

ATTACHMENT D

CONTRACT NO. [#]

PROFESSIONAL SERVICES AGREEMENT

BETWEEN

CHICAGO HOUSING AUTHORITY

AND

[CONTRACTOR]

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AGREEMENT

This **PROFESSIONAL SERVICES AGREEMENT** (“Agreement”) is made and entered into as of [DATE] (“Effective Date”), by and between the by and between the **CHICAGO HOUSING AUTHORITY** (the “CHA”), an Illinois municipal corporation organized under the Illinois Housing Authority Act 310 ILCS 10/1 et seq., with offices at 60 E. Van Buren St., Chicago, IL 60605, and [CONTRACTOR] (“Contractor”), a/an [STATE entity] with offices at [ADDRESS].

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;

[Additional Recitals to be Determined.]

WHEREAS, the CHA and Contractor desire to enter into this Agreement for the provision of Services under the CHA’s program as fully set forth herein.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties 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.

- A. “Agreement” means this Professional Services Agreement, including all exhibits attached hereto and incorporated herein, amendments, modifications and/or revisions made in accordance with its terms.
- B. “Deliverables” means any required deliverables, in addition to any other required work product that may consist of any and all memoranda, documents, notes, photographs, reports, books, records, computer-generated information, computer-stored information, research, data, studies, findings and information in any form generated, prepared and/or collected in connection with this Agreement.
- C. “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.
- D. “Services” means the duties and responsibilities, including, but not limited to those described in Article 2, Services, and **Exhibit I, Scope of Services/Statement of Work**, attached hereto and incorporated herein.

ARTICLE 2. SERVICES

Section 2.01 Services. Contractor shall perform Services which include, but are not limited to, those described in this Article 2 and **Exhibit I – Scope of Services/Statement of Work**. The Scope of Services/Statement of Work is intended to be general in nature and is not a complete description of Contractor's services nor a limitation of the Services Contractor is to provide.

Section 2.02 Deliverables.

- A. In performing Services, Contractor shall generate, prepare, collect, and/or provide the CHA Deliverables as defined in Section 1.02. Any and all Deliverables shall be the exclusive property, and shall not be utilized, sold or shared with any other party except in accordance with the prior written consent of the CHA.
- B. Contractor shall deliver all Deliverables to the CHA promptly in accordance with the time limits pursuant to the Agreement, and if no time limit is specified, upon reasonable demand by the CHA, or upon termination or expiration of the Agreement. When the CHA requests any Deliverables, Contractor shall deliver such Deliverable without delay. In the event Contractor fails to make such delivery upon demand, Contractor shall pay the CHA any damages, including, but not limited to, attorneys' fees and costs the CHA may incur due to Contractor's failure to timely deliver such Deliverables.
- C. The CHA reserves the right to reject any Deliverables which, in its sole judgment do not: (i) adequately represent the intended Standard of Performance pursuant to Section 2.03; (ii) include relevant information or data; (iii) include all specified documents; or (iv) provide the Deliverables reasonably necessary for its intended purpose.
- D. Partial or incomplete Deliverables may be accepted: (i) for review only when required for a specific purpose; and (ii) when approved in advance in writing by the CHA. Such accepted Deliverables may not be considered satisfactory to the CHA, and partial or incomplete Deliverables shall in no way relieve Contractor of its commitments hereunder.
- E. The CHA shall notify Contractor in writing of any deficiencies the CHA may identify with respect to any Deliverable.
- F. In performing Services, Contractor shall be responsible for any loss or damage to any Deliverable, and any loss or damage to any Deliverable shall be restored by Contractor at the sole expense of Contractor. If any Deliverable cannot be restored, Contractor shall be responsible for any loss suffered by the CHA due to such loss or damage.

