

**AGREEMENT BETWEEN THE CITY OF PEORIA
AND
THE PEORIA COUNTY BOARD OF HEALTH BY AND THROUGH THE
PEORIA CITY/COUNTY HEALTH DEPARTMENT
FOR
LEAD HAZARD CONTROL GRANT MATCH**

THIS AGREEMENT, effective the 1st day of March, 2016 by and between the City of Peoria, Illinois (herein called the "City") and the Peoria County Board of Health by and through the Peoria City/County Health Department (herein called the "Health Dept.").

WHEREAS, the City is a recipient of funds from the United States Department of Housing and Urban Development ("HUD"), as administrator of the Community Development Block Grant Program ("CDBG");

WHEREAS, the Health Dept. through the Peoria County Board of Health has received a Lead Hazard Control Grant from HUD in the amount of \$3,231,610 to reduce the number of lead-poisoned children and protect families by targeting health hazards in 190 low-income homes;

WHEREAS, the Health Dept. made a request to the City for CDBG funds to be used a financial match for the Lead Hazard Control Grant. The City pledged Two Hundred Thousand Dollars (\$200,000) of CDBG funds to the Health Dept. This Agreement commits Fifty Thousand Dollars (\$50,000) of the \$200,000 pledge. Additional CDBG funds can be committed to the Health Dept. from the City dependent upon future HUD CDBG annual allocations, and

NOW, THEREFORE, it is agreed between the parties hereto that;

I. SCOPE OF SERVICE.

A. Activities

The Health Dept. will be responsible for administering the HUD Lead Hazard Control Grant in a manner satisfactory to the City and consistent with any standards required, by HUD and the City, as condition of providing CDBG funds for match contribution.

Activity 1: This activity provides a financial match from CDBG funds for eligible City households receiving assistance through the Health Dept. Lead Hazard Control Program. Eligible households include owner-occupied, single family homes located in the City of Peoria whose owners are at or below 80% of Area Median Income (AMI) as published annually by HUD for Peoria County. Current Adjusted Gross Income would be used to determine a household's low-income eligibility at 80% or below AMI.

A total of 20 housing units, using CDBG funds, will be served through the Lead Hazard Control Program. The number of housing units to be served (20) will be contingent upon the City providing its full pledge of CDBG funds (\$200,000) to the Health Dept.

The Health Dept. will advertise and collect applications for the Lead Hazard Control Program from eligible applicants. The Health Dept. will submit completed applications to the City for review and approval. The materials for review and approval:

- 1) Completed Program Application, including copies of State IDs or driver licenses
- 2) Income documentation for all household members age 18 and over, including:
 - a. Copy of most recent income tax returns for past two years,
 - b. Most recent pay stubs for the past two months,
 - c. If applicable, Social Security 1099 (annual income for the previous year) and printout of current income,
 - d. Signed IRS Request for Tax Transcript from all household members 18 years and older,
 - e. Current homeowner insurance declaration for each property,
 - f. Copy of recorded deed of property to document ownership,
 - g. Documentation that the household is current on City taxes, liens, payments, fines and fees,
 - h. Documentation of a property's compliance with City codes – no outstanding code violations can exist on the property at time of assistance (this is not including code violations that will be remedied/corrected with the Health Dept. assistance),
 - i. If applicable, documentation that the household is current on home mortgage,
 - j. Completed Environmental Review of each property/site prior to testing/construction/rehab,
 - k. Indication of applicant referral to the Health Dept. program, i.e. – referral from a community partner, local advertising, physician referral, etc., and
 - l. Project rehab scope and budget

The City will issue notice to the Health Dept. upon review and approval of the eligible applicant and property. Upon receiving approval notice, the Health Dept. will commence the project. No testing, construction or rehab of any property can occur prior to City approval. If a project begins without City approval, that site and corresponding costs would not be eligible for CDBG match funds.

