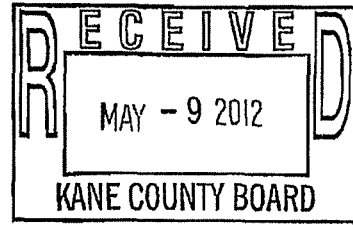


County of Kane
Office of County Board
Kane County Government Center



Karen McConnaughay
Chairman
630-232-5930



719 Batavia Avenue
Geneva, Illinois 60134
Fax 630-232-9188

DOCUMENT VET SHEET

for
Karen McConnaughay
Chairman, Kane County Board

Name of Document: Home Investment Partnership Program (HOME) Funding Agreement

Submitted By: Josh Beck, (630) 444-2960

Date Submitted: 05-08-2012

Examined by: Joseph Lyves
(Print Name)

[Signature]
(Signature)

6-5-12
(Date)

Post on Web: Yes No Atty. Initials VZ

Comments:
Enclosed please find (1) copy of the HOME Funding Agreement between Kane County and Spillane & Sons for Chairman McConnaughay's review and signature. The attached agreement stipulates the terms and conditions for Kane County to allocate HOME funds to purchase and rehab foreclosed properties within Kane County. Resolution #11-88

Chairman signed: Yes No 6/6/12
(Date)

Document returned to: Josh Beck

**HOME PROGRAM FUNDING AGREEMENT
BETWEEN KANE COUNTY, ILLINOIS
AND
SPILLANE & SONS LTD.**

THIS AGREEMENT is entered into on **June 11, 2012**, by and between Kane County, Illinois (herein called the "County"), and Spillane & Sons Ltd. (herein called the "Developer").

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 high quality owner-occupied housing to qualified homeowners within the Consortium Area; and

WHEREAS, the Consortium wishes to engage the Developer 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 Developer an amount not to exceed \$240,000.00 from its allocation of HOME funds 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, a statement of work, the tasks to be performed by the Developer, a schedule for completing the tasks, and a project budget.

II. Community Housing Development Organization (CHDO)

Funds will be considered Community Housing Development Organization (CHDO) set aside funds as the Developer does meet all the requirements of a CHDO as defined at 24 CFR 92.300.

Applicable Not Applicable

Housing Development. Funding provided to a Community Development Housing Organization (CHDO) may be used for investment only in housing to be developed, sponsored, or owned by such CHDO where the organization has effective project control.

Applicable Not Applicable

III. Program Income

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

- 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 Developer, 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 92.205(b) of HOME funds or matching contributions.

IV. Uniform Administrative Requirements

The Developer 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 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 Developer 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 Developer shall comply with all requirements of the HOME Program as set forth in HUD regulations 24 CFR 92, including subpart F, of the National Affordable Housing Act of 1990 (PL-101-625), as amended.

V. Property Standards

Housing which is constructed or rehabilitated with HOME funds must meet all applicable local codes, rehabilitation standards, ordinances and zoning ordinances at the time of project completion. If there are no such standards or code requirements, the housing must meet one of the following property standards based upon the type of activity that is being completed with HOME funds:

Activity	Minimum Property Standard
Acquisition of Existing Housing (no rehab or construction)	Applicable state or local housing quality standards and code requirements. If no local code, then Section 8 Housing Quality Standards (HQS)
Rehabilitation of Housing	PJ Adopted written rehabilitation standards And State and Local code requirements If no local codes apply, then one of the following national model codes: <ul style="list-style-type: none"> • Uniform Building Code (ICBO) • National Building Code (BOCA) • Standard Building Code (SBCCI) Or <ul style="list-style-type: none"> • Council of American Building Officials 1- or 2-family code (CABO) • Minimum Property Standards (FHA) at 24 CFR 200.925 (for multifamily) or 200.926 (for 1- & 2-unit dwelling) And Handicapped accessibility requirements, where applicable

New Construction of Housing	<p>State and local code requirements</p> <p>If no state and local codes apply, then one of the following national model codes:</p> <ul style="list-style-type: none"> • Uniform Building Code (ICBO) • National Building Code (BOCA) • Standard Building Code (SBCCI) <p>Or</p> <ul style="list-style-type: none"> • Council of American Building Officials 1- or 2-family code (CABO) • Minimum Property Standards (FHA) at 24 CFR 200.925 (for multifamily) or 200.926 (for 1- & 2-unit dwelling) <p>And</p> <p>International Model Energy Code</p> <p>And</p> <p>Handicapped accessibility requirements, where applicable</p> <p>And</p> <p>New Construction of rental housing must meet site and neighborhood standards at 24 CFR 893.6(b)</p>
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Housing must also meet the accessibility requirements of 24 CFR 8, which implements Section 504 of the Rehabilitation Act of 1973, 24 CFR 100.201 and 24 CFR 100.205, which implement the Fair Housing Act.

