

PROFESSIONAL LEGAL SERVICES AGREEMENT (“LSA”)

BETWEEN

**CHICAGO HOUSING AUTHORITY
(OFFICE OF THE CHIEF LEGAL OFFICER)**

AND

APPLEGATE & THORNE-THOMSEN

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AGREEMENT

This **PROFESSIONAL LEGAL SERVICES AGREEMENT** ("Agreement") is made and entered into as of January 1, 2025 ("Effective Date"), by and between the **CHICAGO HOUSING AUTHORITY**, a municipal corporation ("the CHA"), acting through its Office of the Chief Legal Officer and **APPLEGATE THORNE-THOMSEN** ("Legal Counsel" or "Contractor").

RECITALS

WHEREAS, the CHA is engaged in the development and operation of safe, decent and sanitary housing throughout the City of Chicago for low-income families 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 ("HUD"), and the Illinois Housing Authorities Act, 310 ILCS 10/1 et seq., as amended, and other applicable federal, state and local laws, regulations and ordinances;

WHEREAS, the CHA desires to retain Legal Counsel to perform certain Legal Services (as defined below) on an as-needed-basis; and

WHEREAS, the CHA has determined that retention of Legal Counsel is in the best interests of the CHA, and Legal Counsel is ready, willing and able to provide the Legal Services to the full satisfaction of the CHA.

NOW THEREFORE, in consideration of the mutual promises and the terms set forth herein, the CHA and Legal Counsel 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 as if fully set forth herein.

Section 1.02 Definitions

"Additional Services" means those services requested in writing by the Chief Legal Officer which are within the general scope of the Legal Services, but in addition to the Scope of Services required pursuant to Section 2.01 and Exhibit I – Scope of Services, attached hereto and incorporated herein; and any and all services reasonably necessary to complete Additional Services in accordance with the standard of performance required hereunder.

"Agreement" means this Professional Legal Services Agreement, including all exhibits attached hereto and incorporated herein by reference, amendments, modifications and/or revisions made in accordance with its terms.

"Authorized Personnel" means those individuals, including, but not limited to attorneys and paralegals, approved and authorized by the Office of the Chief Legal Officer to perform Legal Services pursuant to Section 2.05.

"CHA" means the Chicago Housing Authority acting through its Office of the Chief Legal Officer.

“Chief Legal Officer” means the head of the Office of the General Counsel for the CHA.

“Key Personnel” means those job titles and persons assigned to their respective positions pursuant to Section 2.05.

“Legal Services” means the duties and responsibilities, including, but not limited to, representation, litigation, researching, drafting, rendering legal opinions and/or legal advice as described in Article 2 and Exhibit I – Scope of Services.

“Office of the Chief Legal Officer” means the legal department of the CHA which is entrusted with performing the legal business and legal affairs of the CHA.

“Section 3” means Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u, and the regulations implementing Section 3 at 24 C.F.R. Part 75 – Economic Opportunities for Low- and Very Low-Income Persons.

“Work Product” means all memoranda, pleadings, documents, discovery items, notes, photographs, inspection reports, investigation reports, books, records, computer-generated information, computer-stored information, research, opinions, data, studies, findings and information generated, prepared and/or collected in connection with this Agreement.

ARTICLE 2. LEGAL SERVICES

Section 2.01 Legal Services and Task Orders

A. Legal Services.

Legal Counsel shall perform Legal Services which include, but are not limited to, those described in this Article 2 and Exhibit I - Scope of Services. The Scope of Services is intended to be general in nature and is not a complete description of Legal Counsel's services nor a limitation of the Legal Services Legal Counsel is to provide. A specific matter for which Legal Counsel will provide Legal Services will be identified in a Task Order, in the form set forth in Exhibit II – Task Order, attached hereto and incorporated herein.

B. Task Orders.

1. Legal Services will be assigned and performed pursuant to a Task Order. No Task Order, or any part thereof, shall be valid unless in writing and signed by the authorized agent of Legal Counsel and the Chief Legal Officer or their respective designees. The CHA shall not incur any liability for Legal Services without the prior written approval of a Task Order.
2. Whenever Legal Counsel is required to obtain prior written approval under this Agreement, the effect of any approval that may be granted shall be prospective only from the later of the date: (i) approval was requested; or (ii) the date on which the action for which the approval was sought is to begin. In no event shall approval apply retroactively to a date before the approval was requested.
3. In the event Legal Counsel is handling an existing CHA matter pursuant to a previous agreement and Task Order, upon the execution of this Agreement, the prior matter may be assigned and performed pursuant to this Agreement and a new Task Order.

Section 2.02 Work Product

- A. In carrying out Legal Services, Legal Counsel shall generate, prepare, collect or provide the CHA Work Product as defined in Section 1.02. Any and all Work Product shall be the exclusive property of the CHA ("CHA Information") and shall not be utilized, sold or shared with any other party except in accordance with the prior written consent of the CHA or pursuant to discovery request procedures or court orders.
- B. The CHA reserves the right to reject any Work Product which, in its sole judgment does not: (i) adequately represent the intended Standard of Performance pursuant to Section 2.03; (ii) include relevant information or data; or (iii) include all documents specified in this Agreement or a Task Order.
- C. In performing Legal Services, Legal Counsel shall be responsible for any loss or damage to CHA Information, and any loss or damage to CHA Information shall be restored by Legal Counsel at the sole expense of Legal Counsel. If CHA Information cannot be restored, Legal Counsel shall be responsible for any loss suffered by the CHA due to such loss or damage.
- D. Legal Counsel shall deliver all Work Product to the CHA promptly in accordance with the time limits prescribed in this Agreement or a Task Order, and if no time limit is specified, upon reasonable demand by the CHA, or termination or expiration of the Agreement. Whenever the Chief Legal Officer requests any Work Product, Legal Counsel shall deliver such Work Product without delay. In the event Legal Counsel fails to make such delivery upon demand, Legal Counsel shall pay the CHA any damages, including, but not limited to, attorneys' fees and costs the CHA may incur due to Legal Counsel's failure to timely deliver such Work Product.

Section 2.03 Performance Standards

Legal Counsel shall at all times:

- A. Perform Legal Services with that degree of skill, care and diligence normally shown by Legal Counsel performing services of a scope and purpose comparable and similar to the nature of the Legal Services.
- B. Use its best efforts to ensure timely and satisfactory Legal Services.
- C. Act in the best interests of the CHA consistent with its professional obligations.
- D. Provide the Legal Services in accordance with Exhibit III – CHA's Outside Counsel Billing Guidelines and Exhibit IV – Outside Legal Counsel Services Fee Proposal Form, attached hereto and incorporated herein.

Section 2.04 Timeliness of Performance

Legal Counsel shall use its best efforts to provide Legal Services within the required time limits as applicable, or from time to time as required by the Chief Legal Officer. Legal Counsel acknowledges that often deadlines for Legal Services are dictated by the requirements of agencies or events outside the control of the CHA, and that failure by Legal Counsel to meet these deadlines may result in economic or other losses to the CHA. In all instances Time Is of the Essence under this Agreement.

Section 2.05 Key Personnel and Authorized Personnel

The Key Personnel and Authorized Personnel assigned to perform Legal Services are listed in Exhibit V - Key Personnel and Authorized Personnel, attached hereto and incorporated herein. No additional Key Personnel or Authorized Personnel shall provide Legal Services without the prior written consent of the Chief Legal Officer. Further, the CHA will not pay for any Legal Services performed by Key Personnel or Authorized Personnel not listed in Exhibit V - Key Personnel and Authorized Personnel.

Section 2.06 CHA Diversity and Inclusion Requirements, Documenting and Reporting

- A. Section 3 – Compliance: Legal Counsel must comply with Section 3 which requires that any contract or subcontract entered into for the benefit of public housing residents shall require, to the greatest extent feasible: (i) economic opportunity in the form of training, employment, contracting; and (ii) other economic opportunities arising from the expenditure of public housing assistance for housing rehabilitation and housing construction, be directed to low- and very low-income persons.
- B. CHA Diversity and Inclusion Contract Requirements: Legal Counsel agrees to comply with HUD's regulations in 24 C.F.R. Part 75 and the CHA Diversity and Inclusion Contract Requirements regarding employment, subcontracting and training opportunities for Section 3 Workers, Targeted Section 3 Workers, and Section 3 Business Concerns. The CHA Diversity and Inclusion Contract Requirements are attached hereto and incorporated herein as Exhibit VI - CHA Diversity and Inclusion Contract Requirements; Exhibit VII - Contractor's Contract Compliance Certification; and Exhibit VIII - CHA's Compliance Utilization Plan. The foregoing may be updated in accordance with applicable law, regulation or statute.
- C. Documenting and Reporting. Legal Counsel and its subcontractors shall: (i) provide all required compliance data via CHA's electronic system available at <https://cha.diversitycompliance.com/>; and (ii) be responsible for responding to any requests for data or information by the noted response due dates; and (iii) check the electronic system on a regular basis to manage contact information and contract records. Legal Counsel shall also be responsible for ensuring all subcontractors have completed all requested items with complete and accurate information and that their contact information is current.

Section 2.07 Compliance with All Laws

Legal Counsel shall at all times observe and comply with all applicable laws, ordinances, rules, regulations and executive orders of the federal, state and local government, now existing or hereinafter in effect, which may in any manner affect the performance of this Agreement, including but not limited to: (1) Section 6 of the Housing Act of 1937, 42 U.S.C. §1437; (2) the Privacy Act of 1974, 5 U.S.C. §552(a); (3) the Freedom of Information Act, 5 U.S.C. §552; (4) Section 208 of the E-Government Act, (5) General HUD Program Requirements, 24 C.F.R. Part 5; (6) all applicable HUD regulations; (7) the Uniform Administrative Requirements, 2 C.F.R. Part 200 et seq., as amended; (8) Title VI of the Civil Rights Act of 1967, 42 U.S.C. 2000d et seq.; (9) Fair Housing Act, 42 U.S.C. 3601-20 et seq.; (10) Executive Order 11063, as amended by Executive Order 12259; (11) Age Discrimination Act of 1975, 42 U.S.C. 6101 et seq.; (12) Rehabilitation Act of 1973, 29 U.S.C. 794; (13) Davis-Bacon Act, as amended, 40 U.S.C. 276a-276a-5; (14) Contract Work Hours and Safety Standards Act, 40 U.S.C. 327 et seq.; (15) National Environmental Policy Act of 1969, 24 C.F.R. Part 58; (16) Clean Air Act, 42 U.S.C. § 7401 et seq.; (17) Federal Water Pollution Control Act, 33 U.S.C. §1251 et seq., as amended; (18) Equal Employment Opportunity, Executive Order 11246, as amended by Executive Orders 12086 and 11375; (19) Intergovernmental Review of Federal Programs, Executive Order 12372; (20) Copeland "Anti-Kickback" Act, 18 U.S.C. § 874 and 40 U.S.C. § 276; (21) Byrd "Anti-Lobbying" Amendment, 31 U.S.C. § 1352; and

(22) Debarment and Suspension, Executive Orders 12549 and 12689. Additionally, Legal Counsel shall comply with the Mandatory Standards and Policies relating to energy efficiency contained in the State Energy Conservation Plan issued in compliance with Energy Policy and Conservation Act, Pub. L. 94-163, 89 Stat. 871.

Section 2.08 Records and Reporting

- A. Legal Counsel shall maintain its books, records, documents, and adopt accounting procedures and practices sufficient to properly reflect all costs incurred and anticipated to be incurred for or in connection with the performance of this Agreement. This system of accounting shall be in accordance with generally accepted accounting principles and practices.
- B. Legal Counsel and any of Legal Counsel's attorneys shall furnish the Office of the Chief Legal Officer with such information as may be requested relative to the performance and cost of the Legal Services.
- C. Legal Counsel shall prepare and submit reports to the CHA as directed by the Chief Legal Officer.
- D. Legal Counsel that provides litigation services shall provide litigation status reports to the Chief Legal Officer as described in Exhibit III - CHA's Outside Counsel Billing Guidelines.

Section 2.09 Record Retention

Legal Counsel shall maintain any records and Work Product for a period of five (5) years after the final payment is received and all pending matters are closed in connection with this Agreement.

Section 2.10 Confidentiality and HUD Access Requirements

- A. Confidentiality.
 - 1. Legal Counsel acknowledges that all information provided to Legal Counsel pursuant to this Agreement whether verbally, in writing or otherwise, in the performance of Legal Services is, will be and is to remain confidential ("Confidential Information"). Legal Counsel agrees to keep all Confidential Information confidential and not discuss or divulge Confidential Information other than to the appropriate CHA personnel, its designees, or Legal Counsel personnel on a need-to-know basis, without the prior written approval of the CHA. Legal Counsel shall protect Confidential Information with the same duty of care as its own confidential information.
 - 2. On condition of prompt prior written notice to the CHA, Legal Counsel may disclose Confidential Information where disclosure is compelled pursuant to a legal proceeding or is otherwise required by law. In such case, Legal Counsel will give the CHA prompt prior notice so as to allow the CHA to seek legal protection against release of the Confidential Information, and Legal Counsel will use reasonable efforts to obtain confidential treatment of such Confidential Information ordered to be disclosed.
 - 3. The terms of this Section 2.10 shall survive the expiration or termination of the Agreement.

B. HUD Access Requirement.

Legal Counsel agrees to HUD requirements on access to records at in 2 C.F.R. Part 200, and in Section 4 of Exhibit IX - General Conditions for Non-Construction Contracts, Form HUD-5370-C, to the extent that the attorney-client or attorney work product privileges would not be at risk of being waived.

Section 2.11 Intellectual Property

- A. Legal Counsel acknowledges that it may become aware of the CHA's proprietary methodologies, processes, procedures, techniques, expertise, work approaches, trade secrets, copyrights, patents and/or other intellectual property ("CHA Intellectual Property") during the performance of Legal Service; and the CHA holds sole title to and ownership of such CHA Intellectual Property. Notwithstanding any provision to the contrary set forth herein, nothing in this Agreement shall be construed to, and Legal Counsel shall take no steps that would impair, qualify, diminish, limit, transfer, license, assign or otherwise modify, in whole or in part, the CHA's rights in CHA Intellectual Property.
- B. The CHA reserves an exclusive, perpetual and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, CHA Intellectual Property to: (i) the trademark, copyright, patent or other intellectual property right in any Work Product; and (ii) any rights of trademark, copyright, patent or other intellectual property protections to which Legal Counsel purchases ownership with the funds paid by the CHA pursuant to this Agreement.
- C. In the event HUD determines that the CHA Intellectual Property developed or, purchased by Legal Counsel, serves a Federal Government purpose, a royalty-free, nonexclusive and irrevocable license shall vest in HUD.
- D. Pursuant to 37 C.F.R. part 401, any discovery or invention arising out of, or developed in conjunction with Legal Services shall be promptly reported to the CHA to submit to HUD for a determination on its rights of patent protection on such invention or discovery.

Section 2.12 Religious Activities

Legal Counsel agrees that in connection with Legal Services it shall not: (i) discriminate against any person on the basis of religion; (ii) limit employment or give preference in employment to persons on the basis of religion; (iii) discriminate against any person applying for employment on the basis of religion; (iv) limit Legal Services or give preference to persons on the basis of religion; (v) provide religious instruction or counseling; (vi) conduct religious worship or services; (vii) engage in religious proselytizing; or (viii) exert other religious influence.

Section 2.13 Drug-Free Workplace

Legal Counsel shall establish procedures and policies to promote a "Drug-Free Workplace." Further, Legal Counsel shall notify its employees of this policy for maintaining a "Drug-Free Workplace," and the penalties which may be imposed for drug abuse violations occurring in the workplace.

Section 2.14 Cooperation upon Termination or Expiration

- A. Legal Counsel shall comply with the reasonable requests and requirements of the CHA in connection with the termination or expiration of this Agreement.

- B. If this Agreement is terminated for any reason or expires on its own terms, Legal Counsel shall make every effort: (i) to assure an orderly transition to another legal counsel, if any; (ii) undertake the orderly demobilization of its own operations in connection with the Legal Services; and (iii) and guarantee the uninterrupted provision of Legal Services during any transition period.

Section 2.15 Subcontracts

Legal Counsel shall not subcontract Legal Services without the express prior written consent of the CHA.

ARTICLE 3. TERM

Section 3.01 Term of Agreement

This Agreement shall take effect as of January 1, 2025, and shall continue for a term of two (2) years through December 31, 2026 ("Term"), or until the Legal Services assigned during the Term, if any, are completed, whichever is later.

Section 3.02 Agreement Extension Options

The CHA may at any time prior to the expiration of this Agreement elect to extend this Agreement for three (3) additional one (1) year option terms, at its sole discretion, by written notice to Legal Counsel. The Agreement shall be modified to reflect the time extension in accordance with the provisions of Section 2.01.

ARTICLE 4. PAYMENT; BUDGETS; EXPENSES; FUNDING AND AUDIT

Section 4.01 Payment and Invoices

- A. The basis of payment for Legal Services is set forth in the Hourly Rate Schedule or Flat Rate Fee in Exhibit III - CHA's Outside Counsel Billing Guidelines and incorporated herein. Legal Services will be assigned and performed by a Task Order in accordance with the Section 2.01 in the form set forth in Exhibit II – Task Order.
- B. Legal Counsel will be paid at the rate(s) set forth and incorporated herein in Exhibit IV - Outside Legal Counsel Services Fee Proposal Form.
- C. Legal Counsel shall submit an invoice which sets forth the following information by date (i.e., month, day and year): (i) name and matter number; (ii) a detailed description of Legal Services performed; (iii) name of the individual(s) who performed the Legal Services; (iv) time billed to the tenth (10th) of an hour for each of the matters performed; and (v) total number of hours charged for each attorney or paralegal.
- D. A Task Order for Legal Services shall not exceed \$250,000.00 of federal funds and if payment of attorneys' fees and costs for a Task Order exceeds \$250,000.00 of federal funds, the increase must be approved in advance in writing by the CHA's Chief Executive Officer prior to payment.
- E. Invoices are to be submitted within thirty (30) days of completion of a Legal Services matter. Invoices are to be submitted to the Chief Legal Officer.

- F. The Office of the Chief Legal Officer shall review all invoices for Legal Services. Payment of any invoice does not constitute a waiver of the CHA's rights to subsequently question, or request repayment or future credit for any invoice previously paid.
- G. Unless otherwise approved, all payments for Legal Services will be paid electronically via Automated Clearing House (ACH) as outlined in the Vendor ACH Payment Application Form in Exhibit III - CHA's Outside Counsel Billing Guidelines.

Section 4.02 Budgets

Pursuant to Exhibit III - CHA's Outside Counsel Billing Guidelines, Legal Counsel shall prepare and submit to the Chief Legal Officer a budget for Legal Services, which may be revised as needed by Legal Counsel.

Section 4.03 Expenses

As detailed in Exhibit III - CHA's Outside Counsel Billing Guidelines, Legal Counsel will be reimbursed for necessary out-of-pocket expenses such as filing costs, witness fees, and similar expenses relating to Legal Services, provided that such expenses shall not include Legal Counsel's standard office operating expenses.

