



Office of the City Clerk

City Hall
121 N. LaSalle St.
Room 107
Chicago, IL 60602
www.chicityclerk.com

Legislation Details (With Text)

File #: O2020-3946
Type: Ordinance **Status:** Passed
File created: 7/22/2020 **In control:** City Council
Final action: 9/9/2020

Title: Intergovernmental agreement with Chicago Housing Authority regarding city designation under National Environmental Policy Act (NEPA) to conduct environmental reviews regarding U.S. Department of Housing and Urban Development (HUD) requirements for grants and National Historic Preservation Act compliance

Sponsors: Lightfoot, Lori E.

Indexes: Assets, Information and Services, Intergovernmental

Attachments: 1. O2020-3946.pdf

Date	Ver.	Action By	Action	Result
9/9/2020	1	City Council	Passed	Pass
7/22/2020	1	City Council	Referred	

OFFICE OF THE MAYOR
CITY OF CHICAGO

LORI E. LIGHTFOOT
MAYOR

July 22, 2020

TO THE HONORABLE, THE CITY COUNCIL OF THE CITY
OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Assets, Information and Services, I transmit herewith an ordinance authorizing the execution of an intergovernmental agreement with the Chicago Housing Authority regarding NEPA Environmental Review.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours.

ORDINANCE

WHEREAS, the City of Chicago (the "City"), is a home rule unit of government under Article VII, Section 6(a) of the Constitution of the State of Illinois, and as such may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the Chicago Housing Authority is a public housing agency and a municipal corporation under the laws of the State of Illinois, is subject to the planning zoning, sanitary and building laws, ordinances and regulations of the City (the "CHA"), and 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 Housing Authorities Act, 310 ILCS 10/1, et seq., as amended from time to time, and all other applicable laws, regulations and ordinances; and

WHEREAS, under the National Environmental Policy Act of 1969, 42 USC 4321 et seq., and regulations regarding the same Act promulgated by 24 CFR 58 and 24 CFR 50 (together, "NEPA"), HUD has previously borne responsibility for conducting environmental reviews applicable to HUD federal funding awarded to the CHA, including federal funding assistance under HUD's Moving To Work Demonstration Program ("MTW"); and

WHEREAS, the CHA's MTW agreement with HUD (the "MTW Agreement"), requires the performance, of environmental reviews of various planned project sites, pursuant to the requirements of NEPA; and

WHEREAS, the CHA anticipates that the CHA shall receive HUD funding for additional projects and programs in the future (the "Other Programs"), such projects and programs also being subject to HUD-required environmental reviews pursuant to the requirements of NEPA; and

WHEREAS, the issuance and submission of certain HUD documentation related to the aforementioned environmental reviews is and will be required under the MTW Agreement, NEPA, and the Other Programs (the "HUD Documentation"); and

WHEREAS, the CHA desires, and the City, acting through its Department of Assets, Information and Services (the "Department"), is willing and able, to perform the environmental reviews required under NEPA ("Environmental Reviews"), on the CHA's behalf, as a non-recipient responsible entity, as permitted by NEPA; and

WHEREAS, the CHA and the City have the authority to enter into intergovernmental agreements pursuant to the Intergovernmental Cooperation Act, 5 ILCS 220/1 et seq.; and

WHEREAS, the CHA and the City desire to enter into an intergovernmental agreement, in substantially the form attached as Exhibit A (the "Agreement"), to set forth the terms and conditions governing both parties' obligations in connection with the Department performing the Environmental Reviews and issuing and submitting the HUD Documentation; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The above recitals are incorporated here by this reference

1

SECTION 2. Subject to the approval of the Corporation Counsel as to form and legality, the Commissioner of the Department or his or her designee is authorized to execute the Agreement, and such other documents as are necessary, between the City and the CHA in substantially the form attached as Exhibit A. The Agreement shall contain such other terms as are deemed necessary or appropriate by the City.

SECTION 3. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

SECTION 4. This ordinance takes effect upon passage and approval.

2

EXHIBIT A

INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF CHICAGO AND
THE CHICAGO HOUSING AUTHORITY

See attached pages.

3

INTERGOVERNMENTAL AGREEMENT

BETWEEN

THE CITY OF CHICAGO

AND

THE CHICAGO HOUSING AUTHORITY

THIS INTERGOVERNMENTAL AGREEMENT (the "Agreement") is entered into as of this /_ day of ' " : • • 2020, by and between the CHICAGO HOUSING AUTHORITY (the "CHA"), a municipal corporation of the State of Illinois, and the CITY OF CHICAGO (the "City"), a municipal corporation and home rule unit of government under Article VII, Section 6(A) of the 1970 Constitution of the State of Illinois, acting through its DEPARTMENT OF ASSETS, INFORMATION AND SERVICES (the "Department").

