

FUNDING AGREEMENT NO. 13220

January 1, 2025 – December 31, 2027

FUNDING AGREEMENT

BETWEEN

CENTRAL ADVISORY COUNCIL

AND

CHICAGO HOUSING AUTHORITY

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## **AGREEMENT**

**THIS FUNDING AGREEMENT** (“Agreement”) is made effective as of the 1<sup>st</sup> day of January 2025 (the “Effective Date”) by and between the **CHICAGO HOUSING AUTHORITY** (“CHA”), an Illinois municipal corporation (hereinafter referred to as the “CHA”), a public housing authority as defined in the United States Housing Act of 1937 (42 U.S.C. 1401 et seq.), located at 60 E. Van Buren, Chicago, Illinois 60605 and the **CENTRAL ADVISORY COUNCIL** (hereinafter referred to as the “CAC”), a public housing jurisdiction-wide resident council as defined in 24 C.F.R. §964.105, located at 243 E. 32nd Street, Chicago, Illinois, 60616, and is entered into pursuant to 24 CFR §964.150.

## **RECITALS**

**WHEREAS**, CHA is engaged in the development and operation of safe, decent and sanitary low-income housing in and throughout the City of Chicago in accordance with the United States Housing Act of 1937, 42 U.S.C. §1437 et seq., regulations promulgated by the United States Department of Housing and Urban Development (hereinafter referred to as “HUD”); and the Illinois Housing Authorities Act, 310 ILCS 10/1 et seq., as amended, and other applicable laws, regulations and ordinances; and

**WHEREAS**, CAC was organized to serve as the duly elected jurisdiction-wide resident council to CHA on all matters vital to the interest of the residents (“Residents”) living in CHA’s family and senior housing developments or residential properties (“Developments” or “Residential Properties”);

**WHEREAS**, CHA is supportive of CAC in its efforts to increase Resident participation and involvement in the family and senior housing Developments or Residential Properties;

**WHEREAS**, CHA and CAC do mutually agree to undertake a commitment for cooperative action to provide decent, safe, sanitary and secure housing and a suitable living environment for residents within the family and senior public housing Developments or Residential Properties; and

**WHEREAS**, the purpose of the Agreement, in accordance with 24 CFR 964.150(b)(3), is to set forth the procedures, general activities, and overall format for CHA’s funding and reimbursement of expenses incurred by the CAC during the Term of the Agreement.

**NOW THEREFORE**, for and in consideration of the terms, conditions, covenants and amounts herein set forth, CHA and CAC do hereby agree as follows:

## **ARTICLE 1. INCORPORATION OF RECITALS AND DEFINITIONS**

### **Section 1.01 Incorporation of Recitals**

The Recitals set forth above are incorporated by reference herein.

### **Section 1.02 Definitions**

Words and phrases shall be defined according to their ordinary usage and meaning except as otherwise specifically defined in this Section or as changed by applicable laws and/or rules or regulations.

- A. "Annual Contributions Contracts" ("ACC") means the contract between HUD and CHA under which HUD agrees to provide funds to CHA for to manage the Developments and CHA agrees to comply with HUD requirements for the operation and management of the Developments;
- B. "Central Advisory Council" or "CAC" means the jurisdiction-wide council for all residents of CHA family and senior Developments and Residential Properties; CAC is a Not for Profit entity governed by all HUD rules and regulations for activities related to this Agreement.
- C. "CHA Policies" currently in effect at the commencement of the Term of the Agreement and any amendments to the Policies that take effect during the Term of the Agreement include, but are not limited to CHA's Ethics Policy, as amended, and the Community Space Policy, as amended, which are attached hereto as Exhibit A.
- D. "Contract" means CAC's contracts funded using CHA funds provided to CAC through this Agreement.
- E. "Developments or Residential Properties" means CHA Public Housing Developments and Residential Properties served by CAC, excluding mixed-income/mixed-finance properties of CHA;
- F. "Effective Date" means January 1, 2025;
- G. "Fiscal Officer" means the Chief Financial Officer of CHA;
- H. "Funding Agreement Budget" or "Budget" means the amount of money available for the period from the Effective Date through December 31, 2027, totaling \$1,930,000.00 and as set forth in the Funding Agreement Budget, which is attached hereto as Exhibit C and incorporated by reference herein;
- I. "HUD Regulations" means the provisions of 24 C.F.R. 1 et seq., including Part 964, and any other regulations applicable to public housing;

- J. "Local Advisory Council" or "LAC" means a duly elected resident council for a CHA Development or Residential Property;
- K. "Resident" means any individual who resides in Developments or Residential Properties and whose name appears on the lease as either the lessee or authorized household member residing in the residential unit covered by the lease.

## **ARTICLE 2. CENTRAL ADVISORY COUNCIL (DUTIES AND RESPONSIBILITIES)**

### **Section 2.01 Recognition**

CHA recognizes CAC as (1) the jurisdiction-wide resident council for public housing which advises CHA on authority-wide Resident policies and issues, including, but not limited to such matters as standards of eligibility for initial and continued occupancy; standards of tenant conduct and provisions for the enforcement of said standards; regulations and policies relating to adequate maintenance, security, recreational and educational facilities; and (2) the representative of such LACs whose concerns are not jurisdiction-wide tenant issues, provided, however, that such LAC shall have requested in writing that CAC represent the LAC on the matter in question.

Pursuant to HUD approval, the CHA may operate select properties and units under the Component 1 of the Rental Assistance Demonstration Program (RAD), a program developed by HUD that seeks to preserve and protect public and affordable housing. Under RAD, properties are funded through a long-term Housing Assistance Payment (HAP) contract under Section 8 of the U.S. Housing Act of 1937, as opposed to capital and operating subsidy under Section 9, which funds traditional public housing. Upon the CHA's conversion of properties and units to RAD, CHA will continue to recognize duly elected resident organizations of such properties and units in accordance with CHA's Moving to Work (MTW) agreement and practices related to elections, use of CHA's premises, funding levels, and stipends as specified in the funding agreement executed by the CHA with the Central Advisory Council.

### **Section 2.02 Memorandum of Understanding**

CHA and CAC agree to work in partnership on matters to improve the quality of life and general satisfaction of CHA Residents.

### **Section 2.03 CAC Administrative Requirements**

The CAC shall provide CHA with financial statements annually audited by a licensed independent certified public accountant ("CPA"), selected by CAC, using established Generally Accepted Auditing Standards ("GAAS") in accordance with OMB Circular A-133, Audit Standards and other applicable federal, state regulatory requirements. A copy of each audit must be forwarded to CHA and HUD within thirty (30) days of issuance by the CPA. CAC shall comply with the requirements of OMB Circular A-110, Uniform Administrative Requirements; and 2 CFR Part 230, Cost Principles for Nonprofit Organizations as applicable for the expenditure of all funds provided to CAC under this Agreement. CAC shall also provide CHA copies of any auditor's

comments with respect to the Annual Audit and a statement of curative actions taken by CAC in response thereto.

#### Section 2.04 Financial Responsibilities and Record Management

CAC shall create and keep all accounts, ledgers and reports according to a fiscal year which begins on the 1st day of January. CAC shall establish and maintain complete and accurate records of all financial management functions performed by CAC and meet the minimum standards of the Standards for Financial Management Systems, set forth in OMB Circular A-110 and other applicable federal regulatory requirements. The records must be maintained in a way that will:

- A. Provide an effective system of internal control;
- B. Provide budgetary control over CAC's budget;
- C. Provide accounting information and financial reports to CHA in a format compatible with CHA's accounting system, and within the time frames prescribed by CHA;
- D. Permit a timely and effective audit; and
- E. The above stated standards shall apply to any funds that CHA provides to CAC in addition to the funds reflected in the Budget.