Section 2.03 Contractor's Performance. Contractor shall at all times:

- A. Perform Services with the degree of skill, care and diligence exhibited by an entity performing services of a scope and purpose comparable and similar to the nature of the Services.
- B. Assure that all Services are accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law.
- C. Furnish its best professional expertise and judgment in furthering the CHA's interests.
- D. Act in the best interests of the CHA consistent with its professional obligations and standards of due care.

- E. Ensure timely and satisfactory Services.
- F. Perform with the professional and fiduciary obligations assumed by it in entering into this Agreement.
- G. Ensure the satisfactory completion of Services, including but not limited to Deliverables.
- H. Perform all required Services in accordance with the Agreement terms, any applicable federal, state and local laws.

Section 2.04 Key Personnel. Key personnel shall be responsible for supervising Contractor's personnel and directing the Services to be performed during the Term (as defined below). Contractor retains the right to substitute key personnel within its reasonable discretion with prior written notice to the CHA; however, the CHA shall have the right to approve any staff changes, and its approval shall not be unreasonably withheld.

Section 2.05 Timeliness of Performance. Contractor shall provide Services within the required time and time limits as required by the CHA. Contractor acknowledges that often deadlines for Services are dictated by the requirements of agencies or events outside the control of the CHA, and that failure by Contractor 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 2.06 CHA Contract Requirements, Documenting and Reporting.

- A. Section 3 – Compliance. Contractor 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 Contract Requirements. Contractor agrees to comply with HUD's regulations in 24 C.F.R. Part 75 and the CHA Contract Requirements regarding employment, subcontracting and training opportunities for Section 3 Workers, Targeted Section 3 Workers, and Section 3 Business Concerns. The CHA Contract Requirements are attached hereto and incorporated herein as **Exhibit II - CHA Contract Requirements; Exhibit III - Contractor's Contract Compliance Certification; and Exhibit IV - CHA's Compliance Utilization Plan.** The foregoing may be updated in accordance with applicable law, regulation or statute.
- C. Documenting and Reporting. Contractor 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. Contractor 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. Contractor 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, Contractor 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. Contractor 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. Contractor and any of Contractor's attorneys shall furnish the Office of the CHA with such information as may be requested relative to the performance and cost of the Services.
- C. Contractor shall prepare and submit reports to the CHA as directed by the CHA.

Section 2.09 Record Retention. Contractor 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. Contractor acknowledges that all information provided to Contractor pursuant to this Agreement whether verbally, in writing or otherwise, in the performance of Services is, will be and is to remain confidential (“Confidential Information”). Contractor agrees to keep all Confidential Information confidential and not discuss or divulge Confidential Information other than to the appropriate CHA personnel, its designees, or Contractor personnel on a need-to-know basis, without the prior written approval of the CHA. Contractor 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, Contractor may disclose Confidential Information where disclosure is compelled pursuant to a legal proceeding or is otherwise required by law. In such case, Contractor will give the CHA prompt prior notice so as to allow the CHA to seek legal protection against release of the Confidential Information, and Contractor 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. Contractor agrees to HUD requirements on access to records at in 2 C.F.R. Part 200, and in Section I, Paragraph 4 of **General Conditions for Non-Construction Contracts, Form HUD-5370-C, Exhibit IV**, attached hereto and incorporated herein, 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. Contractor 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 Contractor 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 Contractor 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 Contractor, 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 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. Contractor agrees that in connection with 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 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. Contractor shall establish procedures and policies to promote a "Drug-Free Workplace." Further, Contractor 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. Contractor 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, Contractor shall make every effort: (i) to assure an orderly transition to another Contractor, if any; (ii) undertake the orderly demobilization of its own operations in connection with the Services; and (iii) and guarantee the uninterrupted provision of Services during any transition period.

Section 2.15 Subcontracts. Contractor shall not subcontract Services without the express prior written consent of the CHA.

Section 2.16 CHA Inspector General. Contractor and any of its subcontractors must cooperate with the CHA Inspector General in any investigation or hearing undertaken. All of Contractor's subcontracts

must include written notice of this provision and require subcontractors' agreement and compliance with the terms of this section.

