

**AGREEMENT BETWEEN THE CITY OF PEORIA
AND
PEORIA CITIZENS COMMITTEE FOR ECONOMIC OPPORTUNITY (“PCCEO”)
FOR
SOUTH VILLAGE OWNER-OCCUPIED HOUSING REHABILITATION PROJECT**

THIS AGREEMENT, effective the 1st day of January 2020 by and between the City of Peoria, Illinois (herein called the “City”) and Peoria Citizens Committee for Economic Opportunity (herein called “PCCEO”).

WHEREAS, the City has adopted a redevelopment project area known as the South Village Growth Cell TIF (hereinafter referred to as the “South Village TIF”), pursuant to 65 ILCS 5/11-74.4-1, et seq. of the Illinois Compiled Statutes, the “Tax Increment Allocation Redevelopment Act (hereinafter referred to as the ‘Act’);” and

WHEREAS, PCCEO, in partnership with Busey Bank, has received an Affordable Housing Program (AHP) grant in the amount of \$360,000 from the Federal Home Loan Bank of Chicago to provide rehabilitation services to 18 owner-occupied homes in the South Village TIF area; and

WHEREAS, pursuant to the provisions of the Act, the City has adopted PCCEO's South Village Owner-Occupied Housing Rehabilitation Project (hereinafter referred to as the “South Village Project”) pertaining to the rehabilitation of owner-occupied homes in the South Village TIF area; and

WHEREAS, the City, after due and careful consideration, has concluded that the South Village Project will help to arrest the economic and physical decline of the South Village TIF area, and to promote a policy of stabilization and revitalization, not only in the South Village TIF area, but also in the surrounding area of the City; and

WHEREAS, PCCEO made a request to the City for South Village TIF funds to be used as a financial match for the AHP grant. This Agreement commits the City's pledge of One Hundred and Twenty Thousand Dollars (\$120,000) of TIF funds to PCCEO; and

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

I. SCOPE OF SERVICE.

PCCEO will be responsible for administering the South Village Project in a manner satisfactory to the City and consistent with any standards required by the City as condition of providing TIF funds for match contribution.

This Agreement provides a financial match from South Village TIF funds for eligible City households receiving assistance through PCCEO's South Village Project. 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 18 housing units, using South Village TIF funds, will be served through the South Village Project.

PCCEO will advertise and collect applications for the South Village Project from eligible applicants. PCCEO will submit completed applications to the City for review and approval. The materials for review and approval include:

- 1) Completed program application, including copies of state IDs or drivers 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 homeowners insurance declaration for each property,
 - f. Documentation that the household is current on City taxes, liens, payments, fines and fees,
 - g. If applicable, documentation that the household is current on home mortgage,
 - h. Indication of applicant referral to the PCCEO program, i.e. – referral from a community partner, local advertising, etc., and
 - i. Rehabilitation project scope and budget

The City will issue notice to PCCEO upon review and approval of the eligible applicant and property within 7 business days of submittal. Upon receiving approval notice, PCCEO will commence the project. No rehabilitation 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 South Village TIF funds.

II. GENERAL ADMINISTRATION.

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

A. Goals and Performance Measures

The performance measure for this Agreement will include the number of low-income, owner-occupied housing units that received housing rehabilitation assistance through PCCEO's South Village Project. PCCEO agrees to provide service to **18 housing units** under this Agreement.

B. Performance Monitoring

The City will monitor the performance of PCCEO 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 PCCEO within a reasonable period of time after being notified by the City, contract suspension or termination procedures will be initiated.

C. Construction Monitoring

The City will monitor the performance of PCCEO during the rehabilitation of each housing unit. The City reserves the right to review and approve all general contractors and subcontractors

that shall participate. Funds cannot be used to directly or indirect employ, award contracts to, or otherwise engage the services of any contractors, subrecipients, or subcontractors during any period of debarment, suspension, or placement of ineligibility status on the Federal System for Award Management lists.

PCCEO 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.

PCCEO agrees to allow City staff access to the housing unit projects at all reasonable times for the purpose of inspection. Moreover, PCCEO agrees to allow City Building Inspectors access for required building inspections such as, but not limited to, plumbing and electrical inspections. The primary purpose of these inspections will be to ensure that the construction meets the City's zoning code, building code, and all applicable federal, state, and local laws, regulations, and ordinances, including, but not limited to, environmental codes and life safety codes. Failure to materially conform to these codes and laws, including failure to obtain proper permits, will nullify the City's obligation under this Agreement.

D. Time of Performance

Services of PCCEO shall start on the 1st day of January 2020 and end on the 31st day of December 2022. 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.