RECITALS

WHEREAS, the CHA, a public housing agency that serves low and very low income residents, is engaged in the development and operation of affordable, decent, safe, and stable housing throughout the City of Chicago for low-income families in accordance with the United States Housing Act of 1937, 42 USC 1437 et seq., regulations issued by the United States Department of Housing and Urban Development ("HUD"), the State Housing Authorities Act, 310 ILCS 10/1 et seq., as amended, and other applicable laws, regulations and ordinances; and

WHEREAS, under the National Environmental Policy Act of 1969, 42 USC 4321 et seq., ("NEPA") and regulations regarding the same Act promulgated at 24 CFR 50 (the "NEPA HUD Regulations"), HUD has previously borne responsibility for conducting environmental reviews required pursuant to HUD federal funding awarded to the CHA, including federal funding assistance under HUD's Moving To Work ("MTW") Demonstration Program (the "MTW Program"); and

WHEREAS, the City and the CHA anticipate that the CHA and HUD may enter into other agreements and/or programs (the "Other Programs") during the term of this Agreement pursuant to which the CHA shall receive HUD funding for additional projects, such projects also being subject to HUD-required environmental reviews pursuant to the requirements of NEPA; and

WHEREAS, pursuant to 24 CFR 58, responsible entities may be designated to assume the responsibility for environmental review, decision-making, and action that would otherwise apply to HUD under NEPA and other provisions of law that further the purposes of NEPA, as specified in 24 CFR 58.5, and the City has previously served as the responsible entity for CHA projects; and

WHEREAS, the City certifies it is willing and authorized to: (1) perform duties as a non-recipient responsible entity as defined by 24 CFR 58.2(a)(7)(ii)(B) including, but not limited to, compliance with each provision of law under 24 CFR 58.5; and (2) perform environmental reviews ("Environmental Reviews" and each, an "Environmental Review"), including, but not limited to, decision making and actions, as set forth in 24

CFR 58.4, related to the execution of the certification portion of HUD's Request for Release of Funds and Certification (the "HUD Release Form"); and (3) perform, through the Department and/or through the City's Department of Planning and Development, the administration of the section 106 process of taking into account the effects of Federal undertakings on historic properties pursuant to the National Historic Preservation Act 16 U.S.C. 470 et seq. ("NHPA") and regulations promulgated pursuant thereto as set forth in 36 CFR Part 800 - Protection of Historic Properties; and

WHEREAS, the CHA and the City have the authority to enter into intergovernmental agreements pursuant to the Intergovernmental Cooperation Act, 5 ILCS 220/1 et seq.; and

WHEREAS, pursuant to an ordinance of the City Council, dated [redacted], 2020, published at pages [redacted] to [redacted] of the Journal of Proceedings of the City Council, the City is authorized to enter into an intergovernmental agreement with CHA for the purposes indicated in this Agreement; and

WHEREAS, pursuant to Resolution No. [2020-CHA-] of the CHA Board of Commissioners, dated July 21, 2020, the CHA is authorized to enter into an intergovernmental agreement with the City for the purposes indicated in this Agreement; and

WHEREAS, the CHA and the City desire to enter into this Agreement to have the City: (1) perform the Environmental Reviews; (2) issue such HUD Documentation as is required for CHA to obtain public housing grants; and (3) perform the administration of the section 106 process pursuant to the NHPA.

NOW THEREFORE, in consideration of the mutual promises and the terms and conditions set forth herein, the CHA and the City do hereby agree as follows:

ARTICLE 1. **INCORPORATION OF RECITALS**

The recitals set forth above are incorporated by reference as if fully set forth herein and made a part hereof.

ARTICLE 2. **DUTIES AND RESPONSIBILITIES**

Section 2.01 City's Services to be Performed and City's Responsibilities

- A. Subject to the terms of Section 2.02(1) below, the City will perform or cause to be performed all Environmental Reviews, including decision-making and actions related to the certification portion of the HUD Release Form, and issue or cause to be issued all HUD Documentation required by: (1) NEPA; (2) related provisions of the Council on Environmental Quality regulations (40 CFR 1500-1508); and (3) other applicable Federal and State regulations (collectively, the "Services"), as more particularly described in 24 CFR 58.5 and Exhibit 1.
- B. The City agrees to provide at least two business days' prior notice to the CHA of the City's or its respective subcontractors' or consultants' intent to conduct on-site inspections or other activities related to the provision of Services, identifying any subcontractors or consultants it employs in the provision of the Services who will require physical access to CHA Environmental Review Sites. Electronic communications shall be deemed sufficient for all communications related to this subsection, pursuant

to Article 7 of this Agreement.