ARTICLE 3. TERM AND TERMINATION

Section 3.01 Term of Agreement. This Agreement shall take effect as of [DATE], and shall continue for an initial two (2) year term through [DATE] ("Term"), with the option to extend annually for up to three (3) additional one-year option periods, or until the Agreement is terminated in accordance with its terms, whichever occurs first.

Section 3.02 Termination for Convenience. Services to be performed under it, at any time by written notice from the CHA to Contractor 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 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 9.01 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 3.02.

ARTICLE 4. COMPENSATION; PAYMENT; COSTS AND AUDIT

Section 4.01 Compensation. [To Be Determined.]

Section 4.02 Payment and Invoices.

A. Payment. CHA will make commercially reasonable efforts to make payment for Services within [to be determined] days after receipt and approval of each invoice submitted.

B. Invoices.

1. Contractor shall submit [term] invoices to the CHA within [to be determined].
2. Each invoice shall contain back-up information as required by the CHA, including but not limited to: (i) brief description of the Services provided during the invoice period; (ii) any supporting detail; and (iii) any reasonable requests for other supporting information.
3. The CHA is not required to give approval or make payments for a submitted invoice unless the following CHA requirements are provided: (i) required information with the invoice; (ii) information requested by the CHA with the invoice; (iii) all reporting requirements; (iv) Deliverables; and (v) other reasonable and written requests of the CHA for additional information.
4. All invoices are subject to review and approval by the CHA.
5. If the CHA objects to all or any portions of any invoice, the CHA shall notify Contractor of its objection in writing and the parties shall use their best efforts to settle the disputed portion of the invoice.

6. Notwithstanding the foregoing, the CHA may, at its option, pay the undisputed portion of any invoice without being deemed to have accepted the disputed portion.
7. All disputes regarding invoices shall be handled in accordance with **Section I, Paragraph 7, of the General Conditions for Non-Construction Contracts**, in **Exhibit V**, attached hereto and incorporated herein.

Section 4.03 Non-Appropriation and Costs.

- A. Funding for this Agreement is subject to: (i) availability of federal funds from HUD; (ii) the approval of funding by the CHA's Board of Commissioners; and (iii) Contractor's satisfactory performance of this Agreement.
- B. In the event no funds or insufficient funds are appropriated and budgeted, or appropriated funds are rescinded by the United States Congress in any fiscal period of the Term for payments to be made under this Agreement, the CHA may notify Contractor of such occurrence and this Agreement, the CHA may notify Contractor of such event, and the 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.

Section 4.04 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 this Agreement. Such audit will require Contractor to produce any documentation to support the invoice it submitted.
- B. Contractor, 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. Contractor shall: (i) keep books, documents, papers, records and accounts ("Records") in connection with the 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 Services.
- D. In addition, Contractor 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 Contractor.
- E. If Contractor is found in non-compliance with these audit requirements, Contractor will be required to refund any payments received under this Agreement.

ARTICLE 5. RISK MANAGEMENT

Contractor must provide the required insurance requirements pursuant to **Insurance Requirements, Exhibit VI**, attached hereto and incorporated herein.

ARTICLE 6. INDEMNIFICATION

- A. Contractor agrees to protect, defend, indemnify, and hold the CHA, its officers, officials, directors, employees, agents and contractors, harmless from and against any and all liabilities, losses, penalties, damages, settlements, costs, charges, professional fees, including attorneys' fees, or other expenses or liabilities of any kind arising out of or relating to any and all claims, liens, demands, obligations, actions, suits, judgments or settlements, proceedings or causes of action (collectively, "Claims") in connection with or arising directly or indirectly out of this Agreement and/or the acts and omissions of Contractor, its agents, employees, and/or subcontractors.
- B. Notwithstanding the foregoing, any and all Claims, relating to personal injury, death, damage to property, defects in material or workmanship, actual or alleged infringement of any intellectual property, any other tangible or intangible personal or property right, or any actual or alleged violation of any applicable statute, ordinance, order, rule or regulation, or decree of any court, shall be included in the indemnity herein.
- C. Contractor agrees to investigate, respond to, provide defense for and defend all suits for any and all Claims at its sole expense, even if the Claims are considered groundless, false or fraudulent.
- D. The CHA shall have the right, at Contractor's expense, to participate in the defense of any suit, without relieving Contractor of any of its obligations herein.
- E. Contractor's requirements herein are separate from and not limited by Contractor's responsibility to obtain, procure and maintain insurance required herein.
- F. The indemnities contained in this section shall survive the expiration or termination of this Agreement.