Activity 2: The payment of CDBG funds as financial match for project costs shall be as followed: The total costs of the project shall be divided equally to be paid by the Health Dept. and the City. The City will pay its costs with awarded CDBG funds under the Agreement and upon the issuance of a lead-based paint hazard free certificate, submission of an approved inspection report covering the items of the Lead Hazard Control Program and a request for payment included on City provided forms. The maximum amount to be paid by the City is \$12,500 per property. Eligible project costs included property testing, inspections and rehab contractor costs (material/labor). Project staff time or general administration of this Agreement is not eligible for CDBG fund payment.

II. **GENERAL ADMINISTRATION.**

The Health Dept. will provide all necessary general administrative services in accordance to this Agreement. These include program supervision, accounting, and other supportive services.

A. **National Objective**

All activities funded with CDGB funds must meet one of the CDBG program's National Objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums or blight; or meet community development needs having a particular urgency, as defined in 24 CFR 570.208. The Health Dept. certifies that the activities carried out under this Agreement will meet the National Objective of benefit low- and moderate-income persons by providing housing rehabilitation assistance to single-family properties, owned and occupied by low-income households.

B. **Goals and Performance Measures**

The performance measure for this Agreement will include the number of low-income, owner occupied housing units that received housing rehab assistance through the Health Dept.'s Lead Hazard Control Grant. The Health Dept. agrees to provide service to **20 housing units** under this Agreement. The number of housing units to be served (20) will be contingent upon the City providing its full pledge of CDBG funds (\$200,000) to the Health Dept.

C. **Performance Monitoring**

The City will monitor the performance of the Health Dept. against goals and performance standards as stated above. Substandard performance as determined by the City will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Health Dept. within a reasonable period of time after being notified by the City, contract suspension or termination procedures will be initiated.

D. **Construction Monitoring**

The City will monitor the performance of the Health Dept. during the rehabilitation of each housing unit. The City reserves the right to review and approve all general contractors and sub-contractors that shall participate. Funds cannot be used to directly or indirect employ, award contracts to or otherwise engage the services of any contractor, subrecipient or sub-contractors during any period of debarment, suspension or placement of ineligibility status on the Federal System for Award Management lists.

The Health Dept. will secure, or require its contractors to secure, all appropriate building permits, zoning permits, and all required approvals from the City. All plans must utilize new construction materials or equivalent grade materials as authorized by the City Building Inspection staff.

The Health Dept. agrees to allow City staff access to the housing unit projects at all reasonable times for the purpose of inspection. The primary purpose of the inspection will be to ensure that the construction meets all applicable City, State of Illinois, and HUD property standards,

codes, regulations, and laws. Moreover, the Health Dept. agrees to allow City Building Inspectors access for required building inspections such as, but not limited to plumbing and electrical inspections.

E. Time of Performance

Services of the Health Dept. shall start on the 1st day of March 2016 and end on the 1st day of October 2018. The term of this Agreement and the provisions herein shall not be extended to cover any additional time period, unless agreed to, in writing, by both parties.

F. Budget

The City pledged Two Hundred Thousand Dollars (\$200,000) of CDBG funds to the Health Dept. to be used as financial match for the Lead Hazard Control Program. This Agreement commits Fifty Thousand Dollars (\$50,000) of the \$200,000 pledge. Additional CDBG funds can be committed to the Health Dept. from the City dependent upon future HUD CDBG annual allocations.

<u>Amount</u>	<u>Source</u>	<u>Project Control Account</u>	<u>Amount of Housing Units to be Served</u>
\$50,000	Program Year 2014 CDBG Entitlement Funds	14LM00	5

The total costs of a housing unit project shall be divided equally to be paid by the Health Dept. and the City. The maximum amount to be paid by the City is \$12,500 per property. Eligible project costs included property testing, inspections and rehab contractor costs (material/labor). Project staff time or general administration of this Agreement is not eligible for CDBG fund payment.

The City will require a more detailed budget, project scope and cost for each housing unit to be completed using CDBG funds.

Any amendments to the budget must be approved in writing by both the City and the Health Dept.