Section 4.04 Funding

- A. Funding for this Agreement is subject to the: (i) availability of federal funds from HUD; and (ii) approval of the CHA Board of Commissioners and the Regional Counsel for Region V for HUD, and (iii) Legal Counsel's satisfactory performance of the Legal Services.
- B. In the event no funds or insufficient funds are appropriated and budgeted in any fiscal period of the CHA for payments under this Agreement, the CHA shall notify Legal Counsel, and this Agreement shall terminate on the earlier of: (i) the last day of the fiscal period for which sufficient appropriation was made; or (ii) when the funds appropriated for payment under this Agreement are exhausted.
- C. No payments shall be greater than the funds appropriated and budgeted by the CHA.
- D. To the extent this Agreement is terminated due to the non-appropriation of funds, Legal Counsel shall turn over all Work Product to the Chief Legal Officer upon the date of termination of the Agreement.

Section 4.05 Transfer of Funds or Claims

Legal Counsel shall not transfer or assign any funds or claims due or under this Agreement without the prior written approval of the CHA. The attempted transfer or assignment of any contract funds, either in whole or in part, or any interest therein, which shall be due or to become due to Legal Counsel without such prior written approval shall have no effect upon the CHA.

Section 4.06 Audit

- A. The CHA retains the right to audit, through its staff or a third party, all bills or files which are or have been the subject matter of any billing under this Agreement. Such audit will require Legal Counsel to produce any documentation to support the billing it submitted. Legal Counsel will produce any individual who has submitted billing on behalf of Legal Counsel, as well as any of Legal Counsel's personnel who has knowledge or information regarding any billing.
- B. Legal Counsel, subject to these guidelines, acknowledges without protest that the CHA may utilize either its own personnel or personnel from an outside auditing service to perform such audits.
- C. Legal Counsel shall maintain records showing actual time devoted and costs incurred for Legal Services. Legal Counsel shall: (i) keep books, documents, papers, records and accounts ("Records") in connection with the Legal Services open to an independent audit to be conducted by the CHA or a third party; (ii) allow inspection, copying, abstracting and transcriptions; and (iii) shall make these records available to the CHA, at reasonable times during the performance of its Legal Services.
- D. In addition, Legal Counsel shall securely retain the Records and make them available for an independent audit to be conducted by the CHA or a third party for at least five (5) years after the final payment is made to Legal Counsel and all pending matters are closed in connection with this Agreement.
- E. If Legal Counsel is found in non-compliance with these audit requirements, Legal Counsel will be required to refund any payments received under this Agreement.

ARTICLE 5. RISK MANAGEMENT

Section 5.01 Insurance

- A. Prior to the commencement of the Agreement, Legal Counsel shall procure and maintain at all times during the Term, insurance against claims for the negligent acts, omissions and errors of Legal Counsel, its officers, agents, representatives or employees.
- B. The insurance carriers used must be authorized to conduct business in the State of Illinois and shall have an A.M. Best rating of not less than A: VII or a Fitch rating of not less than A.
- C. Minimum Coverage and Limit Requirements. Legal Counsel shall procure and maintain Lawyer Professional Liability Insurance to protect the CHA from the acts, errors, omissions and negligence of Legal Counsel, its partners, attorneys, agents or employees with limits of not less than \$2,000,000 per occurrence.
- D. Under no circumstances shall Legal Counsel allow any required coverage to lapse, cancel or non-renew during the Term or extensions thereof.

Section 5.02 Certificates of Insurance

- A. Legal Counsel: (i) will provide the CHA a Certificate of Insurance prior to the policy expiration on an annual basis evidencing the required coverage; (ii) shall provide written notice to the CHA of any change(s) in insurance coverage; (iii) agrees to authorize its insurer to notify the CHA upon the occurrence of cancellation, non-renewal, or reduction in insurance coverage; and (iv) understands and agrees that the CHA shall not contribute to any self-insured retention held by Legal Counsel.

- B. Prior to the issuing of the Notice to Proceed by the CHA, Legal Counsel shall submit a Certificate of Insurance via an email to the CHA Procurement Specialist at certificates@thecha.org, evidencing compliance with the insurance requirements set forth herein.
- C. The Certificate of Insurance evidencing the minimum coverages required herein shall be in force on the Effective Date of the Agreement and continuously throughout the Term.
- D. The required documentation must be received prior to the commencement of Legal Services under the Agreement, and the CHA shall be named as Certificate Holder as below:

Chicago Housing Authority
60 E Van Buren St, 12th Floor
Chicago, IL 60605
- E. The required coverages evidenced on the Certificate of Insurance shall be in force on the Effective Date of the Agreement and must be received prior to the commencement of Legal Services under this Agreement.
- F. Updated Certificates of Insurance are required for policies which renew or are replaced during the Term or extensions thereof. Renewal or replacement certificates shall be delivered to certificates@thecha.org.

Section 5.03 Compliance

- A. At the CHA's option, a failure to comply with the terms in Article 5 will result in: (i) all payments due Legal Counsel being withheld until Legal Counsel has complied with the Agreement terms; or (ii) Legal Counsel will be terminated for default.
- B. The receipt of any Certificates of Insurance does not constitute agreement by the CHA that the insurance requirements herein have been fully met or that the insurance policies indicated on the Certificates of Insurance comply with all Agreement requirements.

Section 5.04 Insurance Limits and Liability

- A. The CHA in no way warrants that the minimum insurance coverage limits contained herein are sufficient to protect the CHA from liabilities that might arise out of Legal Services by Legal Counsel or its subcontractors.
- B. Legal Counsel shall assess its own risks, and if it deems appropriate and/or prudent, maintain higher limits and/or broader coverages.
- C. Legal Counsel is not relieved of any liability or other obligations assumed or pursuant to the Agreement by reason of its failure to obtain or maintain sufficient insurance.

Section 5.05 Broader Coverage

If Legal Counsel maintains broader coverage and/or higher limits than the minimum requirements, the CHA requires and shall be entitled to the broader coverage and/or the higher limits maintained by Legal Counsel. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the CHA.

Section 5.06 Subcontractor Insurance

In the event Legal Counsel utilizes subcontractors to perform any Legal Services on its behalf, Legal Counsel shall require and verify that such subcontractors maintain the insurance required herein or as appropriate for the services being performed, and Legal Counsel shall require all subcontractors to adhere to the same insurance requirements and conditions as outlined above.

ARTICLE 6. DISPUTES

Except as otherwise set forth herein, Legal Counsel or the Chief Legal Officer shall bring, in writing, any dispute concerning a question of fact which is not resolved between the parties to the CHA's Director of Procurement and Contracts ("Director of DPC") for a decision. The Director of DPC shall reduce his/her decision to writing and provide a copy of his/her decision to Legal Counsel. The decision of the Director of DPC shall be final and binding. Provided Legal Counsel has given timely written notice to the Chief Legal Officer and filed suit against the CHA not later than one (1) year after Legal Counsel received notice of Director of DPC's decision, the Director of DPC's decision shall not be final and the dispute shall be determined on the merits by a court of competent jurisdiction.

ARTICLE 7. SETTLEMENT OFFERS AND APPEALS

Section 7.01 HUD Regional Counsel for Region V Submissions

During the course of a litigation matter, and from time to time, Legal Counsel may be required to submit a copy of all pleadings, motions, orders, briefs, legal opinions or memoranda for which fees are charged for Legal Services, as well as a copy of papers and briefs filed by Legal Counsel for other parties to the Regional Counsel for Region V for HUD. The documents are to be sent to Regional Counsel for Region V, U.S. Department of Housing and Urban Development, 77 W Jackson Blvd, 26th Floor, Chicago, IL 60604, or other HUD Counsel designated by the Regional Counsel for Region V.

Section 7.02 Settlement Offers

No settlement offer shall be made or accepted by Legal Counsel without the prior written approval of the CHA; and the prior written approval of the CHA Board of Commissioners and/or HUD may also be required.

Section 7.03 Appeals

The CHA nor Legal Counsel shall undertake an appeal or cross-appeal from a judgment without the prior written approval of HUD. A recommendation for, or against, an appeal shall be communicated in writing to the Regional Counsel for Region V for HUD, which communication shall set forth the facts, legal considerations and other arguments upon which recommendations are based. The last day to file a notice of appeal shall be clearly indicated by the Regional Counsel for Region V for HUD.

ARTICLE 8. EVENTS OF DEFAULT AND REMEDIES

Section 8.01 Events of Default

The following shall constitute events of default:

- A. Any material misrepresentation, whether negligent or willful and/or whether in the inducement or in the performance, made by Legal Counsel to the CHA.
- B. Legal Counsel's material failure to perform any of its obligations under this Agreement including, but not limited to, the following:
 - 1. Failure to perform the Legal Services: (i) with sufficient personnel, equipment or material to ensure the performance of the Legal Services; or (ii) due to a reason or circumstances within Legal Counsel's reasonable control.
 - 2. Failure to perform the Legal Services in a manner satisfactory to the CHA.
 - 3. Inability to perform the Legal Services satisfactorily as a result of insolvency, filing for bankruptcy or assignment for the benefit of creditors.
 - 4. Failure to promptly re-perform within a reasonable time Legal Services/Work Product that were rejected as erroneous or unsatisfactory.
 - 5. Discontinuance of the Legal Services for reasons or circumstances within Legal Counsel's reasonable control.
 - 6. Failure to comply with a material term of this Agreement, including, but not limited to, the provisions concerning compliance with HUD regulations, insurance and nondiscrimination, or any applicable law or regulation.
 - 7. Failure to follow status reporting and budgeting requirements of the Chief Legal Officer.
 - 8. Any other acts specifically and expressly stated in this Agreement as constituting an event of default.
 - 9. Failure to have and maintain the required licenses and certifications.
- C. Any change in ownership or control of Legal Counsel without timely prior notice to the Chief Legal Officer.
- D. Default under any other agreement with the CHA. In the event of a default under this Agreement, the CHA may also declare a default under any such other agreements with the CHA.

Section 8.02 Remedies

- A. The occurrence of any default under Section 8.01 which is not cured within thirty (30) business days after receipt of notice to Legal Counsel specifying the event of default, or if such event of default cannot be reasonably cured within thirty (30) business days after receipt of notice, or if Legal Counsel has failed, in the sole opinion of the CHA, to commence and continue diligent efforts

to cure such default, the CHA may, at its sole option, declare Legal Counsel in default.

- B. Whether to declare Legal Counsel in default is within the sole discretion of the Chief Legal Officer and neither that decision nor the factual basis for default is subject to review or challenge under the disputes provision in Article 6.
- C. Upon notice of default, the CHA may take over and complete the Legal Services at Legal Counsel's expense. In such event, the right to offset from such expense, is the amount it would have cost the CHA had Legal Counsel completed the Legal Services.
- D. The CHA shall also have the following remedies in the event of default of the Agreement terms by Legal Counsel:
 - 1. Termination of the Agreement and/or any Task Order.
 - 2. Any appropriate right in law or equity.
 - 3. Money damages, including but not limited to attorney's fees and costs.
 - 4. Withholding all or any part of Legal Counsel's compensation.
 - 5. Disqualification of Legal Counsel for future contracts with the CHA.
- E. If the CHA considers it to be in its best interests, it may elect not to declare default or to terminate the Agreement hereunder. The parties acknowledge that this provision is solely for the benefit of the CHA, and that if the CHA permits Legal Counsel to continue to provide the Legal Services despite one or more events of default, Legal Counsel shall in no way be relieved of any of its responsibilities, duties or obligations under this Agreement nor shall the CHA waive or relinquish any of its rights.
- F. The remedies under Section 8.02 are exclusive of any other remedies; but each remedy shall be cumulative and shall be in addition to any other remedies, at law or in equity or by statute.
- G. No delay or failure to exercise any right upon any event of default shall be a waiver of any event of default or rights of the CHA associated therewith.

Section 8.03 Termination for Convenience

The CHA may terminate this Agreement, or all or any portion of the Legal Services to be performed under it, at any time by written notice from the CHA to Legal Counsel when the CHA deems the Agreement to no longer be in the best interests of the CHA. If the CHA elects to terminate the Agreement in full, all Legal Services to be provided hereunder shall cease upon the effective date stated in the notice, or if no date is stated in the notice, then the termination date shall be effective ten (10) days after the date the notice is received. Any notice shall be given in accordance with Article 13 of this Agreement. If the CHA's election to terminate this Agreement for default pursuant to Section 8.01 hereof is determined in a court of competent jurisdiction to have been wrongful, then, in that case, the termination shall be deemed to be a termination for convenience pursuant to this Section 8.03.

Section 8.04 Suspension

- A. The CHA may at any time request that Legal Counsel suspend its Legal Services, or any part thereof: (i) with ten (10) days prior written notice to Legal Counsel; or (ii) immediately in the event of emergency. No costs incurred after the effective date of such suspension shall be allowed. Legal Counsel shall promptly resume its performance of such Legal Services upon written notice from the Chief Legal Officer, and an extension of the Term may be mutually agreed upon by the parties for continuation or completion of the Legal Services.
- B. No suspension of this Agreement shall in the aggregate exceed a period of forty-five (45) days within any one contract year. If the total number of days of suspension exceeds forty-five (45) days, Legal Counsel shall treat such suspension as a termination for convenience upon written notice by the CHA pursuant to Section 8.03.

Section 8.05 No Damages for Delays

Legal Counsel shall make no claims against the CHA for damages, service charges, additional costs or fees incurred by reason of delays or hindrances by the CHA in the performance of Legal Counsel's obligations under this Agreement.

Section 8.06 No Personal Liability of Public Officials

No official, employee or agent of the CHA shall be charged personally by Legal Counsel, or by any assignee or subcontractor of Legal Counsel, with any liability or expenses of defense or be held personally liable to Legal Counsel under this Agreement, including any breach thereof.

ARTICLE 9. WARRANTIES, REPRESENTATIONS AND BUSINESS DOCUMENTS

Section 9.01 Warranties and Representations

Legal Counsel warrants and represents:

- A. It is financially solvent.
- B. It and each of its partners, attorneys, employees, agents, and subcontractors are competent to perform the Legal Services.
- C. It is legally authorized to execute and perform Legal Services.
- D. No officer, agent or employee of the CHA is employed by Legal Counsel or has a financial interest directly or indirectly in this Agreement or the compensation to be paid hereunder except as may be permitted in writing by the CHA Board of Commissioners and the HUD Office of Regional Counsel.
- E. No payment, gratuity or offer of employment shall be made in connection with this Agreement by or on behalf of Legal Counsel to any CHA employee or on behalf of any subcontractor to Legal Counsel or anyone associated therewith, as an inducement for the award of this Agreement or a subcontract or Task Order.
- F. Any agreement entered into, negotiated or performed in violation of any of the provisions set forth herein shall be voidable by the CHA.

- G. It shall not use the services of any ineligible (debarred or suspended) attorney or consultant for any purpose in the performance of Legal Services.
- H. It and its subcontractors are not in default as of the Effective Date, or deemed by the Chief Legal Officer to have, within five (5) years immediately preceding the Effective Date, been found to be in default on any contract awarded by the CHA.
- I. It understands the nature of the Legal Services required.
- J. It has all the resources for the performance of Legal Services, including, the general and special conditions, and all other matters which may affect Legal Services.
- K. It has the time available to perform Legal Services.
- L. It shall perform Legal Services in accordance with the provisions herein.
- M. No representation, statement or promise, oral or in writing, or of any kind whatsoever, by the CHA, its officers, agents or employees, has induced nor been relied upon by Legal Counsel to enter into this Agreement.
- N. Its partners and attorneys are in good standing with the Illinois Attorney Registration and Disciplinary Board.
- O. Its information in the request for proposal ("RFP") was accurate at the time it was made, and no material changes to that RFP have been or will be made without the express consent of the CHA.
- P. Any certification, affidavit or acknowledgement made in connection with this Agreement is made under penalty of perjury, and if false, is cause for termination of this Agreement.
- Q. It, its partners and attorneys, are not in violation of the provisions of 18 U.S.C. § 666 (a)(1), and the Illinois Criminal Code, 720 ILCS 5/33E-6 et seq., as amended respectively.
- R. It shall act in accordance with the CHA's Ethics Policy, attached hereto and incorporated herein as Exhibit X – CHA's Ethics Policy, as amended from time to time.
- S. It shall at all times to cooperate fully with the CHA and act in the CHA's best interests.
- T. It shall comply with the terms in Section 3 and in Exhibit VI - CHA Diversity and Inclusion Contract Requirements regarding employment, subcontracting and training opportunities for Section 3 Workers, Targeted Section 3 Workers, and Section 3 Business Concerns.
- U. To the extent applicable, execution of this Agreement is authorized by a resolution of its Management Committee, if a professional corporation, and the signature(s) of each person signing on behalf of Legal Counsel have been made with complete and full authority to commit Legal Counsel to all terms and conditions of this Agreement, including each and every representation, certification and warranty contained herein, including without limitation such representations, certifications and warranties collectively attached hereto and incorporated by reference herein.

Section 9.02 Business Documents and Contractor's Affidavit

- A. Legal Counsel shall provide upon CHA request, copies of its latest: (i) articles of incorporation or organization; (ii) by-laws; (iii) resolutions; (iv) partnership or joint venture agreements, as applicable; (v) evidence of its authority to do business in the State of Illinois, including, registration as a sole proprietor; or (vi) registrations of assumed names, or limited partnerships.
- B. Legal Counsel shall execute a Contractor's Affidavit attached hereto and incorporated herein as Exhibit XI – Contractor's Affidavit.

ARTICLE 10. CONFLICTS OF INTEREST AND LOBBYING

Section 10.01 Conflicts of Interest

A. CHA.

- 1. No member of the governing body of the CHA, officer, employee, or agent of the CHA or other unit of government who exercises any functions or responsibilities in connection with the Legal Services, shall have any personal interest, direct or indirect, in this Agreement. No member of or delegate to the Congress of the United States, the Illinois General Assembly, the CHA executive or senior staff or employee, shall be admitted to any share or part of this Agreement or to any financial benefit to arise therefrom.
- 2. Pursuant to the conflict of interest requirements in OMB Circular A-102 and 2 CFR §200.318(c)(1), no person who: (i) is an employee, agent, consultant, officer, or appointed official of the CHA; (ii) exercises or has exercised any functions or responsibilities with respect to HUD-assisted activities; or (iii) is in a position to participate in a decision making process or gain inside information with regard to such HUD activities, may obtain a financial interest or benefit from the activity, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for itself or for those whom it has family or business ties, during his or her tenure with the CHA or for one (1) year thereafter.