ARTICLE 7. DISPUTES

In the event of a dispute between the parties, the parties will attempt to negotiate a resolution. If the parties cannot resolve the dispute through negotiation, the parties shall follow the procedures set forth in Section I, Paragraph 7 of the **General Conditions for Non-Construction Contracts, Form HUD-5370-C, Exhibit V**, attached hereto and incorporated herein.

ARTICLE 8. HUD SUBMISSION, SETTLEMENT OFFERS AND APPEALS

Section 8.01 HUD Regional Counsel for Region V Submissions. During the course of a litigation matter, and from time to time, Contractor may be required to submit a copy of all pleadings, motions, orders, briefs, legal opinions or memoranda for which fees are charged for Services, as well as a copy of papers and briefs filed by Contractor 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 8.02 Settlement Offers. No settlement offer shall be made or accepted by Contractor 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 8.03 Appeals. The CHA nor Contractor 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 9. EVENTS OF DEFAULT AND REMEDIES

Section 9.01 **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 Contractor to the CHA.
- B. Contractor's material failure to perform any of its obligations under this Agreement including, but not limited to, the following:
 - 1. Failure to perform the Services: (i) with sufficient personnel, equipment or material to ensure the performance of the Services; or (ii) due to a reason or circumstances within Contractor's reasonable control.
 - 2. Failure to perform the Services in a manner satisfactory to the CHA.
 - 3. Inability to perform the 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 Services/Work Product that were rejected as erroneous or unsatisfactory.
 - 5. Discontinuance of the Services for reasons or circumstances within Contractor'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 CHA.
 - 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 Contractor without timely prior notice to the CHA.
- 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 9.02 **Remedies.**

- A. The occurrence of any default under Section 9.01 which is not cured within thirty (30) business days after receipt of notice to Contractor 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 Contractor 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 Contractor in default.
- B. Whether to declare Contractor in default is within the sole discretion of the CHA and neither that

decision nor the factual basis for default is subject to review or challenge under the disputes provision in Article 7.

- C. Upon notice of default, the CHA may take over and complete the Services at Contractor's expense. In such event, the right to offset from such expense, is the amount it would have cost the CHA had Contractor completed the Services.
- D. The CHA shall also have the following remedies in the event of default of the Agreement terms by Contractor:
 - 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 Contractor's compensation.
 - 5. Disqualification of Contractor 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 Contractor to continue to provide the Services despite one or more events of default, Contractor 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 9.02 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 9.03 Suspension.

- A. The CHA may at any time request that Contractor suspend its Services, or any part thereof: (i) with ten (10) days prior written notice to Contractor; or (ii) immediately in the event of emergency. No costs incurred after the effective date of such suspension shall be allowed. Contractor shall promptly resume its performance of such Services upon written notice from the CHA, and an extension of the Term may be mutually agreed upon by the parties for continuation or completion of the 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, Contractor shall treat such suspension as a termination for convenience upon written notice by the CHA pursuant to Section 3.02.

Section 9.04 No Damages for Delays. Contractor 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 Contractor's obligations under this Agreement.

Section 9.05 No Personal Liability of Public Officials. No official, employee or agent of the CHA shall be charged personally by Contractor, or by any assignee or subcontractor of Contractor, with any liability or expenses of defense or be held personally liable to Contractor under this Agreement, including any breach thereof.

