

# COUNTY OF KANE

Christopher J. Lauzen  
Kane County Board Chairman



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RECEIVED  
AUG 01 2013  
KANE COUNTY BOARD

## DOCUMENT VET SHEET

for  
Christopher J. Lauzen  
Chairman, Kane County Board

Name of Document: Subrecipient Agreement Resolution No.: 12-118

Submitted by: Scott Berger

Dept. Head Signature: *Scott Berger*

Date Submitted: 7/31/2013

Dept. Head Sign-off Date: 7-31-13

Examined by: *Joseph Lykes*  
(Print name)

*Joseph Lykes*  
(Signature)

7-1-13  
(Date)

Post on the Web: YES  NO  Atty. Initials *VB*

Comments:  
Enclosed, please find one subrecipient agreement for Chairman Lauzen's review and signature. The agreement stipulates the terms and conditions under which the county will provide funding from the US Department of Housing and to Urban Development to Community Contacts for housing rehabilitation services.

Chairman signed: YES  NO  8/2/13  
(Date)

Document returned to: Scott Berger  
(Name/Department)

STATE OF ILLINOIS

COUNTY OF KANE

RESOLUTION NO. 12 - 118

**APPROVING A HOUSING AND COMMUNITY DEVELOPMENT  
ANNUAL ACTION PLAN FOR PROGRAM YEAR 2012**

WHEREAS, the Kane County Board adopted Resolution No. 97-344, which established the Kane County Community Development Block Grant (CDBG) Program, and Resolution No. 04-06, which established the Kane-Elgin HOME Consortium; and

WHEREAS, said resolutions also established commissions which are charged with the responsibility of recommending to the Kane County Board policies, procedures, and funding priorities for said programs, consistent with applicable statutory and regulatory requirements; and

WHEREAS, acting on recommendations from the commissions, the Kane County Board adopted a Housing and Community Development Consolidated Plan for Program Years 2010-2014, which identified priority needs and strategies to be addressed with Federal funds over a five-year period; and

WHEREAS, the County prepared a draft Action Plan for Program Year 2012, including budgets for the use of CDBG and HOME funds; and

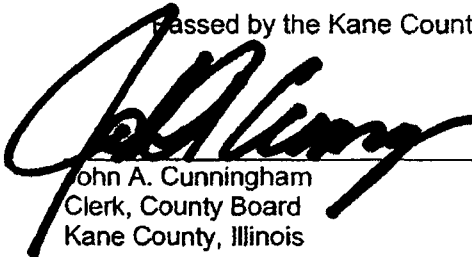
WHEREAS, said budgets include specific programs and projects that are consistent with the priority needs and strategies identified in the Consolidated Plan for Program Years 2010-2014; and

WHEREAS, a summary of the plan was published and made available for public review and comment for a period of thirty days as required by the County's Citizen Participation Plan.

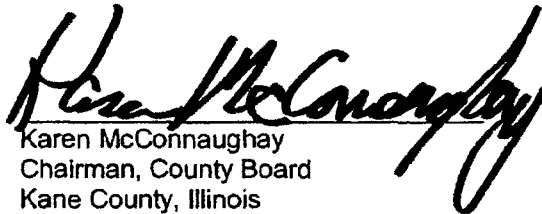
NOW, THEREFORE, BE IT RESOLVED by the Kane County Board that the Housing and Community Development Annual Action Plan for Program Year 2012, including activities to be undertaken with CDBG and HOME funds, are hereby approved.

BE IT FURTHER RESOLVED that the Kane County Board Chairman is authorized to sign agreements necessary to complete the activities described in the plan, and to execute certifications and other documents required by the U.S. Department of Housing and Urban Development.

Passed by the Kane County Board on May 8, 2012.


  
John A. Cunningham  
Clerk, County Board  
Kane County, Illinois



  
Karen McConaughay  
Chairman, County Board  
Kane County, Illinois

Vote:  
Yes 25  
No -  
Voice -  
Abstentions -

5HCD ActionPlan

STATE OF ILLINOIS  
COUNTY OF KANE  
DATE 6/25/2013  
I, John A. Cunningham, Kane County Clerk and Keeper of the Records in Kane County, Illinois do hereby certify that the attached is a true and correct copy of the original record on file.  
In witness whereof, I have hereunto set my hand and affix the Seal of the County of Kane at my office in Geneva, Illinois  
  
John A. Cunningham, Kane County Clerk

**HOME PROGRAM SUBRECIPIENT AGREEMENT  
BETWEEN KANE COUNTY, ILLINOIS  
AND  
COMMUNITY CONTACTS, INC.**

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**THIS AGREEMENT**, entered into on \_\_\_\_\_, by and between Kane County, Illinois (herein called the "County"), and Community Contacts, Inc. (herein called the "Subrecipient").