VI. Period of Affordability

The Developer shall take steps and execute such documents to ensure that the unit(s) assisted or paid for with HOME funds will remain in compliance with the affordability requirements set forth below:

HOME Investment per Unit	Length of Affordability Period
Less than \$15,000.00	5 years
\$15,000 to \$40,000	10 years
More than \$40,000	15 years

The period of affordability shall begin exactly 90 days after the County receives the final bill and **Certification of Project Completion** form from the Developer. To meet the affordable housing goals of Kane County, the county requires that an additional **0** years of affordability be required for the HOME units covered under this agreement. Any additional years of affordability that Kane County may require are outside the purview of the HOME program regulations thus do not have to be monitored per the HOME program regulations.

VII. Income Determination & Principal Residence

The Developer shall on an initial basis ensure that all household meet the income requirements of the HOME program using the following form of income determination:

- Section 8 (Part 5) Annual Gross Income
- IRS Adjusted Gross Income
- Census Long Form Annual Income

The Developer shall ensure that the units assisted or paid for with HOME funds will be the principal residences of an owner whose family qualifies as a "low income family" as defined in 24 C.F.R. § 92.2, at the time of purchase (see http://a257.g.akamaitech.net/7/257/2422/01apr20051500/edocket.access.gpo.gov/cfr_2005/aprqr/24cfr92.203.htm).

VIII. Homebuyer Agreement

The Developer shall present to the buyer of a HOME assisted unit, a minimum of two weeks prior to closing, an agreement that informs the homebuyer of all the requirements of the HOME program as set forth by 24 CFR 92.504 (c) (5). This agreement shall include explanations of the following requirements:

- A. After rehab or construction value of the property;
- B. Maximum sales price under the HOME program;
- C. Principal residence requirement of the HOME program;
- D. Resale/recapture requirements;
- E. Amount of HOME funds used in the specific unit;
- F. Form of HOME assistance, i.e. grant or loan;
- G. The use of HOME funds (i.e. acquisition, closing costs, or rehabilitation);
- H. Date the house must be purchased by; and
- I. The HOME program's period of affordability requirement and the actual period of affordability for said unit.

The aforementioned agreement shall be signed by the homebuyer and the Developer a minimum of two weeks prior to closing of the sale.

IX. Other Program Requirements

A. Non-discrimination and Equal Opportunity

In carrying out this Agreement, the Developer shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, familial status, handicap, or national origin. The Developer 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 Developer 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 Developer, 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 Developer 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 Developer's accounting records are maintained on a cash basis, the Developer 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 Developer 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 Developer 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 Developer'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 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 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 Developer 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 Developer 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 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 Developer 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 24.

H. Labor

The Developer 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 Developer 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 35, as well as the "Lead-Safe Housing Rule" (Title X, Housing and Community Development Act of 2000).

J. Conflict of Interest

The Developer 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 Developer agrees that no member of any governing body of any locality in which the Developer 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 Developer agrees that no person who is an officer, employee, agent, or consultant of the Developer 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 Developer, or officer, employee, agent, or consultant of the Developer may occupy a HOME-assisted housing unit.

K. Consultant Activities

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

X. Affirmative Marketing

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

XI. Requests for Disbursements of Funds

In consideration of the work performed hereunder, the County will pay the Developer 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 Developer 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 Developer 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 Developer shall constitute a warranty and representation by the Developer 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 Developer; and that the Developer 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 Developer 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 Developer 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 Developer if the County is not legally capable or permitted by law to make such disbursements.

XII. Reversion of Assets

Upon expiration of this Agreement, the Developer 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.

XIII. Records, Inspections, Retention, and Reports

A. Records

The Developer 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 92.203, recordkeeping requirements of 24 CFR 92.508, the environment review requirements of 24 CFR 92.352 and 24 CFR 58, records demonstrating compliance with the requirements of 24 CFR 92.353 regarding displacement, relocation and real property acquisitions, records demonstrating compliance with the labor requirements of 24 CFR 92.354, records demonstrating compliance with the lead-based paint requirements of 24 CFR 92.355, records supporting exceptions to the conflict of interest prohibition pursuant to 24 CFR 92.356, debarment and suspension certifications required by 24 CFR 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 Developer, 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 Developer 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 Developer 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 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 Developer shall submit to the County quarterly performance reports (Exhibit C) for the duration of this Agreement. Said performance reports shall be submitted according to the following schedule:

1. June 1 through August 31, due on September 15;
2. September 1 through November 30, due on December 15;
3. December 1 through February 28/29, due on March 15; and
4. March 1 through May 31, due on June 15.