ARTICLE 10. WARRANTIES, REPRESENTATIONS AND BUSINESS DOCUMENTS

Section 10.01 Warranties and Representations. Contractor warrants and represents:

- A. It is financially solvent.
- B. It and each of its directors, employees, agents, and subcontractors are competent to perform the Services.
- C. It is legally authorized to execute and perform Services.
- D. No officer, agent or employee of the CHA is employed by Contractor 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. Any agreement entered into, negotiated or performed in violation of any of the provisions set forth herein shall be voidable by the CHA.
- F. It and its subcontractors are not in default as of the Effective Date, or deemed by the CHA to have, within five (5) years immediately preceding the Effective Date, been found to be in default on any contract awarded by the CHA.
- G. It understands the nature of the Services required.
- H. It has all the resources for the performance of Services and all other matters which may affect Services.
- I. It has the time available to perform Services.
- J. It shall perform Services in accordance with the provisions herein.
- K. 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 Contractor to enter into this Agreement.
- L. It shall at all times to cooperate fully with the CHA and act in the CHA's best interests.
- M. It shall comply with the terms in Section 3 and in **CHA Contract Requirements, Exhibit II**, attached hereto and incorporated herein, regarding employment, subcontracting and training opportunities for Section 3 Workers, Targeted Section 3 Workers, and Section 3 Business Concerns.
- N. The execution of this Agreement by the signatory has been made with complete and full authority to bind Contractor to all terms of this Agreement.

Section 10.02 Business Documents. Contractor 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.

ARTICLE 11. CONFLICTS OF INTEREST AND LOBBYING

Section 11.01 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 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. Contractor.

1. Contractor 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 Services. Contractor further covenants that in the performance of Services, no person with any such interest shall be employed by Contractor. Contractor will ensure that it and persons performing Services on its behalf do not undertake any representation or other relationship that places Contractor or the CHA in an actual or potential conflict of interest with any other individual or entity.
2. Contractor 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. Contractor may make a written request of a waiver of the conflict of interest from the CHA, which must detail the nature of the conflict of interest. Contractor agrees that if the CHA determines that any Services for a third-party conflict with Services for the CHA, Contractor shall terminate such other Services to the third party immediately.

Section 11.02 Lobbying. Contractor 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 12. COMMUNICATION AND NOTICES

Section 12.01 Communications. All communication between the parties, including required reports and submissions, must be in writing.

Section 12.02 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 12.02 (iv), written notice must also be sent pursuant to Sections 12.02 (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 shall notify the other of in writing:

For Contractor:

[CONTRACTOR]
[ADDRESS]
Attention: [NAME]

For the CHA:

Chicago Housing Authority
60 E. Van Buren St., 10th Floor
Chicago, IL 60605
Attention: Deputy Chief, [DEPARTMENT]

With a copy to

Chicago Housing Authority
60 E. Van Buren St., 12th Floor
Chicago, IL 60605
Attention: Chief Legal Officer

ARTICLE 13. GENERAL PROVISIONS

Section 13.01 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 13.02 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 13.03 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 Contractor and by the CHA or the Chief Executive Officer of the CHA or their respective designees. The CHA shall incur no liability for additional Services without a prior written amendment to this Agreement.

Section 13.04 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. Contractor 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. Contractor agrees that service of process on Contractor 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 Contractor; or (iii) personal delivery on any officer, director, or managing or general agent of Contractor.
- 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 13.05 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 13.06 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 13.07 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. Contractor 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 13.08 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 Contractor of any of the provisions of this Agreement. Whenever, under this Agreement, the CHA by a proper authority waives Contractor's performance in any respect or waives a requirement or condition to either the CHA's or Contractor'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 13.09 Joint and Several Liability. In the event Contractor, 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 performed by Contractor shall be the joint and several obligations of each individual or other entity.