**WHEREAS**, the County, as the lead entity of the Kane-Elgin HOME Consortium (herein called the "Consortium"), has received an award of Federal funds under the HOME Investment Partnerships Program (herein called "HOME Program"), pursuant to the National Affordable Housing Act of 1990 (PL-101-605), as amended, and Title XIII of the Omnibus Reconciliation Act of 1993 (26 U.S.C. 1391, et seq.); and

**WHEREAS**, the Catalog of Federal Domestic Assistance (CFDA) Number for said funds is 14-239 and they are administered by the U. S. Department of Housing and Urban Development (herein referred to as "HUD"); and

**WHEREAS**, the Consortium wishes to utilize a portion of said funds to provide owner-occupied housing rehabilitation services to homeowners within the Consortium Area; and

**WHEREAS**, the Consortium wishes to engage the Subrecipient in the delivery of said services.

**NOW, THEREFORE**, in consideration of the mutual covenants, promises, and representations contained herein, the parties hereto agree as follows:

**I. Use of HOME Funds**

The County shall provide the Subrecipient an amount not to exceed \$270,752.00 from its allocation of HOME funds (M12DC170220) to complete the project described in Exhibit A. Funds provided herein shall be used in the manner described in said exhibit, which includes a description of the project, the tasks to be performed by the Subrecipient, a schedule for completing the tasks, and a project budget.

**II. Program Income**

Pursuant to 24 CFR Part 92.503, Program Income, including but not limited to the following, shall be remitted by the Subrecipient to the County within 30 days of receipt by the Subrecipient:

- A. Proceeds from the disposition by sale or long-term lease of real property acquired, rehabilitated or constructed with HOME funds or matching contributions;
- B. Gross income from the use or rental of real property, owned by the Subrecipient, that was acquired, rehabilitated, or constructed with HOME funds or matching contributions, less costs incidental to generation of the income;
- C. Payments of principal or interest on loans made using HOME funds or matching contributions;
- D. Proceeds from the sale of loans made with HOME funds or matching contributions;
- E. Proceeds from the sale of obligations secured by loans made with HOME funds or matching contributions;
- F. Interest earned on program income pending its disposition; and
- G. Any other interest or return on investment permitted under 24 CFR Part 92.205(b) of HOME funds or matching contributions.

### **III. Uniform Administrative Requirements**

The Subrecipient shall comply with all applicable laws, orders, and codes of the Federal, State and local governments as they pertain to this Agreement, including, but not limited to, the requirements of OMB circulars A-87, A-122, A-110, and A-133, and 24 CFR Part 84 (84.2, 84.5, 84.13-84.16, 84.21, 84.22, 84.26-84.28, 84.30, 84.31, 84.34-84.37, 84.40-84.48, 84.51, 84.60-84.62, 84.72, and 84.73). The Subrecipient shall assist the County in complying with all of the terms and conditions of the government grants under Title XIII, Subchapter C, Part I of the Omnibus Budget Reconciliation Act of 1993 (26 U.S.C. 1391, et seq.), which are incorporated herein and made a part of this Agreement by reference. The Subrecipient shall comply with all requirements of the HOME Program as set forth in HUD regulations 24 CFR Part 92, including subpart F, of the National Affordable Housing Act of 1990 (PL-101-625), as amended.

### **IV. Property Standards**

At a minimum, housing units rehabilitated under this Agreement shall meet local code or, if there is no local code, Section 8 Housing Quality Standards (HQS).

### **V. Other Program Requirements**

#### **A. Non-discrimination and Equal Opportunity**

In carrying out this Agreement, the Subrecipient shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, familial status, handicap, or national origin. The Subrecipient shall take the necessary steps to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, age, familial status, handicap or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Subrecipient shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the government setting forth the provisions of this non-discrimination clause. The Subrecipient, upon execution of this Agreement, shall agree that all qualified candidates will receive consideration for employment without regard to race, color, religion, sex, age, familial status, handicap, or national origin.

#### **B. Disclosure Requirements**

The Subrecipient shall maintain and disclose accurate, current, and complete financial results of all activities performed under this Agreement, in accordance with generally accepted business practices. If the Subrecipient's accounting records are maintained on a cash basis, the Subrecipient shall develop information of accounts payable and accounts receivable through an analysis of the documents in the file, or on the basis of its best estimates.