Additionally, the Developer shall submit any other reports in a timely manner that the County may request related to meeting all reporting requirements of the HOME program.

XIV. 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 Developer to the County. Upon due notice to the Developer 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 Developer 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 Developer to reimburse the County's program accounts in any amount not used in accordance with the requirements of 24 CFR 92;
- H. Withhold further awards to the Developer; 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 Developer'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 Developer.

XV. Suspension or Termination of this Agreement

In accordance with 24 CFR 85.43, the County may suspend or terminate this Agreement in whole or in part if the Developer 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 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.

XVI. 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.

XVII. Funds to Other Parties

If the Developer 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 Developer shall have written agreements with those parties that meet the requirements of 24 CFR 92.504.

XVIII. 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.

XIX. Audit Requirements

In the event, that during the period of this Agreement, the Developer expends more than \$500,000.00 in federal funds in an operating year from this and other federal grants, the Developer 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 Developer'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 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 Developer 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 Developer of such non-compliance. Said reimbursement shall not preclude the County from taking any other action as provided herein.

If the Developer does not expend more than \$500,000.00 in federal funds in an operating year, the Developer 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.

XX. Lobbying Certification

The Developer 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 Developer, 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 Developer will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

XXI. Evaluation

The County shall be responsible for monitoring and evaluating all aspects of the services provided by the Developer 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 Developer's performance under this Agreement, the County shall make on-site inspections as often as it deems necessary. Failure by the Developer to assist the County in this effort, including allowing the County to conduct on-site inspections and have access to the Developer's records, shall constitute default and result in the imposition of sanctions as specified herein.

XXII. Indemnification

The Developer 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 Developer;
- B. Fraud, defalcation, or dishonesty on the part of any person representing, employed by, contracted, or subcontracted by the Developer;

- C. Any act, omission, wrongdoing, misconduct, want of care or skill, negligence, or default on the part of the Developer 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 Developer by registered or certified mail addressed to Developer. Upon receipt of such notice, Developer, 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.

XXIII. Insurance and Bonding

The Developer 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 Developer shall ensure that Workers' Compensation Insurance coverage is provided for all employees involved in the performance of this Agreement. The Developer shall comply with the bonding requirements of OMB Circular A-110.

XXIV. Negation of Agent or Employee Status

The Developer shall perform under this Agreement as an independent agent, and nothing contained herein shall in any way be construed to constitute the Developer 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 Developer 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 Developer, 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 Developer in connection with services the Developer has agreed to perform hereunder or otherwise, or for any debts or claims of any nature accruing to any person or entity against the Developer. 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 Developer as a result of this Agreement.

XXV. Assignability

The Developer 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 Developer may, however, subcontract the development, construction, and/or rehabilitation of housing units to properly licensed contractors.

XXVI. 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.

XXVII. 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 Developer 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.

XXVIII. 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.

XXIX. Notices

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

<u>County</u>	Joshua C. Beck, Program Manager Kane County Office of Community Reinvestment 719 Batavia Avenue Geneva IL 60134
<u>Developer</u>	Mike Spillane, Owner Spillane & Sons Ltd. 253 Trudy Court Batavia, Illinois 60510

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

KANE COUNTY, ILLINOIS

Karen McConaughay
Signature
Karen McConaughay, Chairman, County Board
Name and Title (printed)

Date: 6/6/12

DEVELOPER

Mike Spillane
Signature
Mike Spillane, Owner
Name and Title (printed)

Date: 5-3-2012



KANE COUNTY/CITY OF ELGIN CONSORTIUM HOME INVESTMENT PARTNERSHIPS PROGRAM

Exhibit A: Project Description, Statement of Work, Tasks, Schedule, and Budget

Project Description

The Developer, in collaboration and coordination with the County, shall utilize HOME funds to acquire, rehabilitate and resell **one (1)** single-family dwelling unit (herein called the "Project"). Developer hereby agrees to perform activities described in accordance with the schedule contained herein.