#### Section 2.05 Maintaining Records, Right to Audit, Inspect and Copy

During the Term of this Agreement and for an additional period until final payment under this Agreement, and all other pending matters are closed, CAC shall keep and maintain separate, true, accurate and complete books of account including, but not limited to, accounts, files, vouchers, receipts and other books and records showing in detail all receipts and all expenses and charges incurred under this Agreement ("Books and Records"). CAC shall keep and retain its Books and Records relating to its activities and expenditures, including, but not limited to, records for contracted vendors and stipend payments to CAC members, for a period of at least five (5) years from the termination of this Agreement or such additional time as may be required by CHA, HUD or applicable law. Any duly authorized representative of HUD, CHA or the Comptroller General of the United States shall have access to and the right to audit, inspect, copy, and examine all such Books and Records and other related documents. CAC will maintain its Books and Records at the offices of CAC located at CAC address first set forth above, or at such other location as is approved by CHA in writing.

#### Section 2.06 Confidentiality

CAC and the LACs shall maintain the confidentiality of Residents' information, including any documentation specifying or setting forth a Resident's problem/issue and the resulting resolution of such problem/issue. Such confidential Resident problems/issues and resolution(s) thereof shall not be discussed in public forums by CAC or LAC members without the written consent of the Resident.



#### Section 2.07 Compliance with Federal, State and Local Laws and Regulations

CAC shall at all times comply with all applicable Federal, State and local laws and regulations, particularly those Federal regulations affecting Public Housing. In addition, CAC shall take such actions as may be necessary to comply promptly with any and all governmental orders imposed by any duly constituted government authority whether imposed by Federal, state, county or municipal authority.

#### Section 2.08 Compliance with CHA Policies

CAC shall at all times comply with all applicable CHA Policies in effect at the commencement date of the Term of the agreement and any amendments to the policies that take effect during the Term of the agreement including, but not limited to those policies that are set forth in Section 1.02.

#### Section 2.09 CHA Compliance Review

In accordance with and subject to applicable HUD regulations, CHA may monitor and review annually CAC's activities for compliance in accordance with the requirements of HUD regulations at 24 CFR Part 964 and all applicable requirements of Federal, State and local law, and the requirements of this Agreement. CHA's monitoring and review shall be limited to costs and expenses which are funded under this Agreement and activities as described herein. CHA may take remedial action as appropriate to enforce CAC's required obligations and duties under the Funding Agreement or as required by HUD regulations.

Failure of CAC to comply with the criteria below may be cause for CHA to require CAC to produce and submit a written plan for compliance to an acceptable level within a reasonable time. Failure of CAC to comply within the time period set forth in the written plan may result in CHA terminating the Agreement. The activities of CAC in carrying out its functions may be evaluated by CHA in accordance with the following:

- A. Prudent financial management in accordance with HUD regulations and generally accepted accounting principles, and applicable provisions of this Agreement.
- B. Procurement of goods and services completed in accordance with HUD regulations and applicable provisions of this Agreement.
- C. Compliance with applicable Federal, State and local requirements.

#### Section 2.10 Procurement

- A. CAC shall procure all goods and services required to carry out its functions in the most efficient and economical manner and in compliance with the provisions of all applicable Federal, State and local laws, particularly 2 C.F.R. § 200.317 et al, under procedures suitable to, and consistent with, the requirements of the HUD Procurement



Handbook No. 7460.8 REV2. In addition to compliance with procurement guidelines, all purchases exceeding \$10,000 require advance, written approval from CHA to be eligible for reimbursement to CAC.

- B. CAC shall comply and require its contractors to comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (hereinafter, "Section 3"), including the insertion of the Section 3 clause of 24 CFR §75 into all contracts funded by this Agreement.
- C. All CHA funded Contracts and supporting documentation establishing the basis on which such contracts were awarded shall be kept on file and made available for review by CHA, HUD and their designees, upon request. CAC shall, when specifically required by HUD, reimburse CHA, from funds other than those granted by HUD for any purpose, for any expenditure or obligation made in violation of Section 2.10 or any violation of HUD requirements.
- D. Nothing contained in this Agreement will create any contractual relationship between any CAC contractor and CHA.

#### Section 2.11 License to Use CHA Premises

A license to use CHA premise is attached hereto as Exhibit B and incorporated by reference herein.

#### Section 2.12 Inventory and Inspection

CAC acknowledges and agrees that all equipment and supplies purchased with funding under the Agreement, or purchased directly by CHA for CAC, shall always be and remain the property of the CHA. CAC shall maintain a written inventory of all equipment and supplies purchased under the Agreement for which it has submitted an invoice for cost reimbursement. The inventory shall be made available to CHA upon request. CAC shall be solely liable for any loss or damage to all such property under its control, other than normal wear and tear.

#### Section 2.13 CHA Inspector General

It is the duty of the CAC, its contractors and their subcontractors to cooperate with the CHA Inspector General in any investigation or hearing undertaken. All CAC contracts that utilize CHA funding must include this provision binding the CAC's contractors and require their contractors to flow down this provision to their subcontractors and require agreement and compliance with the same.

#### Section 2.14 Non-Discrimination

CAC shall comply with all federal, state and local non-discrimination laws, rules, regulations and ordinances including, but not limited to, The Civil Rights Act of 1964, 42 U.S.C. sec. 2000 et seq. (1989), as amended, and all regulations promulgated thereto. Contractor shall

particularly remain in compliance at all times with: Exec. Order No. 11,246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. 2000 (e) note, as amended by Exec. Order No. 11,375, 32 Fed. Reg. 14,303 (1967) and by Exec. Order No. 12,086, 43 Fed. Reg. 46,501 (1978); Age Discrimination Act, 42 U.S.C. sec. 6101-6106 (1989); Rehabilitation Act of 1973, 29 U.S.C. sec. 793-794 (1988); Fair Housing Amendments Act, 42 U.S.C. Sec. 3601 et seq., (1988); Americans with Disabilities Act of 1990, 42 U.S.C. 12101 and 41 C.F.R. Part 60 et seq., (1990). Illinois Human Rights Act, 775 ILCS 5/1-101 et seq., as amended, and regulations promulgated in accordance therewith, including but not limited to the Equal Employment Opportunity Clause, Ill. Admin. Code Tit. 44 section 750 Appendix A, which is attached hereto as Exhibit D and incorporated by reference herein; Public Works Employment Discrimination Act, 775 ILCS 10/0.01 et seq., as amended. Chicago Human Rights ordinance, s2-160-010 et seq., of the Municipal Code of Chicago, as amended; and the Chicago Fair Housing Regulations, s5-8-010 et seq., of the Municipal Code of Chicago, as amended. In addition, CAC must furnish such reports and information as requested by the Chicago Commission on Human Relations.

#### Section 2.15 Religious Activities

CAC agrees that in connection with its functions under this Agreement:

- A. That it shall not discriminate against any person on the basis of religion and shall not limit employment or give preference in employment to persons on the basis of religion; and
- B. That it shall not discriminate when rendering the Services hereunder against any person on the basis of religion and shall not limit such Services or give preference to persons on the basis of religion.

#### Section 2.16 CAC/LAC Expectations and Responsibilities

- A. LAC Presidents shall have primary oversight of day to day activities of CAC/LAC administrative staff. CAC/LAC's oversight responsibilities shall include, but not be limited to:
  - 1. Collaboration with CHA's supervisor(s) of the CAC/LAC support staff;
  - 2. Assignment and management of daily responsibilities;
  - 3. Attendance at meetings related to CAC/LAC support staff as requested by CHA;
  - 4. Communication with CHA's supervisor(s) of the CAC/LAC support staff, who shall be responsible for issues related to requests for overtime, copies of vacation requests, performance evaluation and other personnel actions; and
  - 5. Requests to CHA for training and travel related expenses.
- B. In addition, CHA and CAC agree on the following:
  - 1. CHA recognizes the dual role that CAC support staff has as employees of CHA. CHA agrees to respect confidentiality of the support staff when operating in CAC's capacity;

2. As needed, CHA and CAC agree to meet to review the roles and responsibilities, including existing job descriptions, for CAC support staff;
3. CAC and LACs shall adhere to CHA's performance evaluation timelines. Through the performance evaluation process, CAC shall establish job expectations and deliverables for each CHA funded position and provide them to CHA; and
4. Training expenses and training-related travel expenses for CHA employees reporting to the CAC must be requested by CAC utilizing CHA forms and procedures, and approved expenses shall not be reimbursed through the Funding Agreement.
5. CAC shall submit a quarterly report to CHA within twenty business days following the end of each quarter. Quarterly reports shall be submitted in a format agreed upon by CHA and CAC. Examples of reporting elements may include:
  - i. Meetings conducted by LAC Presidents
  - ii. Activities of the CAC Board
  - iii. CAC and/or LAC accomplishments and challenges
  - iv. Outreach activities conducted by CAC staff

#### Section 2.17 Elections

CAC must conduct elections in accordance with 24 CFR Part 964.130. CAC must elect LAC and CAC officers and transition to new duly elected leadership during FY2025.