#### **C. Debarred, Suspended, or Ineligible Contractors**

The Subrecipient shall not award any contract covered under this Agreement to any contractor who is, at the time of contract award, ineligible under the provisions of any applicable regulation of the County, the State of Illinois, or the Federal Government to receive an award of such contract.

#### **D. Drug-Free Workplace**

The Subrecipient will (or will continue to) 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 grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about:
  - a. The dangers of drug abuse in the workplace;
  - b. The Subrecipient'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 subparagraph 1.
4. Notifying the employee in the statement required by subparagraph 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 in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notices shall include the identification number(s) of each affected grant;
6. Taking on of the following actions, within 30 calendar 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, consistent with the requirements of the Rehabilitation Act of 1973, as amended; 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. Make good faith effort to continue to maintain a drug-free workplace through implementation of subparagraphs 1, 2, 3, 4, 5, and 6.

E. M/WBE Outreach

The Subrecipient agrees to comply with the requirements of Executive Orders 11625 and 12432 (concerning Minority Business Enterprise), and 12138 (concerning Women's Business Enterprise), and the Consortium's Minority/Women Business Enterprise Outreach Program, which shall be deemed incorporated herein as if set forth at length.

F. Environmental Review

The Subrecipient agrees to comply with the provisions of the National Environmental Policy Act of 1969 (NEPA) and the related authorities listed in HUD's implementing regulations at 24 CFR Parts 50 and 58, including any requirements which may be imposed by the Consortium as a result of its responsibility for environmental review, decision making, and action under NEPA.

G. Displacement, Relocation and Acquisition

If applicable, the Subrecipient agrees to provide relocation assistance for displaced persons at the levels described in and in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C.4201 to 4655) and 49 CFR Part 24.

H. Labor

The Subrecipient and its contractors and subcontractors shall comply with the Davis-Bacon Act (40 U.S.C. 276a-276a-5) regarding wage rates paid pursuant to or as a result of this Agreement. Any contracts executed as a result of this Agreement may also be subject to the overtime provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-332).

I. Lead-Based Paint

The Subrecipient agrees that no lead-based paint will be used in the rehabilitation of the property and that, if necessary, funds provided herein will be used to evaluate and reduce lead hazards per Section 401 of the Lead-Based Paint Poisoning Prevention Act [42 U.S.C. 4831(b)]. The construction or rehabilitation of residential structures with assistance provided under this Agreement is subject to HUD's Lead-Based Paint regulations, which are found at 24 CFR Part 35, as well as the "Lead-Safe Housing Rule" (Title X, Housing and Community Development Act of 2000).

J. Conflict of Interest

The Subrecipient guarantees that no member of, or delegate to, the Congress of the United States will be admitted to any share or part of this Agreement or to any benefit that may arise from the same. The Subrecipient agrees that no member of any governing body of any locality in which the Subrecipient is situated, and no public official of such locality or localities who exercises any function or responsibility with respect to this Agreement during his/her tenure, or for one (1) year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the services performed under this Agreement. Unless expressly permitted by HUD, the Subrecipient agrees that no person who is an officer, employee, agent, or consultant of the Subrecipient and who exercises or has exercised any functions or responsibilities with respect to activities assisted with HOME funds, or who is in a position to participate in a decision-making process or to gain inside information with regard to such HOME-assisted activities, may obtain a financial interest or benefit from such HOME-assisted activities, or have any interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure, or for one (1) year thereafter. Unless expressly permitted by the County, no Subrecipient, or officer, employee, agent, or consultant of the Subrecipient may occupy a HOME-assisted housing unit.

K. Consultant Activities

The Subrecipient shall comply with 24 CFR Part 92.358 regarding the rate of compensation for personal services paid with HOME funds.

**VI. Affirmative Marketing**

If funds provided herein are used for housing containing five or more HOME-assisted units, then the Subrecipient shall comply with the County's Affirmative Marketing Procedures, which shall be deemed incorporated herein as if set forth at length.

## **VII. Requests for Disbursements of Funds**

In consideration of the work performed hereunder, the County will pay the Subrecipient with HOME funds available under this Agreement for eligible costs, consistent with the project budget contained herein (see Exhibit A), and based on requests submitted by the Subrecipient on forms provided herein (see Exhibit B). Such requests shall be accompanied by the appropriate receipts, invoices, canceled checks, and/or other documentation required by the County. The Subrecipient may not request the disbursement of HOME funds under this Agreement until the funds are needed for the payment of eligible HOME costs. The amount of each request must be limited to the amount needed for such costs at the time the request is submitted to the County. Advance disbursements of HOME funds are not permitted under this Agreement.

