

DEVELOPER AGREEMENT

**PROJECT NUMBER: CDBG-2025-01
BETWEEN CITY OF AURORA ILLINOIS**

AND

**NORTH ISLAND APARTMENTS LIMITED PARTNERSHIP BY: NORTH ISLAND APARTMENTS LLC ITS
GP FOR
ROOF REPLACEMENT FOR AFFORDABLE SENIOR HOUSING LOCATED AT
2 NORTH STOLP AVENUE, AURORA, ILLINOIS 60506 (THE "PROPERTY")**

THIS AGREEMENT, entered into this ____ day of _____, 2025 by and between the CITY OF AURORA ILLINOIS, an Illinois municipal corporation (herein called the "CITY") and **NORTH ISLAND APARTMENTS LIMITED PARTNERSHIP BY: NORTH ISLAND APARTMENTS LLC ITS GP** (herein called the "DEVELOPER").

The CITY has applied for and received non-Research and Development Community Development Block Grant funds, Catalog of Federal Domestic Assistance Number 14.218, Grant Number B-22-MC-17-0002 ("CDBG"), from the United States Department of Housing and Urban Development (hereinafter referred to as "HUD"), as provided by the Housing and Community Development Act of 1974, as amended (P.L. 93-383) (hereinafter referred to as the "ACT") and with a Federal Award Date which shall be incorporated by an Addendum to this AGREEMENT and is attached hereto as Exhibit D; and

The CITY has considered and approved the application of the DEVELOPER for a roof replacement and the replacement of major systems such as water heaters, cooling towers, boilers, heat pumps and other substantial rehabilitation as approved by the Mayor or such City employee designated in writing by the Mayor, acting on behalf of the City, is authorized to execute any contracts, extensions, amendments, or other documents relating to the terms contained herein so long as any such documents are consistent with the scope of service contained herein and in accordance with HUD statutes, regulations, guidelines or any other applicable provisions for the project for affordable senior housing located at 2 North Stolp Avenue Illinois 60506 ("the PROJECT") and hereby agrees to distribute to the DEVELOPER a portion of the total CDBG funds allotted to the CITY by HUD for the PROJECT, with the portion distributed to the DEVELOPER upon the conditions provided herein. This Agreement does not obligate the CITY to provide the DEVELOPER with any CITY funds which were not obtained from HUD pursuant to the ACT; and

The CITY and the DEVELOPER enter into this AGREEMENT pursuant to their respective powers to enter into such agreements, as those powers are defined in the Illinois Constitution and applicable statutes; and

The Mayor or such City Employee designated in writing by the Mayor, acting on behalf of the CITY, is authorized to execute any contracts, extensions, amendments, or other documents relating to the terms contained herein so long as any such documents are consistent with the scope of service contained herein and in accordance with HUD statutes, regulations, guidelines or any other applicable provisions.

In consideration of the DEVELOPER's performance of the PROJECT, the CITY shall distribute to the DEVELOPER, as DEVELOPER's portion of the total amount received by the CITY from HUD, the maximum amount of **\$400,000** (said amount hereinafter referred to as "FUNDS"). In the event the CITY, for reasons beyond its control, does not receive the actual grant money or receives a lesser amount than requested from HUD, the CITY shall not be obligated to provide the FUNDS, or any money, to the DEVELOPER or may reduce the amount of the FUNDS as the CITY in its sole judgment deems necessary.

This PROJECT shall be identified as NORTH ISLAND APARTMENTS LIMITED PARTNERSHIP BY: NORTH ISLAND APARTMENTS LLC ITS GP - ROOF REPLACEMENT FOR AFFORDABLE SENIOR HOUSING which shall be used by the DEVELOPER on all payment requests and progress reports.

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

I. SCOPE OF SERVICE

A. Activities

The DEVELOPER will be responsible for administering a CDBG secured grant for PROJECT in a manner satisfactory to the CITY and consistent with any standards required as a condition of providing these funds. Such PROJECT will include the following activities eligible under the Community Development Block Grant program:

Project Delivery

The project will consist of a roof replacement and other replacements and/or repairs related to the roof replacement and approved by the City for the multi-family residential property located at for 2 North Stolp, Aurora, Illinois 60506.

