capacity;
2. Has been convicted by federal, state or local government of an act of bid-rigging or attempting to rig bids as defined by the Sherman Anti-Trust Act and Clayton Act. 15 U.S.C. Sec. 1 *et seq.*;
3. Has been convicted of bid-rigging or attempting to rig bids under the laws of federal, state or local government;
4. Has been convicted of an act committed, within the State, of price-fixing or attempting to fix prices as defined by the Sherman Anti-Trust Act and Clayton Act 15 U.S.C. Sec 1 *et seq.*;
5. Has been convicted of price-fixing or attempting to fix prices under the laws of the State;
6. Has been convicted of defrauding or attempting to defraud any unit of state or local government or school district within the State of Illinois;
7. Has made an admission of guilt of such conduct set forth in subsections (1) – (6) above which admission is a matter of record, whether or not such person or business entity was subject to prosecution for the offense or offenses admitted to; or
8. Has entered a plea of *nolo contendere* to charge of bribery, price-fixing, bid-rigging, or fraud set forth in subsections (1) – (6) above.

In the case of bribery or attempting to bribe, a business entity may not be awarded a contract if an official, agent or employee of such business entity committed the Prohibited Act on behalf of the business entity and pursuant to the direction or authorization of an officer, director or other responsible official of the business entity, and such Prohibited Act occurred within three (3) years prior to the award of the contract. In addition, a business entity shall be disqualified if an owner, partner or shareholder controlling, directly or indirectly, 20% or more of the business entity, or an officer of the business entity has performed any Prohibited Act within five (5) years prior to the award of the contract.

THE UNDERSIGNED HEREBY CERTIFIES THAT: The Undersigned has reads the provisions stated in Section A, Persons and Entities Subject to Disqualification, that the Undersigned has not committed any Prohibited Act set forth in Section A, and that award of the Contract to the Undersigned would not violate the provisions of such Section or of the Code.

- B. Bid-Rigging or Bid Rotating
 THE UNDERSIGNED HEREBY CERTIFIES THAT: In accordance with 720 ILCS 5/33 E-11, neither the Undersigned nor any Affiliated Entity is barred from award of the contract as result of a conviction for the violation of State laws prohibiting bid-rigging or bid-rotating.

- C. Delinquency of tax payments
 THE UNDERSIGNED HEREBY CERTIFIES THAT: The Undersigned is not an owner or a party responsible for the payment of any tax or fee administered by Cook County ("COUNTY"), by a local MUNICIPALITY, or by the Illinois Department of Revenue, which such tax or fee is delinquent, such as bar award of a contact or subcontract pursuant to the Code, Chapter 34, Section 34-129.

- D. Illinois Human Rights Act
 THE UNDERSIGNED HEREBY CERTIFIES THAT: It is in compliance with the Illinois Human Rights Act (775 ILCS 5/2-105), and agrees to abide by the requirements of the Act as part of its contractual obligations.

- E. MacBride principles, Code Chapter 34, Section 34-132
 If the Primary contractor currently conducts business operations in Northern Ireland, or will conduct business during the projected duration of the COUNTY contract, the primary contractor shall make all reasonable and good faith efforts to conduct any such business operations in Northern Ireland in accordance with the MacBride Principles for Northern Ireland as defined in Illinois Public Act 85-1390.

REQUIRED DISCLOSURES

- 1. **DISCLOSURE OF LOBBYIST CONTACTS:** list all persons or entities that have made lobbying contacts on your behalf with respect to this contract:

Name	Address
_____	_____
_____	_____
_____	_____
_____	_____

- 2. **LOCAL BUSINESS PREFERENCE DISCLOSURE; CODE, CHAPTER 34, SECTION 34-151(P):**

"Local Business: shall mean a person authorized to transact business in this State and having a bona fide establishment for transacting business located within Cook County at which it was actually transacting business on the date when any competitive solicitation for a public contract is first advertised or announce and further which employs the majority of its regular, full time work force within Cook County, including a foreign corporation duly authorized to transact business in this State and which has a bona fide establishment for transacting business located within Cook County at which it was actually transacting business on the date when any competitive solicitation for a public contract is first advertised or announced and further which employs the majority of its regular, full time work force within Cook County.

a) Is bidder a "local business" as defined above?