- C. Upon completion of an Environmental Review by the City and/or one of its subcontractors, the City shall execute the certification portion of the HUD Release Form and/or any other required documentation. Additionally, the City shall provide or otherwise make available

to the CHA copies of all non-confidential documentation and other paperwork filed with HUD, upon the CHA's request, and at the CHA's expense.

- D. The City shall prepare written Pay Requests (as defined in Section 4.01 of this Agreement) indicating costs incurred for Services rendered under this Agreement, pursuant to Article 4 of the same, and shall deliver such Pay Requests to the CHA pursuant to Article 7 of the same. The pay request shall include information presented by site name and address and shall include the name of employee or consultant, number of hours, labor rates and charges and reimbursable costs.
- E. The City will not assume responsibility for the provision of Services for sites that are undergoing environmental remediation under the Illinois Site Remediation Program. On completion of the environmental remediation and reporting, the City will be forwarded a No Further Remediation Letter for those sites.
- F. City agrees to ensure that its consultants and contractors comply with the City's Minority and Women's Business Enterprise ("MBE/WBE") requirements in accordance with the City's MBE/WBE Policy.

Section 2.02 CHA's Duties and Responsibilities

- A. For each Environmental Review CHA desires the City to conduct, CHA will submit to the City an Environmental Review Application ("Application") on forms prescribed and provided by the City with attachments, as necessary. Applications shall be mailed, emailed or hand-delivered to the address(es) designated by the City on the forms, pursuant to Article 7 of this Agreement. Applications that are hand-delivered shall be delivered to the Department during normal business hours. CHA will include pertinent and relevant information with the form including but not limited to funding amounts, program name, location map(s), PINs and addresses, site photographs, and construction year of buildings.
- B. The CHA will serve as liaison with local community groups and residents regarding all aspects of the City's Services under this Agreement, and will be responsible for, among other things, scheduling, and participating in, public meetings. The CHA will provide the City with at least 14 days prior written notice of all meetings that relate to the Services, to provide the City the opportunity to participate in such meetings. The CHA will be responsible for making arrangements for all such public meetings.
- C. During the term of this Agreement, the CHA will not, without the signed, written consent of the Commissioner of the Department (the "Commissioner") or his or her duly appointed representative, engage any entity (including HUD) other than the City to perform any Services contemplated by this Agreement, and will provide notice to the Department if it becomes aware that actions taken by the CHA or any other entity shall have an effect on the Services contemplated by this Agreement. Electronic communications shall be deemed sufficient for all communications related to this subsection, pursuant to Article 7 of this Agreement.

- D. To enable the performance of the Services, the CHA hereby grants permission to the City, its officers, employees, consultants and contractors to enter any relevant CHA-owned or controlled Environmental Review location to perform the agreed upon work, provided that reasonable advance notice has been given by the City to the CHA. CHA shall assist in coordinating with the City and private owners, as needed, to obtain access to non CHA-owned or controlled properties. The City's consultants and contractors shall provide CHA or any private owners with evidence of insurance to theirs and the City's satisfaction prior to entering any Environmental Review location. In addition, such consultants and contractors shall name the CHA or such private owner as an additional insured, if requested.
- E. The Department requires the CHA, as the grantee, to agree to adhere in full to all recommendations provided by the Illinois State Historic Preservation Officer ("SHPO") when such recommendations are issued as part of the Services. The Department acknowledges that CHA may engage SHPO in further discussions regarding such recommendations, and such initial recommendations may be modified. CHA further agrees that, where consultation with the Advisory Council for Historic Preservation ("Advisory Council") is required, CHA shall prepare all submittals pursuant to Advisory Council recommendations. CHA shall include language in development agreements with developers and non-CHA property owners regarding potential SHPO recommendations and requirements and provide the Department with copies of those agreements. Pursuant to 36 CFR 800.2(c)(4), CHA, as the grantee, is considered an "Applicant for Federal Assistance" and therefore a Consulting Party in the Section 106 process. As such, CHA is obligated to participate in Section 106 and may not opt out as a Consulting Party. Further, as a Consulting Party, CHA will sign any Memoranda of Agreement (MOA) as a Concurring Party in good faith to demonstrate its willingness to abide by the conditions therein and ensure the compliance of developers and non-CHA property owners. Notwithstanding the foregoing, CHA shall not be obligated to proceed with or continue its participation in any project that requires the execution of a SHPO agreement or such Memorandum of Understanding.
- F. The CHA agrees to ensure compliance in full with all conditions in conditional, draft and final No Further Remediation (NFR) letters issued by the Illinois Environmental Protection Agency (IEPA) when an NFR letter is required as a condition of the Services, and further agrees that, where enrollment in the IEPA Site Remediation Program is required, CHA shall prepare all submittals pursuant to 35 ILCS Part 740. Under no circumstances will the City bear responsibility for coordinating with the IEPA.
- G. CHA shall not request a "Certificate of Occupancy" from the City until CHA has completed any and all conditions of the corresponding Environmental Review, including recording of a No Further Remediation (NFR) letter.
- H. Notwithstanding anything to the contrary in this Agreement, the CHA agrees to provide the City with documentation that adequately describes the full scope, purpose, and interrelationships of the HUD assisted, privately financed and non-federally financed CHA projects for which Services are requested, as well as any other documents and/or information requested by the City that the City reasonably believes is necessary to perform the Services required under this Agreement; such requirements are further described by Exhibit 2 attached hereto and made part of this Agreement.
- I. The CHA agrees, in accordance with 24 CFR 58.71, that it will not undertake any physical activities or choice limiting actions including, but not limited to acquisition, disposition, entering into contracts, agreements, construction or rehabilitation, etc. on an activity or project, as defined by 24 CFR 58.2 and 24 CFR 58.22 in the HUD regulations at a site undergoing Environmental Review until such time that HUD has issued the Authority to Use Grant funds or the City has issued to the CHA a signed