The presentation of requests for the disbursement of HOME funds on the part of the Subrecipient shall constitute a warranty and representation by the Subrecipient to the County that the amounts requested are elements of the project budget contained herein; that all such amounts are required for the payment of eligible costs that were actually incurred by the Subrecipient; and that the Subrecipient will use the amounts requested only for eligible purposes under this Agreement. Prior to any disbursement of HOME funds by the County, it reserves the right to perform an independent review of any and all documentation and/or inspect the project site(s) to independently determine that such disbursement is justified. If the County is dissatisfied with the documentation submitted, or the status of the work performed hereunder, it may require the Subrecipient to submit further documentation or perform additional work before it makes any further disbursements under this Agreement. The County reserves the right to reduce funds available under this Agreement for any costs incurred by the County on behalf of the Subrecipient to complete the project to the County's satisfaction. Finally, the County shall not be required to make any disbursements of HOME funds to the Subrecipient if the County is not legally capable or permitted by law to make such disbursements.

## **VIII. Reversion of Assets**

Upon expiration of this Agreement, the Subrecipient must transfer to the County any HOME funds on hand at the time of expiration and any accounts receivable attributable to the use of HOME funds.

## **IX. Records, Inspections, Retention, and Reports**

### **A. Records**

The Subrecipient shall maintain such records and accounts, including program records, project records, financial records, program administration records, equal opportunity and fair housing records, affirmative marketing and MBE/WBE records, records demonstrating compliance with the income determination requirements of 24 CFR Part 92.203, recordkeeping requirements of 24 CFR Part 92.508, the environment review requirements of 24 CFR Part 92.352 and 24 CFR Part 58, records demonstrating compliance with the requirements of 24 CFR Part 92.353 regarding displacement, relocation and real property acquisitions, records demonstrating compliance with the labor requirements of 24 CFR Part 92.354, records demonstrating compliance with the lead-based paint requirements of 24 CFR Part 92.355, records supporting exceptions to the conflict of interest prohibition pursuant to 24 CFR Part 92.356, debarment and suspension certifications required by 24 CFR Parts 24 and 91, and any other records as are deemed necessary by the County to assure a proper accounting and monitoring of all HOME Funds. In the event the County determines that such records are not being adequately maintained by the Subrecipient, the County may terminate this Agreement as specified herein.

### **B. Inspections**

With respect to all matters covered by this Agreement, records will be made available for examination, audit, inspection, or copying purposes at any time during normal business hours and as often as the County, HUD, representatives of the Comptroller General of the United States, or other

Federal agency may require. The Subrecipient will permit same to be examined and excerpts or transcriptions made or duplicated from such records, and audits made of all contracts, invoices, materials, records of personnel, and of employment and other data relating to all matters covered by this Agreement. The County's right of inspection and audit shall pertain likewise with reference to any audits made by any other agency, whether local, State, or Federal. Failure to provide access to records will be considered default of this Agreement.

C. Retention

The Subrecipient shall retain all records and supporting documentation applicable to this Agreement for the most recent five (5) year period, except as provided below:

1. For homeownership housing projects, records shall be retained for five (5) years after the project completion date, except for documents imposing recapture/resale restrictions which must be retained for five (5) years after the affordability period terminates.
2. Written agreements must be retained for five (5) years after the agreement terminates.
3. Records covering displacements and acquisition must be retained for five (5) years after the date by which all persons displaced from the property and all persons whose property is acquired for the project have received the final payment to which they are entitled in accordance with 24 CFR Part 92.353.
4. If any litigation, claim, negotiation, audit, monitoring, inspection or other action has been started before the expiration of the required record retention period, records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the required period, whichever is later.

D. Reports

The Subrecipient shall submit to the County monthly performance reports for the duration of this Agreement. Said performance reports shall be in a format provided by the County and shall be submitted on or before the 15<sup>th</sup> of each month.

**X. Enforcement of this Agreement**

A default shall consist of any use of HOME funds for any purpose not expressly authorized by this Agreement, noncompliance with the HOME Investment Partnerships Act, any material breach of this Agreement, failure to comply with the audit requirements contained herein, failure to expend HOME funds in a timely manner, or any misrepresentation of information submitted by the Subrecipient to the County. Upon due notice to the Subrecipient of the occurrence of any such default and the provision of a reasonable opportunity to respond, the County may take one or more of the following actions:

- A. Direct the Subrecipient to establish and follow a remediation plan consisting of schedules, timetables, and milestones necessary to correct the default and properly implement the activities funded under this Agreement;
- B. Suspend the disbursement of HOME funds pending correction of the default;
- C. Disallow (that is, deny both use of HOME funds and matching credit for) all or part of the cost of an activity or action likely to be affected by the default;
- D. Cancel or revise activities likely to be affected by the default, prior to expending HOME funds for the activities;
- E. Reprogram unexpended HOME funds from activities likely to be affected by the default to other eligible activities;
- F. Wholly or partially suspend or terminate this Agreement;



- G. Direct the Subrecipient to reimburse the County's program accounts in any amount not used in accordance with the requirements of 24 CFR Part 92;
- H. Withhold further awards to the Subrecipient; and/or
- I. Take other appropriate actions that may be legally available.