Yes No

b) If yes, list business address(es) within Cook County

Yes No

3. THE CHILD SUPPORT ENFORCEMENT ORDINANCE (PREFERENCE (CODE, CHAPTER 34, SECTION 34-366)

Every applicant for a county privilege shall be in full compliance with any child support order before such Applicant is entitled to receive or renew a county privilege. When delinquent child support exists, the COUNTY shall not issue or renew any COUNTY privilege, and may revoked any COUNTY privilege. All applicants are required to review the Cook County Affidavit of Child Support Obligations attached to this agreement, based upon the definitions and other information included in such Affidavit:

Applicant has no "substantial ownership"

OR

The Cook County Affidavit of child support obligations has been completed by all "substantial owners" and is attached to this agreement.

II. EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION

Neighborhood Stabilization Program County of Cook

The undersigned understands and agrees that it is a DEVELOPER of a Project funded in part by the Neighborhood Stabilization Program of the County of Cook. The undersigned also agrees there shall be no discrimination against any employee who is employed in carrying out work from the assistance received from the County of Cook and the Department of Housing and Urban Development, or against any applicant for such employment, because of race, color, religion, sex, age or national origin, including but not limited to employment, upgrading, demotion or transfer; recruitment or recruitment advertising; lay off or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

DEVELOPER further agrees to the following:

- (1) It will incorporate or cause to be incorporated into any grant contract, loan, grant insurance or guarantee involving federally assisted construction work, or modification thereof, which is paid for in whole or in part with funds obtained from the Neighborhood Stabilization Program, the language contained in HUD Equal Employment Opportunity Regulations at 42 CFR 130.15(b), in Executive Order 11246, as amended by Executive Orders 11375 and 12006, and implementing regulations issued in 41 CFR Chapter 60.
- (2) It will be bound by said equal opportunity clause with respect to its own employment practices when it participates in any Neighborhood Stabilization Program construction.
- (3) It will assist and cooperate actively with the County of Cook, the Department of Housing and Urban Development and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations and relevant orders of the Secretary of Labor.
- (4) It will furnish the County of Cook, the Department of Housing and Urban Development and the Secretary of Labor such information as they may require for the supervision of such compliance, and will otherwise assist the County of COOK and the Department of Housing and Urban Development in the discharge of primary responsibility for securing compliance.
- (5) It will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from or who has not demonstrated eligibility for government contracts and federally assisted construction contracts pursuant to the Executive Order.
- (6) It will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the Secretary of Labor, the County of Cook or the Department of Housing and Urban Development.

- (7) In the event that DEVELOPER fails or refuses to comply with the undertaking, the County of Cook, or the Department of Housing and Urban Development may take any or all of the following actions: cancel, terminate or suspend in whole or in part this grant, refrain from extending any further assistance to DEVELOPER until satisfactory assurance of future compliance has been received; and refer the case to the Department of Housing and Urban Development for appropriate legal proceedings.

Name of DEVELOPER

Signature

Printed name/title

Date: _____

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that _____ is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that as _____ signed, sealed and delivered the said instrument as a free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this _____ day of May, 2010.

My Commission expires: _____

Notary Public

Certification and Disclosures provided as part of the NSP application:

III. MBE/WBE UTILIZATION AND OUTREACH PLAN

IV. OWNERSHIP DISCLOSURE STATEMENT

V. AFFIDAVIT OF CHILD SUPPORT OBLIGATIONS

See Attached Documents

EXHIBIT E

BOARD APPROVAL

November 4, 2009 – Item #34

APPROVED

Transmitting a Communication, dated October 7, 2009 from

MAURICE S. JONES, Director, Department of Planning and Development

requesting authorization to allocate and expend funds awarded to Cook County under a U.S. Department of Housing and Urban Development (HUD) grant for the purposes of the Neighborhood Stabilization Program (NSP), authorized under Title III of the Housing Economic Recovery Act 2008 (HERA). The purpose of the Neighborhood Stabilization Program is to assist communities that have been or are likely to be affected by foreclosed and/or abandoned properties. The Program will provide affordable rental and home ownership opportunities to eligible income households. Cook County has been awarded \$28,156,321.00 for implementation in suburban Cook County communities with the greatest need. Cook County utilized HUD foreclosure and abandonment data to determine priority areas that are eligible for funding. Approval for acceptance of this grant award was given by the Cook County Board of Commissioners on May 19, 2009.

The Department has subsequently received various applications and requests for such funds from the community and has made recommendations for the allocation and expenditure of the same.