Environmental Compliance Certification letter ("Clearance Letter"); CHA agrees to abide by all terms and conditions the City requires within a Clearance Letter.

- J. The CHA agrees that it will notify the Chicago Department of Public Health prior to undertaking rehabilitation work that includes asbestos and/or lead-based paint repair or abatement.
- K. The CHA agrees that it will forward all Environmental Review related correspondence, and any other correspondence related to the provision of Services under this Agreement to the Department. Electronic communications shall be deemed sufficient for all communications related to this subsection, pursuant to Article 7 of this Agreement.
- L. The submission of a project to the Department for Environmental Review shall not obligate CHA to proceed with or continue its participation in any project or development, should CHA determine that moving forward with such project is not in the CHA's best interests. CHA shall not be obligated to provide Project-Based Vouchers for any property by virtue of having submitted the property for Environmental Review.

Section 2.03 Timeliness of Environmental Reviews

- A. CHA acknowledges that the City shall require a complete CHA Application in order to commence the corresponding Environmental Review. Environmental Reviews shall require a minimum term of one hundred twenty (120) days, reviews which exceed the 120-day term to complete will require no additional action by the City. The CHA and the City shall review the status of projects on a monthly basis, or as mutually agreed. CHA may also submit to the City a request for information concerning the status of an Environmental Review.
- B. CHA and the City will work together to adjust priorities as necessary. These adjustments will be agreed upon by the project managers for both agencies. The City and CHA will review all projects on a monthly basis and discuss the specifics of all pending projects.
- C. Electronic communications shall be deemed sufficient for all communications related to this Section 2.03, pursuant to Article 7 of this Agreement.

Section 2.04 CHA Dedicated Environmental Review Professional

The City, through its Department of Assets, Information and Services, will assign an environmental professional dedicated to performing the Environmental Reviews of CHA Properties (the "CHA-Assigned Environmental Professional") to facilitate expedited completion of the Environmental Reviews contemplated herein. Costs for compensation for the CHA-Assigned

Environmental Professional shall be included, and separately identified, in the Pay Requests as set forth in Section 4.01(B) below.

Section 2.05 Audit Requirement and Maintenance of Records

The City acknowledges the irrevocable right of HUD to independently, or through a third party, review and/or audit the City's books and records pertaining to this Agreement. The City acknowledges that such right extends for three (3) years from the completion of Services and will retain applicable records for no less than this term of years, or for such longer period as may be required by applicable laws or regulations.

Section 2.06 Assignments

Neither the CHA nor the City shall assign this Agreement, or any portion thereof, without the express written approval of the other party. This Agreement shall inure to the benefit of and shall be binding upon the City and the CHA, and each of their respective successors and assigns. This Agreement is intended to be and is for the sole and exclusive benefit of the parties hereto and such successors and assigns.

Section 2.07 Force Majeure

In the event of war, flood, riot, epidemic, act of governmental authority in its sovereign capacity, act of God, or any other events or circumstances not within the reasonable control of the party affected, whether similar or dissimilar to any of the foregoing, during the term of this Agreement, neither the CHA nor the City shall be liable to the other party for any nonperformance under this Agreement resulting from such event.

ARTICLE 3. TERM OF AGREEMENT

Section 3.01 Term

This Agreement shall be effective for a period of five (5) years, or until the Agreement has been terminated in accordance with its terms, whichever occurs first.

