

**AGREEMENT
BETWEEN
HEARTLAND DIVISION – THE SALVATION ARMY USA CENTRAL TERRITORY (“HOUSING PROVIDER”)
AND
THE CITY OF PEORIA, ILLINOIS (“CITY”)**

Effective as of: 8/23/18

WITNESSETH

WHEREAS, the City issued a Request for Qualifications (RFQ #17-18) on May 21, 2018, for housing providers capable of operating a rehousing program in coordination with the City of Peoria; AND

WHEREAS, the Salvation Army Peoria responded to RFQ #17-18 evidencing the programmatic and fiscal capacity to operate a rehousing program; AND

WHEREAS, the City of Peoria selected Salvation Army (“housing provider”) to deliver rehousing services to Peoria residents and enter into and be bound by this agreement.

In consideration of the recitals set forth above and other good and valuable considerations, the receipt of which is hereby acknowledged, the parties agree as follows:

1. **RECITALS**. The foregoing recitals are made a part of this Agreement.
2. **GENERAL CONDITIONS**. The housing provider will at all times operate the program under the most current Rehousing Program Guidelines (“Exhibit A”) issued by the City.

The Duration of the Agreement shall commence on the above effective date and conclude exactly one year from the effective date. The City, in agreement with the housing provider, can extend the agreement by one year at the close of the initial year or at the close of subsequent extensions.

3. **FUNDING and FINANCIAL REQUIREMENTS**. The housing provider must at all times maintain financial systems capable of tracking programmatic expenses and capable of providing detailed reports to the City as requested by the City.
 - a. Program funds may only be expended on eligible costs for eligible beneficiaries as outlined in the Rehousing Program Guidelines (“Exhibit A”).
 - b. This program will be operated only as long as funding is available. If available funds are exhausted the program will be put on hold until additional funding becomes available. The City will notify the housing provider when funds are exhausted or near enough to exhaustion to put the program on hold. The beginning balance for the program fund is \$50,000. The housing provider may inquire with the City at any time regarding the program fund balance in order to properly coordinate program expenses.
4. **PAYMENT PROCEDURE**. The City shall maintain possession of the program funds during the Duration of the Agreement and until approval to make disbursement is given by the City. The City will provide template reimbursement documents. The housing provider may submit documentation requesting reimbursement once a program beneficiary is successfully placed. Once documentation has been approved as complete and costs determined eligible, the City will have 30 days to issue the reimbursement payment.

5. **HOUSING PROVIDER REPRESENTATIONS AND WARRANTIES.** The housing provider represents and warrants to the City as follows:

- a. Official Contact Person for the housing provider:

Name:	Thomas J. Fulop, Social Services Director
Telephone:	309.655.7272
Email Address:	thomas_fulop@usc.salvationarmy.org

- b. The housing provider understands and agrees, among other things, that the selection of the housing provider for the purposes of conducting the program shall not deem the housing provider or its employees, City employees.
- c. The housing provider shall be responsible to the City for the acts and omissions of the housing provider's employees.
- d. The housing provider is a private non-profit organization.
- e. The housing provider shall only perform the work for the program outlined in this Agreement and in the Rehousing Program Guidelines. All other work performed or assistance provided by the housing provider which is outside this Agreement and not otherwise approved in writing by the City as necessary to conduct the program shall not be compensated by the City.
- f. The housing provider certifies that it is not currently barred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal or State department or agency, or is currently barred or suspended from contracting with the State under Section 50-35(f), 50-35(g) or 50-65 of the Illinois Procurement Code, 30 ILCS 500/1-1 et seq.
- i. If at any time during the term of this Agreement, the housing provider becomes barred, suspended, or excluded from participation in this transaction, the housing provider must, within thirty (30) days of becoming barred, suspended or excluded, provide to the City a written description of each offense causing the exclusion, the date(s) of the offense, the action(s) causing the offense(s), any penalty assessed or sentence imposed, and the date any penalty was paid or sentence complete.
- g. The housing provider has an acceptable past performance record with the City.
6. **CONFLICT OF INTEREST.** For all decisions with respect to the use of program funds, the following restrictions shall apply: No person who is an employee, agency consultant, officer, or elected or appointed official of the housing provider and who exercises or has exercised any functions or responsibilities with respect to assisted activities, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any contract, subcontract, or agreement with respect thereto, or the process thereunder, either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure for one year thereafter. If a conflict or a potential or perceived conflict of interest is to occur, the housing provider must contact the City to determine whether an exception will be allowed.
7. **HOLD HARMLESS.** The housing provider shall hold harmless, defend and indemnify the City from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the housing provider's performance or non-performance of the services or subject matter called for in this Agreement.