B. Legal Counsel.

- 1. Legal Counsel covenants that its partners, attorneys and employees, or subcontractors, have no interest and shall acquire no interest, direct or indirect, in this Agreement which would conflict with the performance of the Legal Services. Legal Counsel further covenants that in the performance of Legal Services, no person with any such interest shall be employed by Legal Counsel. Legal Counsel will ensure that it and persons performing Legal Services on its behalf do not undertake any representation or other relationship that places Legal Counsel or the CHA in an actual or potential conflict of interest with any other individual or entity.
- 2. Legal Counsel will immediately advise the CHA in writing of any instance that constitutes or appears to constitute an actual or potential conflict of interest immediately upon learning of such a situation and will inform the CHA in writing of corrective courses of action available.
- 3. Legal Counsel may make a written request of a waiver of the conflict of interest from the Chief Legal Officer, which must detail the nature of the conflict of interest. Legal

Counsel agrees that if the CHA determines that any legal services for a third-party conflict with Legal Services for the CHA, Legal Counsel shall terminate such other legal services to the third party immediately.

Section 10.02 Lobbying

Legal Counsel represents it is and will remain in compliance with federal restrictions on lobbying set forth in Section 319 of the Department of the Interior and Related Agencies Appropriations Act for Fiscal Year 1990, 31 U.S.C. § 1352, and related rules and regulations set forth at 54 Fed. Reg. 52,309 ff. (1989), as amended.

ARTICLE 11. ANNUAL CONTRIBUTIONS CONTRACT

Notwithstanding any provision contained herein to the contrary, the CHA and Legal Counsel certify that Legal Services shall be performed in accordance with the provisions of the Annual Contributions Contract between HUD and the CHA.

ARTICLE 12. GENERAL PROVISIONS

Section 12.01 Entire Agreement

This Agreement and the Exhibits are the complete agreement between the parties with respect to the subject matter hereof and supersede any and all prior agreements and understandings.

Section 12.02 Counterparts

This Agreement may be executed simultaneously in two or more counterparts, each of which will be considered an original, but all of which together will constitute a single instrument.

Section 12.03 Amendments

No changes, amendments, or modifications to this Agreement, or any part thereof, shall be valid unless in writing and signed by the authorized agent of Legal Counsel and by the Chief Legal Officer or the Chief Executive Officer of the CHA or their respective designees. The CHA shall incur no liability for additional Legal Services without a prior written amendment to this Agreement.

Section 12.04 Governing Law; Jurisdiction and Service of Process

- A. This Agreement shall be governed as to performance and interpretation in accordance with the laws of the State of Illinois. Legal Counsel hereby irrevocably consents to the original jurisdiction of those courts located within Cook County, Illinois, with regard to any controversy arising out of, relating to, or in any way concerning the execution or performance of this Agreement.
- B. Legal Counsel agrees that service of process on Legal Counsel may be made, at the option of the CHA by: (i) registered or certified mail addressed to the applicable office as provided for in this Agreement; (ii) registered or certified mail addressed to the office actually maintained by Legal Counsel; or (iii) personal delivery on any officer, director, or managing or general agent of Legal Counsel.
- C. Nothing stated herein shall be construed as a waiver or modification of the requirements for notice or service of process of litigation, as set forth in the Illinois Code of Civil Procedure, the Federal

Rules of Civil Procedure, the local rules of the Circuit Court of Cook County, and the local rules governing U.S. District Court for the Northern District of Illinois.

Section 12.05 Severability

If any provision of this Agreement shall be held illegal, unenforceable, or in conflict with any law of a federal, state, or local government having jurisdiction over this Agreement, the validity of the remaining portions or provisions hereof shall not be affected thereby.

Section 12.06 Interpretation

Any headings of this Agreement are for convenience of reference only and do not define or limit the provisions thereof. Words of any gender shall be deemed and construed to include correlative words of the other gender. Words importing the singular number shall include the plural number and vice versa, unless the context shall otherwise indicate. All references to any exhibit or document shall be deemed to include all supplements and/or amendments to any such exhibits or documents entered into in accordance with the terms and conditions hereof. All references to any person or entity shall be deemed to include any person or entity succeeding to the rights, duties, and obligations of such persons or entities in accordance with the terms and conditions of this Agreement.

Section 12.07 Successor and Assigns

- A. All of the terms and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, transferees and assigns.
- B. Legal Counsel shall not assign, delegate or otherwise transfer all or any part of its rights or obligations under this Agreement or any part hereof, unless otherwise provided for herein or pursuant to the express prior written consent of the CHA. The absence of such express prior written approval shall void the attempted assignment, delegation or transfer and such attempted assignment, delegation or transfer shall be of no effect.
- C. The CHA expressly reserves the right to assign or otherwise transfer all or any part of its rights or interests hereunder.

Section 12.08 Waiver

The CHA shall not by mere lapse of time without giving notice or taking other action hereunder be deemed to have waived any breach by Legal Counsel of any of the provisions of this Agreement. Whenever, under this Agreement, the CHA by a proper authority waives Legal Counsel's performance in any respect or waives a requirement or condition to either the CHA's or Legal Counsel's performance, the waiver so granted, whether express or implied, shall only apply to the particular instance and shall not be deemed a continuing waiver for subsequent instances of the performance, requirement or condition, or any breach. 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, requirement or condition.

Section 12.09 Joint and Several Liability

In the event Legal Counsel, its successors or assigns, if any, is comprised of more than one individual or other legal entity (or a combination thereof), every obligation or undertaking herein to be performed by Legal Counsel shall be the joint and several obligations of each individual or other entity.

Section 12.10 Independent Contractor

Legal Counsel is an independent contractor to the CHA. Legal Counsel will not be deemed to be an employee, agent or partner of the CHA for any purpose and neither will have any right, power or authority to create any obligation or responsibility on behalf of the CHA.

Section 12.11 Conflicts with HUD Regulations and Policies

In the event of any conflict between the terms of this Agreement and the regulations and/or policies of HUD, the regulations and/or policies of HUD shall control.

Section 12.12 Survival

No completion, termination, expiration or cancellation of this Agreement will terminate or extinguish any rights or remedies of the parties, including but not limited to, all warranties and confidentiality provided herein, all of which shall survive.

ARTICLE 13. COMMUNICATION AND NOTICES

Section 13.01 Communications Between the Parties

All communication, including required reports and submissions, must be in writing, and between Legal Counsel and the Office of the Chief Legal Officer.

Section 13.02 Notices

All notices permitted or required under this Agreement shall be in writing and shall be delivered as follows with notice deemed given as indicated: (i) when delivered personally; (ii) one (1) day after delivery to an overnight delivery courier; (iii) the fifth (5th) day following the date of deposit in the United States mail if sent first class, postage prepaid, by registered or certified mail; or (iv) upon confirmation of receipt when such notice or other communication is sent by electronic submission (e.g., email). For any written notice sent by electronic submission in Section 13.02 (iv), written notice must also be sent pursuant to Sections 13.02 (i), (ii) or (iii) in all instances. Notice will be sent to the parties at the following addresses or at such other address as a party hereto shall notify the other of in writing:

For Legal Counsel:

Applegate & Thorne-Thomsen
425 S. Financial Place, Suite 1900
Chicago, IL 60605
Attention: Bennett P. Applegate

For the CHA:

Chicago Housing Authority
Office of the Chief Legal Officer
60 E Van Buren St, 12th Floor
Chicago, Illinois 60605
Attention: Chief Legal Officer

ARTICLE 14. HOUSING ACTS

This Agreement is subject to the United States Housing Act of 1937, 42 U.S.C. §1437 et seq.; regulations promulgated by HUD and the Illinois Housing Authorities Act, 310 ILCS 10/1 et seq., as amended, and other applicable laws, regulations and ordinances.

[Signatures on Next Page]

IN WITNESS WHEREOF, the CHA and Legal Counsel have executed this Agreement as of the Effective Date.

CHICAGO HOUSING AUTHORITY

By: Sheila Johnson
Sheila Johnson
Deputy Chief, Procurement
Department of Procurement and Contracts

APPLEGATE & THORNE-THOMSEN

By: Bennett P. Applegate
Name: Bennett P. Applegate
Title: Vice President

Approved as to Form and Legality:

By: Elizabeth Silas
Elizabeth Silas (Mar 11, 2025 14:00 CDT)
Elizabeth Silas
Acting Chief Legal Officer
Office of the General Counsel

EXHIBIT I

SCOPE OF SERVICES

EXHIBIT I

SCOPE OF SERVICES

1. REAL ESTATE

CHA seeks the services of Legal Counsel who can represent CHA on various complex residential and commercial real estate and development matters. Respondents should be: (1) thoroughly knowledgeable about (i) Illinois and Federal laws relating to real estate acquisitions and dispositions; (ii) real estate development and finance; (iii) affordable housing; (iv) environmental issues; (v) structuring of real estate transactions; and (vi) real estate taxes; (2) knowledgeable about the leasing of real estate, including commercial, office and residential leases; (3) able to (i) assist CHA in the drafting of property management agreements; and (ii) offer consultation on various property management issues; and (4) provide periodic reports, including appropriate checklists, in a form prescribed by the CHA, and send to CHA, HUD, or others as directed by CHA. Knowledge of statutes and regulations affecting public housing is also a plus.

2. LAND USE AND ZONING

CHA seeks the services of Legal Counsel who would be responsible for representing CHA and/or its affiliates in every aspect of: (1) land use; (2) zoning; (3) plats of subdivision; and (4) eminent domain/condemnation. Said representation shall also include but is not limited to: (i) special land use permits; (ii) rezonings; (iii) variances and special exceptions; (iv) impact fees; (v) zoning modifications; (vi) interpretations of zoning ordinances; and (vii) related comprehensive future development maps.

Respondents may also (a) represent CHA and/or its affiliates in connection with construction of development initiatives as dictated by the finance structure; (b) receive and evaluate all assessment appeals; and (c) handle matters in the appropriate forum relating to zoning matters; and/or (4) recommend amendments to present zoning, if appropriate.

Knowledge of statutes and regulations affecting public housing is also a plus.

EXHIBIT II

TASK ORDER

CHICAGO HOUSING AUTHORITY

(Firm's Name and Address)

Assignment Date:

Contract No.:

Contract Date:

Contract Period:

Task Order Amt.:

Area of Law:

TASK ORDER NO. 1

Pursuant to the Chicago Housing Authority contract referred to above, and the requirements of the U.S. Department of Housing and Urban Development, the below listed matter is being handled by the law firm listed above:

(Full Caption of the case/matter)

(Description of matter/services)

Approved Rates Not to Exceed:

01/01/2025-12/31/2026: Partners: \$ _____/Associates: \$ _____/Paralegal: \$ _____

Attorneys/Paralegals Assigned to Matter Consistent with Billing Guidelines (Please Print)

(Name) (Title)

(Name) (Title)

(Name) (Title)

(Name) (Title)

(Name) (Title)

(Name) (Title)

ACCEPTED:

(FIRM'S NAME)

By: _____

Title: _____

Date: _____

CHICAGO HOUSING AUTHORITY

By: _____

Title: _____
Chief Legal Officer

Date: _____

EXHIBIT III

CHA'S OUTSIDE COUNSEL BILLING GUIDELINES

**CHICAGO HOUSING AUTHORITY'S
OUTSIDE COUNSEL BILLING GUIDELINES**
(as of 04/19/22)

The Chicago Housing Authority (“CHA”) retains a broad range of outside counsel to assist and augment its in-house legal staff. An attorney from the Chicago Housing Authority’s Office of the Chief Legal Officer will be designated as your firm’s point of contact when dealing with the CHA (“Designated Contact”). The CHA, through its Office of the Chief Legal Officer, is responsible for making all substantive decisions in matters for which outside counsel have been retained.

The following Outside Counsel Billing Guidelines apply to all law firms retained by the CHA. If there are occasions or specific matters for which some of the procedures seem inappropriate, please bring your concerns or special requests to the attention of your Designated Contact. The CHA reserves the right to modify these billing guidelines at any time.

STAFFING AND SUPERVISION

When the CHA retains outside counsel to work on a particular matter, we expect the lawyer whom we contact to be directly and intimately involved in that matter throughout its course, unless we otherwise specifically agree. We also expect to be consulted about other lawyers before they are assigned to work on any CHA matters and will not consider time expenditures for such lawyers to be authorized absent such consultation. You may not assign additional staff to any CHA matter without prior approval from the Designated Contact.

We expect that outside counsel will avoid:

- Overstaffing CHA matters.
- Shifting assigned personnel except when absolutely necessary and only when approved by the Designated Contact.
- Charging for learning time of newly assigned lawyers when a shift in personnel is required;
- Authorizing premature or peripheral legal or factual research.
- Holding nonessential internal conferences about CHA matters.
- Routinely digesting, abstracting or summarizing documents and depositions; absent specific agreement otherwise.
- Handling specific tasks through persons who are either overqualified (e.g., routine document review by a senior lawyer) or under-qualified (e.g., extensive research of general principles of law by junior associates).

The resources of the CHA’s Office of the Chief Legal Officer should be the starting point for your projects. For instance, it may be more efficient for us to gather and review files. For certain research activities (including legal research), or for business, financial or historical information, we expect you to look to the information and experience available through the CHA as a primary source. Accordingly, significant research projects and other non-routine activities that may involve the expenditure of considerable time by your firm should be discussed with us and approved in advance.

PROTOCOL

You and the Designated Contact should work closely together. In all circumstances, it is essential that you keep the Designated Contact fully and currently informed about the status of your matters and the import of new developments. By this we mean prompt personal communications where appropriate and periodic written status reports where appropriate.

You should consult with the Designated Contact regarding the various aspects of the matters to which you are assigned so that we can jointly determine whether, for example, a particular research project is necessary, a particular deposition makes sense from an economic standpoint, or a particular document production can be completed more economically in-house.

Should you communicate directly with any CHA employees outside of the Law Department or CHA vendors, you should report all such discussions on any matter of substance to the Designated Contact on the same day the matter is discussed.

All documents that you intend to file with a court or a government agency that may potentially affect the final disposition of a case must be sent to the Designated Contact with enough lead time to allow a meaningful review. Copies of final or as-filed documents should also be sent to the Designated Contact. In addition, the Designated Contact should be provided with copies of any memorandum, whether an internal research memorandum or one filed in a court, for which the CHA is to be charged a fee.

Settlement demands and overtures must be conveyed to the Designated Contact immediately. The Designated Contact will consult with the appropriate CHA official and will authorize settlement, if appropriate. No settlement may be entered into without prior approval of the Designated Contact.

Status Reporting for Personal Injury, Other Tort, Workers Compensation, and Employment - Related Litigation

Within two weeks of the receipt of a case or an assignment, you must acknowledge the acceptance in a letter directed to the Deputy General Counsel-Litigation enclosing the executed Task Order which should list the name of the responsible partner and any other lawyers or paralegals to be assigned to the specific matter. The acknowledgment letter should outline the activities to be performed within the first ninety days and provide a preliminary budget for those activities. Within ninety days thereafter, you should complete and forward a Status Report following a format provided by your Designated Contact. Your Status Report should provide the CHA with an initial evaluation and a proposed budget for the entire matter of the case or assignment. Interim status reports in letter form should be submitted every sixty days and should briefly update the information contained in the Status Report, even if there has been no activity.

As information becomes available, you should report all significant events directly to the Designated Contact. Significant events include depositions, witness interviews and court appearances. Depositions are to be briefly summarized in letter form and should include your impression of the witness, effect upon the case or assignment, effect on the CHA's strategy and recommendations for future activities.

Legal Counsel should notify the Designated Contact of all settlement conferences or trial dates as soon as the date is set, and they should discuss whether the Designated Contact or other CHA representative should attend any settlement conferences or trials.

At least six months prior to trial, Legal Counsel must submit a detailed evaluation of liability and damages for the case, including potential settlement amounts and verdict awards. You must obtain written authority from the Designated Contact to proceed to trial. During trial, you are expected to report daily to your Designated Contact.

All correspondence, significant pleadings, acknowledgment letters, Status Reports, information and documents should be forwarded to:

Deputy General Counsel - Litigation
Chicago Housing Authority
Office of the Chief Legal Officer
60 East Van Buren, Twelfth Floor
Chicago, IL 60605

Status Reporting for Non-Litigation Matters

Within two weeks of the receipt of an assignment on a non-litigation matter, you must acknowledge acceptance in a letter directed to the Designated Contact enclosing the executed Task Order which should list the name of the responsible partner and any other lawyers or paralegals to be assigned to the specific matter. The acknowledgment letter should outline the activities to be conducted within the first ninety days and provide a preliminary budget for those activities. Within ninety days thereafter, you must provide a budget through the conclusion of the matter. Legal Counsel and the Designated Contact should agree on the most appropriate reporting procedures thereafter.

All correspondence, significant matters, acknowledgment letters, Status Reports, information and documents should be forwarded to the appropriate Designated Contact at the address below:

Chicago Housing Authority
Office of the Chief Legal Officer
60 E Van Buren St, 12th Floor
Chicago, IL 60605

BUDGET

You will be required to provide a budget when you are retained to handle a matter. Legal fees and costs must not exceed the budgeted amount without prior approval.

The budget must specifically include the work expected to be done, the identity and the billing rate of each lawyer and paralegal assigned to the matter, and the amount of time the work is expected to take. This budget should be updated quarterly. Any variances from the proposed budget should be clearly shown. You must notify the Designated Contact if it becomes apparent that the budget is being or will be exceeded. Unless otherwise approved in advance, the CHA will not pay charges for

time spent preparing budgets or monthly bills.

EXPENSES

The CHA will reimburse your firm for out-of-pocket expenses at your firm's cost, except for certain disbursements that will not be paid unless agreed to in advance by the Designated Contact.

Messenger Services. We will reimburse you for actual charges billed to your firm for deliveries (including overnight express), but only when such expedited delivery is necessary. All decisions about modes of delivery, from hand delivery to overnight express, to electronic transmission, should be made with due regard for need, economy and good sense. We will not pay for in-house messenger services.

Local and Surface Travel. If you are required to travel more than 100 miles round trip on CHA business, we will reimburse reasonable mileage rates for the use of personal cars or the actual cost of buses or trains necessitated by the CHA's business, which are not part of your lawyers' or employees' commuting costs during regular business hours in accordance with applicable CHA policies.

Out-of-Town Travel. Any out of town travel must be approved in advance by your Designated Contact. Only in unusual circumstances will travel by more than one attorney be approved. Charges for attorney time during travel are reimbursable only if such time is actually used in performing services for the CHA. You must make travel arrangements by means that will ensure that the best and most reasonable prices for air or ground transportation are obtained. We will reimburse your firm only for coach rates. We will reimburse your firm for reasonable hotel charges and for reasonable meal charges. Please see the reimbursement rates for travel expenses as listed on the attached sheet. We will not pay for personal expenses incurred in conjunction with such travel (for example, entertainment, alcohol, dry cleaning).

Experts and Consultants. The selection and retention of appraisers, experts and consultants must be coordinated with and approved by the Designated Contact. These charges must be itemized on your bill.

Other Expenses. The CHA will pay the actual cost of services such as court reporting, printing and the acquisition of specific materials if such expenses were approved in advance by the Designated Contact.