Statement of Work

Although the location of the Project is yet to be determined, it must be located within an area of greatest need as defined by County and within the targeted neighborhood within such area as determined by the County at the time of purchase. The real estate selected (herein called the "Property") shall be approved by the County before sales negotiations are initiated by the Developer. The Property shall meet one of the following definitions of foreclosed or abandoned:

- A. Tax payments are at least 90 days delinquent;
- B. Code enforcement inspection has determined that the property is not habitable and the owner has taken no corrective actions within 90 days of notifications of the deficiencies;
- C. The property is subject to a court-ordered receivership or nuisance abatement related to abandonment pursuant to state and local laws;
- D. The property is currently delinquent at least 60 days under the Mortgage bankers delinquency calculation and the owner has been notified of this delinquency;
- E. The property owner is 90 days or more delinquent on tax payments;
- F. Under state or local law, foreclosure proceedings have been initiated or completed; or
- G. Foreclosure proceedings have been completed and title has been transferred to an intermediary aggregator or servicer.

County shall provide HOME funds to Developer to reimburse Developer for eligible costs that the County determines to be customary and reasonably associated with the Project, as follows:

- A. Costs of acquisition, including purchase price and all usual and customary closing costs. The appraisal must meet the URA definition of an appraisal [(see 49 CFR 24.2(a)(3))] and [see 49 CFR 24.103(a)(2)]. Such appraisals must be performed by an appraiser listed on the current FHA Appraiser Roster and be licensed by the State of Illinois.
- B. Costs of rehabilitation, 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. The Property rehabilitated under the Project shall have an after-rehabilitation market appraised value not to exceed \$275,200. Such value shall be established by an after rehabilitation market appraisal performed by an appraiser listed on the current FHA Appraiser Roster and licensed by the State of Illinois.
- C. Developer Fees. A Developer fee of 6% of the purchase price may be paid upon acquisition of the Property. Additionally, a Developer fee of 6% of all hard rehabilitation or construction costs may be paid upon completion of rehabilitation or construction of the Property.
- D. After rehabilitation is complete usual and customary costs associated with holding the property until it is sold to an eligible household, including, but not limited to, management fees, maintenance costs, insurance, and real estate taxes. These expenses are not eligible for a developer fee.
- E. Costs associated with the sale of each property to an eligible household, including, but not limited to, the costs of placing the Property in the multiple listing service, advertising the unit for sale, and preparing required documentation. Customary realtor fees in the amount of 4.5% will be paid in connection with

- the sale of the Property, with 2.0% to be paid to Developer's broker and 2.5% to be paid to purchaser's broker, if other than Developer.
- F. Other such related costs that have the same intent as this Agreement, are eligible for HOME funding, and are pre-approved by the County.
 - G. Implementation Plan. To the extent possible, the Developer is encouraged to implement the following points in the design of its Homebuyer Program:
 1. Developer is encouraged to utilize qualified Kane County based contractors to complete rehabilitation on HOME funded acquisitions.
 2. Developer will coordinate property selection with staff from the Office of Community Reinvestment.
 3. Developer will coordinate interior and exterior project design with staff from the Office of Community Reinvestment to ensure both "green" and "healthy homes" features are included where desirable and practicable.
 4. To the extent possible, accessibility modifications will be incorporated into the rehabilitation scope of work for projects assisted with HOME funds.

Tasks

Developer agrees to complete at a minimum the following tasks:

- A. Complete a housing search for eligible properties as described in the statement of work;
- B. Assessment of code violations and substandard living conditions within identified properties;
- C. Preparation of scope of work and specifications for each housing unit to be rehabilitated;
- D. Procurement of contractor services;
- E. Inspection of rehabilitation work performed by contractors to ensure satisfactory completion;
- F. Develop a marketing plan to sell the property to a homebuyer;
- G. Assist in the receipt and processing of applications to identify an eligible homebuyer; and
- H. Manage the sale of the completed unit to an income eligible homebuyer.

Project Schedule

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

Activity	Completion Date
Project Start Date	June 18, 2012
Executed Purchase Agreement	August 1, 2012
Closing Completed	August 31, 2012
Rehabilitation or Construction Work Begins	September 4, 2012
Rehab Work Completed	November 21, 2012
Home Listed For Sale	November 26, 2012
Project Completed	45 days after sale of home to eligible homebuyer

Project Budget

The Developer hereby agrees to perform activities described in the project description and the statement of work in accordance with the time periods specified in the project schedule with a project budget not to exceed \$240,000.00.