For the purposes of this Agreement, a reasonable opportunity to respond to any default shall be thirty (30) days from the Subrecipient's receipt of the County's written notice of default. No delay or omission by the County and/or HUD in exercising any right or remedy available under this Agreement shall impair any such right or remedy, or constitute a waiver or acquiescence of any other default committed by the Subrecipient.

**XI. Suspension or Termination of this Agreement**

In accordance with 24 CFR Part 85.43, the County may suspend or terminate this Agreement in whole or in part if the Subrecipient materially fails to comply with any term contained or referred to herein. This Agreement may be terminated by either party for convenience in accordance with 24 CFR Part 85.44. In such instance, the party wishing to terminate this Agreement shall provide not less than thirty (30) days advance written notice to the other party at its address as herein specified.

**XII. Amendments**

This Agreement may be amended or modified by a written instrument executed by the duly authorized representatives of the parties hereto. In addition, the County may, in its sole discretion, amend this Agreement to conform to federal, state or local policies and/or guidelines, and available funding amounts.

**XIII. Funds to Other Parties**

If the Subrecipient provides HOME funds to other parties (including, but not limited to, for-profit owners or developers, nonprofit owners or developers, homeowners, homebuyers, and/or contractors) the Subrecipient shall have written agreements with those parties that meet the requirements of 24 CFR Part 92.504.

**XIV. Project Publicity**

Any news release or other type of publicity pertaining to the work performed pursuant to this Agreement shall recognize the Consortium as a sponsor, funded by HUD.

**XV. Audit Requirements**

In the event, that during the period of this Agreement, the Subrecipient expends more than \$500,000.00 in federal funds in an operating year from this and other federal grants, the Subrecipient shall, at its own cost and expense, cause to be carried out an independent audit. The audit shall be completed, and a copy furnished to the County, within the earlier of thirty (30) days after receipt of the auditor's report(s) or nine (9) months after the end of the audit period, unless a longer period is agreed to in advance by the County. For the purposes of this Agreement, an operating and/or audit year is equivalent to the Subrecipient's fiscal year. The determination of when funds provided herein are expended is based on when the activity related to the expenditure occurs.

The audit shall be conducted in compliance with the Office of Management and Budget Circular No. A-133, as amended and 24 CFR Parts 44 and 45, which are made a part of this Agreement by reference thereto. In the event the audit shows that the entire funds disbursed hereunder, or any portion thereof, were not expended in accordance with the conditions of this Agreement, the Subrecipient shall be held liable for reimbursement to the County of all funds not expended in accordance with these applicable regulations and Agreement provisions within thirty (30) days after the County has notified the Subrecipient of such non-compliance. Said reimbursement shall not preclude the County from taking any other action as provided herein.

If the Subrecipient does not expend more than \$500,000.00 in federal funds in an operating year, the Subrecipient shall provide the County with its annual financial statement within ninety (90) days of the end of its operating year. Said financial statement shall be prepared by an actively licensed certified public accountant.

**XVI. Lobbying Certification**

The Subrecipient certifies that it will comply with, and uphold as its responsibility the following:

- A. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Subrecipient, 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 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, or modification of any Federal contract, grant, loan, or cooperative agreement.
- B. 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 Subrecipient will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

**XVII. Evaluation**

The County shall be responsible for monitoring and evaluating all aspects of the services provided by the Subrecipient under this Agreement. Said evaluation shall be accomplished by the County through a management evaluation of the services provided under this Agreement. The County shall have access to and be able to make copies and transcriptions of such records as may be necessary in the determination of the County or HUD to accomplish this evaluation. In order to properly monitor and evaluate the Subrecipient's performance under this Agreement, the County shall make on-site inspections as often as it deems necessary. Failure by the Subrecipient to assist the County in this effort, including allowing the County to conduct on-site inspections and have access to the Subrecipient's records, shall constitute default and result in the imposition of sanctions as specified herein.