Non-Reimbursable Expenses. Unless authorized in advance by the Designated Contact, the CHA will **NOT** pay for the following expenses or charges:

- secretarial, clerical or word processing services (normal, temporary or overtime);
- administrative, clerical and other services such as proofreading, file creation, file organization and maintenance, "clearing conflicts," and personnel training;
- accounting services;
- photocopy expenses at more than 10 cents per page;
- facsimile charges, other than actual long-distance charges associated with the transmission; local

- telephone expenses;
- office supplies;
- charges for business meals or refreshments (unless related to out of town travel);
- local travel expenses;
- in-house messenger services;
- costs associated with purchase or rental of equipment such as copiers, fax machines, computers, software, postal machines, etc.;
- computerized research unless approved in advance;
- normal postage; or
- charges associated with preparing an invoice or resolving disputes over invoices.

LAWYER AND PARALEGAL TIME REPORTING

Minimum Charges. All professional time must be billed to the nearest one-tenth (0.1) of an hour for each activity included in a billing entry.

Daily Time Descriptions by Lawyer or Paralegal. The CHA will not pay for “blocked entries,” namely a line item with a single time charge for multiple activities. A time charge must accompany each activity.

For example, the following is not acceptable:

10/2/00--5.00 hours--Phone conference with Hargrove re deposition; conference with client re same; prepare substantive changes to Answer; attend deposition of Hargrove.

The following is acceptable:

10/2/00--5.00 hours--Phone conference with witness Hargrove re deposition (.20); conference with client name re same (.50); prepare substantive changes to Answer (1.30); attend deposition of Hargrove (3.00).

Attendance at Meetings, Hearings, Depositions. The CHA generally will pay for only one attorney from your firm to attend depositions, meetings, or arguments. The CHA recognizes that additional people as identified in your budget may be needed for trials and major hearings. Prior approval from the Designated Counsel must be obtained if time is to be billed for more than one attorney to attend a meeting, deposition, trial or hearing. In addition to the above restrictions, we will not accept bills of a “miscellaneous” or “other” category of expenses. We will not pay charges, however designated on your invoice, attributable specially to weekend work (other than charges in the permitted categories detailed in this section), or for air conditioning, heating, office machine attendants, lighting, parking, clerical assistance, or other costs associated with the maintenance of a law office.

Legal Research. You should obtain prior approval from the Designated Contact before conducting a legal research project that is expected to exceed two (2) hours. When seeking approval, you should be prepared to address the purpose of the research; who will perform the research; whether the research can be performed effectively by lower-level personnel; whether the firm has previously

conducted research on these or similar issues; whether the lawyer has access to prior research on the same topic; and the approximate number of hours needed to complete the research. The CHA should not be charged for routine research.

Research concerning matters of common knowledge among reasonably experienced counsel in the Chicago area is considered routine. Where circumstances exist that enable you to use your data banks, the CHA should only be charged for research connected with updating previously researched materials. It is expected that paralegals or junior associates will be used for research matters, avoiding extensive research time expended by partners or senior associates. Copies of research products prepared for a CHA matter should be forwarded to the Designated Contact.

Vague Descriptions. The use of vague or generally described activities is unacceptable. Generic and general activity descriptions that lack specificity, such as the following examples, are not appropriate and will not be compensated:

- | | |
|-------------------------|--------------------------|
| . Arrangements with | . Receipt of documents |
| . Conference with | . Prepare correspondence |
| . Discussion with | . Review correspondence |
| . Meeting with | . Review case and issues |
| . Discovery | . Telephone call |
| . Work on file | . Meeting preparation |
| . Research | . Closing preparation |
| . Motion work | . Update strategy |
| . Review/draft document | . Work on project |

Billings for discussions, meetings, and telephone calls should specifically describe the parties, the subject, and the purpose. Any correspondence, pleading and other document that is prepared or reviewed must be identified and described. Any legal or factual research must identify the issue(s) researched.

Office Conferences. The CHA will not allow for non-essential intra-office conferences, and it will pay for only reasonable amounts of time expended on essential conferences on substantive matters. The CHA will not pay for intra-office conferences that are either administrative or educational in nature.

Reviewing Files. The CHA should not be charged for general, diary or status file reviews. A file review that is not precipitated by an event (such as a telephone call or receipt of correspondence) or that does not result in the creation of any tangible work product should not be billed to the CHA. The CHA will not pay for the review of a file by a party who is merely supervising the work of another law firm employee. Such supervision is considered part of the firm's overhead and is already contained in the firm's hourly rate structure. The CHA will not pay for time spent by newly assigned attorneys or paralegals to familiarize themselves with a matter on which staffing has changed while the case is in progress.

Paralegal Functions. Examples of activities that should generally be performed by paralegals are:

- preparing first drafts of basic forms and documents;
- ordering searches;
- ordering public records documents for closings;
- organizing materials;
- organizing and re-organizing files that involve case documents such as separating and cataloging responses to requests for production of documents;
- indexing file material if professional judgment with respect to categorization is required;
- preparing subpoenas for deposition, entry of appearance, substitution of counsel, routine interrogatories and requests to produce, jury trial demands, and other routine litigation documents;
- summarizing answers to interrogatories;
- preparing records requests and subpoenas;
- summarizing employment and other records;
- abstracting depositions.

Secretarial/Clerical/Administrative Functions. The CHA should be billed for work performed only by professionals (attorneys and paralegals), and it should not be charged an hourly or flat rate or fee for work that is secretarial or clerical or administrative in nature. The CHA considers the following services to be clerical, administrative or secretarial in nature, and it should not be charged for them regardless of who performs the task:

- scheduling meetings and appointments;
- making travel arrangements;
- maintaining calendars;
- filing, organizing or reorganizing files;
- date-stamping documents;
- pick-up or delivery of documents and records;
- preparing documents for mailing or shipping;
- tabbing or indexing file materials (unless professional judgment as to the index categories must be used);
- creating and organizing binders, notebooks, folders, files, etc.;
- ordering vendor services and providing instructions to vendors;
- processing vendor bills;
- collating;
- organizing files for storage;
- updating lists;
- copying and binding documents;
- inventorying documents;
- preparing enclosure letters;
- preparing invoices and negotiating billing questions.

FORMAT OF INVOICES

All matters should be invoiced on a thirty (30) day basis, regardless of whether there were services provided in a given month. Final invoices should be submitted within thirty (30) days of the final activity. A single original invoice should be submitted to the Chief Legal Officer for review, process and payment. Copies of invoices for reimbursable expenses should be submitted with the original invoice for professional services. Duplicate and/or copies of invoices should not be submitted to any other CHA department.

The format of the itemized statement must include the following information for each matter:

- Firm's Lawson identification number;
- Firm's taxpayer identification number;
- The name of the Designated Contact at the CHA;
- A unique invoice number for the particular bill;
- The inclusive dates of the months covered by the bill;
- The complete name or title of the matter as outlined in the assignment letter;
- The name, status, hourly rate, total hours billed (not recorded), and total amount billed for each lawyer or paralegal whose rates compose the fee;
- An itemized list of permissible disbursements and the actual or permissible charge for each disbursement; and
- A summary of the billing history to date.

See enclosed SAMPLE invoice. Each 30-day invoice submitted for payment should include a cover sheet, a copy of which is attached for your convenience. You must include with your statement both time sheet or diary detail for time charges and copies of invoices or internal data compilations for all disbursements.

Only those statements submitted in accordance with the foregoing procedure will be processed. Any statement that does not contain the specified information will be returned to your firm with a request for revision and/or explanation.

The CHA has the right to examine and audit all of your firm's billings for any work charges to the CHA and all of the supporting data for those billings.



CHICAGO HOUSING
AUTHORITY

Vendor ACH Payment Application Form

Automated Clearing House (ACH) Information

(1) Company Name _____

(2) Bank Name _____

(3) Account Name _____

(4) Account Number _____

Provide Copy of a Voided Check for the Account Number above.

(5) Bank Routing Number _____

(6) Email Address to Send ACH
Notification _____

(7) Additional ACH Information _____

Authorization

Print - Company Contact Name/Title _____

Signature - Company Contact Name _____

Phone Number _____

Fax Number _____

Print - Bank Representative Contact Name _____

Phone Number _____

Fax Number _____

Approval

Updated in Lawson

Accounts Payable Manager
Phone Number (312) 913-7510
Fax Number (312) 913-7511

Date _____

EXHIBIT IV

OUTSIDE LEGAL COUNSEL SERVICES FEE PROPOSAL FORM

ATTACHMENT A
RFP – OUTSIDE LEGAL COUNSEL SERVICES
FEE PROPOSAL FORM

TWO (2) YEAR BASE TERM

GROUP: Real Estate

STANDARD HOURLY RATES:

Partner: \$ 560

Associate: \$ 525

Paralegal: \$ 340

HOURLY RATES FOR CHA:

Partner: \$ 532

Associate: \$ 498

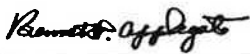
Paralegal: \$ 323

FLAT RATE (IF ALLPICABLE):

N/A

OTHER FORMS OF FEE COMPENSATION ALSO PROPOSED:

N/A



Signature of authorized company Representative

312-491-3322

Telephone Number

Bennett P. Applegate

Printed Name of Authorized Representative

Attorney

Title

Applegate & Thorne-Thomsen, P.C.

Name of Company

bapplegate@att-law.com

E-mail Address

NOTE: RESPONDENTS SHALL COMPLETE ALL BLANKS AND SIGN THE FEE PROPOSAL FORM OR THE PROPOSAL WILL BE DEEMED NON-RESPONSIVE.

EXHIBIT V

KEY PERSONNEL

EXHIBIT V

KEY PERSONNEL

- 1) Bennett P. Applegate
- 2) Bennett Applegate Jr.
- 3) Glenn Graff
- 4) Margie Grassano
- 5) Nicole Jackson
- 6) Greg Whitehead

EXHIBIT VI

CHA DIVERSITY AND INCLUSION CONTRACT REQUIREMENTS



Chicago Housing Authority Diversity and Inclusion Contract Requirements

In its procurement of goods and services, CHA seeks relationships with vendors who share our values for inclusive and equitable contracting opportunities. CHA values contract diversity and is committed to strengthening workforce development and economic opportunities for low-income workers, and Minority, Women, and Disadvantaged Business, including Section 3 Businesses.

1. Summary of Contract Requirements

Type of Contract	M/W/DBE	Section 3 (Labor Hours)	S3 Business subcontracting (> \$250,000)	Davis Bacon
Construction	Yes	Yes	Yes	Yes
Professional Service (licensure required)	Yes	No	Yes	No
Professional Service (non-licensure required)	Yes	Yes	Yes	No
Professional Services (direct services to residents)	Yes	Yes	No	No
Material & Supply	Yes	No	Yes	No

* if not self-performing

Minimum Thresholds for Contract Diversity:

Minority/Women/Disadvantaged Business Enterprises (M/W/DBEs)

Certified Minority, Women, and Disadvantaged Business Enterprises (M/W/DBEs) shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with federal funds. Vendors and their subcontractors or suppliers must take all necessary and reasonable steps to ensure that M/W/DBEs have the maximum opportunity to compete for and perform contracts financed in whole or in part by federal funds. CHA establishes minimum **thresholds** for all contracts over \$50,001. The percentage is required for the entire project amount and not limited to CHA's funding. Vendors unable to meet the threshold requirement may propose indirect participation subject to CHA's written approval.

Section 3 Business Subcontracting – For contracts >\$250,000, vendors are required to subcontract to Section 3 Businesses, unless self-performing. CHA establishes minimum thresholds. To locate a Section 3 Business visit the [Workforce Opportunity Resource Center](#) (WORC) site. Professional Services that directly provide support services for CHA residents are not required to sub-contract to Section 3 Businesses but are encouraged to sub-contract when feasible. Vendors unable to meet the threshold requirement may



Chicago Housing Authority Diversity and Inclusion Contract Requirements

propose indirect participation subject to CHA's written approval. These may include, but are not limited to mentorship programs, internships, training, and employment opportunities for non-CHA funded projects, or payment into CHA's Workforce & Education Fund.

Section 3 Labor Hours

CHA supports HUD's Section 3 requirement which counts labor hours. All applicable contracts **require at least 25% of the labor hours** performed on a project are done so with Section 3 workers and businesses, of which 5% of those hours must be performed by Targeted Section 3 workers (i.e. CHA residents and HCV participants). Vendors will report these hours via B2Gnow and/or LCPtracker or through required affidavits based on the contract type (HUD Section 3 24 CFR part 75).

Davis Bacon and Minimum Wage Requirements:

The Davis-Bacon & Related Acts apply to construction contracts over **\$2,000** and ensures that all construction employees are paid under the US Department of Labor's wage decision. Union contractors must ensure that Davis-Bacon wages are met, in accordance with the contract.

All CHA contracts must comply with the current local Minimum Wage requirement. The Minimum Wage Requirements shall be specifically incorporated as a contractual requirement in any award and agreement resulting from this solicitation for any of the Selected Respondent's covered employees. The Respondent must consider the Minimum Wage Requirement in determining its fees for services to be performed or provided by the Respondent under its fee proposal and other submittals. Note that Federal wage determinations (either Davis-Bacon or HUD-Determined Wage Rates) preempt any conflicting State prevailing wage rate or the Minimum Wage Requirement when the State prevailing wage rate or the Minimum Wage Requirement is higher than the Federally imposed wage rate (24 CFR 965).

The following chart indicates the goals set by the CHA for each type of contract.

Minimum Thresholds				
Type of Contract	Contract Amount	MBE/WBE/DBE Participation	Section 3 Business Subcontracting (>\$250,000)	Section 3 Labor Hours (25% of which 5% is through CHA resident hires)***
Construction	\$50,001+	30%	10%	25%
Supply & Delivery	\$50,001 +	20%	3%*	N/A
Professional Services	\$50,001 +	20%	3%**	25%

*Or indirect **excludes direct support service providers *** Required regardless of contract amount



Chicago Housing Authority Diversity and Inclusion Contract Requirements

2. Utilization Plan:

This chart is a list of items needed to evaluate a full utilization Plan (UP). All respondents to CHA solicitations must submit a UP which enables CHA to evaluate how they will fulfill contract requirements.

Document Name	To be Completed By	Details
Utilization Plan (UP) M/W/DBE and Section 3 Businesses	Prime Contractor	This Excel worksheet will include all M/W/DBE and Section 3 Businesses subcontracting as well as proposed indirect, etc.
Letter of Intent	Each M/W/DBE and Section 3 subcontractor listed on the UP including a self-performing Prime Contractor	If a Prime is a M/W/DBE and they are self-performing, they must submit a Letter of Intent. A Letter of Intent for each sub-contractor that is MWD/BE or Section 3 Business must also be submitted. The information outlined in the UP must correspond with the Letters.
Letter of M/W/DBE Certification	Each M/W/DBE listed on UP, including a self-performing Prime Contractor	This form must be submitted with every UP and Letter of Intent and include current certification letters. Applications are not accepted.
Waiver Request-M/W/DBE	Prime Contractor	This form is only to be used if a vendor cannot meet their subcontracting requirements and all good-faith efforts, including indirect participation, have been exhausted. The form must include (1) the scope of work and (2) the reason the Prime cannot meet the commitments outlined.
Other Economic Opportunities (OEO)	Prime Contractor	If vendor is unable to subcontract to a Section 3 Business in full or in part they will need to propose indirect participation through the OEO section on the UP, or make commensurate payment upfront into the Workforce and Education Fund, subject to approval by CHA.

3. Reporting Requirements:

Contract Requirement	System	Details
Construction Contracts	LCPtracker	Certified Payroll Reports must be entered into LCPtracker weekly. This system also tracks compliance with Davis Bacon and Section 3 hours.
Professional Services	B2GNow	Payments must be entered into B2Gnow for every pay application monthly. This system tracks and verifies Prime and Subcontractor payments made and received.



Chicago Housing Authority Diversity and Inclusion Contract Requirements

Additional Information:

(a) COUNTING M/W/DBE AND SECTION 3 BUSINESS (S3B) CREDIT: A business that is both self-identified/certified as a Section 3 Business and certified as a M/W/DBE may allocate credit across both certifications at their discretion. For example, if an M/W/DBE firm is also a Section 3 Business and is required to meet the 30% threshold for M/W/DBE and 10% for Section 3 Business, the Prime could receive credit for the 10% Section 3 as part of the 30% threshold and not in addition to.

(b) PROVIDING OPPORTUNITIES TO SECTION 3 WORKERS: In accordance with 24 CFR part 75.9, Prime and sub-contractors (including Section 3 Businesses) on CHA/HUD-funded contracts must ensure that Section 3 workers are provided economic opportunities with the following preference when applicable: a) residents of the project where the assistance is being provided; b) residents of other public housing or Section 8; c) Youthbuild participants; and d) resident of the metropolitan area.

(c) SUBSTITUTION/REMOVAL OF SUBCONTRACTOR: A prime contractor that needs to remove or substitute a subcontractor on its approved utilization plan must submit a written request for the removal or substitution of the subcontractor concerned. Only when Department of Procurement and Contracts (DPC) approves such a request in writing can the removal or substitution of the subcontractor be done by the prime contractor. Under no circumstance should a prime contractor unilaterally remove or substitute a subcontractor on its CHA/HUD-funded contract without prior approval by DPC.

Definitions

Section 3 Business are defined a business that either is a) 51% owned by public housing or housing choice voucher participant(s); b) 51% owned by a low-income person(s); or c) 75% of the labor hours are performed by low-income workers.

Davis-Bacon and Related Acts directs the US Department of Labor to determine prevailing wage for construction projects.

Indirect Participation refers to the value of payments made to MWD/BE firms for work that is done outside of the proposed project or commensurate value to S3 Business or CHA residents/participants in other economic opportunities.

Additional information on CHA's contract requirements and forms can be found at www.thecha.org/doing-business.

EXHIBIT VII

CONTRACTOR'S CONTRACT COMPLIANCE CERTIFICATION

CHICAGO HOUSING AUTHORITY (CHA)
Department of Procurement & Contracts Contract Compliance Division

RFP/RFQ/Bidder's/Proposers' M/W/DBE & Section 3
Contract Compliance Certification

RFP/IFB/CONTRACT/PURCHASE ORDER NO: 3254 DATE FORM COMPLETED: 10/3/2024

PROJECT TITLE: Legal Services

DEVELOPER NAME: _____

PRIME CONTRACTOR NAME(S): Applegate & Thorne-Thomsen, P.C.

ADDRESS: 425 S. Financial Place TELEPHONE: () _____

CONTACT NAME/TITLE: Bennett P. Applegate

E-MAIL ADDRESS: bapplegate@att-law.com

M/W/DBE? (Please specify): N/A Certifying Agency: _____

Ethnicity: _____ Gender: _____

FEDERAL TAX IDENTIFICATION OR SOCIAL SECURITY NUMBER: 36-4216292

CONTRACT AMOUNT: \$ Less than \$500,000

As a respondent to CHA IFB/RFP/CONTRACT or PO NUMBER 3254 I do hereby affirm that I fully understand and will comply with Chicago Housing Authority's Contract Compliance Requirements including the following:

- Chicago Housing Authority's Diversity and Inclusion Contract Requirements, including its Section 3 and M/W/DBE participation requirements (unless an M/W/DBE waiver has been granted);
- Contractor's reporting obligations under 24 CFR Part 75 (the "Section 3 Rule")(when applicable);
- Davis-Bacon and Related Acts (when applicable); and
- Certified Payroll reporting requirements, as set forth below.