G. Labor Provisions

- i. *Davis-Bacon Federal Labor Act (40 U.S.C. 276a-276a-5)*: The rehabilitation of 20 housing units will not trigger the requirements of the Davis-Bacon Act as each housing unit is a single-family home, located on an independent parcel.
- ii. *Contract Work Hours and Safety Standards Act (CWHSSA), as amended (40 USC 327-333)*: The CWHSSA will apply to the rehabilitation of 20 housing units, as the project is considered a “federally assisted construction contract over \$100,000”. The Health Dept. agrees to require contractors and subcontractors to pay laborers and mechanics employed in performance of the construction one and one-half times their basic rate of pay for all hours

worked over 40 in a workweek. In order to document compliance, the City will accept the U.S. Department of Labor Certified Transcript of Payroll (form WH-347) or another form of documentation from the contractor. Additionally, in compliance with CWHSSA, the Health Dept. agrees to prohibit any unsanitary, hazardous, or dangerous working conditions at the project in accordance to the Federal Department of Labor's Occupational Safety and Health Administration (OSHA). This documentation must be presented to the City upon request.

- iii. *Copeland (Anti-Kickback) Act (40 USC 276c)*: The Copeland Act will apply the rehabilitation of 20 housing units, as the project is considered a "federally assisted contract in excess of \$2,000". The Health Dept. agrees to prohibit contractors and subcontractors from in any way inducing an employee to give up any part of the compensation to which he or she is entitled under his or her contract of employment in performance. In order to document compliance, the City will accept the U.S. Department of Labor Certified Transcript of Payroll (form WH-347) or another form of documentation from the contractor. This documentation must be presented to the City upon request.
- iv. *Fair Labor Standards Act (FLSA) of 1938, as amended (29 USC 201, et.seq.)*: The FLSA will apply to the rehabilitation of 20 housing units. The Health Dept. agrees to require contractors and subcontractors to pay Federal minimum wage for all workers and provide at least one and one-half times their basic rate of pay for all hours worked over 40 in a workweek. Additionally, the Health Dept. agrees to prohibit contractors and subcontractors from employing youth under the age of 18 for performance of the project.

III. NOTICES.

Communication and details concerning this Agreement shall be directed to the following representatives:

CITY

Community Development Director
(or his/her designee)
City Hall
419 Fulton Street, Suite 300
Peoria, IL 61602
309-494-8656

PEORIA CITY/COUNTY HEALTH DEPT.

Brian Gulley
Assistant Director of Finance
2116 Sheridan Road
Peoria, IL 61604
(309) 679-6000

IV. GENERAL CONDITIONS.

A. Hold Harmless

The Health Dept. shall hold harmless, defend, and indemnify the City from any and all claims, actions, suits, charges and judgments whatsoever that arise out of project performance or nonperformance of the services or subject matter called for in this Agreement.

B. Insurance

The Health Dept. and its contractors shall procure and maintain comprehensive property damage, comprehensive liability and business interruption insurance reasonably acceptable to the City and shall upon request of the City provide documentation specifying the details of such insurance in effect.

C. Amendments

The City or Health Dept. may amend this Agreement at any time and are executed in writing, signed by a duly authorized representative of both parties. Such amendments shall not invalidate this Agreement, nor relieve or release the City or Health Dept. from its obligations under this Agreement. The City may, in its discretion, amend this Agreement to conform with Federal, state, and local governmental guidelines, policies, and available funding amounts, or

for other similar reasons. If such amendments result in a change in funding, the scope of services or activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by the City and Health Dept. The Agreement cannot be assumed by or assigned to another entity without written authorization and approval from the City.

D. Suspension or Termination

The City may suspend or terminate this Agreement, in whole or in part, if the Health Dept. materially fails to comply with any term of this Agreement, or with any of the rules, regulations, or provisions referred to herein; and the City may declare the Health Dept. ineligible for any further participation in the City's programs, in addition to other remedies as provided by law. In the event there is reason to believe Health Dept. is in noncompliance with any applicable rules or regulations, the City will suspend ALL reimbursement of the said Agreement funds until such time as the Health Dept. is found to be in compliance by the City, or is otherwise adjudicated to be in compliance.

