

**AGREEMENT
BETWEEN THE CITY OF PEORIA
AND
THE EAST BLUFF NEIGHBORHOOD HOUSING SERVICES
RELATED TO THE EAST BLUFF SPECIAL SERVICE AREA**

THIS AGREEMENT (“Agreement”) is made and entered into on, and is effective as of, the 15th day of November, 2016, by and between the **CITY OF PEORIA** (“City”) an Illinois home rule municipal corporation; and the **East Bluff Neighborhood Housing Services** (“EBNHS”), an Illinois Not For Profit Corporation. All previous agreements between the City and EBNHS are null and void; this agreement supersedes all previous agreements.

WITNESSETH:

WHEREAS, the City has adopted an ordinance to levy the EBNHS Special Service Area tax for the 2017 fiscal year;

WHEREAS, the City has adopted an ordinance (16,516) to extend the EBNHS Special Service Area for 10 years with conditions;

WHEREAS, the City and the EBNHS agree that it is to their mutual benefit, and to the benefit of the residents and property owners of the East Bluff Special Service Area to enter into this agreement;

WHEREAS, the East Bluff Special Service Area tax levy of 18 cents per 100 dollars of equalized assessed value will continue, resulting in approximately \$48,000 annually to the EBNHS in accordance with the extension of a Special Service Area Agreement.

WHEREAS, it is the desire of the City and the EBNHS to establish appropriate regulations related to the use, distribution, and reporting on the Special Service Area funds;

WHEREAS, the City, has the authority to set forth the terms and conditions under which the EBNHS shall provide services funded with revenue from the Special Service Area;

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained the sufficiency of which is hereby acknowledged, the parties agree as follows:

1) REQUIREMENTS FOR THE USE OF THE SPECIAL SERVICE AREA REVENUE

- a) The revenue from the East Bluff Special Service Area must be used in accordance with City Ordinance 16,516.
- b) The EBNHS will receive EBNHS Special Service Area funds for revenue received by the City from January 1, 2017 to December 31, 2017, for the use of personnel expenses and operating expenses, as outlined in **Exhibit 1-EBNHS 2017 Work Plan and Operating Budget**.

- c) Funds designated for the Health and Safety Loan Program from 2012 through 2015, must continue to be used toward the issuance of Health and Safety Loans, per the Health and Safety Loan Program guidelines approved by the City Council as part of the 2015 agreement, with the exception of those funds that were forgiven, per the amended agreement on July 12, 2016, in the amount of \$25,108.86.
- d) The EBNHS shall immediately open all financial records to the City. These records will remain fully available to the City as long as Special Service Area funds are provided to the EBNHS.
- e) The EBNHS Executive Director and/or other staff shall complete a course of training on budgeting, technical, and financial management acceptable to the City by March 31, 2017.
- f) EBNHS board members and staff will participate in a board retreat facilitated by LISC and the City of Peoria before the end of the first quarter of 2017. At that time, mutually agreed retreat outcomes will be implemented by the EBNHS board'.
- g) The EBNHS board may not have greater than 2 vacancies at any given time; when a board seat becomes vacant, EBNHS must make every reasonable effort to fill the vacancy within 6 months.
- h) A City of Peoria appointed board member and a Greater Peoria LISC appointed board member shall be added to the board of directors.
- i) The EBNHS shall provide a detailed annual work plan and line item operating budget to the City, attached hereto, by **October 15th of each year**. The annual work plan and itemized budget shall be approved by City Council prior to any Special Service Area fund disbursements.

2) EBNHS REVOLVING LOAN FUND

The EBNHS will continue to report to the City of Peoria quarterly on its existing Revolving Loan Portfolio until all loans are repaid or written off. No new loans will be issued under the EBNHS Revolving Loan Program due to regulatory impediments and lack of viability. Revenue from the revolving loan program must be used for purposes that align with the mission of the EBNHS.