E. Budget

- a. The City has pledged One Hundred Twenty Thousand Dollars (\$120,000) of South Village TIF funds to PCCEO to be used as financial match for the South Village Project. The funds have been allocated to the following categories:

<u>Category</u>	<u>Budget Amount</u>
Staff Salaries and Benefits	\$18,000
Construction Costs	\$90,000
Title Work and Loan Interest	\$12,000
TOTAL	\$120,000

- b. PCCEO shall not obligate, encumber, spend or otherwise utilize South Village TIF funds for any activity or purpose not included or not in conformance with the budget as apportioned and as submitted to the City unless:
 - i. PCCEO has received explicit written approval from the City to undertake such actions, or
 - ii. Budget changes may be among approved project activities and among approved budget categories so long as the specific project activity has been approved, there is no change to the total grant amount, and the changes to the budget are documented.

- c. The City shall maintain possession of the project funds during the duration of the Agreement and until approval to make disbursement is given by the City. Funds will be disbursed on a monthly basis after approval is given by the City for each month's expenses.
 - i. Prior to the end of the first month of the project, the City will provide PCCEO with the required monthly disbursement request form that must be completed and approved by PCCEO and the City prior to monthly disbursement. PCCEO agrees to provide any supporting documentation requested by the City in order to process the reimbursement. Monthly disbursement request forms and supporting documentation must be submitted to the City by the 15th of the month after the costs were incurred.
- d. The City may require a more detailed budget, project scope and cost for each housing unit to be completed using TIF funds.

III. NOTICES.

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

CITY OF PEORIA / Ross Black, Community Development Director / (or his/her designee) / City Hall / 419 Fulton Street, Suite 203 / Peoria, IL 61602 309-494-8601	PCCEO Robin Grantham 711 W. McBean St. Peoria, IL 61605 (309) 671-3900
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IV. GENERAL CONDITIONS.

- A. Hold Harmless
 PCCEO 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
 PCCEO 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 PCCEO 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 PCCEO 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 PCCEO. 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 PCCEO 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 PCCEO 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 PCCEO is in noncompliance with any applicable rules or regulations, the City will suspend ALL reimbursement of the said Agreement funds until such time as PCCEO is found to be in compliance by the City, or is otherwise adjudicated to be in compliance.

V. ADMINISTRATIVE REQUIREMENTS.

A. Financial Management

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

1) Internal Controls:

PCCEO 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

PCCEO 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

PCCEO 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

PCCEO shall maintain all records required by the City of Peoria 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 and State requirements.
- e. Records documenting compliance with Fair Housing and Equal Opportunity components of the TIF Program;
- f. Financial records as required by 2 CFR Part 200.

2) Retention

PCCEO 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

PCCEO records with respect to any matters covered by this Agreement shall be made available to the City and its designees, or the state of Illinois 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 PCCEO within 30 days. Failure of PCCEO 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, PCCEO 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

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

B. Nondiscrimination

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

C. Religious Organization

PCCEO 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.

D. Prohibition Against hiring City Employees

PCCEO 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 PCCEO for performance of this Agreement; (2) coordinating the efforts of PCCEO in the consummation or completion of this Agreement; or (3) monitoring or determining the performance of PCCEO 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 PCCEO; (2) disqualification of PCCEO 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.

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 PCCEO 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.

PCCEO obligations as set forth in this Agreement shall survive the disbursement of the TIF funds and shall expire upon the completion of the 18 housing units, and PCCEO 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 PCCEO 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 PCCEO waives all claims for consequential and incidental damages and for all damages described in Paragraph XIII below.

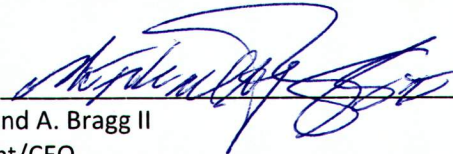
XIII. FUNDING.

The parties acknowledge that the TIF funds are monies provided through state statutes and 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. Without limiting the generality of Paragraph XI above, in no event shall the City be liable to PCCEO 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 26 DAY OF May 2020.

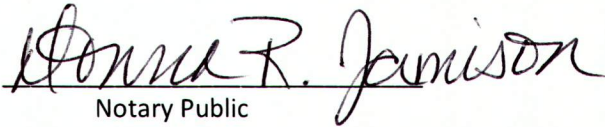
Peoria Citizens Committee for Economic Opportunity (PCCEO)

By: 
McFarland A. Bragg II
President/CEO

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 McFarland A. Bragg II, 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 26 day of May 2020.


Notary Public




CITY OF PEORIA, ILLINOIS,
an Illinois Municipal Corporation

By: 
City Manager

Attest:


City Clerk

Approved as to Content:


Corporation Counsel

Approved as to Form:


Community Development Department