### **ARTICLE 3. TERM**

The Term of this Agreement is for the period of the January 1, 2025 through December 31, 2027 (the "Term"), or until this Agreement is terminated in accordance with its terms, whichever occurs first.

### **ARTICLE 4. FUNDING**

#### Section 4.01 Funding

The funding for this Agreement shall be provided on a cost reimbursement basis. During the Term of the Agreement, the total cost reimbursement payable to CAC for base operating expenses shall be an amount not-to-exceed \$1,930,000 for the period beginning on January 1, 2025 and ending on December 31, 2027.

The base funding amount for 2025 - 2027 was determined based on approximately 15,000 occupied public housing units funded at \$25 per unit for the total funding amount of \$375,000.00 annually. In addition to the base funding, CHA will provide supplemental funding of \$10 per occupied unit for a total funding amount of \$150,000.00 annually for Per Unit Yearly ("PUY") funding and \$35,000 annually in support of Local Advisory Council's Back to School Events. CHA will also allocate \$250,000.00 to be used for the 2025 CAC/LAC elections.

A copy of the approved CAC Budget is attached hereto as Exhibit C and incorporated by reference herein. The CAC agrees that none of the funds provided under this Agreement may be used to pay for litigation expenses against the CHA.

CAC agrees to waive any and all claims of payment for costs or expenses that result in invoices beyond the CAC Budget amount and in no event shall the CHA be responsible for any costs or expenses incurred other than those set forth in the CAC Budget without a prior written amendment to this Agreement authorizing costs or expenses. CAC recognizes an affirmative duty to monitor its invoices to ensure that the costs or expenses are within the CAC Budget.

CAC shall adhere to guidance on the use of Tenant Participation Funds outlined in PIH Notice 2021-16 (HA), 2 CFR Part 200 Subpart E, and other federal regulations and guidelines. CAC shall not materially deviate from the Approved Budget without prior written consent from CHA. A deviation will be deemed material when increases or decreases of more than \$10,000.00 occurs for an individual Budget Line Item or when the aggregate of all Budget Line Item increases/decreases exceeds 10% of the Operating Budget since the last CHA budget approval. If a material deviation occurs, the CAC shall request a budget revision, including a narrative justifying why the cost change and explanation for moving funds from one Budget Line Item to another.

#### Section 4.02 Payment

CHA will make a quarterly advance payment (“Advance Payment”) to CAC in the amount equal to 25% of the total base funding each quarter ( $\$92,500.00 \times 4 \text{ quarters} = \$375,000.00$ ), if CAC submits an invoice for these Advance Payments. CHA shall also make supplemental Advance Payments for PUY and Back to School Events, if CAC submits an invoice requesting an advance for these line items.

CAC shall submit monthly invoices (“Monthly Invoices”) to [RSInvoicing@thecha.org](mailto:RSInvoicing@thecha.org), as set forth in the Program Operating Budget, using the invoicing template provided by CHA in Microsoft Excel, and shall contain back-up information as required by CHA to support CAC’s request for cost reimbursement. CHA shall reconcile the Advance Payment amounts by reducing each final “Monthly Invoice” amount from the aggregate Advance Payments amounts until the Advance Payments are recovered by CHA.

Only those costs and expenses that are set forth in the Budget and that are allowable under 2 CFR Part 230 (Cost Principles for Not-For-Profit Organizations) and CHA Policies, shall be considered for reimbursement. In the event of a conflict between any line items in the Budget and 2 CFR Part 230 and CHA Policies, 2 CFR Part 230 and then CHA’s Policies shall control in that order. The CHA shall not be required to give approval or make payments pursuant to a submitted invoice unless information required to be included with the invoice or that has been specifically requested by the CHA and all the reporting requirements and Deliverables as set forth in this Agreement, or other reasonable and written requests by CHA for additional information, have been met.

CHA will make reasonable efforts to make payment for costs and expenses under this Agreement within thirty (30) days after receipt and approval of each invoice submitted. All invoices shall be subject to review and approval by the CHA. If CHA objects to all or any portion of any invoice, it shall notify CAC of its objection in writing and both parties shall make every effort to settle the disputed portion of the invoice. Notwithstanding the foregoing, CHA may, at its option, pay the undisputed portion of any invoice without being deemed to have accepted the disputed portion. All disputes regarding invoices shall be handled in accordance with the provisions of Article V herein.

#### Section 4.03 Travel Reimbursement Procedures

- A. Training-Related Travel Expenses. Training-related travel expenses shall adhere to guidance on the use of Tenant Participation Funds outlined in PIH Notice 2021-16 (HA) and other federal regulations and guidelines. The CAC must consider training-related travel costs and savings options, such as considering attending virtual training or local/state training activities instead of traveling long distance whenever possible. In addition, all travel shall be subject to the following, including:
1. All training-related travel expenses must be contemplated in the CAC's Budget line item for training/travel expenses and may not exceed the amount set forth in the Budget or any applicable revisions;
  2. All training-related travel requests must be documented on a CAC Travel Request Form that outlines the anticipated expenses for transportation, lodging, meals, cost for training seminar, etc. and a brief justification for such training-related travel. The CAC Travel Request form must be approved by CHA;
  3. Training-related travel requests for CHA staff reporting to the CAC must be requested by CAC at least four weeks prior to the scheduled training. Training-related expenses, including but not limited to, registration, flight accommodations, lodging, ground transportation, and per diem for CHA employees reporting to the CAC must be requested by CAC in advance utilizing CHA training and travel forms and procedures. If these procedures are not followed, CHA may not reimburse CAC for training-related travel expenses for CHA staff reporting to the CAC.
- B. Local Travel Expenses. At the CAC's discretion, it may reimburse elected CAC members for local travel expenses. Local travel expenses shall adhere to guidance on the use of Tenant Participation Funds outlined in PIH Notice 2021-16 (HA) and other federal regulations and guidelines. The CAC must submit completed travel forms signed by the requestor and approver to CHA to be eligible for reimbursement of local travel expenses.
- C. CAC Vehicle Use Guidelines. CHA agrees to reimburse eligible expenses (e.g. gas, maintenance, insurance) for CAC vehicles used exclusively for business purposes in accordance with CAC Vehicle Usage Guidelines (Exhibit F). CHA requires supporting documentation of all vehicle expenses, including vehicle mileage logs and vehicle sign

out sheets, to ensure CAC vehicles are not used for personal use. Vehicle expenses will not be reimbursed if vehicle mileage logs are not submitted monthly. If CAC seeks reimbursement for expenses related to personal use of CAC assets, it is in violation of the terms of the Funding Agreement with CHA and HUD regulations regarding the use of tenant participation funds. The CAC Vehicle Use Guidelines must clearly identify procedures for taking a CAC vehicle home overnight for conducting CAC business.

#### Section 4.04 Bank Accounts

CAC shall establish and maintain its own commercial bank account for the purpose of receiving and disbursing funds received from CHA under this Agreement. The Account shall be maintained in a financial institution whose funds are insured by the FDIC. Funds in excess of FDIC's deposit insurance coverage shall be fully and continuously collateralized or insured in the manner prescribed by Illinois Law and HUD Financial Management Handbook 7476.1 REV., intended to safeguard public funds.