Given that contracts awarded for work under this IFB/RFP/CONTRACT are subject to the future issuance of work/task orders whose individual amounts will constitute a specified dollar amount, I understand that documentation of Contractor's Section 3 and M/W/DBE participation commitments will be required to be submitted on CHA's Diversity Goals Utilization Plan for each task order, or on the final value of work performed under a not-to-exceed contract, to reflect actual contract amounts.

Based upon the total amount of the award as constituted by all issued awards, I agree to fully comply with the minimum participation goals as outlined in CHA's Diversity and Inclusion Contract Requirements and the following reporting requirements:

CHICAGO HOUSING AUTHORITY (CHA)
Department of Procurement & Contracts Contract Compliance Division

RFP/RFQ/Bidder's/Proposers' M/W/DBE & Section 3 Contract Compliance Certification
--

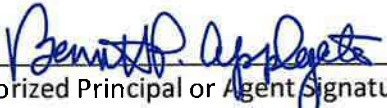
- Submit within five (5) business days of issuance of an award, copies of all resultant subcontractor agreements with approved certified M/W/DBE firms.
- On a monthly basis an updated payment report and labor hours must be entered for every subcontractor, if applicable (M/W/DBE, Section 3 and non-minority subcontractors) into B2Gnow (CHA's electronic payment monitoring and labor hour software for contractors and subcontractors).
- The labor hours report should include detail regarding labor hours worked by Section 3 Workers and/or Targeted Section 3 Workers.
- Submit weekly payroll information and labor hours for construction contracts with the LCPTracker (CHA's online payroll and labor hour software)

I further understand that any changes to approved Utilization Plans that are submitted will require the approval of the Department of Procurement & Contracts Contract Compliance Division.

NOTE: It is the responsibility of the prime contractor to make sure that its subcontractor(s) is/are in compliance with CHA's M/W/DBE, Section 3 (24 CFR Part 75 and related CHA policies), and Davis Bacon compliance requirements.

I do solemnly declare and affirm under the penalty of perjury that the contents of the foregoing certification are true and correct, and that I am authorized on behalf of the Prime Contractor to make this certification.

ACKNOWLEDGEMENT:



Authorized Principal or Agent Signature

12/19/24

Date

EXHIBIT VIII

CHA'S COMPLIANCE UTILIZATION PLAN

DEPARTMENT OF PROCUREMENT AND CONTRACTS												
Diversity Goals Utilization Plan												
Reason for UP:		New Contract	Original Contract Value:	\$	49,999.00	CONTRACT MODIFICATIONS/ AMENDMENTS						
Spec. No. (RFP/IFB):		Event #3254 (RFP)	Amended Contract Value:	\$	49,999.00	Modification No.	Dollar Value	Modification No.	Dollar Value			
Contract No.:		TBO	Current Modification / Amendment No.:									
Contract Description:		Outside Legal Counsel Services	Current Modification / Amendment Value:									
Vendor Name:		Applegate & Thorne-Thomsen	Purchase Order No.:									
Vendor Ethnicity:		Caucasian	Total Payment to Date:									
User Department:		General Counsel	Contract Start and End Date:									
Option Year:		N/A	Length of Contract Term:									
Project Manager:		Raymond Adams	Option Year Being Exercised:									
Procurement Specialist:		Franchelle White				Total Modification Value:	\$					
Compliance Specialist:												
MBE/WBE/DBE UTILIZATION PLAN												
MBE/WBE/DBE Contractor Name	Ethnicity	Gender	Participation Type	M/W/DBE	Original M/W/DBE Contract Value	Total M/W/DBE Modification Value	Current M/W/DBE Contract Value	Contract Percentage	Utilization Value to Date	Start Date	End Date	Work to be Performed
N/A												
Totals:					\$ -	\$ -	\$ -	-	\$ -			
M/W/DBE REQUIREMENTS		M/W/DBE COMMITMENT			M/W/DBE ACTUALS			M/W/DBE LIQUIDATED DAMAGES/SURPLUS (Calculation is based on achievements to date)				
Dollars	MBE Commitment:	\$	-	Percentage	MBE Actuals:	\$	-	#DIV/0!				
\$	WBE Commitment:	\$	-		WBE Actuals:	\$	-	#DIV/0!				
Percentage	DBE Commitment:	\$	-		DBE Actuals:	\$	-	#DIV/0!				
20%	Total:	\$	-		Total:	\$	-	#DIV/0!	0			
SECTION 3 UTILIZATION PLAN												
SECTION 3 BUSINESS CONCERN SUBCONTRACTING												
Section 3 Business Name	S3 Cert Status	Participation Type	Original S3R Contract Value	Total S3R Modification Value	Current S3R Contract Value	Percentage of Total Contract	Utilization to Date	Percentage of Achievement	Start Date	End Date	Work to be Performed	
N/A					\$ -							
					\$ -							
					\$ -							
					\$ -							
					\$ -							
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Totals:			\$ -	\$ -	\$ -	-	\$ -					
OTHER ECONOMIC OPPORTUNITIES												
Outline the opportunities proposed by the Prime Contractor on the Section 3 Business Utilization Plan												

EXHIBIT IX

GENERAL CONDITIONS FOR NON-CONSTRUCTION CONTRACTS

FORM HUD-5370-C

General Conditions for Non-Construction Contracts

Section I – (With or without Maintenance Work)

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

Office of Labor Relations

OMB Approval No. 2577-0157 (exp. 1/01/2014)

Public Reporting Burden for this collection of information is estimated to average 0.08 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600; and to the Office of Management and Budget, Paperwork Reduction Project (2577-0157), Washington, D.C. 20503. Do not send this completed form to either of these addressees.

Applicability. This form HUD-5370-C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:

- 1) **Non-construction contracts** (*without* maintenance) **greater than \$100,000 - use Section I;**
- 2) **Maintenance contracts** (including nonroutine maintenance as defined at 24 CFR 968.105) **greater than \$2,000 but not more than \$100,000 - use Section II; and**
- 3) **Maintenance contracts** (including nonroutine maintenance), **greater than \$100,000 – use Sections I and II.**

Section I - Clauses for All Non-Construction Contracts greater than \$100,000

1. Definitions

The following definitions are applicable to this contract:

- (a) "Authority or Housing Authority (HA)" means the Housing Authority.
- (b) "Contract" means the contract entered into between the Authority and the Contractor. It includes the contract form, the Certifications and Representations, these contract clauses, and the scope of work. It includes all formal changes to any of those documents by addendum, Change Order, or other modification.
- (c) "Contractor" means the person or other entity entering into the contract with the Authority to perform all of the work required under the contract.
- (d) "Day" means calendar days, unless otherwise stated.
- (e) "HUD" means the Secretary of Housing and Urban development, his delegates, successors, and assigns, and the officers and employees of the United States Department of Housing and Urban Development acting for and on behalf of the Secretary.

2. Changes

- (a) The HA may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed or supplies to be delivered.
- (b) If any such change causes an increase or decrease in the hourly rate, the not-to-exceed amount of the contract, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects the conditions of this contract, the HA shall make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms, and shall modify the contract accordingly.
- (c) The Contractor must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written order. However, if the HA decides that the facts justify it, the HA may receive and act upon a

proposal submitted before final payment of the contract.

- (d) Failure to agree to any adjustment shall be a dispute under clause Disputes, herein. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.
- (e) No services for which an additional cost or fee will be charged by the Contractor shall be furnished without the prior written consent of the HA.

3. Termination for Convenience and Default

- (a) The HA may terminate this contract in whole, or from time to time in part, for the HA's convenience or the failure of the Contractor to fulfill the contract obligations (default). The HA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (i) immediately discontinue all services affected (unless the notice directs otherwise); and (ii) deliver to the HA all information, reports, papers, and other materials accumulated or generated in performing this contract, whether completed or in process.
- (b) If the termination is for the convenience of the HA, the HA shall be liable only for payment for services rendered before the effective date of the termination.
- (c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (default), the HA may (i) require the Contractor to deliver to it, in the manner and to the extent directed by the HA, any work as described in subparagraph (a)(ii) above, and compensation be determined in accordance with the Changes clause, paragraph 2, above; (ii) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the HA; (iii) withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the HA by the Contractor.
- (d) If, after termination for failure to fulfill contract obligations (default), it is determined that the Contractor had not failed, the termination shall be deemed to have been effected for the convenience of the HA, and the Contractor shall be entitled to payment as described in paragraph (b) above.
- (e) Any disputes with regard to this clause are expressly made subject to the terms of clause titled Disputes herein.

4. Examination and Retention of Contractor's Records

- (a) The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

-
- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.
 - (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to:
 - (i) appeals under the clause titled Disputes;
 - (ii) litigation or settlement of claims arising from the performance of this contract; or,
 - (iii) costs and expenses of this contract to which the HA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

5. Rights in Data (Ownership and Proprietary Interest)

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

6. Energy Efficiency

The contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

7. Disputes

- (a) All disputes arising under or relating to this contract, except for disputes arising under clauses contained in Section III, Labor Standards Provisions, including any claims for damages for the alleged breach there of which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the HA. A claim by the HA against the Contractor shall be subject to a written decision by the HA.
- (c) The HA shall, with reasonable promptness, but in no event in no more than 60 days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of the HA's decision, shall notify the HA in writing that it takes exception to such decision, the decision shall be final and conclusive.
- (d) Provided the Contractor has (i) given the notice within the time stated in paragraph (c) above, and (ii) excepted its claim relating to such decision from the final release, and (iii) brought suit against the HA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the HA that it submit a final voucher and release, whichever is earlier, then the HA's decision shall not be final or conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.
- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the HA.

8. Contract Termination; Debarment

A breach of these Contract clauses may be grounds for termination of the Contract and for debarment or denial of participation in HUD programs as a Contractor and a subcontractor as provided in 24 CFR Part 24.

9. Assignment of Contract

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the HA under the contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership approved by the HA.

10. Certificate and Release

Prior to final payment under this contract, or prior to settlement upon termination of this contract, and as a condition precedent thereto, the Contractor shall execute and deliver to the HA a certificate and release, in a form acceptable to the HA, of all claims against the HA by the Contractor under and by virtue of this contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein.

11. Organizational Conflicts of Interest

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under this contract and a contractor's organizational, financial, contractual or other interests are such that:
 - (i) Award of the contract may result in an unfair competitive advantage; or
 - (ii) The Contractor's objectivity in performing the contract work may be impaired.
- (b) The Contractor agrees that if after award it discovers an organizational conflict of interest with respect to this contract or any task/delivery order under the contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract or task/delivery order for the convenience of the HA if it would be in the best interest of the HA.
- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Contracting Officer, the HA may terminate the contract for default.
- (d) The terms of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the prime Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

12. Inspection and Acceptance

- (a) The HA has the right to review, require correction, if necessary, and accept the work products produced by the Contractor. Such review(s) shall be carried out within 30 days so as to not impede the work of the Contractor. Any

product of work shall be deemed accepted as submitted if the HA does not issue written comments and/or required corrections within 30 days from the date of receipt of such product from the Contractor.

- (b) The Contractor shall make any required corrections promptly at no additional charge and return a revised copy of the product to the HA within 7 days of notification or a later date if extended by the HA.
- (c) Failure by the Contractor to proceed with reasonable promptness to make necessary corrections shall be a default. If the Contractor's submission of corrected work remains unacceptable, the HA may terminate this contract (or the task order involved) or reduce the contract price or cost to reflect the reduced value of services received.

13. Interest of Members of Congress

No member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit to arise there from, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

14. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees

No member, officer, or employee of the HA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the HA was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

15. Limitation on Payments to Influence Certain Federal Transactions

- (a) Definitions. As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (i) The awarding of any Federal contract;
- (ii) The making of any Federal grant;
- (iii) The making of any Federal loan;
- (iv) The entering into of any cooperative agreement; and,
- (v) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (i) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (ii) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (iii) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (iv) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Recipient" includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

- (b) Prohibition.

- (i) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: 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.
- (ii) The prohibition does not apply as follows:

(1) Agency and legislative liaison by Own Employees.

(a) The prohibition on the use of appropriated funds, in paragraph (i) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal action.

(b) For purposes of paragraph (b)(i)(1)(a) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.

(c) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:

(1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,

(2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:

(1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and

(3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.

(e) Only those activities expressly authorized by subdivision (b)(ii)(1)(a) of this clause are permitted under this clause.

(2) Professional and technical services.

(a) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply in the case of-

(i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.

(ii) Any reasonable payment to a person, other than an officer or employee of a

person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(b) For purposes of subdivision (b)(ii)(2)(a) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.

(c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(d) Only those services expressly authorized by subdivisions (b)(ii)(2)(a)(i) and (ii) of this section are permitted under this clause.

(iii) Selling activities by independent sales representatives.

(c) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:

(i) Discussing with an agency (including individual demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and

(ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.

(e) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.

(f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.

16. Equal Employment Opportunity

During the performance of this contract, the Contractor agrees as follows:

- (a) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
- (b) The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to (1) employment; (2) upgrading; (3) demotion; (4) transfer; (5) recruitment or recruitment advertising; (6) layoff or termination; (7) rates of pay or other forms of compensation; and (8) selection for training, including apprenticeship.
- (c) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.
- (d) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (e) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
- (f) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
- (g) The Contractor shall furnish all information and reports required by Executive Order 11246, as amended and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (h) In the event of a determination that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts, or federally assisted construction contracts under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.
- (i) The Contractor shall include the terms and conditions of this clause in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor. The Contractor shall take such action with respect to any subcontractor or purchase order as the Secretary of Housing and Urban Development or the Secretary of Labor may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that if the

Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

17. Dissemination or Disclosure of Information

No information or material shall be disseminated or disclosed to the general public, the news media, or any person or organization without prior express written approval by the HA.

18. Contractor's Status

It is understood that the Contractor is an independent contractor and is not to be considered an employee of the HA, or assume any right, privilege or duties of an employee, and shall save harmless the HA and its employees from claims suits, actions and costs of every description resulting from the Contractor's activities on behalf of the HA in connection with this Agreement.

19. Other Contractors

HA may undertake or award other contracts for additional work at or near the site(s) of the work under this contract. The contractor shall fully cooperate with the other contractors and with HA and HUD employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or HA employee.

20. Liens

The Contractor is prohibited from placing a lien on HA's property. This prohibition shall apply to all subcontractors.

21. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)

- (a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- (b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of

apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- (e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- (f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

22. Procurement of Recovered Materials

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.
- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

EXHIBIT X

CHA'S ETHICS POLICY

CHA ETHICS POLICY



CHA

CHICAGO HOUSING
AUTHORITY™

Approved by the Board
September 21, 2021

Chicago Housing Authority
Ethics Policy

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Chicago Housing Authority
Ethics Policy

Section 1: PURPOSE

This Ethics Policy (Policy) is designed to ensure the highest ethical conduct by all Chicago Housing Authority Officers and employees and that they are, at all times, acting in the best interests of the Chicago Housing Authority (CHA). This Policy provides Officers and employees with guidelines to help them: understand potential ethical problems before they develop; prevent potential conflicts of interest; and recognize and avoid behaviors not compatible with their position of public trust.

Section 2. GENERAL

Fiduciary Duty

Officers and Employees owe an unwavering fiduciary duty to the CHA in the performance of their duties.

Applicability

This Policy applies to all CHA Officers and Employees, and by contract to certain CHA Contractors and Subcontractors. All Officers, Employees, and Contractors shall read the Policy, familiarize themselves with its contents, and agree to adhere to its provisions. Each Officer and Employee shall complete, on an annual basis, training designed to educate them of their duties and responsibilities under this Policy or be subject to a fine of \$500.00.

All CHA contracts shall include a provision requiring compliance with this Policy.

Any Officer, Employee, or Contractor who violates this Policy may be subject to sanctions, up to and including immediate removal from office, termination of employment, or cancellation of a contract and debarment from future contracts.

Code of Conduct

The Code of Conduct guides the conduct of every Officer and Employee of the CHA. The Code of Conduct is based upon certain values each Officer and Employee is expected to live by each day, including:

- We are public servants who must place loyalty to the CHA and the federal and Illinois constitutions, and laws above our private gain or interest.
- We will give a full day's work for a full day's pay and put forth honest effort in the performance of our duties.
- We will treat members of the public with respect and be responsive and

Chicago Housing Authority
Ethics Policy

forthcoming in meeting their requests for information.

- We will act impartially in the performance of our duties, make no unauthorized promises purporting to bind the CHA, or engage in any business or financial transaction that is contrary to the interests of the CHA or outside of our duties and responsibilities.
- We will never use, for private gain, any nonpublic information obtained through the performance of CHA work.
- We will protect and conserve CHA property and resources using them only for authorized purposes or activities.
- Disclose waste, fraud, abuse, and corruption to the appropriate authorities.
- We will adhere to all applicable laws and regulations that provide equal opportunity for all persons regardless of race, color, religion, gender, national origin, age, sexual orientation, or disability.

Section 3. DEFINITIONS

For the purpose of this Policy:

- a. "Administrative action" means any decision on, or any proposal, consideration, enactment or making of any rule, regulation, or any other official non-ministerial action or non-action by any department, or by any Officer or Employee of any department, or any matter which is within the official jurisdiction of the Chief Executive Officer.
- b. "Board of Commissioners" means the governing body of the CHA which establishes, approves, and/or enacts policies for the CHA.
- c. "Business Relationship" means any association, agreement, or connection that creates a Financial interest on the part of the Officer or Employee, or the spouse or domestic partner of the Officer or Employee.
- d. "CHA" means the Chicago Housing Authority.
- e. "Compensated time" means any time worked by or credited to an Employee that counts toward any minimum work time requirement imposed as a condition of employment with the CHA, but does not include any designated CHA holidays or any period when the Officer

Chicago Housing Authority
Ethics Policy

or Employee is on an approved vacation or leave of absence.