Section 3.02 Termination

- A. The CHA may terminate this Agreement at any time by giving ninety (90) days written notice to the City.
- B. The City may terminate this Agreement if the CHA fails to comply with any of its material obligations under Section 2.02 of this Agreement. Prior to issuing a notice of termination under this provision, the City shall provide the CHA with written notice that specifically details the CHA's failure to comply with its obligations under Section 2.02. If, within thirty (30) days of receipt of said written notice, the CHA fails to take corrective measures to comply with said obligations, the City shall provide the CHA with 90 days written notice of its intent to terminate pursuant to this Section 3.02(B), and the CHA will forfeit the right to submit new applications for Services under Section 2.02(A) of this Agreement.

7

- C. Notwithstanding anything to the contrary, any and all ongoing Services at such time that this Agreement is terminated will continue to be governed by the terms of this agreement until completion.

ARTICLE 4. COMPENSATION

Section 4.01 Reimbursement of Costs

The City shall be reimbursed for the costs of the Services up to an amount not to exceed Three Million, Five Hundred Fifty-Seven Thousand and 00/100 Dollars (\$3,557,000.00) Costs incurred by the City shall be reasonable (as such term is defined in 2 CFR 200.404) and documented, and the documentation shall be provided by the City to the CHA. Requests for payment (each "Pay Request", and collectively, "Pay Requests") shall be submitted by the City to the CHA quarterly unless the Pay Request is submitted at the conclusion or termination of this Agreement. In addition, the Pay Requests may include, if mutually agreed upon, an estimate by the City of the total costs of providing the Services for

the next quarter (the "Quarterly Estimate"). The Quarterly Estimate shall include sufficient detail for the CHA to estimate costs for each anticipated project included in the Quarterly Estimate. Within 30 days after the receipt of a Pay Request, the CHA may appeal the reasonableness of such Pay Request. Appeals to the Department shall be made in writing by the CHA and delivered pursuant to Article 7 of this Agreement.

Section 4.02 Recordkeeping for City Services

Costs incurred by the City shall be clearly identified by Project and address and tracked by the City using site-specific codes, except for items applying to all projects and project management. The following types of costs shall be documented and supported by detailed invoices, time sheets, and expense records as applicable:

- A. Services costs (direct and indirect);
- B. Travel and/or vehicle expenses;
- C. Professional contractual costs;
- D. Laboratory costs;
- E. Graphics;
- F. CHA-Assigned Environmental Professional
- G. Other contractual costs; and
- H. Other costs, as agreed.

Section 4.03 Submittal of Payment

Unless appealed in accordance with Section 4.01 of this Article, payments for costs incurred by the City for the performance of Services under this Article shall be submitted to the City within 30 days after receipt of a Pay Request by the CHA.

Section 4.04 Manner of Payment

8

Payment shall be made by check, or electronic funds transfer made payable to "Chicago Department of Assets, Information and Services". The check or electronic funds transfer shall include the invoice number as provided in the Pay Request and the Federal Employer Identification Number of the CHA. Payment shall be mailed, electronically delivered or hand delivered to the address or account number designated by the City on the Pay Request. Payments that are hand-delivered shall be delivered to the Department during normal business hours.

Section 4.05 Non-Appropriation

Funding for this Agreement is subject to: (1) availability of Federal funds from HUD, and (2) the approval of funding by CHA's Board of Commissioners. In the event that insufficient funds are appropriated and budgeted in any fiscal period of the CHA for payments to be made under this Agreement, the CHA shall provide written notice to the City of such insufficiency, and this Agreement shall terminate on the earlier of: (1) the last day of the fiscal period for which sufficient appropriation was made, or (2) upon exhaustion of the funds appropriated for payment under this Agreement. No payments shall be made or due to the City under this Agreement beyond those amounts appropriated and budgeted by the CHA to fund payments hereunder. Notwithstanding the terms of this Section, CHA will not be released from its duties under this Agreement with

respect to Services begun prior to the date of notice, unless the City exercises its right to cease provision of those services, pursuant to Section 3.02(C) of this Agreement.

ARTICLE 5. **SPECIAL CONDITIONS**

Section 5.01 Non-liability of Public Officials

No official, employee or agent of either party shall be charged personally by the other party or by an assignee or subcontractor of the other party with any liability or expenses of defense, or be held personally liable under any term or provision of this Agreement, because of such party's execution or attempted execution of this Agreement, or because of any breach hereof.

Section 5.02 Resolution of Disputes

HUD shall be the final arbiter when determining the sufficiency of the City's Environmental Reviews, and any other action required under the Services. In the event that a dispute arises over conclusions drawn or reached by the City, the conditions required by an Environmental Review, or HUD Documentation issued by the City, while conducting the Services contemplated by this Agreement, and the parties do not wish to terminate the contract, HUD shall be given the discretion to resolve such dispute, except for circumstances involving Section 2.02 F & G.