CAC's bank customer deposit agreement for the Account shall require two (2) authorized signatures of CAC officers for any instrument for the payment of money from such Account. All funds received by CAC from CHA under this Agreement shall be deposited in the Account, and no other funds will be deposited therein, except funds reasonably sufficient to pay bank charges, if necessary, and such other funds in such amounts as may be approved in writing by CHA prior to their deposit. All monies deposited in the Account shall be held by CAC for the purposes set forth herein, and all monies dispersed by CAC from the Account will be disbursed only for expenditures permitted hereunder and for no other purpose whatsoever.

#### Section 4.05 Funding

Any reduction in the subsidy of CHA that occurs as a result of fraud, waste and mismanagement by CHA shall not affect the approved funding for CAC. Notwithstanding the foregoing, however, funding for this Agreement is subject to; 1) appropriation of funds by the U.S. Congress and availability of such funds from HUD; 2) approval of funding by CHA; and 3) HUD's recognition of CAC as a resident Council; and 4) CAC's compliance with all of the terms of this Agreement. The funding provided herein may be immediately suspended by HUD or CHA at any time CAC is in noncompliance with any term, covenant or provision of this Agreement.

#### Section 4.06 Vending Services Revenue

Separate from this Agreement, CHA oversees a revenue sharing Agreement for vending machines located throughout CHA's portfolio. CHA agrees to provide vending machine revenue with Local Advisory Councils that preside over the buildings or properties where vending machines are installed. Vending machine revenue is intended to clearly support and directly benefit residents who reside in CHA buildings or properties where vending machines are installed. The duly elected Local Advisory Council (LAC) President of each region and development is responsible for approving requested vending machine revenue for the activities and events within their region or development and must adhere to the Procedures to Access Vending Revenue (Exhibit G).



## **ARTICLE 5. DISPUTES**

Questions regarding federal law, the ACC or HUD regulations raised shall be referred by the parties to the HUD Field Office which will furnish a written decision to both parties.

All other disputes other than termination pursuant to Article 7 shall be resolved using the following administrative remedy: CAC may dispute any directive or decision of CHA by submitting a written statement describing the dispute to CHA. CHA shall issue a written response within ten (10) business days of receipt of a statement of dispute. The parties shall negotiate in good faith to reach a settlement of any such disputes.

The parties may appeal any dispute which cannot be resolved in accord with the immediately preceding paragraph to the HUD Field Office within thirty (30) days of receiving a written response from CHA to the statement of dispute by providing the HUD Field Office with a copy of that decision. The Field Office will promptly issue a decision and furnish a written copy to each party. Both parties shall continue to perform in accordance with CHA's decision pending review.

Either party may request a review of the HUD Field Office decision by filing a written request with the HUD Secretary within thirty (30) days of receipt of that decision. The request shall set forth a justification as to why the Field Office decision should be overturned. Both parties shall continue to perform the Agreement in accordance with the Field Office decision pending the Secretary's review and decision and the Secretary's decision shall be final and binding as to both parties.

## **ARTICLE 6. RISK MANAGEMENT**

### **Section 6.01 Insurance**

The Contractor agrees to comply with and meet or exceed all of CHA's insurance requirements that are set forth in Exhibit E, which is attached hereto and incorporated by reference herein as if fully set forth herein.

### **Section 6.02 Indemnification**

CAC shall protect, defend, indemnify, keep, save, and hold CHA, its officers, officials, employees and agents free and harmless from and against any and all liabilities, losses, penalties, damages, settlements, costs, charges, professional fees (including attorney's fees) or other expenses or liabilities of every kind, nature and character arising out of or relating to any and all claims, liens, demands, obligations, actions, suits, judgments or settlements, proceedings or causes of action of every kind, nature and character (collectively, "Claims") arising directly out of or proximately (as a result of) caused by the acts or omissions of CAC, its officers, officials, agents, employees and contractors and their subcontractors, including, but not limited to, the enforcement of this indemnification provision. CAC shall investigate, handle, respond to, provide defense for and defend all suits for any and all such Claims, at its sole expense and agrees to bear all other



costs and expenses related thereto, even if such Claims are considered groundless, false or fraudulent.

CHA will have the right, at its option and expense, to participate in the defense of any suit, without relieving CAC of any of its obligations under this indemnity provision. The indemnities set forth in this Agreement shall survive the expiration or termination of this Agreement.

## **ARTICLE 7. EVENTS OF DEFAULT, REMEDIES AND TERMINATION**

### **Section 7.01 Events of Default Defined**

Material non-compliance with 1) a provision of this Funding Agreement or 2) federal, state or local regulations shall constitute an event of default. In addition, filing for bankruptcy or assignment for the benefit of creditors or other insolvency proceeding of CAC, whether involuntary or voluntary, shall constitute an event of default, and any other acts specifically and expressly stated in this Agreement shall constitute an event of default.

### **Section 7.02 Remedies**

The occurrence of any event of default which CAC has failed to correct within thirty (30) calendar days after receipt of notice given in accordance with the terms of this Agreement and specifying the event of default or if such event of default cannot be reasonably corrected within such thirty (30) day period after notice, CAC has failed to commence and continue diligent efforts to correct, CHA may, at its sole option, declare CAC in default. Written notification of the default, and any intention of CHA to terminate the Agreement, shall be provided to CAC and such decision shall be effective upon the date set forth in such notice to CAC sent in accordance with Article 10. Upon the giving of such notice, CHA may invoke any or all of the following remedies:

- A. In the event CAC fails to cure any breach as discussed above, CHA may terminate this Agreement.
- B. CHA may withhold all or any part of CAC's funds hereunder in accordance with the terms hereof prior to the termination of this Agreement

The availability of any remedy under this Agreement shall not prevent the exercise of any other remedy under this Agreement, under provision of the Annual Contributions Contract or available at law or in equity, nor shall any action taken in exercise of any remedy be considered a waiver of any other rights or remedies.

## **ARTICLE 8. WARRANTIES, REPRESENTATIONS AND SPECIAL CONDITIONS**

### **Section 8.01 Warranties and Representations for CAC**

As an inducement to CHA to enter this Agreement, CAC represents and warrants to CHA the following:

- A. That CAC is maintaining good standing with the Illinois Secretary of State as a not-for-profit corporation.
- B. That CAC has carefully examined and analyzed the provisions and requirements of this Agreement; that CAC understands the nature of its obligations hereunder.
- C. That CAC and, to the best of its knowledge, its members, contractors and their subcontractors are not in violation of and will not violate any of the provisions of Federal Criminal law published in 18 U.S.C. § 666(a) (1), the Illinois Criminal Code, 720 ILCS 5/33E-1 et seq. (1989), as amended; and CHA Ethics Policy, as amended and attached as Exhibit A and incorporated by reference herein.
- D. That CAC shall not request reimbursement through this Agreement for expenses that have been paid for by another funding source.
- E. That CAC shall not request reimbursement through this Agreement for vehicle expenses that are not reasonably related to conducting CAC business.
- F. That CAC is a duly formed jurisdiction wide resident council in accordance with HUD regulations.
- G. That CAC represents that the duly formed resident councils agree that this Agreement is the authorized funding mechanism to disburse Federal funds to such resident councils per 24 C.F.R. §964.150.
- H. That CAC has full power and legal right to execute, deliver and perform this Agreement; that this Agreement has been duly authorized, executed and delivered by CAC and constitutes a legal, valid and binding obligation of CAC enforceable in accordance with its terms.

#### Section 8.02 Warranties and Representations for CHA

That CHA has full power and legal right to execute, deliver and perform this Agreement; that this Agreement has been duly authorized, executed and delivered by CHA and constitutes a legal, valid and binding obligation of CHA enforceable in accordance with its terms.