- f. "Compensation" means money, anything of value, or other pecuniary benefit paid, or to be paid, in return for, or as reimbursement for, services rendered or to be rendered.
- g. "Contract management authority" means personal involvement in or direct supervisory responsibility for the formulation or execution of a CHA contract, including without limitation the preparation of the specifications, evaluation of bids or proposals, negotiation of contract terms, or supervision of performance.
- h. "Contractor" means any Person (including his agents or employees acting within the scope of their employment) who (1) is paid from CHA funds for services to the CHA in connection with a bid or contract with the CHA (or a subcontract under a CHA bid or contract), or (2) is doing business with the CHA.
- i. "Covered relative" means the spouse or domestic partner of an Officer or Employee, or a member of the immediate family and relatives residing in the same residence with an Officer or Employee.
- j. "Doing business" means any one or combination of sales, purchases, leases, or contracts or subcontracts for goods or services to, from, or with the CHA in an amount in excess of \$10,000.00 in any 12 consecutive months.
- k. "Employee" means a person hired by the CHA, whether part-time or full-time, but excludes paid and unpaid members of the Board of Commissioners and Contractors.
- l. "Ethics Officer" means the person responsible for monitoring and enforcing the CHA Ethics Policy.
- m. "Expenditure" means a payment, distribution, loan, advance, deposit, or gift of money or anything of value.
- n. "Financial interest" means any and all, partial or total, present or future right held by an Officer or Employee to some profit, distribution, or benefit that is valued at, or has an estimated value of, more than \$1,000.00, provided that such right shall not include:
 - the authorized compensation paid to an Officer or Employee for any office or employment;
 - a time or demand deposit in a financial institution;
 - an endowment or insurance policy or annuity contract purchased from an

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insurance company;

- any ownership through purchase at fair market value or inheritance of the shares of a mutual fund corporation, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended;
 - any ownership through purchase at fair market value or inheritance of not more than \$15,000.00 worth of the shares of a corporation or any corporate subsidiary, parent or affiliate thereof regardless of the dividends on such shares if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended; or
 - any ownership by a current Officer or Employee through purchase at fair market value or inheritance of less than one percent of the shares of a corporation, or any corporate subsidiary, parent or affiliate thereof, regardless of the value or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended, and if such ownership existed before the effective date of this Policy.
- o. "Gift" means the voluntary transfer of property from one person to another without fair-market-value consideration.
- p. "Immediate family" means spouse or domestic partner, child, mother, father, brother, or sister.
- q. "Instrument of ownership" means deeds, common or preferred stock certificates, rights, warrants, options, bills of sale, interests in proprietorships, partnerships, joint ventures, and beneficial interests in trusts and land trusts.
- r. "Officer" means any paid or unpaid member of the CHA Board of Commissioners. In the event the Central Advisory Council (CAC), a Local Advisory Council (LAC), or any similar advisory body adopts this Ethics Policy, "Officer" means any member of the CAC, LAC, or advisory body.
- s. "Person" means any individual, entity, corporation, limited liability company, partnership, sole proprietorship, firm, association, union, trust, estate, as well as any parent, subsidiary, officer, agent, or employee of any of the foregoing, whether or not operated for profit.
- t. "Political Contribution" means any gift, subscription, loan, advance, deposit of money, allotment of money, or anything of value given or transferred by one person to another, including in cash, by check or draft, through a payroll deduction or allotment plan, by

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pledge or promise, whether or not enforceable, or otherwise, for purposes of influencing in any way the outcome of any election. For the purposes of this definition, apolitical contribution does not include:

- A loan made at a market rate by a lender in the ordinary course of business;
 - The use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual in rendering voluntary personal services on the individual's residential premises for candidate-related activities, provided the value of the service provided does not exceed an aggregate of \$150.00 in a reporting period; or
 - The sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge is at least equal to the cost of such food or beverage to the vendor.
- u. "Political fundraising committee" means any fund, organization, political action committee or other entity that, for purposes of influencing in any way the outcome of any election, receives or expends money or anything of value or transfers money or anything of value to any other fund, political party, candidate, organization, political action committee, or other entity.
- v. "Political Activity" means any action, effort, or participation directed toward the success or failure of a political party, candidate for partisan political office, or partisan political group, including but not limited to:
- Preparing for, organizing, or participating in any partisan meeting, rally, demonstration, or other event.
 - Soliciting contributions, including but not limited to purchasing, selling, distributing, or receiving payment for tickets for any political fund-raiser, meeting, or other event.
 - Soliciting, planning the solicitation of, or preparing any document or report regarding anything of value intended as a campaign contribution.
 - Planning, conducting, or participating in a public opinion or voter outcome poll in connection with any candidate for partisan office or referendum question or on behalf of a partisan organization.
 - Assisting at the polls on election day on behalf of any political organization or candidate for elective office or for or against any referendum question.

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- Soliciting votes on behalf of a candidate for elective office or a political organization or for or against any referendum question or helping to get voters to the polls.
- Making contributions on behalf of any candidate for elective office in that capacity or in connection with a campaign for elective office.
- Managing, working on, or providing any services for a campaign for elective office or for or against any referendum question.
- Campaigning for any elective office or for or against any referendum question.
- Serving as a delegate, alternate, or proxy to a political party convention.
- Participating in any recount or challenge to the outcome of any election.

w. “Relative” means a Person who is related to an Officer or Employee as spouse, domestic partner, fiancé, or fiancée or as any of the following, whether by blood, marriage, or adoption: parent, child, brother or sister, aunt or uncle, first cousin, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, sister-in-law, brother-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister, half-brother or half-sister, or the grandfather or grandmother of the Person’s spouse, domestic partner, fiancé, or fiancée.

- x. “Resolution” means any amendment, initiative, report or any other matter enacted or pending or proposed to the Board of Commissioners or a committee or a subcommittee.
- y. “Seeking to do business” means taking any action within the past six (6) months or expecting to take any action within the next six (6) months, to obtain a contract from, or enter into any enterprise with, the CHA.

Section 4: SUBSTANTIVE CODE OF CONDUCT PROVISIONS

Duty to Report Corrupt or Unlawful Activity or Any Violation of CHA Policy

Every CHA Officer, Employee, or Contractor shall report, directly and without undue delay, to the CHA Inspector General or CHA Ethics Officer, any information concerning conduct which such Officer or Employee knows or should reasonably know to involve corrupt or unlawful activity or any violation of CHA Policy by: (a) another CHA Officer or Employee which concerns such Officer’s or Employee’s office or employment; or (b) any Person in the course and scope of dealing with the CHA or the performance of CHA work.

Any Officer or Employee who knowingly fails to meet this duty to report a shall be subject to

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sanctions, including removal from office or discharge. A CHA Contractor's knowing failure to meet this duty to report shall constitute an event of default under the contract.

Every CHA Officer, Employee, and Contractor shall cooperate with any investigation by the CHA Inspector General or the CHA Ethics Officer.

Protection from Retaliation

The CHA strictly prohibits any form of retaliation. Retaliation is any adverse action, including reprimand, discharge, suspension, demotion, denial of promotion, transfer, or a change in the terms and conditions of employment, taken against any Employee who, in good faith, engages in "protected activity" including:

- Discloses or threatens to disclose an activity, policy, or practice of any Officer, Employee, or Contractor that the Employee or other Person reasonably believes evidences an unlawful use of CHA funds or CHA funding for actions performed by or on behalf of the CHA; unlawful use of official authority, or other unlawful official conduct that poses a substantial and specific danger to public health or safety by any Officer, Employee or Contractor; or any other violation of a law, rule, or regulation or CHA policy by any Officer, Employee, or Contractor that relates to their work performed for, or on behalf of, the CHA.
- Provides information to or testifies before any public body conducting an investigation, hearing, or inquiry into any official activity, policy, or practice described above.
- Reports to, cooperates with, or assists the CHA Inspector General or Ethics Officer in the performance of their respective offices.

The CHA prohibits retaliation even if the concerns raised are not confirmed following an investigation. But an employee may be subject to adverse action if the employee knowingly made a false allegation, provided false or misleading information in the course of an investigation, or otherwise acted in bad faith.

This prohibition against retaliation does not exempt employees from the consequences of their own misconduct or inadequate performance, and self-reporting such issues does not prevent the CHA from managing employee performance and addressing conduct issues after an employee has engaged in protected activity, so long as the protected activity is not the reason for the performance management.

If any retaliation occurs in violation of this section, the CHA shall take such actions within its power to remedy the negative effects of such retaliation.

Improper Influence

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No Officer or Employee shall make, participate in making, or in any way attempt to use his position to influence any CHA decision or action in which he knows, or has reason to know, he has any Financial interest distinguishable from that of the general public.

Conflicts of Interest; Appearance of Impropriety

A conflict of interest exists whenever the personal interests of an Officer or Employee are inconsistent with —i.e., conflict with— the interests of the CHA. While employed at, or serving as an Officer for, the CHA, the primary business loyalty of that Officer or Employee must lie with the CHA. As a result, an Officer or Employee must not engage in activities outside of work that create a possible conflict of interest. An actual conflict of interest need not exist to constitute a violation of the Policy. Activities that create the appearance of conflict of interest must also be avoided.

No Officer or Employee shall make or participate in the making of any policy, or governmental or administrative decision, with respect to any matter in which he or she has any Financial Interest distinguishable from that of the general public, or from which he or she has derived any income or compensation during the preceding 12 months or from which he or she reasonably expects to derive any income or compensation in the following 12 months.

To avoid even the appearance of impropriety, any Officer who: (a) has any Financial Interest in any matter pending before the CHA; or (b) has a Business Relationship with a Person or entity with a matter pending before the CHA Board of Commissioners or any board committee that requires board action, shall publicly disclose the nature and extent of such Financial Interest or Business Relationship on the records of proceedings of the Board of Commissioners. The Officer shall also notify the Ethics Officer of such interest within 72 hours of delivery of information regarding the matter to the board member, or as soon thereafter as the member is or should be aware of, such potential conflict of interest.

The Officer or Commissioner may recuse himself/herself in the event of a conflict of interest. Where there is the potential for the appearance of a conflict of interest, the Officer or Commissioner may abstain from voting on the matter but shall be counted present for purposes of a quorum.

Any Employee who has a Financial interest in any matter pending before the CHA shall disclose the nature of such interest to the Ethics Officer and, if the matter is pending in his or her own department, to the head of the department within 72 hours of when the Employee is, or should be, aware of the pendency of the matter. This section does not apply to applications for health, disability or workers' compensation benefits.

Interest in CHA Business

No Officer or Employee shall have a Financial Interest in his or her own name or in the name of any other Person in any contract, subcontract, work or business of the CHA, or in the sale of any article, whenever the expense, price or consideration of the contract, work, business or sale is

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paid with funds belonging to or administered by the CHA. Compensation for property taken pursuant to the CHA's eminent domain power shall not constitute a Financial Interest within the meaning of this section.

No Officer or Employee who has Contract management authority over any contract, work, or business of the CHA shall have a Financial Interest in any entity which is a Contractor or otherwise a party to that contract, work, or business.

Unless sold pursuant to a process of competitive bidding following public notice, no Officer or Employee shall have a Financial interest in the purchase of any property that (a) belongs to the CHA or (b) is sold by virtue of legal process initiated by the CHA. No Officer or Employee shall engage in a transaction described in this section unless the matter is wholly unrelated to the Officer's or Employee's CHA duties and responsibilities.

Representation of Other Persons

No Officer or Employee may represent any Person other than the CHA in any formal or informal proceeding or transaction before the CHA; provided that nothing in this subsection shall preclude any Officer or Employee from performing the duties of his office or employment.

No Officer or Employee may represent, or derive any income, compensation, or other tangible benefit from the representation of, any Person in any judicial or quasi-judicial proceeding, before any administrative agency or court in which the CHA is a party and that Person's interest is adverse to that of the CHA, or in any judicial or quasi-judicial proceeding before any administrative agency or court in which the CHA may be liable for the judgment or may be obligated to indemnify any of the parties.

No Officer or Employee may represent any Person in the circumstances described above unless the matter is wholly unrelated to the Officer's or Employee's CHA duties and responsibilities.

CHA-Owned Property

No Officer, Employee, or Contractor shall engage in or permit the unauthorized use of CHA-owned property. Nothing in this provision prohibits Officers and Employees from utilizing telephone, facsimile, cell phone and computer equipment for limited personal use.

Use or Disclosure of Confidential Information

No current or former Officer or Employee shall use or disclose, other than in the performance of his or her official duties and responsibilities, or as may be required by law, confidential information gained in the course of or by reason of his or her position or employment. For purposes of this section, "confidential information" means any information that may not be obtained pursuant to the Illinois Freedom of Information Act or without a court order or that is subject to disclosure in any meeting as defined by the Illinois Open Meetings Act.

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Solicitation or Receipt of Money for Advice or Assistance

No Officer, Employee, or Relative shall solicit or accept any money or other thing of value including, but not limited to, gifts, favors, services or promises of future employment, in return for advice or assistance on matters concerning the operation or business of the CHA. But, nothing in this section shall prevent an Officer or Employee or the spouse or Domestic partner of an Officer or Employee from accepting compensation for services wholly unrelated to the Officer's or Employee's CHA duties and responsibilities and rendered as part of his or her non-CHA employment, occupation, or profession and the Employee has complied with the approval provisions of the Outside Employment section.

Other Prohibited Conduct

No Officer or Employee or the spouse or domestic partner of such Officer or Employee, or any entity in which such Officer or Employee or his or her spouse or Domestic partner has a Financial interest, shall apply for, solicit, accept or receive a loan of any amount from any Person who is either Doing business or Seeking to do business with the CHA; provided, however, that nothing in this section prohibits application for, solicitation for, acceptance of or receipt of a loan from a financial lending institution, if the loan is negotiated at arm's length and is made at a market rate in the ordinary course of the lender's business. This section shall not apply to an entity in which the only Financial interest of the Officer or Employee or his or her spouse or Domestic partner is related to the spouse's or Domestic partner's independent occupation, profession or employment.

No Officer, nor the head of any CHA department, shall knowingly retain or hire as a CHA Employee or CHA Contractor any Person with whom any Officer or Employee has a Business Relationship.

No Officer or Employee shall negotiate the possibility of future employment with any Person, except with a government agency, that has a matter currently pending before such Officer or Employee.

For a period of one year from the date of employment or becoming a CHA Officer or Employee, no CHA Officer or Employee shall participate in a decision-making capacity in a matter that benefits his or her immediate former employer or immediate former client who the Officer or Employee represented or on whose behalf he or she acted as a consultant prior to becoming a CHA Officer or prior to commencing his or her CHA employment.

No Officer or Employee shall use his or her office or position to secure a personal benefit, gain, or profit, or use his or her office or position to secure special privileges or exceptions for himself or herself, or for the benefit, gain, or profit of any other Person.

Employment of Relatives

No Officer or Employee shall employ or supervise, or advocate for the employment of, any

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Relative of said Officer or Employee in any CHA department in which said Officer or Employee serves or over which he or she exercises authority, supervision, or control., any Relative of said Officer or Employee. Nor shall any Officer or Employee execute any duty or responsibility, vote for any resolution, or decide any matter in exchange for or in consideration of the employment of any Relative of said Officer or Employee Relatives by any other Officer or Employee.

No Officer or Employee shall exercise Contract management authority over any CHA contract if a Relative of the Officer or Employee is employed by the other party to the contract or will perform any part of the contract, or will derive an economic benefit from the contract, or exercises or has exercised Contract management authority over the contract.

No Officer or Employee shall use or permit the use of his or her position to assist any Relative in securing employment or contracts with any Person over whom the Officer or Employee exercises Contract management authority. The employment of or contracting with a Relative of such a CHA Officer or Employee by such a Person within six months prior to, during the term of, or six months subsequent to the period of a CHA contract shall create a rebuttable presumption that said employment or contract was obtained in violation of this Policy.

Political Activity

No Officer or Employee shall intentionally perform any Political Activity during any Compensated time.

No Officer or Employee shall intentionally use any CHA property or resources in connection with any Political Activity, including but not limited to CHA-issued electronic communication devices which are subject to the CHA Communications Equipment Policy.

No Officer or Employee shall intentionally require or instruct any other Officer or Employee to perform, or participate in, any Political Activity: (a) as part of the other Officer's or Employee's duties; (b) as a condition of employment; (c) during any CHA compensated time off; or (d) as consideration for additional compensation or any other benefit, including a salary adjustment, bonus, compensatory time off, or continued employment.

No Officer or Employee shall be awarded additional compensation or any benefit for such Officer's or Employee's participation in any Political Activity.

Nothing in this section shall be construed to prohibit activities that an Officer or Employee undertakes as part of such Officer's or Employee's official duties or such activities that the Officer or Employee may undertake on a voluntary basis in her personal capacity. If an Officer or Employee engages in any Political Activity during non-Compensated time, she should not identify her official title or CHA employment.

Solicitation or Acceptance of Political Contributions and Membership on

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Political Fundraising Committees

The Hatch Act, 5 U.S.C. §1501 et seq., restricts the political activity of Employees in that they (a) may not be candidates for public office in a partisan election; (b) may not use official authority or influence for the purpose of interfering with or affecting the results of an election or a nomination for office; or (c) may not directly or indirectly coerce contributions from another Officer or Employee in support of a political party or candidate.

No Officer or Employee shall compel, coerce, or pressure any other Officer or Employee to solicit, make, or refrain from making any Political contribution or engage, refrain from engaging, in political activities. No Officer or Employee shall knowingly solicit any Political contribution from any other Officer or Employee over whom he or she has supervisory authority. Nothing in this section shall be construed to prevent any Officer or Employee from voluntarily making or soliciting an otherwise permissible contribution or from receiving an otherwise permissible voluntary contribution.

No Officer or Employee shall knowingly solicit or accept any Political contribution from a Person Doing business or Seeking to do business with the CHA.

No Person with Contract management authority shall serve on any Political Fundraising Committee.

Post-Employment Restrictions

No former Officer or Employee shall assist or represent any Person other than the CHA in any judicial or administrative proceeding involving the CHA, if the Officer or Employee was counsel of record or participated personally and substantially in the proceeding during his or her term of office or employment.

No former Officer or Employee shall, for a period of one year after the termination of the Officer's or Employee's term of office or employment, assist or represent any Person in any business transaction involving the CHA, if the Officer or Employee participated personally and substantially in the subject matter of the transaction during his or her term of office or employment; provided, that if the Officer or Employee exercised Contract management authority with respect to a contract this prohibition shall be permanent as to that contract.

This section does not apply to any former Officer or Employee acting within the scope of his employment for any other governmental unit.

Outside Employment

All CHA Employees are prohibited from engaging in secondary employment unless the Employee's Department Chief and the head of Human Resources provide written approval of such secondary employment. Each January, all Employees are required to complete and submit

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a Secondary Employment Report and Request Form attesting that the Employee does not have secondary employment or requesting approval for such employment. Such form must be submitted annually, even if secondary employment has previously been approved. Secondary employment includes traditional employment, independent contractor, and self-employment arrangements. It is the Employee's obligation to seek approval before commencing secondary employment if the Employee's secondary employment status changes prior to the January reporting period. Employees are prohibited from obtaining secondary employment with the City of Chicago or any Sister Agency (Chicago Public Schools, Chicago Police Department, Chicago Park District, Metropolitan Water Reclamation District, etc.).

Contract Inducements

No payment, gratuity, or offer of employment shall be made in connection with any CHA contract, by or on behalf of a subcontractor to the prime Contractor or higher-tier subcontractor or any Person associated therewith, as an inducement for the award of a subcontract or order. This prohibition shall be set forth in every CHA contract and solicitation.

Section 5: GIFTS AND OTHER FAVORS

Offering, Receiving, and Soliciting Gifts or Favors

Aside from the exceptions in this section, no Officer or Employee shall: (a) solicit or accept any gift on his behalf or that of any other Person; or (b) accept any gift of cash, gift card, or cash equivalent.