The EBNHS YR2016 Audit shall be submitted to the City of Peoria no later than **June 1, 2017**. The Audit shall report on the number of outstanding City funded loans and all principal and interest bearing proceeds from such loans.

3) HEALTH AND SAFETY LOAN PROGRAM

The Health and Safety Loan Program provides assistance to homeowners who need home repairs related to the health and safety of their East Bluff housing stock. Loans are approved by the EBNHS Loan Committee as defined in the Loan Policies.

For 2017, no new SSA funds will be devoted to the Health and Safety Loan program; however, funds devoted to the program from 2012 through 2015 must continue to be used the issuance of Health and Safety Loans, with the exception of those funds that were forgiven, per this amended agreement, in the amount of \$25,108.86.

The Health and Safety Loan Program must be administered per the Health and Safety Loan Program Plan and must meet all applicable State and Federal requirements for the

issuance of mortgage loans. EBNHS shall report to the City quarterly on the status of all issued Health and Safety Loans.

4) REQUIRED REPORTING BY THE EBNHS

a) EBNHS shall submit the following reports to the City on a quarterly basis:

- Report A Dashboard Report
- Report B Grant Application Report
- Report C Loan Programs Report (Revolving Loan and Health & Safety Loan)
- Report D Disbursement Register and Deposit Detail (Quickbooks Report for all accounts with SSA funds)

All reports shall be related to activities and programs outlined in the annual work plan.

- b) The quarterly reports will be due no later than fifteen days after the end of each quarter.
- c) At the end of the 3rd quarter of the program year, the EBNHS shall submit a report to the City outlining the current program year's accomplishments, expenditures, and number of persons served for all programs; notwithstanding housing assistance programs. This report should accompany the submission of the 3rd quarter report.
- d) The EBNHS will conduct an annual independent audit of all SSD funds, Revolving Loan Funds, and Health and Safety Loan Program Funds and provide a copy to the City by June 1, 2017.
- e) The EBNHS and the City shall each designate one individual to be the point of contact for general correspondence, reporting, and agreement administration.

5) DISTRIBUTION OF FUNDS BY THE CITY

- a) The City shall distribute funds within 15 business days, upon receipt of a complete and acceptable quarterly report from the EBNHS.
- b) The City shall process the request within 15 business days of receipt of a quarterly budget, unless there are modifications required to the quarterly report. If modifications are required to the quarterly report, the EBNHS shall be notified of any modifications within 5 business days of receipt of the report.
- c) The City shall make all payments to the EBNHS and not to any other party unless agreed upon by both parties.

6) PROGRAM REQUIREMENTS

- a) The EBNHS shall develop and implement programs and activities in accordance to the organization's mission:

To continue to improve the East Bluff Neighborhood by providing resident support services through innovative programs to promote safety, security, upkeep, maintenance, rehabilitation, restoration and revitalization to increase the quality of life and the economic health and value of the East Bluff Neighborhood in Peoria.

- b) The Executive Director shall perform all necessary administrative and programmatic functions.
- c) The EBNHS shall notify residents of monthly Board meetings and available programs through e-mails to neighborhood associations and neighborhood watch groups located within the Special Service Area, posting on site, EBNHS website, and press release to media. City representative should be copied on the distribution of monthly board meeting notices.
- d) All housing assistance programs shall include an application for assistance that details program eligibility and criteria, benefit, and program requirements.