#### Section 8.03 Lobbying Certifications

CAC hereby agrees and certifies that:

- A. No Federally appropriated funds have been paid or will be paid, by or on behalf of CAC, to any person for influencing or attempting to influence an officer or employee of any Federal or State agency, a member or employee of Congress or the State

Legislature, an officer or employee of any Federal or State agency, in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

- B. If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, and submit standard, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- C. The language of this certification shall be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.
- D. This certification is a material representation of fact upon which reliance was placed when this Agreement was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and of not more than \$100,000 for each such failure.
- E. For purposes of these requirements, a person means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government whether or not the entity operates on a profit or nonprofit basis. However, Indian tribes, tribal organization and certain other Indian organizations are explicitly excluded from coverage.

#### Section 8.04 Waiver

Whenever under this Agreement the CHA, by a proper authority, expressly waives the CAC's performance in any respect or expressly waives a requirement or condition to either the CHA's or the CAC's performance, the waiver so granted, shall only apply to the particular instance and shall not be deemed a waiver forever or for subsequent instances of the performance, requirement or condition. No such waiver shall be construed as a modification of the Agreement regardless of the number of times the CHA may have waived the performance of a requirement or condition.

#### Section 8.05 Delays and Extensions

CAC agrees that it will not make any claims against CHA or HUD for damages, charges, additional costs or fees incurred by CAC because of delays in reimbursement by CHA or HUD affecting the performance of CAC's obligations under this Agreement.

## **ARTICLE 9. GENERAL CONDITIONS**

### **Section 9.01 Entire Contract**

This Agreement, and any Exhibits attached hereto, constitute the entire agreement between the parties hereto with respect to the subject matter hereof and this Agreement may be amended or modified only by a written instrument executed by the parties hereto. This Agreement shall be binding on and inure to the benefit of the parties and their respective successors and assigns.

### **Section 9.02 Independent Contractor**

CAC shall act as an independent contractor to CHA in carrying out its functions and not as a representative, employee, agent, or partner of CHA.

### **Section 9.03 Execution**

This Agreement may be executed in any number of counterparts. All of such counterparts shall be deemed to be originals and together shall constitute one and the same agreement.

### **Section 9.04 Governing Law**

This Agreement shall be interpreted in accordance with and governed by the laws of the state of Illinois and the applicable Federal laws and regulations. Further, the CHA and CAC expressly understand and agree that this Agreement complies with 24 CFR §964.150.

### **Section 9.05 Rules of Interpretation**

The titles of the several sections of this Agreement are intended for reference only, and shall be disregarded in construing or interpreting any of the provisions of this Agreement. The words “herein” and “hereof” and words of similar import, without reference to any particular section or subdivision, refer to this Agreement as a whole rather than to any particular section or subdivision of this Agreement.

### **Section 9.06 Severability**

The invalidity of any article, section, subsection, clause or provision of this Agreement, including its exhibits, shall not affect the validity of the remaining articles, sections, subsections, clauses or provisions hereof, if such remainder would then continue to conform to the terms of the applicable Federal, State or local laws.

## **ARTICLE 10. APPROVAL AND NOTICES**

- A. Whenever, under this Agreement, approvals, authorizations, determinations or satisfaction, or waivers are required to be made by HUD, such approvals, authorizations, determinations or satisfaction, or waivers, shall be effective and valid

only when given either (1) by general orders or regulations duly issued from time to time by HUD, or (2) in specific cases, in writing signed by a duly authorized officer of HUD and delivered to CHA and CAC.

B. Whenever under this Agreement approvals, authorizations, determinations, satisfaction, or waivers are required to be made by CHA, such approvals, authorizations, determinations, satisfaction, or waivers shall be effective and valid only when given in writing and signed by a duly authorized agent of CHA and delivered to CAC.

C. Any notices sent to CAC shall be mailed by certified mail, postage prepaid to:

Central Advisory Council  
243 E. 32rd Street  
Chicago, Illinois 60616  
Attention: Chairperson, CAC

Copy to

Central Advisory Council  
243 E. 32rd Street  
Chicago, Illinois 60616  
Attention: CAC General Counsel

Notices sent to CHA shall be mailed by certified mail, postage prepaid to:

Chicago Housing Authority  
60 E. Van Buren St., 12<sup>th</sup> Floor  
Chicago, Illinois 60605  
Attention: Chief Executive Officer

Copies to

Chicago Housing Authority  
Office of the General Counsel  
60 E. Van Buren St., 12<sup>th</sup> Floor  
Chicago, Illinois 60605  
Attention: Chief Legal Officer

Chicago Housing Authority  
Office of Resident Services  
60 E. Van Buren St., 10<sup>th</sup> Floor  
Attention: Chief Resident Services  
Officer

Except that notice or service of civil process shall be made pursuant to the applicable code of court procedure.

## **ARTICLE 11. AUTHORITY**

### **Section 11.01 CHA's Authority**

Execution of this Agreement is pursuant to the United States Housing Act of 1937, 42 U.S.C. §§1437 et seq.; 24 C.F.R. Parts 964, specifically 24 C.F.R. Section 964.150(b)(3) and other regulations officially published by HUD, and the Illinois Housing Authorities Act, 310 ILCS 10/1 et seq., as amended, and other applicable laws, regulations and ordinances.

### **Section 11.02 CAC's Authority**

The signature of the person signing on behalf of CAC has been made with complete and full Authority to commit CAC to all the terms and conditions of this Agreement, including each and every representation, certification and warranty contained herein.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed in their respective names as of January 1, 2025.

**CHICAGO HOUSING AUTHORITY**

BY: Sheila Johnson  
Sheila Johnson  
Deputy Chief Procurement Officer

Approved as to Form and Legality  
Chicago Housing Authority  
Office of the General Counsel

By: Elizabeth Silas  
Elizabeth Silas (Jan 16, 2025 17:10 CST)  
Elizabeth Silas  
Acting Chief Legal Officer

**CENTRAL ADVISORY COUNCIL**

BY: Francine Washington  
Francine Washington  
Chairperson  
BY: Robert Scott  
Robert Scott  
Vice Chairperson

## **EXHIBIT A**

### **CHA POLICIES**

The following policies are in effect at the commencement date of the Term of this agreement, which may be amended by CHA and take effect during the Term of the Agreement:

- CHA Ethics Policy, as amended (see attached)
- Community Space Policy, as amended (see attached)
- Social Security Number Protection Policy
- CHA Language Access Policy and Procedures



## **EXHIBIT B**

### **CAC LICENSE TO USE CHA PREMISES**

#### CAC License to Use CHA Premises

1. CHA, as the owner of a certain Properties in Chicago, Illinois, (the “Properties”) and identified by CHA as eligible to be used for the sole purpose as office space or Community Space (the “Premises”), agrees to grant a non-exclusive, revocable license to the CAC, the LACs, their employees, agents and contractors to enter the Properties (“License”) and maintain offices at specified space within the locations and addresses of the Properties are set forth in Attachment 1 to Exhibit B.
2. If requested by the CAC, CHA agrees to negotiate with the CAC with respect to use of Community Space for meetings, recreation and social services and other resident participation activities pursuant to HUD guidelines. CAC agrees that it will comply with CHA’s Community Space Policy with respect to use of such community space and the restrictions on use set forth in this CAC License to Use CHA Premises.
3. The License granted hereunder shall commence on the Effective Date of the Agreement and shall continue through the Term of the Agreement or until notice from CHA revoking the License is provided to CAC, whichever occurs first. If CHA determines that this License has been breached by CAC, it shall have the right to modify or terminate this License, within its sole discretion, at any time upon two (2) days written notice to CAC.
4. Within 30 days of execution of the Agreement CAC shall submit an updated safety plan with respect to the use of office space and community space to CHA for approval.
5. Restrictions
  - i. Restrictions on Use:
    - a. Use of the Premises and all agreed upon Community Space is subject to occupancy limitations in accordance with the City of Chicago’s building codes, fire codes, ordinances, and other safety standards.
    - b. No alcoholic beverages shall be served or consumed within the Premises at any time.
    - c. CHA has the right to request the removal of any advertisements, posters, or other information on the Premises.
  - ii. Restrictions on Literature Distribution or Sale:
    - a. Distribution or sale of literature or other information by a CAC contractor shall be prohibited unless such literature or other information is related to the services to be provided to the CAC.
    - b. Any literature that is, or that is proposed to be distributed or sold shall comply with all applicable federal, state, and local laws and regulations, and with CHA rules and policies