**XVIII. Indemnification**

The Subrecipient shall indemnify, defend, and hold harmless the County from and against any and all liability, injury, loss, claims, damages, costs, attorneys' fees, and expenses of any kind or nature, which the County may sustain, suffer, or incur or be required to pay by reason of:

- A. The loss of any monies paid to the Subrecipient;
- B. Fraud, defalcation, or dishonesty on the part of any person representing, employed by, contracted, or subcontracted by the Subrecipient;
- C. Any act, omission, wrongdoing, misconduct, want of care or skill, negligence, or default on the part of the Subrecipient or any of its contractors, subcontractors, sub-subcontractors, materialmen, suppliers, and laborers in the execution or performance of this Agreement; or
- D. A judgment, regardless of whether such judgment is covered by the insurance required under this Agreement.

The indemnity hereunder shall survive termination of the Agreement. In the event that any action, suit, or proceeding is brought against the County upon any liability arising out of the Agreement, or any other matter indemnified against, the County at once shall give notice in writing thereof to Subrecipient by registered or certified mail addressed to Subrecipient. Upon receipt of such notice, Subrecipient, at its own expense, shall

defend against such action and take all such steps as may be necessary or proper to prevent the obtaining of a judgment against the County.

**XIX. Insurance and Bonding**

The Subrecipient shall carry sufficient insurance coverage to protect Agreement assets from loss due to theft, fraud, and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the County. The Subrecipient shall ensure that Workers' Compensation Insurance coverage is provided for all employees involved in the performance of this Agreement. The Subrecipient shall comply with the bonding requirements of OMB Circular A-110.

**XX. Negation of Agent or Employee Status**

The Subrecipient shall perform under this Agreement as an independent agent, and nothing contained herein shall in any way be construed to constitute the Subrecipient or any of its officers, assistants, representatives, agents, subagents, employees, contractors, partners, affiliates, holding companies, or subsidiaries to be representatives, agents, subagents, or employees of the County.

The Subrecipient understands that the County is not required to withhold any federal income tax, social security tax, state and local tax, or to secure workers' compensation insurance or employers' liability insurance of any kind, or to take any other action with respect to such insurance or taxes of the Subrecipient, or its officers, assistants, representatives, agents, subagents, employees, or contractors.

In no event and under no circumstance shall any provision of this Agreement make the County liable to any person or entity that contracts with or that provides goods or services to the Subrecipient in connection with services the Subrecipient has agreed to perform hereunder or otherwise, or for any debts or claims of any nature accruing to any person or entity against the Subrecipient. There is no contractual relationship, either express or implied, between the County and any person or entity supplying any work, labor, services, goods, or materials to the Subrecipient as a result of this Agreement.

**XXI. Assignability**

The Subrecipient may not assign or transfer any of its rights, duties, or obligations under this Agreement without the County's express written authorization and, if required by law, the written authorization of HUD. The Subrecipient may, however, subcontract the development, construction, and/or rehabilitation of housing units to properly licensed contractors.

**XXII. Cumulative Remedies/Successors and Assigns**

The rights and remedies herein expressed are cumulative and not exclusive of any other rights, which the County may otherwise have at law or in equity. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

**XXIII. Jurisdiction/Interpretation**

This Agreement shall be construed and interpreted in accordance with the laws of the State of Illinois. Venue shall be in Kane County, Illinois. In the event any legal proceeding arises as a result of the performance of this Agreement, the Subrecipient waives any and all right it may have to a jury trial. All paragraph headings contained in this Agreement are inserted for convenience only and shall not affect the construction or interpretation hereof.

**XXIV. Survival of Provisions**

All provisions of this Agreement intended to survive or to be performed subsequent to the end of the period of this Agreement shall survive the termination of this Agreement.

**XXV. Notices**

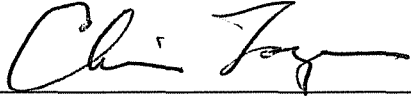
The County and the Subrecipient agree that all notices required herein shall be in writing and delivered by mail or hand delivered to the following representatives:

County                Jennie Grobe, Project Manager  
Kane County Office of Community Reinvestment  
719 Batavia Avenue  
Geneva IL 60134

Subrecipient        Brian Kuglich, Housing Director  
Community Contacts, Inc.  
100 South Hawthorne Street  
Elgin IL 60123

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

KANE COUNTY, ILLINOIS



Signature

Christopher J. Lauzen, Chairman, County Board  
Name and Title (printed)

Date: 8-2-13

SUB-RECIPIENT



Signature

Lowell Tosch, Executive Director  
Name and Title (printed)

Date: 7/22/13

# **KANE COUNTY/CITY OF ELGIN CONSORTIUM HOME INVESTMENT PARTNERSHIPS PROGRAM**

## **Exhibit A: Project Description, Tasks, Schedule, and Budget**

### Project Description

The Subrecipient will provide housing rehabilitation services to approximately 9 low-income, owner-occupied households in the Consortium Area, which includes all of Kane County (except the municipalities of Algonquin, Aurora, Hampshire, Hoffman Estates, Huntley, and Montgomery) and all of the City of Elgin, including that portion located in Cook County. All households assisted shall be at or below 80% of the Area Median Income for the Chicago PMSA (Primary Metropolitan Statistical Area), as established and adjusted annually by HUD.