V. ADMINISTRATIVE REQUIREMENTS.

A. Financial Management

The Health Dept. agrees to have financial management systems that meet the standards of 2 CFR Part 200.

1) Internal Controls:

The Health Dept. shall have the following internal controls within its financial management system:

- An organizational chart setting forth the actual lines of responsibility of personnel involved in financial transactions;
- Written definition and delineation of duties among key personnel involved in financial transactions;
- An accounting policy and procedures manual that includes specific approval authority for financial transactions and guidelines for controlling expenditures, a set of written procedures for recording of transactions, and utilizes a chart of accounts;
- Separation of duties is adequate so that no one individual has authority over a financial transaction from beginning to end. In other words, one person should not have responsibility for more than one of the following functions:
 - Authorization to execute a transaction;
 - Recording of the transaction;
 - Custody of the assets involved in the transaction
- Hiring policies ensuring that staff qualifications are commensurate with job responsibilities
- Control over assets, blank forms and confidential documents so that these types of documents are limited to authorized personnel only.
- Periodic reconciliation of financial records to actual assets and liabilities.

2) Budget Controls

The Health Dept. shall have the following budget control within its financial management system:

- Maintain accounting records (as defined in subsection 3 below) for the amounts budgeted for eligible activities;
- Periodically compare actual obligations and expenditures to date against planned obligations and expenditures, and against projected accomplishments for such outlays;
- Report deviations from budget and program plans, and request approval for budget and program plan revisions.

3) Accounting Records

The Health Dept. shall have the following accounting records within its financial management system:

- Chart of accounts- a list of account names and the numbers assigned to each of the account names;
- Cash receipts journal- documents, in chronological order, when funds were received, in what amounts and from what sources;
- Payroll journals
- General Ledger- summarizing, in chronological order, the activity and financial status of all the accounts.

B. Documentation and Record Keeping

1) Records to be Maintained

The Health Dept. shall maintain all records required by Federal regulations, specified in 24 CFR Part 570, that are pertinent to the project and the eligible costs to be funded under this Agreement. Such records shall include, but not be limited to:

- a. Records providing a full description of the project;
- b. Records required to document the eligibility of costs;
- c. Records required to document the eligibility of activities
- d. Records demonstrating that the project meets the property standards of the City, State and Federal requirements.
- e. Records documenting compliance with Fair Housing and Equal Opportunity components of the CDBG Program;
- f. Financial records as required by 2 CFR Part 200.

2) Retention

The Health Dept. shall retain all records pertinent to expenditures and activities under this Agreement for a period of five (5) years after the expiration of the minimum job retention term. If there is litigation, claims, audits, negotiations, or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until the completion of the action and resolution of all issues, or the expiration of the five-year period, whichever occurs later.

3) Audits and Inspections

The Health Dept. records with respect to any matters covered by this Agreement shall be made available to the City and its designees, or HUD and its designees, at any time during normal business hours, as often as the City deems necessary, to audit, examine, and make copies of all relevant data. Any deficiencies noted in audit reports must be fully corrected by the Health Dept. within 30 days. Failure of Health Dept. to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding

of future payments. In addition, the Health Dept. understands that all aspects of the sponsored activities will be open to inspection by employees or agents of the City, State and/or Federal governments.

VI. OTHER PROGRAM REQUIREMENTS.

A. Conflict of Interest

The Health Dept. understands and agrees that no person, who is an employee, agent, consultant, or officer of the Health Dept. may obtain an interest, financial or otherwise, or benefit from a CDBG assisted activity or have any interest in any contract, subcontract, or agreement with respect to any CDBG assisted activity pursuant to 24 CFR 570.611. This prohibition applies to employees, agents, consultants, or officers of the Health Dept. or those with whom they have family or business ties during their entire employment/business relationship with the Health Dept. and for one (1) year after the expiration of their employment/business relationship with the Health Dept.