No Officer, Employee, or Relative, shall knowingly accept any gift unless the total value of all gifts given to the Officer, Employee, or Relative by a single source amounts to no more than \$50.00 in a calendar year. Employees of the Procurement & Contracts Department are prohibited from accepting any gift in any amount from a CHA Contractor Doing business or Seeking to do business with the CHA.

No Officer or Employee shall accept any gift or money for participating in speaking engagements, lectures, debates, or any forum during the term of office or employment.

No Officer or Employee shall offer or make a gift that violates this section.

The restrictions noted above shall not apply to the following:

- Any opportunity, benefit, loan, or service that is available to the public on the same terms.
- Anything given by a Relative or friend, unless the Officer or Employee has reason to believe that, under the circumstances, the gift was given because of said office or employment.

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- Anything given to, or accepted on behalf of, the CHA, provided that the Person accepting the item on the CHA's behalf shall immediately report it to the CHA's Ethics Officer.
- Any food, refreshment, lodging, transportation, or other benefit resulting from the outside business or employment activities of the Officer or Employee, if such benefits have not been enhanced and are customarily provided to others in similar circumstances.

No Person shall give or offer to any Officer, Employee, Relative, or CHA Contractor, nor shall such person accept, anything of value, including, but not limited to, a gift, favor or promise of future employment, based upon any mutual understanding, either explicit or implicit, that the votes, official actions, decisions or judgments of any Officer, Employee or Contractor, concerning the business of the CHA would be influenced thereby. It shall be presumed that a nonmonetary gift having a value of less than \$50.00 does not involve such an understanding.

No Officer, Employee, or Relative shall solicit or accept any money or other thing of value including, but not limited to, gifts, favors, services or promises of future employment, in return for advice or assistance on matters concerning the operation or business of the CHA; provided, however, that nothing in this section shall prevent an Officer, Employee, or Relative from accepting compensation for services wholly unrelated to the Officer's or Employee's CHA duties and responsibilities and rendered as part of his or her non-CHA employment.

The prohibitions of this section shall not apply to any food, refreshment, lodging, transportation, or other gift or benefit resulting from the outside business, employment or community activities of a Relative, if such benefit has not been offered or enhanced because of the official position or employment of the Officer or Employee, and is customarily provided to others in similar circumstances.

An Officer or Employee is not in violation of this provision if he promptly takes reasonable action to return a prohibited gift to its source or donates it to an appropriate charity that is exempt from income taxation under the U.S. Internal Revenue Code.

Section 6: FINANCIAL DISCLOSURE

Statement of Financial Interests

By May 1st of each year, every Officer and Employee, "Reporting Individual" for purposes of this section, must file a Statement of Financial Interest as directed by the Ethics Officer in conjunction with Human Resources. Newly hired Employees or appointed Officers become a Reporting

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Individual on the first day of employment or assuming office. Any Officer or Employee who intentionally files a false or misleading Statement of Financial interests shall be subject to sanctions up to and including removal from office or dismissal.

Content of Statements

Statements of financial interests shall contain the following information:

- The name, address, and type of any professional, business or other organization (other than theCHA) in which the Reporting Individual was an officer, director, associate, partner, proprietor oremployee, or served in an advisory capacity, and from which any income in excess of \$1,000.00 was derived during the previous calendar year.
- The nature of any professional, business or other services rendered by the Reporting Individual or by his or her spouse or domestic partner, or by any entity in which the Reporting Individual or his or her spouse or domestic partner has a Financial interest, and the name and nature of the Person or entity (other than the CHA) to whom or to which such services were rendered if,during the preceding calendar year, (1) compensation in excess of \$5,000 was received for professional or other services by the Reporting Individual, or by such Reporting Individual's spouse or domestic partner, or by an entity in which the Reporting Individual or his or her spouse or domestic partner has a Financial interest and (2) the Person or entity was doing business with the CHA.
- The identity of any capital asset connected to an Instrument of ownership in a Person Doing business with the CHA, including the address or legal description of real estate, from which theReporting Individual realized a capital gain of \$5,000.00 or more in the preceding calendar yearother than from the sale of the Reporting Individual's principal place of residence.
- The name of any unit of government, other than the CHA, which employed the ReportingIndividual during the preceding calendar year.
- The name of any board on which the Reporting Individual serves and the position of theReporting Individual on such board.
- The name of any Relative or domestic partner of the Reporting Individual who is an employeeor owner of a CHA Contractor.
- The name of any Person from whom the Reporting Individual or the Reporting Individual'sspouse, Domestic partner, or Immediate family member received, during the preceding calendar year, one or more gifts having an aggregate value in excess of \$50.00.

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- The name and instrument of ownership in any Person conducting business with the CHA, in which the Reporting Individual had a Financial interest during the preceding calendar year. Ownership interests in publicly held corporations and Real Estate Investment Trusts (“REITS”) need not be disclosed.
- The identity of any Financial interest in CHA-owned real estate or real estate rented to individuals holding Section 8 Certificates, other than the principal place of residence of the Reporting Individuals and the address, or, if none, the legal description of the real estate, including all forms of direct or indirect ownership such as partnerships or trusts of which the corpus consists primarily of real estate.
- The name of any Person Doing business with the CHA with whom the Reporting Individual, or his or her spouse, Domestic partner, or Immediate family member, has or had a Financial interest, or was employed by such Person Doing business with the CHA during the preceding calendar year, and the description of the Financial interest and/or the description of any position held by the Reporting Individual in such Person.
- The name and instrument of debt of all debts in excess of \$5,000.00 owed by, or owed to, the Reporting Individual, where the creditor or debtor, or any guarantor of the debt, has done work for or business with the CHA in the preceding calendar year. This provision does not apply to: debt instruments issued by financial institutions in the business of making loans and at the prevailing rate of interest and in accordance with other standard loan terms and conditions; or Debt instruments issued by publicly held corporations and purchased by the Reporting Individual at fair-market value.
- An affirmation that the Reporting Individual has not been offered, accepted, or attempted to accept any bribes or kickbacks from any Person who has done business with the CHA, is Doing business with the CHA, or is Seeking to do business with the CHA, or that the Reporting Individual failed to report an offer of a bribe by any such Person.

Form Statement of Financial Interests

The Statement of financial interests required to be filed with the Ethics Officer shall be completed and verified, dated, and signed by the Reporting Individual personally. It shall be submitted on a form prescribed by the Ethics Officer.

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Filing of Statements

Annually, the Ethics Officer, in conjunction with Human Resources, shall identify all Reporting Individuals. On or about March 1st of each year, the Ethics Officer shall, in writing, notify all Reporting Individuals of their obligation to file a Statement of Financial Interests and providing the instructions/process for meeting this obligation.

The Ethics Officer shall provide a receipt to each Reporting Individual upon his successful filing of a Statement of Financial Interest.

All Statements of financial interests shall be available for examination and duplication by the public in the Office of the General Counsel during the regular business hours of the CHA. Any Person seeking a copy of, or to examine, a Statement of Financial Interests or shall make such a request, in writing, of the Ethics Officer. The written request form shall include the name, occupation, employer, address, and telephone number of the examiner, as well as the reason for such examination or duplication of each Statement of Financial Interests to be examined or duplicated. The person requesting a copy of a Statement of Financial Interests shall be pay the cost of copying.

When a request is made for a copy of, or to examine, a Statement of Financial Interests, the Ethics Officer shall notify the Reporting Individual who filed the Statement in question with a copy of the written request.

Failure to File Statement by Deadline

If a Reporting Individual fails to file a Statement of Financial Interests by May 1st of any year, the Ethics Officer shall notify such Person of his failure to do so and of the obligation to file the Statement by May 31st, along with a late filing fee of \$30.00. Should the Reporting Individual again fail to meet the May 31st deadline, he shall be subject to a fine of \$10.00 per day until the statement is filed, up to a maximum of \$100.00. The Ethics Officer shall have the discretion to grant an extension of the deadlines or waive the fee and fines.

Any Person who first becomes a Reporting Individual within 30 days prior to May 1st of any year shall be notified at that time by Human Resources or the Ethics Officer of the obligation to file and shall file her Statement by May 31st without penalty. If the Reporting Individual fails to file a Statement of Financial Interests by May 31st, the Ethics Officer shall notify such Person of her failure to do so and of the obligation to file the Statement by June 15th, along with a late filing fee of \$30.00. Failure to file by June 15th shall constitute a violation of this Policy.

Any Employee who fails to file a Statement of Financial Interests shall be suspended from employment and be referred to the head of Human Resources and the Chief Executive Officer to determine if further action is necessary. The Chair of the Board of

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Commissioners shall be notified of any Officer failing to file a Statement of Financial Interests for further action.

SECTION 7: CHA ETHICS OFFICER

Appointment of Ethics Officer

The Ethics Officer shall be ratified by the CHA Board of Commissioners and report to the General Counsel. The Ethics Officer's name and contact information shall be posted on the CHA's website.

Powers and Duties

The Ethics Officer shall monitor and enforce the Ethics Policy. In addition to powers and duties specifically mentioned in this Policy, the Ethics Officer shall:

- Receive complaints of violations of any of the provisions of this Policy and investigate and act upon such complaints as provided by this Policy;
- Conduct investigations, inquiries, and hearings concerning any matter covered by this Policy. In the process of investigating complaints of violations of this Policy, the Ethics Officer may request the issuance of a subpoena by the appropriate authority. The Ethics Officer may exercise appropriate discretion in determining whether to investigate and whether to act upon any complaint or conduct. When the Ethics Officer determines that assistance is needed in conducting investigations, or when required by law, the Ethics Officer shall request the assistance of other appropriate agencies;
- Request the cooperation of Officers, Employees, and other Persons covered by this Policy, in investigating alleged violations of this Policy;
- Consult with Officers and Employees on matters involving ethical conduct;
- Recommend such administrative action as he may deem appropriate to effectuate this Policy;
- Request the assistance of the Chief Legal Officer to conduct research and analysis;
- Prescribe forms for the disclosure and registration of information as covered by this Policy;
- Render opinions with respect to this Policy based upon real or hypothetical circumstances for any Officer, Employee, or Person who is personally and directly involved;

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- Provide education or training, as he deems necessary, to effectuate the requirements and purpose of this Policy and maintain records of these activities; and
- Conduct or provide ethics education training for each Officer and Employee within 120 days of becoming an Officer or Employee, and annually thereafter, to educate Officers and Employees of their duties and responsibilities under this Policy.

Actions on Complaints or Investigations

The Ethics Officer may exercise appropriate discretion in determining whether to investigate or whether to act upon any conduct or complaint, including anonymous complaints. The Ethics Officer may also exercise appropriate discretion as to all aspects of the investigation, including, but not limited to, its scope, the collection of evidence and other information, the parties to be interviewed, the credibility of the facts set forth in the complaint and of the witnesses and other evidence, when to conclude the investigation, and the appropriate form of any investigatory report.

Upon receipt of any complaint or notice of misconduct, the Ethics Officer may refer the complaint to the CHA Inspector General (OIG) if the subject matter of the complaint more appropriately falls within the OIG's jurisdiction, including: complaints or allegations relating to waste, fraud, and abuse; Contractor, subcontractor, consultant, or vendor misconduct, fraud or collusion involving CHA contracts and/or Contractors, subcontractors, consultants, or vendors; misuse, embezzlement or theft of CHA resources; bribery; or other misconduct or illegal activities involving CHA property, Officers, Employees, Board members, agents, Contractors, subcontractors, consultants, or vendors. In making such a determination, the Ethics Officer may respond to complaints or notices relating to a potential violation of the Ethics Policy or an employment related issue under the CHA Employee Handbook. The Ethics Officer and CHA Inspector General will consult, cooperate, and allocate investigative functions with respect to complaints or notices which raise issues that fall within their sets of responsibilities.

Any Officer, Employee, or Contractor who fails to provide documents or information requested by the Ethics Officer, or who furnishes false or misleading information to the Ethics Officer with the intent to mislead, shall be subject to removal from office, employment sanctions, or the cancellation of contract rights.

At the conclusion of an investigation, the Ethics Officer shall prepare a written report. The Ethics Office may exercise his discretion as to the form of the report and the appropriate recipients. If the allegations are substantiated, the report shall contain recommendations for the appropriate administrative, legal, or personnel action. The Ethics Officer shall notify the Person investigated, the Person who reported the complaint or allegation, and all other appropriate parties of the findings of the investigation. The Ethics Officer will maintain a record of investigations conducted, the findings, and any action taken.

Chicago Housing Authority
Ethics Policy

Nothing in this section shall preclude the Ethics Officer from notifying a Person, prior to or during an investigation, that a complaint against him is pending and, where appropriate, recommending to him corrective action.

Confidentiality

Complaints to the Ethics Officer and investigations and recommendations thereon shall be kept confidential by the Ethics Officer, the head of Human Resources, the Chief Executive Officer and the Chair of the Board of Commissioners, except as necessary to carry out the powers and duties of the Ethics Officer or to enable another Person or agency to consider and act upon the notices and recommendations of the Ethics Officer. This provision does not prohibit the Ethics Officer from (a) commenting publicly on the disposition of his requests and recommendations and (b) publishing summary opinions to inform CHA personnel and the public about the interpretation of provisions of this Policy, as long as the identity of the Person or matter is kept confidential

Any Officer or Employee who is found to have disclosed any information relating to an investigation or findings under this Policy may be subject to sanctions up to and including dismissal or removal.

Investigations by Other Agencies

If the Ethics Officer is reliably informed that a matter under investigation is also a matter under investigation by the OIG or a law enforcement agency, the Ethics Officer may, but is not required to, suspend his investigation. The Ethics Officer may reinstate his investigation upon the conclusion of the investigation by the OIG or the law enforcement agency.

If the Ethics Officer has a reasonable basis for concluding that an investigation has revealed criminal conduct, the Ethics Officer shall refer the matter to the appropriate law enforcement authority.

SECTION 8: PENALTIES FOR VIOLATION

Sanctions

Any Officer or Employee found to have violated any provision of this Policy, shall be subject to employment sanctions, including removal from office or discharge.

The sanctions imposed under this Policy, the Employee Handbook, or any other CHA policy or procedure shall be in addition to any other applicable penalty, including under any federal or state criminal statute. The Ethics Officer shall consult with the General Counsel and determine when to report an allegation, complaint, or facts and to which law enforcement body.

Chicago Housing Authority
Ethics Policy

Any CHA Contractor found to have violated any provision of this Policy may be subject to cancellation of a contract, prohibited from entering into any contract with the CHA for a period of time, or debarment from future contracts.

Any contracts negotiated, entered, or performed in violation of any provision of this Policy shall be void and/or voidable by the CHA. Any official action of the CHA obtained or undertaken in violation of any provision of this Policy shall be invalid and without any force or effect whatsoever.

Other Remedies and Policies

Nothing in this Policy shall preclude the CHA from maintaining an action for an accounting for any pecuniary benefit received by any Person in violation of this Policy or other law, or to recover damages for any acts or practices in violation of this Policy.

The procedures and penalties provided in this Policy are supplemental and do not limit either the power of the CHA to discipline Officers or Employees or take appropriate administrative action or to adopt more restrictive rules. Nothing in this Policy is intended to repeal or is to be construed as repealing the provisions of any other policy.

Access to list of CHA Contractors

The Department of Procurement and Contracts shall compile a list of all current CHA Contractors. The list shall be updated on a monthly basis and shall be made available to all Officers and senior staff by way of computer network. The list shall be made available to other Employees and to the public by: (1) the provision of a computer terminal that is placed in a readily accessible location; and (2) the provision of a telephone number which such Persons may call with inquiries.

There shall be a presumption that any Person who reasonably relies on this list to comply with this Policy is not in violation of the Policy if the purported violation is related to the identity of any CHA Contractor.

EXHIBIT XI

CONTRACTOR'S AFFIDAVIT

CHICAGO HOUSING AUTHORITY
Department of Procurement & Contracts

CONTRACTOR'S AFFIDAVIT

Bidder/Proposer Name: Applegate & Thorne-Thomsen
Bidder/Proposer Address: 425 S Financial Place, Suite 1900
Chicago, IL, 60605

IFB/RFP NUMBER:

Federal Employee I.D. #: 36-4216292 or Social Security #:

Instructions: **FOR USE WITH ALL CONTRACTS.** Every Contractor submitting a bid/proposal to the Chicago Housing Authority ("CHA") must complete this Contractor's Affidavit. Special attention should be paid to those Sections which require the Contractor to provide certain information to the CHA. The Contractor should complete this Contractor's Affidavit by signing and notarizing Section XIV. Please note that in the event the Contractor is a joint venture, the joint venture and each of the joint venture partners must submit a separate and completed Contractor's Affidavit. In the event the Contractor is unable to certify to any of the statements contained herein, the Contractor must contact the Department of Procurement and Contracts of the CHA and provide a detailed factual explanation of the circumstances leading to the Contractor's inability to so certify.

The undersigned Bennett P. Applegate as Vice President
(Name) (Title)

and on behalf of Applegate & Thorne-Thomsen ("Contractor") having been duly
(Business Name)

sworn under oath certifies that:

I. DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- | | |
|---|---|
| ☐ Individual | ☐ Limited liability company* |
| ☐ Publicly registered business corporation | ☐ Limited liability partnership* |
| ☒ Privately held business corporation | ☐ Joint venture* |

CHICAGO HOUSING AUTHORITY
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- ☐ Sole proprietorship
☐ General partnership*
☐ Limited partnership*
☐ Trust

- ☐ Not-for-profit corporation
☐ (Is the not-for-profit corporation also a 501(c)(3))? ☐ Yes ☐ No

Other (please specify)
Corporation _____

* Note and complete B.1.b below.

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois _____

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

☐ Yes ☐ No ☒ N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. For not-for-profit corporations, also list below all members, if any, that are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

Name

Title

Debra Kleban, Managing Partner

Jessa Baker, Chief Operating Officer

See attached for all other officers and directors

1. b. If you checked "General partnership," "Limited partnership," "Limited liability company," "Limited liability partnership" or "Joint venture" in response to Item A.1. above (Nature of Disclosing Party), list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE: Each legal entity listed below must submit an affidavit on its own behalf.**

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Department of Procurement & Contracts**

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Name

Title

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity whether held in its or their own name or through intermediaries or nominees. **If none, state "None."**

NOTE: CHA may require any such additional information from any applicant which is reasonably intended to achieve full or additional disclosure of ownership.