- c. Persons engaged in the distribution and/or sale of permitted literature or other information shall not obstruct or impede pedestrians or vehicles.
  - iii. Restrictions on Solicitation. Solicitation by a CAC contractor or of a Resident for business is prohibited.
  - iv. Any use of CHA's Premises, including but not limited to the Properties and any agreed upon community space by a CAC contractor:
    - a. shall only be on a temporary and non-exclusive basis to enable the more effective delivery of the CAC's contractor's required services;
    - b. may be revoked or terminated by CHA, within its sole discretion at any time, upon giving thirty days written notice to CAC or CAC's contractor; and
    - c. shall terminate in the event the Agreement expires or is terminated or the CAC's contractor's contract with CAC expires or is terminated, whichever occurs first.
  - v. In the event a CAC contractor violates or otherwise fails to comply with the requirements of this License, on its own or upon request of CHA, such violation or failure shall prohibit CAC's contractor from further use of the CHA's Properties and agreed upon community space or from visiting CHA residents on-site in their units.
6. Upon termination of this License for the Premises or for an agreed upon usage of Community Space, CAC shall secure the Premises or agreed upon Community Space and surrender over to CHA in the same condition as they were prior to the execution of this License. Upon expiration or termination of this License, all temporary improvements, furnishings or equipment placed upon, in or about the Premises or any agreed upon community space by CAC, its agents, employees or contractors shall be removed by CAC at its sole cost and expense, prior to the termination or expiration date of CAC's License. Upon expiration of the term or if CHA terminates the License pursuant to Section 2.01(I)(3) above, CAC shall have 30 days after the expiration or after it receives written notice from CHA to comply with this provision. If CAC fails to remove same, then CHA may remove said improvements, furnishings or equipment and CAC shall pay or be responsible to pay the cost of any such removal, and CHA may withhold as an offset such costs from any funds it may owe CAC.
  7. During the term of this License, CAC shall secure the Premises or agreed upon Community Space after use each day, as required by CHA.
  8. The right to use the Premises and any agreed upon community space and the right of ingress and egress to the Properties and agreed upon community space is expressly reserved by CHA. CAC agrees to refrain from unreasonable interference with CHA's business operations conducted on the Property. CAC shall not have the right to and shall not change any locks at the Premises and Property.
  9. CAC shall not transfer any of its rights under this License without the prior written consent of CHA. Any such assignment made without the prior written consent of CHA shall be null and

void and of no force and effect and shall entitle CHA, at its sole discretion, to terminate this License.

10. CAC acknowledges that it has been made aware of the condition of the Premises and any agreed upon Community Space and accepts the Properties and community space "as is".
11. CAC, for itself and for its successors, grantees, invitees and assigns, hereby agrees not to interfere with the use of any existing license, lease or easement on, under, above or across the Properties that is disclosed to CAC by CHA. Furthermore, CAC, for itself and for its successors, grantees, invitees, and assigns, hereby agrees not to interfere with the use of any subsequent license, lease or easement hereafter granted on, under, above, or across the Properties and agreed on community space and access to the Properties that is disclosed to CAC by CHA so long as the easement or license, or the use thereof does not materially interfere with CAC's rights hereunder.
12. CAC expressly assumes full responsibility for all damages including personal injury death, and property damage that may result to any person or persons or CHA property by reason of CAC's use of the Premises and Community Space and access to the Properties. Further, CAC agrees and covenants to indemnify CHA against any resulting claim or claims arising out of the use of the Premises or Community Space or access to the Properties in accordance with Section 7.02 hereunder.
13. CAC's use of the Properties and community space shall conform to and observe all applicable Federal, State and local laws and CAC shall further protect the Properties, community space and all buildings on adjacent premises to the extent required by all applicable laws, ordinances, building codes, rules and regulations and at all times, shall defend, indemnify and hold CHA harmless against of any claim, damage, judgment, lien or any liability in favor of the owners of adjacent premises arising out of CAC's use of the Premises and Community Space or access to the Properties and shall pay and discharge all such liability and damages occasioned to any property, person or persons arising directly or indirectly out of the CAC's use of the Premises, Community Space or access to the Properties.
14. If CAC breaches any provision in this License and fails to cure any such breach within 30 days after receipt of written notice thereof, in addition to any other right or remedy available at law or in equity, CHA shall have the right but not the obligation, to cure any such breach and CAC agrees to reimburse CHA for the cost thereof upon demand, or alternatively, CHA may offset and withhold the cost thereof from any funds it may owe CAC.
15. CAC acknowledges and agrees that CHA has made no statements or warranties to CAC in connection with this License, the Properties, Premises or any Community Space other than as described herein. This License embodies the entire understanding of the parties hereto, and there are no further or other agreements or understanding, written or oral, in effect between the parties relating to the subject matter hereof.
16. This section shall survive the expiration or termination of this Agreement and the expiration of any obligation owing to any party under this Agreement.

**ATTACHMENT 1 TO EXHIBIT B****LOCAL ADVISORY COUNCIL ADDRESSES**

DEVELOPMENT	ADDRESS	TYPE
BROOKS HOMES	1254 S. Loomis St. Chicago, IL 60608	B
ALTGELD/ MURRAY	742 E 131 <sup>st</sup> St. Chicago, IL 60827	U
CABRINI-GREEN	530 Locust St. Chicago, IL 60610	U
DEARBORN HOMES	2940 S. State St. #104 Chicago, IL 60616	U
HORNER/WESTHAVEN ANNEX AND SCATTERED SITES	123 N. Hoyne St. Chicago, IL 60612	B
LAWNDALE AREA & SCATTERED SITES WEST	1318 S. Sawyer Ave. Chicago, IL 60612	U
TRUMBULL PARK & LOWDEN HOMES	2455 E. 106 <sup>th</sup> Street Chicago, IL 60617	U
WASHINGTON PARK	3934 S. Prairie St. Chicago, IL 60653	U
WENTWORTH GARDENS	3770 S. Wentworth Ave. Chicago, IL 60609	B
NORTH EAST SCATTERED SITES	4429 N. Clifton Ave. Chicago, IL 60640	B
NORTH CENTRAL SCATTERED SITES	1402 N. Kedzie. Chicago, IL 60651	U
SENIOR NORTH	2111 N. Halsted St. Chicago, IL 60614	U
SENIOR CENTRAL	116 W. Elm, 1 <sup>st</sup> Floor Chicago, IL 60610.	U
SENIOR SOUTH	6401 S. Yale St Chicago, IL 60621	U
CAC OFFICE	243 E. 32 <sup>nd</sup> St. Chicago, IL 60616	B
BRIDGEPORT HOMES & LAWNDALE GARDENS	2718 W. 26 <sup>th</sup> St. Chicago, IL 60608	U

The following Symbols identify that the office is in a unit or a non-dwelling building: U – represents unit; B – represents Building.