General Administration

Not Applicable

B. National Objectives

All activities funded with CDBG funds must meet one of the CDBG program's National Objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums or blight; or meet community development needs having a particular urgency, as defined in 24 CFR 570.208.

The DEVELOPER certifies that the activity (ies) carried out under this Agreement will meet the following National Objective: **benefit low- and moderate income persons**. The CDBG program's low and moderate income persons are defined as individuals or households with incomes, adjusted for household size, that are at or

below 80 percent of the City's current area median income (per HUD's income limits).

C. Levels of Accomplishment – Goals and Performance Measures

The levels of accomplishment may include such measures as units rehabbed, persons or households assisted, or meals served, and should also include time frames for performance.

The DEVELOPER agrees to provide the following levels of project services:

<u>Actions/Activities</u>	<u>Total Units/Year</u>
Roof Replacement for Affordable Senior Housing Multi-Family Property located at 2 N. Stolp Ave., Aurora, IL.	56 UNITS (Low and Moderate Income (LMI) Households)

D. Staffing

Any changes in the Key Personnel assigned or their general responsibilities under the PROJECT are subject to the prior written approval of the CITY.

E. Performance Monitoring

The DEVELOPER agrees to take any and all necessary steps to ensure the above-stated goals and performance measures are met. The CITY will monitor the performance of the DEVELOPER against goals and performance standards as stated above. DEVELOPER shall provide CITY all necessary reporting information, including but not limited to quarterly progress reports, as required in the administration and review of the PROJECT(s). Substandard performance as reasonably determined by the CITY will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the DEVELOPER within thirty (30) days after being notified by the CITY, contract suspension or termination procedures and repayment of expended funds will be initiated. Repayment by the DEVELOPER to the CITY will be required within sixty (60) days of receipt of a written demand for such repayment as given in the manner set forth in Section V.

II. TIME OF PERFORMANCE

Services of the DEVELOPER may start on the _____ day of _____, 2025. DEVELOPER shall complete expenditure of CDBG Funds pursuant to the PROJECT by the day of _____, 2025.

If DEVELOPER is delayed in the completion of the PROJECT by any cause legitimately beyond its control, as reasonably determined by the CITY, such that it cannot complete the PROJECT when required by this AGREEMENT, DEVELOPER shall immediately give written notice to the Community Development Manager ("MANAGER") and to the CITY of the

anticipated delay, the reasons for delay, and request an extension of time for completion of the PROJECT. Upon review and approval by MANAGER, the time for completion may be extended by the MANAGER for a maximum of twelve (12) months.

After a period of twenty-four (24) months from the date of this Agreement, the MANAGER may review the progress of the PROJECT. At the time of this review, if DEVELOPER has not demonstrated significant progress toward completion and, if the DEVELOPER has not made substantial effort toward completion and delays are determined by CITY to be within the control of the DEVELOPER; the MANAGER shall recommend to the CITY that this AGREEMENT be terminated, and all further payments suspended, and the CITY shall act upon said recommendation and notify the DEVELOPER of its action.

III. **BUDGET**

CDBG Funds shall be used solely for the stated purposes set forth in this Agreement and **Exhibit A**, and the expenditures shall be supported by contracts, invoices, vouchers and other data as appropriate, including any reports required by CITY, evidencing the costs incurred. On a biannual basis, or more frequently as needed if requested, the SUBRICIPIENT shall tender an updated budget along with any and all supporting documents. Any and all interest earned on the CDBG Funds shall be remitted to CITY. If the CDBG Funds are not expended in accordance with the terms, conditions and time period set forth in this Agreement or the total amount of the CDBG Funds exceeds the eligible costs of the PROJECT, the amounts improperly expended or not expended shall be returned to CITY within thirty (30) days after the expiration or termination of this Agreement. CITY shall require delivery before payment is made for purchased goods, equipment or services unless CITY obtains satisfactory security from the vendor.

PROJECT costs shall be paid in accordance with the budget allocations outlined in **Exhibit A**. All costs incurred must be fully documented. Any indirect costs charged must be consistent with the conditions of Paragraph VIII (C)(2) of this Agreement. In addition, the CITY may require a more detailed budget breakdown than the one contained herein, and the DEVELOPER shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the CITY. Any amendments to the budget must be approved in writing by both the CITY and the DEVELOPER.