I respectfully request approval to allocate and expend funds from this grant award and that the President of the Cook County Board of Commissioners, the Chief of the Bureau of Capital, Planning and Facilities Management, or his designee, is authorized to execute on behalf of the County of Cook, any and all documents necessary to facilitate administration of the Program approved herein, including but not limited to the NSP grant agreement and any modifications thereto. The approval of this award for administration of the Program by this Honorable Body will permit the Neighborhood Stabilization Program to move forward.

Estimated Fiscal Impact: None. Grant Award: \$24,039,689.00. Funding period: March 31, 2009 through March 31, 2013. (753-847 Account).

NSP Activity Setup and Funds Obligation Request Form

DATE _____

Instructions: Complete this form and submit to the NSP Project Manager for approval of your NSP. Refer to your NSP Policy and Procedures Manual for further details governing each Activity type. Documentation is not required to be submitted at the same time as the setup form, but must be submitted prior to requesting payment. This form can be returned by email to NSP1@cookcountygov.com, by clicking the "Submit Form" button above, by mailing it to 69 W. Washington Street, Ste. 2900, Chicago, IL 60602, or faxing it to 312-603-6548

Check One

Initial Setup Supplemental Amount Requested Project ID #:

Projected Costs for this \$ _____ Amount to Obligate \$ _____ Project Balance \$ _____

Program Recipient Name: _____

Contact Name _____)

Address: _____ City: _____ Zip: _____

Phone: _____ Email: _____

Targeted Census Tract#:/ Block Group #: _____
(visit: www.factfinder.census.gov for census tract and block group information)

Property Site Address: _____ City: _____ Zip: _____

Funds Requested: Acquisition\$ _____ Rehab/Redev \$ _____ Demolition \$ _____

Project Delivery Soft Costs \$ _____ Subtotal of Project \$ _____ Developer Fee \$ _____

(Project delivery costs for SUBGRANTEEs may not exceed limits without written approval)

Please provide a short narrative to describe the use of NSP funds, the scope of the project, and the end use of the property including Eligible Activity, please also submit color photo(s) of the property:
Seller Information:

Seller Name: HUD

Address: _____ City: _____ Zip: _____ Phone: _____ Email: _____

Please check all boxes) that indicate the type of Activity for which NSP funds will be used at this address:

Amount	Amount	Amount
<input type="checkbox"/> A- Financing	<input type="checkbox"/> B – Home Rehab	<input type="checkbox"/> E- Public Facility
<input type="checkbox"/> C- Land Bank	<input type="checkbox"/> B – Home Redev	<input type="checkbox"/> E- Public Facility
<input type="checkbox"/> D- Demolition	<input type="checkbox"/> B – Rental Rehab	<input type="checkbox"/> E- Commercial
<input type="checkbox"/> Counseling	<input type="checkbox"/> B – Rental Redev	<input type="checkbox"/> E- Housing
	<input type="checkbox"/> B – Rental Rehab	<input type="checkbox"/> E- Redev
		<input type="checkbox"/> E- Rehab
		<input type="checkbox"/> E- Acquisition
		<input type="checkbox"/> E- Green Energy/Home

- Foreclosed (Bank Owned) Abandoned (Vacant for 90 Days – Taxes not paid for same period)
 Appraisal Preliminary Title Report Disclosure to Seller of Fair Market Value
 Offer 1% less than Appraised Value Appraisal w/in 60 days of last offer

 Occupied by seller Occupied by buyer Vacant Occupied by tenant (not buyer)
 documentation regarding vacant or occupied property attached—see Appraisal

Type of property

- Single Property is currently: family, detached Single family, attached Manufactured. Home
 Condo (restrictions may apply) Multi-Family Property

No. of bedrooms: 6

AMI Benefit 50% [_____] 80% [_____] 120% [\$_____]]

(The amount above should be cumulative for the Project)

I hereby request the an obligation of NSP funds for the property(ies) listed on this form, pursuant to the terms of the Neighborhood Stabilization Program and any related agreements executed by me or on behalf of the entity which I represent. I understand that Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government. The information provided in this document may be submitted to the U.S. Department of Housing and Urban Development as part of monitoring the NSP.