Section 13.10 Independent Contractor. Contractor is an independent contractor to the CHA. Contractor 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 13.11 Force Majeure. If a party's performance is prevented by fire, flood, earthquakes, other elements of nature or acts of God, acts of war (declared or undeclared), order or acts of any government, whether foreign, national or local (valid or invalid), endemic, pandemic, terrorism, threats of terrorism, riots, rebellions or revolutions, civil disorders, or third party labor strikes, then the affected party shall be excused for such non-performance for as long as such event continues; provided, however, such event is beyond the reasonable control of the affected party (and could not be prevented by appropriate precautions) and the affected party is diligently attempting to recommence performance. The affected party shall, as soon as practicable, notify the other party of the event and, if non-performance continues for thirty (30) days (or more), the other party may terminate this Agreement.

Section 13.12 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 13.13 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 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 Contractor have executed this Agreement as of the Effective Date.

CHICAGO HOUSING AUTHORITY

[CONTRACTOR]

By: _____
Sheila Johnson
Deputy Chief, Procurement

By: _____
Name: _____
Title: _____

Approved as to Form and Legality:

By: _____
Elizabeth Silas
Interim Chief Legal Officer

EXHIBIT I

SCOPE OF SERVICES/STATEMENT OF WORK

I. SCOPE OF SERVICES.

Services shall cover insurance programs for CHA's central office and operational exposures associated with traditional housing, Rental Assistance Demonstration (RAD) and mixed-income properties. A dedicated account team with specialized coverage expertise is required. All deliverables are to be coordinated with CHA's Risk Management. The Selected Respondent will be responsible for the following:

1. Coverage analysis and recommendations for program improvements, including commercial and alternative risk transfer options.
2. Competitive marketing, negotiation, and placement of insurance.
3. Quarterly reporting and annual stewardship reporting.
4. Coordination of annual bi-annual claim review with Third Party Administrator ("TPA").
5. Assistance with claims strategy and carrier interface.
6. Maintenance of accurate and timely policy documentation.
7. Risk advisory and strategic planning services.

II. STATEMENT OF WORK AND DELIVERABLES

The Selected Respondent is responsible for providing the following services to CHA:

1. Insurance Placement Services.

As the Broker of Record, represent the CHA in the renewal process of all standard forms of business-related insurance which include, but are not limited to, the following coverages:

- (1) Auto Liability
- (2) Builders Risk
- (3) Cyber Liability
- (4) Employed Lawyers
- (5) Employee Benefits Liability
- (6) Employment Practices Liability
- (7) Environmental Liability
- (8) Excess Liability
- (9) Fiduciary Liability
- (10) General Liability
- (11) Property, Boiler & Machinery
- (12) Public Officials Errors and Omissions Liability
- (13) Sexual Abuse & Molestation Liability

2. Program Analysis.

Conduct an analysis of the current insurance programs and provide recommendations for modifications, such as alternative risk transfer programs, to the impact and feasibility of coverage design changes. The analysis must include the cost impact/savings based on historical premium history and analysis of current insurance market conditions. All recommendations will be presented to CHA's Risk Management before solicitations are made to the marketplace to ensure that proposed coverages, exposures and retentions are appropriate for the CHA and its properties.

3. Renewal process preparation.

- (1) Present a renewal action plan that meets timelines for CHA's Executive Office and Board of Commissioners' ("BOC") board item review meetings. The action plan is to include benchmarking data costing, limits, conditions, claim frequency and severity, as well as the financial strength of the insurers.
- (2) Collect all required exposure information in conjunction with CHA Risk Management for underwriting purposes four (4) months prior to the renewal date of each insurance program.
- (3) Provide analyses of quarterly loss runs from TPA and carriers.

