



**Community Development Department**



May 2, 2016

Kristina Gamez  
Executive Director – EBNHS  
1839 N. Wisconsin Ave.  
Peoria, IL 61603

**SUBJECT: HEALTH AND SAFETY LOAN PROGRAM**

Dear Ms. Gamez;

It has come to the attention of the City that the East Bluff NHS is in default of the Agreement between the City and the EBNHS related to the Health & Safety Loan Program.

Specifically, we understand that Special Service Area funds that were specifically designated for the Health & Safety Loan Program were diverted to EBNHS operational expenses and to fund the Community Core initiative. Further, we understand that some of the matching funds that the EBNHS was to contribute to the Health & Safety Loan Program were not deposited in the segregated Health & Safety Program account. In total, we believe that approximately \$29,447 of funds have either been used for non-permitted purposes and/or not deposited into the Health & Safety Program in violation of Section 3 of the Agreement.

Pursuant to Section 7(h) of the Agreement, this letter represents official notice of the default. As such, the EBNHS has thirty (30) days from the receipt of this notice to cure the default in a manner that is satisfactory to the City. Further, pursuant to Section 8(a) & (b) of the Agreement, the EBNHS must provide the proposed resolution in writing to the City within thirty (30) days. Failure to resolve the violation within thirty (30) days is sufficient grounds to terminate the Agreement.

All payment from the City to the EBNHS shall cease until the violation is resolved to the satisfaction of the City.

Sincerely,

A handwritten signature in black ink, appearing to read "Ross Black".

Ross Black  
Director

cc Tim Riggerbach, 3<sup>rd</sup> District Council Member  
Patrick Ulrich, City Manager  
Don Leist, Corporation Counsel

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419 Fulton Street, Suite 300  
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