HOME funds will be used by the Subrecipient to rectify code violations and address substandard living conditions, and to pay for eligible soft costs and program-delivery expenses. Up to \$20,000 in assistance will be provided to each household to cover rehabilitation hard costs. Such assistance will be provided as an interest-free, deferred-payment loan, which shall be secured by a mortgage payable to Kane County. The subordination of loans provided herein shall comply with the guidelines contained herein (see Exhibit C). In housing units with lead-based paint hazards, an additional \$10,000 will be made available as a grant to pay for lead-hazard control work. In households where additional funds are required to complete necessary lead-hazard control work, the amount of assistance provided as a loan for rehabilitation hard costs may be reduced so that additional assistance may be provided as a grant for lead-hazard control costs. In no event, however, shall the total amount of assistance provided to a household (loan amount plus grant amount) exceed \$30,000.

Eligible soft costs include title searches, recording fees, and lab costs. Additionally, the Subrecipient shall be entitled to a program delivery fee of twenty percent (20%) of eligible rehabilitation costs, lead-hazard control costs, and soft costs.

### Tasks

The Subrecipient shall be responsible for all tasks required to complete the project described herein, including, but not limited to the following:

1. Receipt and processing of applications to identify eligible households;
2. Assessment of code violations and substandard living conditions in eligible households;
3. Preparation of scope of work and specifications for each housing unit to be rehabilitated;
4. Procurement of contractor services through competitive bidding;
5. Inspection of rehabilitation work performed by contractors to ensure satisfactory completion;
6. Execution and recording of mortgage agreement for each household assisted.

Project Schedule

The Subrecipient shall complete the project described herein according to the following schedule:

|  |  |
|--|--|
| Project Start Date                             | July 2013  |
| Receipt and Processing of Applications         | (Ongoing)  |
| Begin Rehabilitation Work                      | August 2013  |
| Target Dates for the Expenditure of CDBG Funds | November 2013 (25% Expended)<br>February 2014 (50% Expended)<br>May 2014 (75% Expended)<br>August 2014 (100% Expended) |
| Complete Project                               | August 2014  |

Project Budget

|  |                    |
|--|--------------------|
| <u>Hard Costs</u>  |                    |
| Materials and Labor  | \$223,907.00       |
| <u>Soft Costs</u>  |                    |
| Title Search   | \$630.00           |
| Recording Fees   | \$387.00           |
| Lab Costs (for lead testing)                               | \$603.00           |
| Radon Testing  | \$100.00           |
| <u>Project Delivery Costs (20% of hard and soft costs)</u> | <u>\$45,125.00</u> |
| Total Budget   | \$270,752.00       |

**KANE COUNTY/CITY OF ELGIN CONSORTIUM  
HOME INVESTMENT PARTNERSHIPS PROGRAM**

**Exhibit B: Request for Payment**

**SECTION I: REQUEST FOR PAYMENT**

Subrecipient Name: Community Contacts, Inc.

Project Name: Housing Rehabilitation Program

HUD Activity No. \_\_\_\_\_ KC Activity No. \_\_\_\_\_

Dollar Amount Requested: \$ \_\_\_\_\_ Payment Request # \_\_\_\_\_

**SECTION II: STATUS OF FUNDS**

|  |                      |
|--|----------------------|
| 1. HOME Allocation (including carryover funds) | \$ <u>273,611.26</u> |
| 2. Less Sum of Past Claims Submitted           | \$ _____             |
| 3. Present Balance Available                   | \$ _____             |
| 4. Less this Request for Payment               | \$ _____             |
| 5. Amount Available after this Request         | \$ _____             |

**SECTION III: CERTIFICATION**

I, the undersigned representative of the Subrecipient, certify that this Request for Payment has been prepared in accordance with the terms and conditions of the Agreement between Kane County and the Subrecipient. I also certify that the amount of this Request for Payment is not in excess of the funding necessary to satisfy current project expenses.

|                |
|----------------|
| Date Received: |
| Date Approved: |
| Approved By:   |
| Payment Date:  |
| Check Number:  |