A dispute between the CHA and the City involving the terms and conditions of this Agreement not subject to HUD authority, or involving a dispute HUD declines to arbitrate, shall be referred to the Commissioner and the CEO. Either party may give written notice of the dispute to both the Commissioner and the CEO, who shall meet within 30 days of notification to resolve the dispute. In the event the Commissioner and the CEO fail to resolve the dispute, each party may pursue its remedies at law, and shall endeavor to do so within one (1) year of the date notification of the dispute is given.

Section 5.03 Conflict of Interest

- A. No member of the governing body of the CHA or other units of government and no other officer, employee, or agent of the CHA or other unit of government who exercises any functions or responsibilities in connection with the Services to which this Agreement pertains, shall have any personal interest, direct or indirect, in this Agreement. No member of or delegate to the Congress of the United States or the Illinois General Assembly and/or CHA employee shall be entitled to any share or part of this Agreement or to any financial benefit arising from it.

The City covenants that it, its employees, and its subcontractors presently have no interest and shall acquire no interest, direct or indirect, in this Agreement, which would conflict in any manner or degree with the performance of the Services hereunder. The City further covenants that in the performance of this Agreement no person having any such interest shall be employed in violation of the terms of this Section.

Additionally, pursuant to the conflict of interest requirements in OMB Circular A-102 and 2 CFR §200.318(c)(1), no person who is an employee, agent, consultant, officer, or appointed official of the CHA and who exercises or has exercised any functions or responsibilities with respect to HUD assisted activities, or who 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 himself or herself or for those whom he or she has family or business ties, during his or her

tenure or for one year thereafter.

- B. The City represents that it is and will remain in compliance with federal restrictions on lobbying set forth in §319 of the Department of the Interior and Related Agencies Appropriations Act for Fiscal year 1990, 31 U.S.C. Subsection 1352, and related rules and regulations set forth at 54 Fed. Reg. 52309 ff. (1989), as amended.

Section 5.04 Business Relationships

Pursuant to Section 2-156-030(b) of the Chicago Municipal Code, it is illegal for:

- i) any elected official of the City, or any person acting at the direction of such official, to contact either orally or in writing any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has any business relationship that creates a "Financial Interest" (as defined in Section 2-156-010 of the Municipal Code) on the part of the official, or the "Domestic Partner" (as defined in Section 2-156-010 of the Municipal Code) or spouse of the official, or from whom or which he has derived any income or compensation during the preceding twelve months or from whom or which he reasonably expects to derive any income or compensation in the following twelve months, and
- ii) for any elected official to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving

10

any person with whom the elected City official or employee has any business relationship that creates a Financial Interest on the part of the official, or the Domestic Partner or spouse of the official, or from whom or which he has derived any income or compensation during the preceding twelve months or from whom or which he reasonably expects to derive any income or compensation in the following twelve months.

Any violation of Section 2-156-030(b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The CHA hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030(b) has occurred with respect to this Agreement or the transactions contemplated hereby.

ARTICLE 6. GENERAL CONDITIONS

Section 6.01 Entire Agreement

This Agreement and the Exhibits attached hereto and incorporated herein, shall constitute the entire Agreement between the parties with respect to the subject matter hereof, and no other warranties, inducements, considerations, promises, or interpretations shall be implied or impressed upon this Agreement that are not expressly addressed herein and therein.

Section 6.02 Counterparts

This Agreement may be comprised of several identical counterparts, each to be fully executed by the parties and each to be deemed an original having identical legal effect.

Section 6.03 Amendments

No changes, amendments, modifications, or discharges of this Agreement, or any part thereof, shall be valid unless in writing and signed by the authorized agent of the City and by the Chief Executive Officer of the CHA or his or her respective designees. The CHA shall incur no liability for Services rendered beyond the scope of this Agreement without a written amendment to this Agreement pursuant to this Section.

Section 6.04 Compliance with All Laws/Governmental Orders

The CHA and the City 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.

Section 6.05 Governing Law

This Agreement shall be governed as to performance and interpretation in accordance with the laws of the State of Illinois.

Section 6.06 Severability

11

If any provision of this Agreement shall be held, or deemed to be, or shall in fact be, inoperative or unenforceable as applied in any particular case in any jurisdiction or in all cases because it conflicts with any other provision or provisions hereof or of any constitution, statute, ordinance, rule of law or public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatsoever. The invalidity of any one or more phrases, sentences, clauses or sections contained in this Agreement shall not affect the remaining portions of this Agreement or any part thereof.