**EXHIBIT C**

**CAC 2025-2027 BUDGET**

Line Item	2025	2026	2027
<b>Personnel and Stipends</b>			
Salary	\$74,460.00	\$75,949.00	\$77,468.00
Member Stipends	\$76,000.00	\$76,000.00	\$76,000.00
<b><i>Subtotal Program Personnel</i></b>	<b>\$150,460.00</b>	<b>\$151,949.00</b>	<b>\$153,468.00</b>
<b>Operating/Technical</b>			
Accounting and Audit	\$58,000.00	\$58,000.00	\$58,000.00
Administrative Expense (water, publications, memberships, license renewal)	\$4,000.00	\$4,000.00	\$4,000.00
Communications (phones, internet, website)	\$19,000.00	\$19,000.00	\$19,000.00
Equipment (copy machines-lease and maintenance, postage machine)	\$14,140.00	\$12,651.00	\$11,132.00
Insurance	\$26,000.00	\$26,000.00	\$26,000.00
Legal	\$10,000.00	\$10,000.00	\$10,000.00
Payroll Fees and Bank Charges	\$6,000.00	\$6,000.00	\$6,000.00
Training	\$20,000.00	\$20,000.00	\$20,000.00
Travel (local, out of town, parking)	\$20,000.00	\$20,000.00	\$20,000.00
Vehicle Expense	\$13,000.00	\$13,000.00	\$13,000.00
<b><i>Subtotal Operating/Technical</i></b>	<b>\$190,140.00</b>	<b>\$188,651.00</b>	<b>\$187,132.00</b>
<b>Materials and Supplies</b>			
Meeting Expense (catering, groceries)	\$12,000.00	\$12,000.00	\$12,000.00
Office Supplies	\$22,400.00	\$22,400.00	\$22,400.00
<b><i>Subtotal Materials and Supplies</i></b>	<b>\$34,400.00</b>	<b>\$34,400.00</b>	<b>\$34,400.00</b>
<b>Client Support</b>			
PUY Funds	\$150,000.00	\$150,000.00	\$150,000.00
Back to School Events	\$35,000.00	\$35,000.00	\$35,000.00
<b><i>Subtotal Client Support</i></b>	<b>\$185,000.00</b>	<b>\$185,000.00</b>	<b>\$185,000.00</b>
CAC/LAC Elections Budget	<b>\$250,000.00</b>	\$ -	\$ -
<b>Total Budget</b>	<b>\$810,000.00</b>	<b>\$560,000.00</b>	<b>\$560,000.00</b>

## **EXHIBIT D**

### **ILLINOIS EQUAL EMPLOYMENT OPPORTUNITY CLAUSE**

#### **TITLE 44: GOVERNMENT CONTRACTS, PROCUREMENT AND PROPERTY MANAGEMENT**

#### **SUBTITLE B: SUPPLEMENTAL PROCUREMENT RULES**

#### **CHAPTER X: DEPARTMENT OF HUMAN RIGHTS**

#### **PART 750 PROCEDURES APPLICABLE TO ALL AGENCIES**

#### **SECTION 750.APPENDIX A EQUAL EMPLOYMENT OPPORTUNITY CLAUSE**

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#### **Section 750.APPENDIX A Equal Employment Opportunity Clause**

#### **EQUAL EMPLOYMENT OPPORTUNITY**

In the event of the contractor's non-compliance with the provisions of this Equal Employment Opportunity Clause or the Act, the contractor may be declared ineligible for future contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations, and the contract may be cancelled or voided in whole or in part, and other sanctions or penalties may be imposed or remedies invoked as provided by statute or regulation. During the performance of this contract, the contractor agrees as follows:

- 1) That he or she will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, marital status, order of protection status, national origin or ancestry, citizenship status, age, physical or mental disability unrelated to ability, military status or an unfavorable discharge from military service; and, further, that he or she will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any underutilization.
- 2) That, if he or she hires additional employees in order to perform this contract or any portion of this contract, he or she will determine the availability (in accordance with this Part) of minorities and women in the areas from which he or she may reasonably recruit and he or she will hire for each job classification for which employees are hired in a way that minorities and women are not underutilized.
- 3) That, in all solicitations or advertisements for employees placed by him or her or on his or her behalf, he or she will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, sexual orientation, marital status, order of protection status, national origin or ancestry, citizenship status, age, physical or mental disability unrelated to ability, military status or an unfavorable discharge from military service.
- 4) That he or she will send to each labor organization or representative of workers with which he or she has or is bound by a collective bargaining or other agreement or understanding, a notice advising the labor organization or representative of the contractor's obligations under the Act and this Part. If any labor organization or representative fails or refuses to cooperate with the contractor in his or her efforts

to comply with the Act and this Part, the contractor will promptly notify the Department and the contracting agency and will recruit employees from other sources when necessary to fulfill its obligations under the contract.

- 5) That he or she will submit reports as required by this Part, furnish all relevant information as may from time to time be requested by the Department or the contracting agency, and in all respects comply with the Act and this Part.
- 6) That he or she will permit access to all relevant books, records, accounts and work sites by personnel of the contracting agency and the Department for purposes of investigation to ascertain compliance with the Act and the Department's Rules and Regulations.
- 7) That he or she will include verbatim or by reference the provisions of this clause in every subcontract awarded under which any portion of the contract obligations are undertaken or assumed, so that the provisions will be binding upon the subcontractor. In the same manner as with other provisions of this contract, the contractor will be liable for compliance with applicable provisions of this clause by subcontractors; and further it will promptly notify the contracting agency and the Department in the event any subcontractor fails or refuses to comply with the provisions. In addition, the contractor will not utilize any subcontractor declared by the Illinois Human Rights Commission to be ineligible for contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations.

(Source: Amended at 35 Ill. Reg. 3695, effective February 18, 2011)



## EXHIBIT E

### INSURANCE REQUIREMENTS

CAC agrees to procure and maintain at all times during the Term of this Agreement the types of insurance specified below in order to protect CHA from the acts, omissions and negligence of CAC, its officers, officials, contractors, joint ventures, partners, agents or employees. The insurance carriers used by CAC must be authorized to conduct business in the State of Illinois and shall have a Best Insurance Guide Rating of not less than an "A". The insurance provided shall cover all operations under this Agreement, whether performed by CAC or by its contractors.

A. Required Insurance Coverage:

1. Whenever the CAC directly employs and pays any person as an employee, it shall maintain Workers Compensation and Occupational Disease Insurance in accordance with the laws of the State of Illinois, along with Employer's Liability in an amount of not less than \$500,000/\$500,000/\$500,000.
2. Commercial Liability Insurance written on an occurrence form (Primary and (Excess Liability)).

Commercial Liability Insurance provided is to have limits of not less than One Million Dollars (\$1,000,000) per occurrence with an Aggregate of not less than Two Million Dollars (\$2,000,000) (i.e. \$1,000,000/\$2,000,000). In addition to the stipulations outlined above, the insurance policy is to include coverage for Contractual Liability, Products-Completed Operations, Personal & Advertising Injury and will also cover injury to CAC's officers, employees, agents, contractors, invitees and guests and their personal property. CHA is to be endorsed as an additional insured on CAC's policy and such insurance will be endorsed as primary and non-contributory with any other insurance available to CHA.

3. Automotive Liability Insurance

When any motor vehicles (owned, non-owned and hired) are used in connection with the Services to be performed, CAC shall provide Comprehensive Automobile Liability Insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence CSL, for bodily injury and property damage. CHA is to be endorsed as an additional insured on CAC's policy and such insurance will be endorsed as primary and non-contributory with any other insurance available to CHA.

4. Excess Liability coverage, if applicable, is to follow form of the Primary Insurance requirements outlined above.
5. Blanket Crime

Blanket Crime coverage with limits not less than Five Hundred Thousand Dollars (\$500,000) covering all persons handling funds under this Agreement, against loss by dishonesty, robbery, burglary, theft, destruction or disappearance, computer fraud, credit card forgery and other related crime risks.

B. Related Requirements

CAC shall furnish CHA, Purchasing and Contracts Department, 60 East Van Buren, 13<sup>th</sup> Fl., Chicago, Illinois 60605, original Certificates of Insurance evidencing the required coverage to be in force on the Effective Date of this Agreement. In addition, copies of the endorsement(s) adding CHA to your policy as an additional insured must be furnished.

CAC shall require all its contractors to carry the insurance required herein or CAC may provide the coverage for any or all of its contractors, and if so, the evidence of insurance submitted shall so stipulate and adhere to the same requirements and conditions as outlined above. Evidence of coverage must be submitted to CHA. The insurance required shall be on an occurrence based form.

CAC expressly understands and agrees that any insurance or self-insurance programs maintained by CHA shall apply in excess of and will not contribute with insurance provided by CAC under this Agreement.