8. **NONDISCRIMINATION.** Housing Provider will not discriminate against anyone because of race, color, creed, religion, sexual orientation, gender identity, ancestry, national origin, sex, disability, or other impairment, age, marital or familial status, or status with regard to public assistance. Housing Provider will take affirmative action to insure that all practices are free from such discrimination. Clients shall not be required to participate in any programming or processes whatsoever that are not specifically outlined in the most current Rehousing Program Guidelines (“Exhibit A”) issued by the City or as approved in writing by the City.
9. **DEFAULT.** Violation of any of the provisions of this Agreement by the housing provider shall be deemed an “Event of Default” hereunder. The City shall give written notice of an Event of Default to the housing provider. If such Event of Default is not corrected to the satisfaction of the City within thirty (30) days after the date such notice is given, or within such further time as the City in its sole discretion permits (but if such Event of Default is of a nature that it cannot be cured within such thirty (30) day period, then so long as the housing provider commences to cure within such thirty (30) day period and diligently pursues such cure to completion within a reasonable period not to exceed one hundred twenty (120) days from the date of such notice, it shall not be considered to be an Event of Default, the City may declare a default under this Agreement (“Default”), effective on the date of such declaration of Default and notice thereof to the housing provider, and upon such default the City may:
- a. Terminate this Agreement;
 - b. Exercise any rights it may have under the Agreement; and
 - c. Exercise such other rights or remedies as may be available to the City, at law or in equity.

The City's remedies are cumulative, and the exercise of one remedy shall not be deemed an election of remedies, nor foreclose the exercise of any other remedy by the City. No waiver of any Event of Default of this Agreement by the City shall be deemed to be a waiver of any other Event of Default or a subsequent Event of Default. If the City fails to exercise, or delays in exercising, any right under this Agreement, such failure or delay shall not be deemed a waiver of such right or any other right.

10. **SUCCESSORS.** This Agreement shall bind, and the benefits shall inure to, the parties hereto, their legal representatives, successors in office or interest and assigns. The housing provider may not assign this Agreement or any of its obligations hereunder without the prior written approval of the City.
11. **CONSTRUCTION OF AGREEMENT.**
- a. **Partial Invalidity.** If any term, covenant, condition or provision of this Agreement, or the application thereof to any circumstance, shall, at any time or to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement, or the application thereof to circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant, condition and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
 - b. **Gender.** The use of the plural in this Agreement shall include the singular, the singular shall include the plural, and the use of any gender shall be deemed to include all genders.
 - c. **Captions.** The captions used in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of the intent of any provision of the Agreement.
 - d. **Construction.** This Agreement shall be construed and interpreted in accordance with the laws of the State of Illinois.

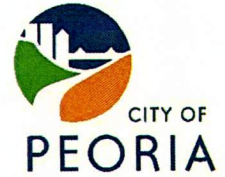
12. **COUNTERPARTS.** This Agreement may be executed in counterparts, and each counterpart shall, for all purposes for which an original of this Agreement must be produced or exhibited, be the Agreement, but all such counterparts shall constitute one and the same agreement.
13. **LIABILITY OF CITY.** In no event shall the City be liable to the housing provider for consequential or incidental damages, including, without limitation, lost profits, whatever the nature of the breach by the City of its obligations under this Agreement or in connection herewith or with the Project, and the housing provider waives all claims for consequential and incidental damages and for all damages described in Paragraph 21 below.

[SIGNATURES ON NEXT PAGE]

EXHIBITS:

Exhibit A – Rehousing Program Guidelines

"Exhibit A"



Rehousing Program

Community Development Department

Overview and Purpose

The rehousing program is designed to ensure a transition to safe housing for tenants living in a property that has been designated as unfit for human habitation.