Construction Manager

Research Analyst/Contracts

Supervisor Approval

Project Setup Approval Sheet
CCBCD STAFF PLEASE PROVIDE ANSWER (√) THEN INTIAL AFTER EACH ITEM

<u>Pass these reviews and inspections</u>	<u>Staff Sign-Off</u>	<u>Date</u>
<input type="checkbox"/> Census Tract Eligible	_____	_____
<input type="checkbox"/> Activity Eligible	_____	_____
<input type="checkbox"/> Appraisal Verified 1% / 60 Days	_____	_____
<input type="checkbox"/> Review of Occupancy Status	_____	_____
<input type="checkbox"/> Environmental Review	_____	_____
<input type="checkbox"/> A Housing Quality Standards (HQS) inspection	_____	_____
<input type="checkbox"/> Rehab/Redev Assessment	_____	_____
<input type="checkbox"/> Energy Audit (if applicable)	_____	_____
<input type="checkbox"/> DRGR Entry # _____	_____	_____
<input type="checkbox"/> Request to Obligate Planner Approved	_____	_____
<input type="checkbox"/> Request to Obligate Mgr. Approved	_____	_____
<input type="checkbox"/> Legal Notified	_____	_____
<input type="checkbox"/> Agreement Drafted	_____	_____
<input type="checkbox"/> Agreement Executed	_____	_____
<input type="checkbox"/> Funds Obligated	_____	_____
<input type="checkbox"/> Check Requested (29A)	_____	_____



Cook County Use Only

OBLIGATION OF FUNDS APPROVAL SHEET CCBCD STAFF PLEASE PROVIDE ANSWER (X), STATUS, THEN INITIAL & DATE AFTER EACH ITEM

<u>Pass these reviews and inspections</u>	<u>Status</u>	<u>Staff Sign-Off</u>	<u>Date</u>
<input type="checkbox"/> Contract Executed & Attached	_____	_____	_____
<input type="checkbox"/> Appraisal Verified 1% / 60 Days	_____	_____	_____
<input type="checkbox"/> Review of Occupancy Status Voluntary Acquisition Letter Sent & Attached	_____	_____	_____
<input type="checkbox"/> Environmental Review Approved	_____	_____	_____
<input type="checkbox"/> Housing Quality Standards (HQS) Inspection (Rehab/Redev Inspection)	_____	_____	_____
<input type="checkbox"/> Energy Green Components Included	_____	_____	_____
<input type="checkbox"/> Good Faith Estimate of Project Budget Attached	_____	_____	_____
<input type="checkbox"/> Request to Obligate Planner Approved	_____	_____	_____
<input type="checkbox"/> Request to Obligate Mgr. Approved	_____	_____	_____
<input type="checkbox"/> Census Tract Eligible	_____	_____	_____
<input type="checkbox"/> AMI Identified or Area Benefit Verified (51% at or below 120%)	_____	_____	_____
<input type="checkbox"/> Activity Eligible	_____	_____	_____
<input type="checkbox"/> DRGR Project #(s) Reviewed	_____	_____	_____
<input type="checkbox"/> Funds Obligated	_____	_____	_____

All Boxes Above Must Be Checked First Before Initiating Expenditure & Closing Date:

<input type="checkbox"/> Pre-Closing Advance Requested	_____	_____	_____
<input type="checkbox"/> Finance Approved	_____	_____	_____
<input type="checkbox"/> Manager Approved	_____	_____	_____
<input type="checkbox"/> Bureau Approved	_____	_____	_____
<input type="checkbox"/> Closing Date Set	_____	_____	_____
<input type="checkbox"/> Legal Notified	_____	_____	_____
<input type="checkbox"/> Mortgage Docs Drafted	_____	_____	_____
<input type="checkbox"/> Closing Checklist Complete	_____	_____	_____
<input type="checkbox"/> Check Requested (29A)	_____	_____	_____
<input type="checkbox"/> Closing Held	_____	_____	_____

EXHIBIT G

I. SAMPLE FORM 29A

	COOK COUNTY GOVERNMENT (FORM 29A)	IN 09-00483	
IN 09-00483 Invoice Number		Date _____	FOR COUNTY USE ONLY
Vendor Number	Seller's Name & Address	Req. No. _____	DEPARTMENT
	Delivered to	Purchase Order No. _____	ACCOUNT
F.E.I.N.S.S. # MUST BE PROVIDED IN THE SPACE ABOVE OR VOUCHER WILL BE RETURNED			COST CENTER
QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT
DEPARTMENT APPROVAL		TOTAL	
WE HEREBY CERTIFY THAT THIS INVOICE IS RENDERED IN FULL CONFORMITY WITH THE PURCHASE ORDER OR CONTRACT AND MEETS THE SPECIFICATIONS CONTAINED THEREIN. FEDERAL REGULATIONS ARE ALSO COMPLIED WITH.		I HEREBY CERTIFY THAT I HAVE EXAMINED THE RECEIVING REPORT FROM THE USING DEPARTMENT AND IT AGREES WITH THIS INVOICE AND THAT SATISFACTORY EVIDENCE IS ATTACHED HEREWITH OF RECEIPT OF GOODS AND OR SERVICES.	
		EXAMINED AND APPROVED AUDITOR	