## **EXHIBIT F**

### **CAC VEHICLE USE GUIDELINES**

#### **I. Purpose**

The purpose of the CAC Vehicle Use Guidelines is to ensure the proper care, control, and management of all CAC vehicles (automobiles, vans, trucks, and any other vehicles owned or leased by CAC), as well as to provide guidelines for CAC Authorized Drivers.

#### **II. General Provisions**

##### **A. Definitions**

1. "CAC" means the Central Advisory Council.
2. "CAC Authorized Drivers" means the CAC Chairperson, CAC Personal Assistant and other CAC staff and Members as authorized by the CAC Chairperson.
3. "CAC business" means activities specifically related to the day-to-day execution of work and/or activities that directly benefit CAC.
4. "CAC Chairperson" means the chief corporate officer of the CAC.
5. "CAC Member" means any duly elected member of the CAC Board of Directors.
6. "CAC Personal Assistant" means the CHA staff person hired to support the CAC.
7. "CAC staff" means any staff hired by CAC to conduct day-to-day execution of work and/or activities that directly benefit CAC.

##### **B. Scope and Applicability**

1. CAC vehicles are available for CAC Authorized Drivers to use in the performance of CAC business. The use of CAC vehicles is a privilege and not a right.
2. All CAC Authorized Drivers using any vehicle for CAC business must comply with the CAC Vehicle Use Guidelines. CAC Authorized Drivers who fail to comply may be subject to disciplinary action, including revocation of all driving privileges pertaining to CAC business.
3. This procedure will be implemented in accordance with additional written forms established by the CHA and adopted by CAC.

#### **III. CAC Authorized Driver Responsibilities**

##### **A. Valid Driver's License and Favorable Driving Record**

Only CAC Authorized Drivers who possess a valid driver's license are authorized to use any vehicle for CAC business. License must not be expired, suspended, or revoked. CAC reserves the right to conduct annual checks of employee motor vehicle and driver license records to ensure CAC Authorized Drivers are maintaining a favorable driving record and are not driving on an expired, suspended, or revoked license.

##### **B. Proper Use of Vehicles**

CAC Authorized Drivers must operate vehicles in a safe and courteous manner and comply with all State and Federal laws and local ordinances. Improper use of vehicles

includes, but is not limited to, driving under the influence of alcohol or drugs, reckless driving, conducting criminal activity while using a vehicle, and texting or using a cell phone or other handheld device while driving.

**C. Responsibility for Fines and Violations**

CAC Authorized Drivers are responsible for all parking and moving violations (i.e. parking tickets, red-light violations, tollway violations, etc.) and/or fines incurred while using any vehicle for CAC business. This responsibility includes, but is not limited to, accessing the garage without an authorized key card, lost garage key cards, fines, late fees, and/or related legal fees.

**D. Vehicle Use Agreement Form**

CAC Authorized Drivers must complete and sign the *CAC Vehicle Use Agreement Form* (available separately) certifying they understand the Vehicle Use Guidelines and will comply with the terms.

**IV. Disciplinary Consequences for Violating Vehicle Policy**

CAC Authorized Drivers must comply with all aspects of this procedure and its related forms. CAC Authorized Drivers should respect CAC vehicles, and use those vehicles only in accordance with this policy. Violations of this procedure may result in restriction of authorization to drive any vehicle for CAC business and/or disciplinary action may include revocation of all driving privileges pertaining to CAC business, up to and including termination.

**V. Use of CAC Vehicles**

**A. CAC Vehicles for CAC Business Only; Reporting Damage to Vehicles**

CAC vehicles are available for CAC Authorized Drivers to use in the performance of CAC business. CAC vehicles are to be used only for CAC business. CAC vehicles cannot be used for personal business. All problems, defects or damage to CAC vehicles must be reported in accordance with the policy.

**B. Transporting Adults or Children**

Employees may transport adults in a CAC passenger vehicle if the transportation is related to CAC business and the driver is authorized to operate the vehicle. Transporting children is allowed in extraordinary situations or in an emergency.

**C. Parking CAC Vehicles; Take-Home Use of Vehicles**

All CAC vehicles must be parked at the CAC designated parking locations. The CAC Chairperson may grant occasional take-home use of CAC vehicles by CAC Authorized Drivers under extraordinary circumstances.

**VI. Inventory**

- A. CAC will be responsible for maintaining an accurate record of CAC vehicles and tracking changes to the CAC vehicle inventory.
- B. Vehicle acquisition will be allowed only if essential for CAC operations. Vehicle

acquisitions must be supported by a written justification for the need to acquire or replace a vehicle and written approval from the CAC Chairperson. Advanced written approval from CHA is also required for any purchases exceeding \$10,000 to be eligible for reimbursement to CAC.

- C. CAC shall ensure that CAC Vehicles purchased with federal funds are disposed of in accordance with 2 C.F.R. § 200.313.

**VII. Accident or Theft Reporting**

- A. CAC Authorized Drivers must report all theft or attempted theft of a CAC vehicle or CAC property to the CAC Chairperson.

## **EXHIBIT G**

### **PROCEDURES TO ACCESS VENDING REVENUE**

#### **Background**

Chicago Housing Authority (CHA) will provide funding to CHA's region presidents (senior properties) and development presidents to support and enhance region-wide activities for the residents within CHA's portfolio. The duly elected Local Advisory Council (LAC) President of each region and development ("Presidents") is responsible for approving requested funding for the activities/events within their region or development and must adhere to the procedures outlined below.

#### **Purpose**

The purpose of these procedures is to provide instructions, guidelines and forms for the disbursement of vending machine revenue to fund events which support community building within each region or development. This may include a range of activities including, but not limited to education, organizing around tenancy issues, training activities, health and wellness, etc. Training and self-sufficiency and community building activities must be made available to all residents in the building.

Vending machine revenue cannot be used to purchase alcohol, fund gambling activities, cash prizes or gift cards. See Exhibit A for examples of unallowable/allowable use of vending commission.

#### **Vending Disbursement Request Procedure**

Vending disbursement requests are to be emailed to [vending@thecha.org](mailto:vending@thecha.org) at least thirty calendar days prior to the event to ensure prompt disbursement.

The following documentation must be included in the request for disbursement:

- CHA Vending Machine Revenue Request Form
- Event Budget – amount must match the amount reflected on the CHA Vending Machine Revenue Request Form
- Meeting Minutes
- Meeting Attendance Sheet

Please note:

- Incomplete requests will be returned to the submitter which will delay the funding process.
- Reimbursement will not be provided for events which have not followed these procedures.
- Additional support documentation may be requested for event(s) prior to approval.

**Reconciliation**

Please provide the following documentation within **ten days** of the event for reconciliation:

- Receipts
- Activity Sign In Sheet
- Completed Pick Up of Approved Event/Activity Items Verification Form for transportation expenses. Please note that the maximum reimbursement is \$25 per day
- Any additional documentation for event to support the expenses incurred

If the disbursement is greater than the total expenditure, a refund for the excess funds will be requested by the Contract Analyst. This refund is expected within ten days of the request. A failure to forward this refund in a timely manner will result in corrective action up to and including the denial of funding for future events.

**Allowable and Unallowable Expenses**

The following shall be used as a guide to determine allowable and unallowable uses of CHA Vending Machine Revenue. Please email [vending@thecha.org](mailto:vending@thecha.org) regarding questions.

Allowable Expenses	Unallowable Expenses
Bingo Prizes	Alcohol
Building and Office Supplies	Bank Overdraft Fees
Catered Food / Food Prepared in Commercial Kitchen	Financial Campaigns, Donations, or Gifts
Check Cashing and Bank Account Fees	Cash Distributions to Residents
Cultural and Educational Activities (museum, boat cruise, sporting event, theater, etc.)	Casinos
Group Transportation – except to activities considered unallowable	Gift Cards
Payment for Pick-Up of Approved Event/Activity Items – not to exceed \$25/day) *Must submit approved verification form for reimbursement	
Resident Training/Meeting	
Restaurant Dining – not to exceed \$25 per person	