7) OTHER PROVISIONS

- a) **Time of the Essence.** Time shall be of the essence for each and every covenant and condition contained herein.
- b) **Reasonability/Good Faith.** Whenever any approval or consent of the City or any of its departments, officials or employees, is called for under this Agreement, such approval shall not be unreasonably withheld or delayed. In the course of the conduct of the parties hereto with respect to each other in the performance of this Agreement, each party agrees that the actions of such party shall be conducted reasonably, in good faith and with due diligence and best efforts.
- c) **Records.** The EBNHS shall keep financial records sufficient to account for all monies received and expended pursuant to this Agreement. These records shall be maintained according to accepted accounting practices and shall be available for inspection by the City upon request. Quarterly financial reports and an end of year audit shall be provided to the City. The EBNHS shall immediately open all financial records to the City. These records will remain fully available to the City as long as Special Service Area funds are provided to the EBNHS. The EBNHS shall keep client records, including documentation on determination of eligibility and verification of forms of assistance. All client records shall be stored in a secured location.
- d) **Public Meetings.** Although the EBNHS is not subject to the Illinois State Statute Open Meetings Act (5 ILCS 120/20 .2), a public notice of all regularly scheduled and special Board of Directors meetings shall be posted on site, and a press release shall be issued at least 48 hours prior to the upcoming meeting. City representative should

- g) **Mutual Assistance**. Each of the parties agrees to mutually assist and cooperate with the other in effectuating the spirit and intent hereof, and in that regard, each party agrees to execute any and all documentation and take any and all actions as may be reasonably appropriate or required in connection therewith.
- h) **Counterparts**. This Agreement may be executed in counterparts and, in such case, each counterpart shall serve as an original of this Agreement.
- i) **Opportunity to Cure Default**. Before any failure of any party to this Agreement to perform its obligations under this Agreement shall be deemed to be a breach of this Agreement, the party claiming such failure shall notify in writing the party alleged to have failed to perform of the alleged failure and shall demand performance. No breach of this Agreement may be found to have occurred if performance is completed to the reasonable satisfaction of the complaining party within thirty (30) days after receipt of such notice or such other amount of time to which the parties may agree in writing.
- j) **Amendment**. This Agreement and any exhibits attached hereto may be amended only by the mutual consent of the parties provided through the adoption by each party of an ordinance or resolution approving said amendment as provided by law, and by the execution of a written amendment by the parties.
- k) **Term**. This agreement will expire on December 31, 2017. Future agreements will be drafted on an annual basis. All required documents and proposed terms for future agreements must be received **from the EBNHS by October 15th of each year**.
- l) **Severability**. If any provision of this Agreement or its application to any person, entity or Property is held invalid or unenforceable, the remaining portion or portions shall, nevertheless, be valid and enforceable and carried into effect, unless to do so would clearly violate the present legal and valid intentions of the parties hereto.
- m) **Return of Monies**. Should the EBNHS cease to exist, all unexpended Special Service Area monies received by the EBNHS shall be returned to the City.
- n) **Reporting Items**. All reporting items, which include the dashboard report, grant application report, Loan tracking (revolving loan and health and safety loan), and disbursement register (Quickbooks report) shall be incorporated into and made part of this Agreement. The EBNHS shall immediately open all financial records to the City. These records will remain fully available to the City as long as Special Service Area funds are provided to the EBNHS. EBNHS must adhere to all benchmarks and measurement outcomes included on the dashboard report.

8) FAILURE TO MEET THE TERMS OF THE AGREEMENT

- a) If either party fails to meet the terms of this agreement, the other party shall request in writing a resolution within thirty days of the agreement violation.

- b) Failure to resolve the violation within thirty days shall result in the termination of the agreement.
- c) By mutual agreement, both parties may extend the thirty day resolution period to no more than a total of ninety days.

9) NO FUTURE OBLIGATION TO LEVY

Nothing herein shall be construed to require the City to levy the Special Service Area tax.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

**CITY OF PEORIA, an Illinois
Municipal Corporation**

**EAST BLUFF NEIGHBORHOOD HOUSING
SERVICES , and Illinois Not for Profit Corporation**

By _____
City Manager

By _____
Executive Director

ATTEST:

ATTEST:

City Clerk

Board President

Approved as to Funds Availability:

Finance Department

Board Treasurer

Approved as to Form:

Legal Department

As of EBNHS Board Approval _____, 2016

Approved as to Content

Community Development Department