Section 6.07 Interpretation

Any headings, article titles, or section titles of this Agreement are for convenience of reference only and are not intended to be part of or affect the meaning or interpretation of this Agreement. Words of any gender shall be deemed and construed to include correlative words of the other genders. 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 and thereof. 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 6.08 Waiver

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

Section 6.09 Disclaimer of Relationship

The terms and provisions of this Agreement will be binding upon and inure to the benefit of, and be enforceable by, the respective successors and permitted assigns of the Parties. This Agreement will not run to the benefit of, or be enforceable by, any person or entity other than a Party to this Agreement and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right. Nothing contained in this Agreement, nor any act of the City or the CHA, will be deemed or construed by any of the Parties hereto or by third persons, to create any relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving the City or the CHA.

Section 6.10 Exhibits

12

Any exhibits to this Agreement will be construed to be an integral part of this Agreement to the same extent as if the same had been set forth verbatim herein.

Section 6.11 Foreign Assets Control Lists

Neither the CHA, nor any affiliate thereof, is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For the purposes of this paragraph "Affiliate", when used to indicate a relationship with a specified person or entity, will mean a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity will be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

Section 6.12 Inspectors General

It shall be the duty of each party to this Agreement to cooperate with any investigations or hearings undertaken by the Inspectors General for the City or for the CHA.

Section 6.13 Time Periods

All time periods referenced herein shall refer to calendar days, unless otherwise specified. In the event that the due date for any action falls on a Saturday, Sunday, City or CHA holiday, said action shall be due on the immediately following business day.

ARTICLE 7. COMMUNICATION AND NOTICES

Section 7.01 Communication Between the Parties

All verbal, electronic and written communication, including required reports and submissions, shall be between the City and the CHA's Development Department, Capital Construction Division, Property Division, or as provided in Section 7.02 below. No verbal or electronic communication between the parties shall change

any of the terms and conditions of this Agreement. 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 7.02 Notices

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

13

City of Chicago
Department of Assets, Information and Services 30 North LaSalle
St., Suite 300 Chicago, IL 60602 Attention: Commissioner

And: City of Chicago Corporation Counsel
City Hall, Room 600 121 N. LaSalle
St. Chicago, IL 60602
Attention: Finance and Economic Development Division

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

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

With a Copy to: Chicago Housing Authority
60 E. Van Buren St., 12th Floor Chicago,
Illinois 60605 Attention: Chief Legal Officer

Electronic communications to the City, when deemed sufficient by the terms of this Agreement, shall be sent to:

City of Chicago: Kimberly.Worthington@cityofchicago.org
<mailto:Kimberly.Worthington@cityofchicago.org>

And: Jaime.Blakesley@cityofchicago.org <mailto:Jaime.Blakesley@cityofchicago.org>

Electronic communications to the CHA, when deemed sufficient by the terms of this Agreement, shall be sent to:

CHA: Kevin Hall
KHall@thecha.org <mailto:KHall@thecha.org>

And: Lynn Crivello
LCrivello@thecha.org <mailto:LCrivello@thecha.org>

ARTICLE 8. AUTHORITY

Section 8.01 CHA Authority

Execution of this Agreement is authorized by Resolution 2020-CHA- of the CHA's Board of Commissioners, adopted [July 21, 2020], authorizing this Intergovernmental Agreement, and pursuant to the United States Housing Act of 1937, 42 U S C. § 1437 et seq., regulations

14

promulgated by HUD, the State Housing Authorities Act, 310 ILCS 10/1 et seq., as amended, and other applicable laws, regulations and ordinances.

Section 8.02 City's Authority

Execution of this Agreement by the City is authorized by an ordinance approved by the City Council of the [City of Chicago on _____, 2020, published at pages _____ to _____] of the Journal of Proceedings of the City Council.

[THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY.]

15

IN WITNESS WHEREOF, the CHA and the City have executed this Agreement as of the
_ day of __, 2020.

CHICAGO HOUSING AUTHORITY

CITY OF CHICAGO

By: Sheila Johnson
Its Deputy Chief Procurement Officer
Department of Procurement and Contracts

By: David Reynolds
Its Commissioner
Department of Assets, Information
and Services

Approved as to Form and Legality:

Chicago Housing Authority Office of the General
Counsel

By: Cheryl J. Colston Its Chief Legal Officer

EXHIBIT 1

Description of Services

Note: Any discrepancy between this Exhibit 1 and Agreement, Agreement takes precedent.