On occasion, the Community Development Code Enforcement Division inspects a housing unit that, through owner negligence, has deteriorated to an unsafe condition. If the unit is inhabited, the tenants must vacate the premises within 72 hours. Tenants may at times rely on their own resources, family, and friends or community resources that are intermittently available. In the worst case scenario, this kind of intervention can put the tenant at risk of homelessness or at risk of entering a period of short to long-term housing instability.

This program will establish a formal process that ensures a transition to safe and stable housing for tenants that have no other resources to rely on for rehousing needs. The program will be conducted in collaboration between the Community Development Department and a local nonprofit housing provider.

Process

- Community Development Code Enforcement Division designates an occupied housing unit as unfit for human habitation because of conditions that jeopardize the safety of any occupants.
- The tenant does not have other available resources for rehousing.
- Community Development contacts a contracted housing provider.
- A housing provider case manager will go onsite to do a needs assessment and determine the level of assistance necessary to achieve a stable transition to safe housing for the tenant.
- The case manager will work with the tenant to seek and establish new housing and act as a liaison in the process.
- The new housing unit must pass a Code Enforcement inspection.
- The housing provider may cover the costs of first month's rent, security deposit, and necessary moving expenses (hotel stay, moving truck, one month of storage, etc.) for the tenant as needed based on the initial assessment.
- The housing provider will, after successful placement, seek reimbursement from the City for direct service costs to the client and an administrative fee for the provider's case management services.

Beneficiary Eligibility

- Service is only available to a tenant living in a housing unit designated by Community Development Code Enforcement as unfit for human habitation

- The conditions present in the unit that make it unfit for habitation must not have been caused by the tenant
- The tenant, based on a needs assessment, has no other available resources (financial or social) that can be relied on for rehousing

Eligible Costs

The following section describes eligible costs that can be expensed by the housing provider and reimbursed by the City. Any costs for potential reimbursement that are not listed below but deemed necessary for a transition to safe housing must be approved in writing by the City prior to incurring the cost.

Direct Assistance Costs

- Hotel stay (up to 7 days)
- Reasonable moving expenses
- Security Deposit (up to one month of HUD's Fair Market Rent for unit by bedroom size)
- First month's rent (up to one month of the HUD Fair Market Rent for unit by bedroom size)

These costs will be limited to \$2,000/household. In circumstances where the transition to safe housing requires costs that exceed this limit, the housing provider must seek written approval from the City in order to incur costs over \$2,000.

Administrative Costs

The rehousing provider will be provided with an annual stand-by fee of \$5,000 for the costs of maintaining readiness to provide services on call as needed. The rehousing provider will be provided with a flat fee per service. This amount is based on the amount of units within a single structure or on a single property for which tenants have been determined to be in need of rehousing services. This schedule of fees applies per each individual rehousing event; it is non-cumulative. This fee is on top of reimbursement for direct assistance costs that the organization incurs in the process.

1 unit – \$1,000
 2-3 units – \$2,000
 4-6 units – \$3,000
 7-10 units – \$4,000
 11-20 units – \$7,500
 Over 20 units – \$10,000

Funding

The program will be funded through proceeds generated by Criminal Housing Management citations. Criminal Housing Management is committed "when, having personal *management* or control of residential real estate, whether as a legal or equitable owner of the residential real estate or as a *managing* agent or otherwise, he permits, by his carelessness or neglect, the physical condition or

facilities of the residential real estate to become or remain so deteriorated that the health and safety of an inhabitant is endangered. In addition, failure to comply with an action that is ordered by the code official or his or her designee that would address the conditions that are endangering the health and safety of an inhabitant will constitute a violation of this section. Moving a person into a property that has health and life-threatening code violations as defined by section 5-531 constitutes a violation of this section.” (Sec. 5-264 City of Peoria Code of Ordinances)

For each instance of rehousing funded through this program, the property owner will be invoiced by the City for all costs paid out by the City to sufficiently rehouse the tenants previously occupying the owner’s property.

This program will be operated only as long is funding is available. If available funds are exhausted the program will be put on hold until additional funding becomes available.