4. Marketing Phase of the Renewal Process

- (1) Provide a forecast of market conditions, six (6) months prior to each program renewal.
- (2) The Selected Respondent shall solicit and procure insurance coverage for the CHA in compliance with all applicable federal guidelines, especially HUD's "Uniform Administrative Requirements...for Federal Awards" at 2 CFR Part 200.
- (3) Ensure adequate competition, a minimum of three (3) bids are required for each line of insurance coverage and submit vendor responses if less than three (3) bids are submitted.
- (4) The proposal will include all solicitation documents and responses, bid summaries along with policy recommendations.
- (5) The Selected Respondent shall provide the CHA with proposed renewal costs, along with all solicitation documents according to the Executive Office/BOC meeting calendar timelines, if available, but no later than thirty (30) days before the renewal date.
- (6) The Selected Respondent must notify CHA Risk Management immediately of any delays in the renewal process that will impact CHA Executive Office and/or BOC meeting timelines.

5. Documentation After Renewal - Placement of Insurance

- (1) Deliver final policy by sixty (60) days from renewal date, having reviewed all policies and endorsements for accuracy.
- (2) Maintain listing of recurring certificate holder list for all insurance programs and issue certificates of insurance within five (5) business days of renewal and no later than fifteen (15) business days.
- (3) Review policies and endorsement for accuracy and conformity to specification and negotiated coverages and notify CHA Risk Management of any corrections required from carrier.
- (4) Deliver certificates of insurance and auto identification cards upon renewal.

6. Claim Related Services

- (1) Coordinate with CHA Risk Management and TPA to review, develop or improve claim reporting procedures.
- (2) Monitor compliance with claims reporting and applicable TPA service instructions.
- (3) Evaluate and analyze large exposure cases; review and suggest changes to specific claim reserves; ensure the proper carriers are on notice.
- (4) As a liaison for CHA, work with insurance carriers' claim departments, facilitate the exchange of information among insurers, adjusters, lawyers and other parties to ensure timely settlement of coverage reviews, settlement of claims and recovery of first-party claims.
- (5) Perform annual audit/review of claims during each policy term.

7. Brokerage Services

- (1) Perform regular reviews of the current program to identify potential gaps, recommend appropriate changes in retentions, limits, coverage, program structure and discuss potential strategies for improvement, in accordance with industry best practices.
- (2) Provide a dedicated account service team including professionals with expertise in specialty lines of coverage (i.e., pollution legal liability/environmental insurance) and provide advance notice of any changes in the dedicated account service team.
- (3) Requests for new certificates shall be issued within one (1) business day after receiving a request from the CHA; and process rush requests within four (4) hours.
- (4) Produce and verify the accuracy of bills, audits, and any other premium adjustments.
- (5) Conduct on-site or virtual meetings with CHA Risk Management team on a quarterly or as-needed basis to review current service performance and discuss open items, status of deliverables, and establish future projects and objectives.
- (6) Provide technology solutions to support Risk Management's Construction, Occupancy, Protection and Exposure ("COPE") data, loss control, development of renewal submission packages.
- (7) Provide guidance with emerging risk management issues, coverage questions, or perform other consultative services as needed.

EXHIBIT II CHA CONTRACT REQUIREMENTS

(See Attached)

Standard Professional Services Agreement



Chicago Housing Authority Contract Requirements

CHA is committed to contracting with vendors who share our values for inclusive and equitable contracting opportunities. CHA strives to be fair, transparent and practical, and to optimize the use of public funds through purchasing decisions.

1. Summary of Contract Requirements

Type of Contract	M/W/DBE	HUD 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 Contract Requirements:

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. Vendors unable to meet the 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. To locate a Section 3 Business, visit the [Workforce Opportunity Resource Center](#) (WORC) site. Professional Services that directly provide social 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 requirement may propose indirect participation subject to CHA's written approval. These may include, but are not limited to mentorship programs,



Chicago Housing Authority Contract Requirements

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.

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 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 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 will count towards subcontracting requirements for both the M/W/DBE and Section 3 sub-contracting requirements.