\_\_\_\_\_  
Signature of Subrecipient Representative

\_\_\_\_\_  
Title

Date: \_\_\_\_\_



# HOUSING REHABILITATION SUMMARY FORM

## HOUSEHOLD INFORMATION:

Homeowner's Name:

Street Address:

City, State, Zip:

Property Type:  SINGLE-FAMILY  CONDOMINIUM

Number of Bedrooms: 0 1 2 3 4 5

FHA Insured?  YES  NO

After-Rehab Value: \$

Household Type:  SINGLE/NON-ELDERLY  ELDERLY  SINGLE-PARENT  TWO PARENTS  OTHER

Income:  0-30%  31-50%  51-60%  61-80%

Household Size: 1 2 3 4 5 6 7 8

Race (check one):

|  |   |  |
|--|---|--|
| <input type="checkbox"/> White                       | <input type="checkbox"/> Native Hawaiian/Other Pacific Islander | <input type="checkbox"/> Black/African Amer. & White                       |
| <input type="checkbox"/> Black/African Amer.         | <input type="checkbox"/> Amer. Indian/Alaskan Native & White    | <input type="checkbox"/> Amer. Indian/Alaskan Native & Black/African Amer. |
| <input type="checkbox"/> Asian                       | <input type="checkbox"/> Asian & White                          | <input type="checkbox"/> Other Multi-Racial                                |
| <input type="checkbox"/> Amer. Indian/Alaskan Native |   |  |

Hispanic/Latino?  YES  NO

Female-Headed Household?  YES  NO

## REHABILITATION INFORMATION:

| Type of Expense   | Amount | Unit now meets Energy Star standards? <input type="checkbox"/> YES <input type="checkbox"/> NO  |
|---|--------|---|
| Rehabilitation Hard Costs   |        | Were accessibility improvements made? <input type="checkbox"/> YES <input type="checkbox"/> NO  |
| Rehabilitation Lead Costs   |        | <b>Applicable Lead Paint Requirement (Check One)</b><br><input type="checkbox"/> Constructed before 1978<br><input type="checkbox"/> Exempt (Constructed 1978 or later)<br><input type="checkbox"/> Exempt (0 BR, elderly no children < 6 yrs, &/or LBP-free)<br><input type="checkbox"/> Exempt (no paint disturbed) |
| Soft Costs<br>Title Search<br>Recording Fee<br>Lab Costs (for lead testing) |        |   |
| Project Delivery Costs<br>(Up to 20% of above costs)                        |        |   |
| <b>Grand Total</b>  |        | <b>Lead Hazard Remediation Action (Check One)</b><br><input type="checkbox"/> Lead Safe Work Practices<br><input type="checkbox"/> Interim Controls or Standard Practices<br><input type="checkbox"/> Abatement   |

## CONTRACTOR INFORMATION:

Company Name:

Street Address:

City, State, Zip:

Racial/Ethnic Code (check one):

|   |  |   |
|---|--|---|
| <input type="checkbox"/> White American | <input type="checkbox"/> Native American   | <input type="checkbox"/> Asian/Pacific American |
| <input type="checkbox"/> Black American | <input type="checkbox"/> Hispanic American | <input type="checkbox"/> Hasidic Jew            |

Woman-Owned Business?  YES  NO

Employer Identification Number:

Section 3 Business Concern?  YES  NO

# **KANE COUNTY/CITY OF ELGIN CONSORTIUM HOME INVESTMENT PARTNERSHIPS PROGRAM**

## **EXHIBIT C: Subordination Guidelines**

The County may, in its sole discretion, subordinate loans issued for housing rehabilitation assistance under its HOME Investment Partnerships Program. Such subordinations, however, must comply with the following guidelines:

1. The borrower may not take any cash out. (The payment of credit card debt is considered cash.)
2. The borrower may roll into the new first mortgage only reasonable and customary closing costs associated with the refinancing. (This does not include points paid to buy-down the interest rate, but does include expenses such as the appraisal, credit report, and title charges.)
3. The new first mortgage principal balance cannot exceed the original first mortgage existing principal.
4. The borrower may refinance into a 15-year mortgage provided that they have the capacity to handle the additional payment. (Such situations will be reviewed on a case-by-case basis.)
5. The borrower must refinance into a fixed-rate mortgage.
6. The first mortgage lender must escrow taxes and insurance, if the lender had been doing so prior to refinancing.
7. The County will not subordinate to home equity or reverse mortgage loans.
8. The County will subordinate to home improvement loans if the homeowner provides written documentation of the improvement to the County's satisfaction.