Name	Business Address	% Interest in the Disclosing Party
------	------------------	------------------------------------

All shareholders are individuals, none of whom own in excess of 7.5%

(Add sheets if necessary)

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CHICAGO HOUSING AUTHORITY
Department of Procurement & Contracts

CONTRACTOR'S AFFIDAVIT

II. CONTRACTOR CERTIFICATION

A. CONTRACTOR'S ANTI-COLLUSIVE AFFIDAVIT

1. The Contractor or any subcontractor to be used in the performance of this contract, or any affiliated entity of the Contractor or any such subcontractor, or any responsible official thereof, or any other official, agent or employee of the Contractor, any such subcontractor or any such affiliated entity, acting pursuant to the direction or authorization of a responsible official thereof has not, during a period of three (3) years prior to the date of execution of this Contractor's Affidavit or if a subcontractor or subcontractor's affiliated entity during a period of three (3) years prior to the date of award of the subcontract:
 - a. Violated any of the provisions of 18 U.S.C. §666 (a) (2) and 720 ILCS 5/33E-1, et seq.
 - b. Bribed or attempted to bribe, or been convicted of bribery or attempting to bribe a public officer or employee of the CHA, the State of Illinois, any agency of the federal government or any state or local government in the United States (if an officer or employee, in that officer's or employee's official capacity); or
 - c. Agreed or colluded, or been convicted of an agreement or collusion among bidders or prospective bidders in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
 - d. Made an admission of guilt of such conduct described in 1(a) and (b) above which is a matter of record but has not been prosecuted for such conduct.
2. The Contractor or any agent, partner, employee or officer of the Contractor is not barred from contracting with any unit of Federal, state or local government as a result of engaging in or being convicted of bid-rigging in violation of the Illinois Criminal Code, 720 ILCS 5/33e-3, or any similar offense of any state of the United States which contains the same elements as the offense of bid-rigging during a period of five (5) years prior to the date of submittal of this bid, proposal or response.
3. The Contractor or any agent, partner, employee, or officer of the Contractor is not barred from contracting with any unit of state or local government as a result of engaging in or being convicted of bid-rotating in violation of the Illinois Criminal Code, 720 ILCS 5/33E-

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4, or any similar offense of any state of the United States which contains the same elements as the offense of bid-rotating.

4. Additionally, that the undersigned is the party making the foregoing proposal or bid, that such bid or proposal is genuine and not collusive, and that said bidder/proposer has not colluded, conspired, connived or agreed, directly or indirectly with any proposer or person, to put in a sham proposal or to refrain from proposing, and has not in any manner, directly or indirectly sought by agreement or collusion, or communication or conference, with any person, to fix the proposal price of affiant or of any other proposer, to fix overhead, profit or cost element of said proposal price, or that of any other proposer and has not secured any advantage against the Chicago Housing Authority or any person interested in the proposed contract, nor has said proposer participated with any person or business entity in any collusive scheme to rotate proposals, provide any bribes, kickbacks to CHA employees in violation of any of the provisions of 18 U.S.C. §666 (a) (1) and 720 ILCS 5/33E-1 et seq; or engage in bid rigging; that proposer is not barred from bidding on the subject contract as a result of a violation of either Section 33-E-3 or 33-E-4 of the Illinois Criminal Code, 720 ILCS 5/33E-1 et seq; and that all statements on said proposal are true. Under penalties of perjury as provided by law pursuant to Section 1-109 of the Code of Civil Procedure, the undersigned certifies that the statements set forth in this Contractor's Affidavit are true and correct.
5. The Contractor, its agent, officers or employees have not directly or indirectly solicited non-public information from a CHA officer or employee; entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with this proposal in violation of Illinois Criminal Code, 720 ILCS 5/33E-1 et seq. Failure to submit this statement as part of the bid/proposal will make the bid non-responsive and not eligible for award consideration.

B. SUBCONTRACTOR'S ANTI-COLLUSION AFFIDAVIT

1. The Contractor has obtained from all subcontractors to be used in performance of this contract, known by the Contractor at this time, certifications in form and substance equal to Sub-Section A of Section II of this affidavit.
2. The Contractor will, prior to using any subcontractor(s), obtain from such all subcontractor(s) to be used in the performance of this contract, but not yet known by the Contractor at this time certification in form and substance equal to the certification Subsection A of Section II of this Affidavit. The Contractor shall not, without the prior written permission of the CHA, use any of such subcontractors in the performance of this contract if the Contractor, based on such certifications or any other information known or obtained by Contractor, becomes aware of such subcontractor, subcontractor's

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affiliated entity or any agent, employee or officer of such subcontractor or subcontractor's affiliated entity having engaged in or been convicted of any of the conduct described in Section II (A) hereof.

3. The Contractor will maintain on file for the duration of the contract all certifications required by Section II for any subcontractors to be used in the performance of this contract and will make such certifications promptly available to the CHA upon request.
4. The Contractor will not, without the prior written consent of the CHA, use as subcontractors any individual, firm, partnership, corporation, joint venture or other entity from whom the Contractor is unable to obtain a certification in form and substance equal to the certification.
5. Contractor hereby agrees, if the CHA so demands, to terminate its subcontract with any subcontractor, if such Contractor or subcontractor was ineligible at the time that the subcontract was entered into for award of such subcontract under the State of Illinois Criminal Code 720 ILCS 5/33e-1 eq seq. as amended. The Contractor shall insert adequate provisions in all subcontracts to allow it to terminate such subcontracts as required by this Section II.

Notes 1-4 For Section II. Contractor's Certification

1. Business entities are affiliated if, directly or indirectly, one controls or has the power to control the other, or if a third person control or has the power to control both entities. Indicia of control include without limitation: interlocking management or ownership identity of interests among family members; shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity using substantially the same management, ownership or principals as the ineligible entity.
2. No corporation shall be barred from contracting with any unit of State or local government as a result of a conviction, under either Section 33E-3 or Section 33E-4 of Article 33 of the State of Illinois Criminal Code of 1961, as amended, of any employee or agent of such corporation if this employee so convicted is no longer employed by the corporation and: (1) it has been finally indicated not guilty or (2) if it demonstrate to the governmental entity with which it seeks to contract and that entity finds that the commission of the offense was neither authorized, requested, commanded, nor performed by a director, officer or a high managerial agent in behalf of the corporation as provided in paragraph (2) of subsection (a) of Section 5-4 of the State of Illinois Criminal Code.

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3. For purposes of Section II (A) of this certification, a person commits the offense of and engages in bid-rigging when he knowingly agrees with any person who is, or but for such agreement should be, a competitor of such person concerning any bid submitted or not submitted by such person or another to a unit of State or local government when with the intent that the bid submitted or not submitted will result in the award of a contract to such person or another and he either (1) provides such person or receives from another information concerning the price or other material term or terms of the bid which would otherwise not be disclosed to a competitor in an independent non-collusive submission of bids or (2) submits a bid that is of such a price or other material term or terms that he does not intend the bid to be accepted (See, 720 ILCS 5/33E-3).
4. For purpose of Section II (A) of this certification, a person commits the offense of and engages in bid rotating when, pursuant to any collusive scheme or agreement with another, he engages in a pattern over time (which, for the purposes hereof, shall include at least 3 contract bids within a period of ten years, the most recent of which occurs after January 1, 1989) of submitting sealed bids to units of State or local government with the intent that the award of such bids rotates, or is distributed among, persons or business entities which submit bids on a substantial number of the same contract (See, 720 ILCS 5/33E-4).

III. STATE TAX DELINQUENCIES

In completing this Section III, authorized signatory must initial on the line next to the appropriate subsection.

1. X Contractor is not delinquent in the payment of any tax administered by the Illinois Department of Revenue or, if delinquent, Contractor is contesting such delinquency in accordance with the procedures established by the appropriate Revenue Act, its liability for the tax or amount of the tax.
 2. Contractor has entered into an agreement with the Illinois Department of Revenue for the payment of all such taxes that are due and is in compliance with such agreement.
 3. Contractor is delinquent in the payment of any tax administered by the Department of Revenue and is not covered under any of the situations described in subsections 1 and 2 of this Section III, above 1.
1. 65 ILCS 5/11 - 42.1 - 1 provides that a municipality may not enter into a contract or agreement with an individual or other entity that is delinquent in the payment of any tax

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administered by the Illinois Department of Revenue unless the contracting party is contesting, in accordance with the procedures established by the appropriate Revenue Act its liability for the tax or the amount of the tax or unless the contracting party has entered into an agreement to pay the tax and is in compliance with the Agreement. Notwithstanding the above, the CHA may enter into the contract if the CHA's Operating Officer determines that:

- 1) the contract is for goods or services vital to the public health, safety, or welfare; and
- 2) the CHA is unable to acquire the goods or services at a comparable price and of comparable quality from other sources.

IV. PUNISHMENT

A Contractor or subcontractor who makes a false statement, material to Section II (A) and (B) of this certification commits a 3 class felony. 720 ILCS 5/33e-11(B). Making a false statement concerning Section III of this certification is a Class A misdemeanor, voids the Contractor and allows the CHA to recover all amounts paid to the Contractor under the contract in a civil action. 65 ILCS 5/11-42.1-1.

V. CERTIFICATION REGARDING SUSPENSION AND DISBARMENT

- A. The Contractor certifies to the best of its knowledge and belief, that it, its' principles and any subcontractors used in the performance of this contract:
1. Meet the Agency requirements and have not violated the City or Sister Agency policy, codes, state, federal, and or local laws, rules or regulations and have not been subject to any debarment, suspension, or other disciplinary action by any government agency. Additionally, if any time the contractor becomes aware of such information, it must immediately disclose it to the Agency.
 2. Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal, state or local government or agency;
 3. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for: the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, Local) transaction or contract under a public transaction; a violation of Federal or State antitrust statutes; or the commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property

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4. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or Local) with commission of any of the offense enumerated in Section II (A) (1) above; and
 5. Have not within a three-year period preceding this Agreement had one or more public transactions (Federal, State or Local) terminated for cause or default.
- B. If the Contractor is unable to certify to any of the statements in this certification, the Contractor shall attach a detailed factual explanation to this certification.
- C. If any subcontractors are to be used in the performance of this Contract, the Contractor shall cause such subcontractors to certify as to paragraph of this Certification. In the event that any subcontractor is unable to certify to any of the statements in this certification, such subcontractor shall attach a detailed factual explanation to this certification.

VI. EPA CONTRACTOR LISTING

- A. Bidder/Proposer/Contractor shall comply with all applicable standards, orders and/or requirements established by and/or pursuant to:
1. The Clean Air Act (42 U.S.C. 4701 et. seq.), as amended;
 2. The Clean Water Act (33 U.S.C. 1251 et. seq.), as amended;
 3. The Solid Waste Disposal Act as amended by the Resources Conservation and Recovery Act (RCA) of 1976 (42 U.S.C. 6901, et. seq.), as amended;
 4. The Toxic Substances Control Act (TSCA) (15 U.S.C. 2601 et. seq.), as amended;
 5. Occupational Safety and Health Administration (OSHA) regulations, and any amendments thereto;
 6. The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) (42 U.S.C. 9601 et. seq.), as amended;
 7. Illinois Environmental Protection Agency regulations, as amended;

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8. Illinois Department of Labor regulations, as amended;
9. City of Chicago Ordinances, as amended;
- B. Bidder/Proposer/Contractor shall not use any facility on the Environmental Protection Agency's ("EPA") List of Violating Facilities in the performance of this Contract for the duration of time that the facility remains on the List.
- C. Bidder/Proposer/Contractor shall immediately notify HUD which has awarded funds for this project if a facility it intends to use in the performance of this Contract is on the EPA's List of Violating Facilities or knows that it has been recommended to be placed on the List of Violating Facilities.
- D. Furthermore, Bidder/Proposer/Contractor shall, in the performance of this Contract, comply with all requirements of the Clean Air Act ("CAA"), 42 U.S.C. §7401-7642 and the Clean Water Act ("CWA"), 33 U.S.C. §1251-1387, including the requirements of Section 114 of the CAA and Section 308 of the CWA, and all other applicable clean air standards and clean water standards.

VII. CERTIFICATION OF RESTRICTION ON LOBBYING

THE CONTRACTOR CERTIFIES THAT:

- A. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, entering into 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 Federal 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, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

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- C. The undersigned shall require that the language of this certification to 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-contractors shall certify and disclose accordingly.
- D. This certification is a material representation of fact upon which reliance is placed when this transaction 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 or more than \$100,000 for each such failure.

VIII. CERTIFICATION OF NONSEGREGATED FACILITIES

As used in this Affidavit, the term "subcontract" includes the term "purchase order" and all other agreements effectuating purchase of supplies or services. If this Affidavit is submitted as part of a bid or proposal, the term "Contractor" shall be deemed to refer to the Bidder or proposer, or subcontractor or supplier. This Affidavit shall be renewed annually. Notwithstanding the foregoing, the certifications made herein shall remain applicable until completion of all nonexempt contracts/subcontracts awarded while this Affidavit is in effect. The undersigned Contractor certifies the following to the CHA

- A. **REPORTS:** Within thirty (30) days after CHA award to the Contractor of any contract/subcontract and prior to each March 31 thereafter during the performance of work under said subcontract, the Contractor shall file Standard Form 100, entitle "Equal Employment Opportunity Employer Information Report EEO" in accordance with instructions contained therein, unless the Contractor has either filed such report within 12 months preceding the date of the award or is not otherwise required by law or regulation to file such a report.
6. **PRIOR REPORTS:** If the Contractor has participated in a previous contract or subcontract subject to Equal Opportunity Clause (41 C.F.R. Sec 60-1.4(a) (1) through (7), or the clause originally contained in Section 301 of Executive Order No. 10925, or the clause contained in Section 201 of the Executive Order No. submission of all required compliance reports, signed by proposed subcontractors, prior to awarding subcontracts not exempt from the Equal Opportunity Clause.

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CERTIFICATION OF NONSEGREGATED FACILITIES: The Contractor certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location, under its control, where segregated facilities are maintained. The Contractor agrees that a breach of this certification is a violation of the Equal Opportunity Clause in the IFB or RFP. As used in this certification, the term "segregated facilities" means waiting room, waiting area, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom or otherwise. The Contractor further agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) it will obtain identical certifications from proposed subcontractors prior to the award of Contracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity Clause; that the CHA will retain such certifications in its files; and that it will forward the following notice to such proposed subcontractors (except where the proposed subcontractors have submitted identical certifications for specific time periods):

NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES. A certification of Non-segregated Facilities, as required by Section 60-1.8 of Title 41 of the Code of Federal Regulations, must be submitted prior to the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the Equal Opportunity Clause. (Note: The penalty for making false statement in offers is prescribed in 18 U.S.C. 1001).

7. The Contractor certifies that it is not currently in receipt of any outstanding letters of deficiencies, show cause, probable cause, or other such notification of non-compliance with EEO regulations.

NOTE: THE PENALTY FOR MAKING FALSE STATEMENTS IN BIDS/PROPOSALS IS PRESCRIBED IN 18 U.S.C. 1001.

IX. EQUAL EMPLOYMENT OPPORTUNITY

The Equal Employment Opportunity Regulations of the Secretary of Labor (41 CFR Part 60) require that each prospective contractor or proposed subcontractor submit the following information with his bid, or at the outset of negotiations.

- A. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

☐ Yes

☒ No

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- B. If answer to 1, is yes, have you filed with the Joint Reporting Committee, the Director of OFCC, any Federal agency, or the former President's Committee on Equal Employment Opportunity, all reports due under the applicable filing requirements of these organizations?

☐ Yes ☐ No

X. DAVIS - BACON CERTIFICATION

- A. By the submission of this Affidavit, the Contractor hereby certifies that neither it nor any person or firm who has an interest in the Contractor's firm is a person or firm ineligible to be awarded contracts by the United States Government or the CHA by virtue of Section 3(a) of the Davis-Bacon Act (29 CFR 5.12 (a)(1)).
- B. No part of the Contract resulting from this solicitation shall be subcontracted to any person or firm ineligible to be awarded Contracts by the United States Government or the CHA by virtue of Section 3 (a) of the Davis-Bacon Act (29 CFR 5.12 (A) (1)).
- C. Furthermore, the Contractor hereby certifies that the information contained in this Affidavit and representation, are accurate, complete and current. The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

XI. SECTION 3 CERTIFICATION

For all contracts where Section 3 is applicable, the Contractor hereby agrees to comply with all the provisions of Section 3 as set forth in 24 CFR 135.1 et seq and CHA Resolutions implementing Section 3 requirements. The Prime Contractor will submit a Schedule B-Section 3 Utilization Plan to identify employment, subcontracting, and other economic opportunities for CHA residents and low- and very low-income Chicago area residents during the term of the contract between the Prime Contractor and CHA.

XII. INCORPORATION INTO CONTRACT AND COMPLIANCE

The above certifications set forth in this Contractor's Affidavit shall become part of Contract No. _____ and incorporated by reference as if fully set forth therein. Further, the Contractor shall comply with these certifications during the term of the Contract.

CHICAGO HOUSING AUTHORITY
Department of Procurement & Contracts

CONTRACTOR'S AFFIDAVIT

XIII. ETHICS POLICY

The Contractor hereby certifies that it shall comply with all the applicable provisions of the CHA's Ethics Policy adopted by the CHA Board on June 2004, 95-HUD-5 especially Sections 19 through 25 thereof. The Contractor further certifies that it has received and read a copy of the CHA's Ethics Policy.

Under penalty of perjury, I certify that I am authorized to execute this Contractor's Affidavit on behalf of the Contractor set forth on page 1, that I have personal knowledge of all the certifications made herein and that the same are true.

Bennett P. Applegate
Signature of President or Authorized Officer

Bennett P. Applegate
Name of President or Authorized Officer

Vice President
Title
312-491-3322
Telephone Number

State of Illinois
County of Cook



Signed and sworn to before me this 3rd day of October, 2024
by

Bennett P. Applegate (Name) as Vice President
(Title) of Applegate & Thorne-Thomsen (Contractor)

Notary Public Signature Gustav G. Kuhn

Askew, Michelle

From: Cochran, Ashley
Sent: Wednesday, March 5, 2025 4:38 PM
To: Askew, Michelle
Subject: FW: Applegate & Throne-Thomsen PC is Approved

From: certificates@thecha.org <certificates@thecha.org>
Sent: Thursday, January 30, 2025 10:54 AM
To: contractmgmt <contractmgmt@thecha.org>
Cc: certificates <certificates@thecha.org>; Cochran, Ashley <ACochran@thecha.org>
Subject: Applegate & Throne-Thomsen PC is Approved

****EXTERNAL EMAIL**** This email originated outside of CHA. ****NEVER CLICK or OPEN**** unexpected links or attachments.
****NEVER**** provide User ID or Password. If this email seems suspicious, contact CHA Tech Support at 312-786-4000.

Dear Office of the General Counsel

CHA Risk Management has **Approved** the insurance for Applegate & Throne-Thomsen PC for Office of General Counsel; Contract 13107 & 13229.

NEXT EXPIRING POLICY: 03/11/2027 (Lawyer Professional Liability)

Compliant Policies:

compliant policies

- Lawyer Professional Liability - MSTLPL-00116

Compliant Documents:

compliant documents

- [ACORD Form - Applegate - LPL COI - Chicago Housing Authority.pdf](#)

NOTE: These document links are for reference and will expire in 7 days (after 2025-02-06). If expired, please contact the certificate holder to request another email.

We have automated our insurance certificate tracking using PINS Advantage. Please allow this email to serve as the COI approval.

Thank you,

CHA Risk Management

certificates@thecha.org