1. The Department's role in the NEPA Environmental Review process is that of a government regulator, referred to as the Responsible Entity (RE).
2. The Department, in conjunction with one or more of its environmental consultants, will perform NEPA Environmental Reviews, in accordance with 24 CFR Part 58, for CHA rehabilitation and redevelopment projects which utilize HUD public housing funds. Environmental Reviews will determine if proposed actions are considered exempt, categorically excluded, or subject to environmental assessment (EA) or Environmental Impact Statement (EIS) determinations.
3. The Department may elect to perform a Tier 1 Programmatic Review, for broad categories of proposed actions which CHA expects to repeat at multiple sites throughout the term of this Agreement. A Tier 1 Programmatic Review does not allow CHA to begin work at specific sites but will significantly shorten the environmental review process for these sites in the future.
4. The Department and/or its consultant will perform all review work necessary to complete the environmental review record and statutory worksheets pursuant to the review. Review work shall be defined as limited collection, maintenance, and evaluation of data, which is reasonably obtainable, as required by 24 CFR Part 58.
 - a. This shall not be interpreted as the performance of Phase I Environmental Site Assessments, Phase II Subsurface Investigations, Comprehensive Site Investigation Reports, Remedial Objective Reports, Remedial Action Plans, Remedial Action Completion Reports, Noise Assessments, or Surveys. CHA, its consultants, or third party consultants may perform certain tests such as STraCAT modeling or investigations such as Phase I Site Investigations, Phase II site Investigations or other tests or studies. Results of these investigations or tests will be provided to the City.
 - b. The Department will gather such data as wetlands information, flood insurance rate maps (Firmettes), local, State, and Federal environmental records which are reasonably obtainable, identification of Historic Resources through web-based applications, informal noise analysis (HUD DNL calculator), etc. as necessary to complete the Environmental Review.
 - c. The Department and/or its consultant may perform Site visits to document existing environmental conditions and to determine if performance of the proposed work will have an adverse effect.

5. Upon completion of an Environmental Review, and assuming a Finding of No Significant Impact (FONSI) or a Categorical Exclusion (CatEx) finding, the Department will advertise the FONSI or CatEx finding, notification and Notice of Intent to Request Release of Funds.
6. The Department may condition its Environmental Review findings on CHA's agreement to perform or complete specific activities related to document compliance. Such activities may include, but shall not be limited to, asbestos and lead abatement, underground storage tank (UST) removal, entering the Site into the Illinois Site Remediation Program for purposes of obtaining a comprehensive final No further Remediation letter, initial consultation/compliance with the Illinois State Historic Preservation Office (SHPO) or equivalent agency, compliance with SHPO or equivalent agency requests or requirements, and implementation of noise attenuation measures.
7. The City shall monitor the CHA's compliance with any conditions of Environmental Reviews and compliance with the consultation process required under Section 106 of the NHPA. The Department may require CHA to provide documentation of compliance with such conditions.
8. Upon completion of an Environmental Review, or upon receipt of HUD Authorization to Use Grant Funds, the Department will issue its environmental compliance certification (Environmental Clearance Letter) to CHA.

IS

EXHIBIT 2

CHA's Duties and Responsibilities

1. CHA shall initiate all requests for NEPA environmental clearance on forms to be provided by the Department. Requests for environmental clearance must be clear and thoroughly describe the scope of services anticipated at the Site. CHA is to provide the Department the necessary data to commence an Environmental Review when CHA submits the environmental clearance request form. Necessary data includes but is not limited to project name, location, address, PIN, site map, funding amounts and sources, program name, site photographs, and construction year of building(s).
2. CHA, at its own expense, shall provide the Department with copies of all supplemental information required, and requested by, the Department for purposes of completing the Environmental Review. Such information may include, but shall not be limited to, Phase I Environmental Site Assessments, Phase II Subsurface Investigations, Comprehensive Site Investigation Reports, Remedial Objective Reports, Remedial Action Plans, Noise Assessments, Surveys, and/or documentation reflecting consultation with the Advisory Council on Historic Preservation, among others, and copies of correspondence with local, State, and Federal agencies.
3. CHA acknowledges that the timely performance of the Environmental Reviews will depend upon the availability and quality of supplemental information.
4. CHA shall not have any direct communication with the Department's NEPA environmental consultant without the express written consent of the Department. Electronic communications shall be deemed sufficient for purposes of requesting and providing such consent.
5. CHA shall not begin any physical work, including but not limited to acquisition, disposition, construction, demolition, or rehabilitation at project Sites without the express written environmental compliance certification provided by the Department.
6. CHA agrees to follow and be bound by any conditions identified by the Department and incorporated into environmental compliance certifications (Environmental Clearance Letters). The CHA will be notified of any noncompliance issues identified in the Environmental Review and will have 15 days to provide corrective and preventive actions and a schedule for their implementation. Any issues not corrected within 60 days will be forwarded to HUD for potential enforcement.
7. CHA shall be responsible for coordinating with the Department on any public meetings that may be deemed necessary for completion of the environmental review process.