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

Exhibit B: Request for Payment

SECTION I: REQUEST FOR PAYMENT

Developer Name: _____

Project Name: _____

HUD Activity No. _____

KC Activity No. _____

Dollar Amount Requested: \$ _____

Payment Request # _____

SECTION II: STATUS OF FUNDS

1.	HOME Allocation	\$240,000.00
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 Developer, certify that this Request for Payment has been prepared in accordance with the terms and conditions of the Agreement between Kane County and the Developer. 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 Developer Representative

Title

Date: _____

HOMEBUYER COMPLETION FORM

HOMEBUYER INFORMATION:

Homeowner's Last Name:

Percent of Area Median Income (AMI): 0-30% AMI 31-50% AMI 51-60% AMI 61-80% AMI

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		

Ethnicity: Is the household Hispanic? YES NO Household Size: 1 2 3 4 5 6 7 8

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

Did the homebuyer come from subsidized housing? YES NO

Homebuyer has received/will receive: PRE-PURCHASE COUNSELING POST-PURCHASE COUNSELING BOTH

PROPERTY INFORMATION:

Street Address:	Purchase Price: \$
City, County, Zip:	Year Constructed:
Property Type: SINGLE-FAMILY CONDOMINIUM	Number of Bedrooms: 1 2 3 4 5
Does the unit meet Energy Star? YES NO	Is the unit handicapped accessible? YES NO

Is the property insured by the Federal Housing Administration (FHA)? YES NO

FINANCING SUMMARY:

	Funding Source/Type	Amount
HOME Funds		\$
Public Funds	Other Federal Funds	\$
	State/Local Funds	\$
	Tax-Exempt Bond Proceeds	\$
Private Funds	Private Loans	\$
	Owner Cash Contributions	\$
	Private Grants	\$
Total Funding This Address		\$

CONTRACTOR DISCLOSURE

1. Prior to award, every contractor or vendor who is seeking or who has obtained contracts or change orders to contracts or two (2) or more individual contracts with Kane County resulting in an amount greater than Fifteen Thousand Dollars (\$15,000) shall disclose to the Kane County Purchasing Department, in writing all cumulative campaign contributions, (which includes multiple candidates) made within the previous twelve (12) months of awarding of the contract made by that contractor, union, or vendor to any current officer or countywide elected officer whose office the contract to be awarded will benefit. Disclosure shall be updated annually during the term of a multi-year contract and prior to any change order or renewal requiring Board level approval. For purposes of this disclosure requirement, "contractor or vendor" shall include owners, officers, managers, insurance brokers, lobbyists, agents, consultants, bond counsel and underwriters counsel, subcontractors corporations, partnerships, associations, business trusts, estates, trustees, and/or beneficiaries under the control of the contracting person, and political action committees to which the contracting person has made contributions.

2. All contractors and vendors who have obtained or are seeking contracts with Kane County must disclose the following information which shall be attached to the application or document. Penalties for knowingly violating disclosure requirements will potentially result in immediate cancellation of the contract, and possible disbarment from future County contracts:
 - A. Name, address and percentage of ownership interest of each individual or entity having a legal or a beneficial interest of more than five percent (5%) in the applicant. Any entity required by law to file a statement providing substantially the information required by this paragraph with any other government agency may file a duplicate of such statement;
 - B. Names and contact information of their lobbyists, agents and representatives and all individuals who are or will be having contact with County employees or officials in relation to the contract or bid. This information disclosure must be updated when any changes to the information occurs.
 - C. Whenever any interest required to be disclosed in paragraph (a) above is held by an agent or agents, or a nominee or nominees, the principals for whom such agents or nominees hold such interest shall also be disclosed. The application of a spouse or any other party, if constructively controlled by another person, or legal entity as set forth above, shall state the name and address and percentage of beneficial interest of such person or entity possessing such constructive control and the relationship under which such control is being or may be exercised. Whenever a stock or beneficial interest is held by a corporation or other legal entity, such shareholder or beneficiary shall also make disclosure as required by paragraph (a) above.
 - D. A statement under oath that the applicant has withheld no disclosures as to economic interests in the undertaking nor reserved any information, data or plan as to the intended use or purpose for which it seeks County Board or other county agency action.

3. All disclosures and information shall be current as of the date upon which the application is presented and shall be maintained current until such time as Kane County shall take action on the application. Furthermore, this information shall be maintained in a database by the Purchasing Department, and made available for public viewing.

4. Notwithstanding any of the above provisions, the County Purchasing Department with respect to contracts awarded may require any such additional information from any applicant which is reasonably intended to achieve full disclosure relevant to the application for action by the County Board or any other County agency.

5. Any failure to comply with the provisions of this section shall render any ordinance, ordinance amendment, County Board approval or other County action in behalf of the applicant failing to comply voidable at the option of the County Board or other County agency involved upon the recommendation of the County Board Chairman or the majority of the County Board.