(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 Depart 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
<https://www.thecha.org/how-do-business-cha>

EXHIBIT III CONTRACTOR'S CONTRACT COMPLIANCE CERTIFICATION

(See Attached)

Standard Professional Services Agreement

EXHIBIT IV CHA’S COMPLIANCE UTILIZATION PLAN

(See Attached)

Standard Professional Services Agreement

DEPARTMENT OF PROCUREMENT AND CONTRACTS
UTILIZATION PLAN

**EXHIBIT V GENERAL CONDITIONS FOR NON-CONSTRUCTION CONTRACTS, FORM
HUD-5370-C**

(See Attached)

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 thereof 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 VI INSURANCE REQUIREMENTS

The Contractor shall furnish the Chicago Housing Authority (CHA) with satisfactory evidence (subject to approval from CHA) that it has the following insurance coverage(s). 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.

- (a) **Workers' Compensation** – Statutory Limits (Coverage A) and Employer's Liability (Coverage B) in an amount of not less than \$500,000/\$500,000/\$500,000.
- (b) **Commercial General Liability** - Insurance in the amount of \$1,000,000 per occurrence with an aggregate of not less than \$2,000,000.
- (c) **Automobile Liability** – When any motor vehicles (owned, unowned and hired) are used in connection with the services to be performed, the Contractor shall provide Comprehensive Automobile Liability Insurance with limits of not less than \$1,000,000 per occurrence CSL, for Bodily Injury and Property Damage.
- (d) **Professional Liability Insurance** – Covering acts, errors or omissions shall be maintained with limits of not less than \$1,000,000 per occurrence. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, the start of Services under the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

RELATED INSURANCE REQUIREMENTS:

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 duration. The required documentation must be received prior to the commencement of work under this Agreement.

It is understood and agreed to by the parties hereto that Chicago Housing Authority and others listed below shall be included as Additional Insureds on Contractor's liability policies, with the exception of Professional Liability and Employer's Liability, and such insurance is primary to and will not seek contribution from any insurance, deductibles, self-insured retentions and/or self-insured programs available to Chicago Housing Authority.

Certificate Holder: Chicago Housing Authority
60 E Van Buren St
Chicago, IL 60605

Additional Insureds: Collectively referred to as the “Additional Insureds” shall include Chicago Housing Authority, Chicago Housing Administration, LLC; and/or other Partnership, Limited Liability Company, as established by CHA; its respective commissioners, board members, officers, directors, agents, property management firms, employees, invitees and visitors.

Primary Coverage: For any claims related to this Agreement, the Contractor’s insurance coverage shall be the primary policy. The Contractor expressly understands and agrees that any insurance or self-insurance programs maintained by the CHA shall apply in excess of and shall not contribute with insurance provided by the Contractor.

Prior to the issuing of the Notice to Proceed by the CHA, the Contractor shall submit a Certificate of Insurance via *PINS Advantage Certificate Tracking System*, evidencing compliance with the insurance requirements set forth above. Contractor will receive an email with instructions for the submission of its insurance. Copies of the endorsement(s) adding the CHA to Contractor’s policy as an additional insured are required upon request. Updated Certificates of Insurance are required for policies which renew during the term of this Agreement or extensions thereof. Under no circumstances shall the Contractor allow any required coverage to lapse, cancel or non-renew throughout the duration of the Agreement or extensions thereof.

The CHA in no way warrants that the minimum limits contained herein are sufficient to protect the CHA from liabilities that might arise out of the performance of the work under this Agreement by the Contractor or its subcontractors. The Contractor shall assess its own risks and, if it deems appropriate and/or prudent, maintain higher limits and/or broader coverages. The Contractor 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.

The Contractor shall require all subcontractors to carry the insurance required and adhere to the same requirements and conditions as outlined above.

The Contractor expressly understands and agrees that any insurance or self-insurance programs maintained by the CHA shall apply in excess of and will not contribute with insurance provided by the Contractor and/or any of its subcontractors.