4) Nondiscrimination

The Health Dept. will not discriminate against anyone because of race, color, creed, religion, sexual orientation, ancestry, national origin, sex, disability, or other handicap, age, marital or familial status, or status with regard to public assistance. Health Dept. will take affirmative action to insure that all practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Health Dept. agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

Specifically, the Health Dept. must show proof of valid City Equal Employment Opportunity Certification prior to any request for the reimbursement of funds.

5) Religious Organization

The Health Dept. agrees that funds provided under this contract will not be used for religious activities, to promote religious interests, or for the benefit of a religious organization in accordance with the Federal regulations specified in 24 CFR Part 570.200.

6) Prohibition Against hiring City Employees

The Health Dept. agrees, as a condition of accepting this Agreement with the City, that for a period of one year following completion of this Agreement, that it shall be prohibited from hiring, directly or indirectly, any City employee or official who was involved, directly or indirectly in: (1) the selection and/or recommendation to select the Health Dept. for performance of this Agreement; (2) coordinating the efforts of the Health Dept. in the consummation or completion of this Agreement; or (3) monitoring or determining the performance of the Health Dept. The Health Dept. further acknowledges and agrees that upon the City's determination that a violation of this provision has occurred, the penalty imposed, at the sole discretion of the City, may include one or more of the following; (1) cancellation of any other contract(s) between the City and the Health Dept.; (2) disqualification of the Health Dept. from bidding or being awarded future contracts with the City for a period of 2 years; and/or (3) payment of liquidated damages to the City in the amount of \$25,000.

VII. ENVIRONMENTAL REQUIREMENTS.

The City shall conduct an environmental assessment pursuant to 24 CFR Part 58 prior to approving any requests for the release of funds by the Health Dept. Health Dept. understands and agrees that it may not receive any funds until the City has conducted an Environmental Assessment pursuant to 24 CFR Part 58 and approved accordingly.

VIII. SEVERABILITY.

If any provision of the Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

IX. ENFORCEMENT OF THIS AGREEMENT.

If the Health Dept. fails to comply with the requirements and covenants contained herein, the same shall constitute a breach of this Agreement and the City shall be entitled to all remedies under Illinois law at the time of the breach.

X. SURVIVAL OF OBLIGATIONS.

The Health Dept. obligations as set forth in this Agreement shall survive the disbursement of the CDBG funds and shall expire upon the completion of the 20 housing units, and the Health Dept. shall continue to cooperate with the City and furnish any documents, exhibits or showings as required.

XI. LIABILITY OF CITY.

In no event shall the City be liable to the Health Dept. 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 with the activities, and the Health Dept. waives all claims for consequential and incidental damages and for all damages described in Paragraph XIII below.

XIII. FUNDING.

The parties acknowledge that the CDBG funds are monies provided by HUD, and that the City is under no obligation to request such funds for any disbursement unless and until all necessary preconditions to disbursement have been satisfied to the City's satisfaction, and that significant time delays might result from the funding of such monies by HUD. Without limiting the generality of Paragraph XI above, in no event shall the City be liable to the Health Dept. for any damages whatsoever which might result in whole or in part from any delays in funding.

[Signatures on Next Pages]

APPROVED AND EXECUTED AS OF THIS 1ST DAY OF March 2016.

Peoria City/County Health Department

By: Gene D. Huber
Gene D. Huber
Public Health Administrator

STATE OF ILLINOIS,)
) SS
COUNTY OF PEORIA)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Gene D. Huber, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed, sealed, and delivered the said instrument as a free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

GIVEN under my hand and notarial seal, this 1st day of March 2016.

Emily N Connors
Notary Public

CITY OF PEORIA, ILLINOIS,
an Illinois Municipal Corporation



By: Pat Hill
City Manager

Attest:

Brian Baur
City Clerk

Approved as to Content:

Donald B. Leist
Corporation Counsel

Approved as to Form:

[Signature]
Community Development Department