Carbonless copies of form 29A may be obtained by contacting the Department at: 312-603-1000

EXHIBIT G

II. 29A CERTIFICATION PAGE

SUBRECIPIENT
29A CERTIFICATION

FORM 2

PROGRAM: CDBG ESG HPRP CDBG-R NSP-1 HOME

PAYABLE TO: _____

AMOUNT: _____

PROJECT NO: _____

PURPOSE: _____

_____ hereby certify to the authenticity and accuracy of the provided information. I further certify that all statements made regarding the _____ project are true and accurate and that I have authority to submit the attached documentation. I understand that providing false information will subject my organization or municipality to termination from the CDBG/HOME/NSP/ESG Program(s) and there may be additional penalties for providing false information including, but not limited to, referral to the appropriate law enforcement agencies for filing of criminal charges. 18 U.S.C. § 1001 makes it a felony to knowingly, and willfully, make a material false statement on a matter within the jurisdiction of any Federal agency. I understand that knowingly and willfully making a material false statement or concealing a material fact could subject me to a fine or imprisonment of up to 5 years, or both.

Printed Name

Organization/Municipality

Title

Signature

Date

EXHIBIT G

II. 29A CERTIFICATION PAGE

SUBRECIPIENT
29A CERTIFICATION

FORM 2

PROGRAM: CDBG ESG HPRP CDBG-R NSP-1 HOME

PAYABLE TO: _____

AMOUNT: _____

PROJECT NO: _____

PURPOSE: _____

_____ hereby certify to the authenticity and accuracy of the provided information. I further certify that all statements made regarding the _____ project are true and accurate and that I have authority to submit the attached documentation. I understand that providing false information will subject my organization or municipality to termination from the CDBG/HOME/NSP/ESG Program(s) and there may be additional penalties for providing false information including, but not limited to, referral to the appropriate law enforcement agencies for filing of criminal charges. 18 U.S.C. § 1001 makes it a felony to knowingly, and willfully, make a material false statement on a matter within the jurisdiction of any Federal agency. I understand that knowingly and willfully making a material false statement or concealing a material fact could subject me to a fine or imprisonment of up to 5 years, or both.

Printed Name

Organization/Municipality

Title

Signature

Date

EXHIBIT H

INTENTIONALLY LEFT BLANK

**THE COOK COUNTY NSP PROCEDURAL MANUAL HAS BEEN
PREVIOUSLY PROVIDED TO DEVELOPER**

AGENDA

SPECIAL REGULAR MEETING OF THE BOARD OF TRUSTEES PARK FOREST, ILLINOIS

Village Hall

8:00 p.m.

June 7, 2010

- 1 Resolution: A Resolution Authorizing Execution of a Subgrantee Agreement between Cook County, Illinois and the Village of Park Forest Regarding the Neighborhood Stabilization Program
- 2.Resolution: A Resolution Authorizing Execution of a Developer Agreement between the Village of Park Forest and Habitat for Humanity Chicago South Suburbs Regarding the Neighborhood Stabilization Program
- 3 Motion: A Motion to Award a Contract to Restore Asphalt for Water Main Breaks and Storm Sewer Repairs

Adjournment

MOTIONS

MOVED that the Consent Agenda and each item contained therein be hereby approved

1. MOVED, that the Mayor and Board of Trustees adopt a Resolution Authorizing Execution of a Subgrantee Agreement between Cook County, Illinois and the Village of Park Forest Regarding the Neighborhood Stabilization Program
2. MOVED, that the Mayor and Board of Trustees adopt a Resolution Authorizing Execution of a Developer Agreement between the Village of Park Forest and Habitat for Humanity Chicago South Suburbs Regarding the Neighborhood Stabilization Program
3. MOVED, that the Manager is authorized to Contract with Pavement Systems, Blue Island, IL to Restore Asphalt for Water Main Breaks and Storm Sewer Repairs in the amount of \$51,775.00 with a 15% contingency for a total amount of \$59,541.25.

6/7/10