IV. **PAYMENT**

It is expressly agreed and understood that the total amount to be paid by the CITY under this Agreement, for the sole and express purpose of undertaking the scope of services for the PROJECT as specified in Paragraph I, shall not exceed **\$400,000**. Reimbursement for the payment of eligible expenses shall be made against the line-item budgets specified in Paragraph III and Exhibit A herein and in accordance with performance. Expenses for general administration shall also be paid against the line-item budgets specified in Paragraph III and in accordance with performance.

Payments may be contingent upon certification of the DEVELOPER's financial management

system as required by the applicable provisions of 2 CFR 200, et. seq. CITY reserves the right to suspend payments should the DEVELOPER fail to provide required reports in a timely and adequate fashion or if DEVELOPER fails to meet other terms and conditions of this Agreement.

DEVELOPER shall be responsible for the contribution of a **minimum** of 3.6% of the total project cost in leveraging funds to the PROJECT, and evidence of said leveraging funds shall be made conspicuous within the written request and accompanying documents.

Payments for this PROJECT are awarded based on the ratio of the secured grant amount. For this PROJECT, the CITY is committed to 96.4% up to \$400,000, and the DEVELOPER is responsible for 3.6% of each payment request and any costs that exceed the overall PROJECT total outlined in **Exhibit A**.

DEVELOPER shall keep all records of the CDBG funds in a manner that is consistent with generally accepted accounting principles. All disbursements from CDBG funds shall be for obligations incurred in the performance of this Agreement and shall be supported by contracts, invoices, vouchers, and other data, as appropriate, evidencing the necessity of such expenditure. CITY may withhold payment allocation requests if DEVELOPER fails to comply with the above requirements until such compliance is demonstrated.

V. REPAYMENT TERMS

Funding will be in the form of a secured grant (the "Secured Grant"), which shall be secured by a mortgage against the Property and subject to the repayment terms provided in this Section V.

- (A) If, before the date that is Five (5) years after the Project completion date in the Integrated Disbursement and Information System (IDIS) (the "Fifth Anniversary"), either (i) the Property or any interest in the Property, is sold or transferred or (ii) the Property is no longer used for affordable senior housing or housing primarily for low and/or moderate income households, then in either case the entire funded amount of the Secured Grant shall be repaid by DEVELOPER within thirty (30) days.
- (B) If, after the Fifth Anniversary, (i) the Property or any interest in the Property is sold or transferred, or (ii) the Property is no longer used for affordable senior housing or housing primarily for low and/or moderate income households, then in either case, DEVELOPER shall repay no more than one-half (1/2) of the funded amount of the Secured Grant, to the extent such amount is available from one-half (1/2) of the net sale proceeds after DEVELOPER has repaid the following amounts:
 - 1) Any and all standard closing costs as approved by the City, relating to or arising out of any such sale or transfer; and
 - 2) debt recorded against the Property and/or reported on DEVELOPER'S audited financials for the Property;

- 3) Any outstanding fees owed to the CITY including utilities, permit fees, and fines.
- 4) Any deferred development fees; and
- 5) Return of any advances documented on DEVELOPER'S audited financials by any of its partners and/or their principals, Managers, Members, or owners that were needed due to the impact of the 2020 pandemic.

VI. NOTICES

Notices required by this Agreement shall be in writing and delivered via regular mail (postage prepaid), commercial courier, or personal delivery or sent by facsimile or other electronic means, such as e-mail. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

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

CITY

Chris Ragona
Community Development Manager
City of Aurora
Community Development Division
44 E. Downer Place
Aurora, IL 60507
Phone: 630-256-3320
Fax: 630-256-3329
Email: ragonac@aurora.il.us

DEVELOPER

Hugh Rider
Co-President
Realty & Mortgage Co.
1509 W. Berwyn Ave. Suite 200
Chicago, IL 60640
Phone: (773)989-8000
Email: hrider@realtymortgageco.com

VII. GENERAL CONDITIONS

A. General Compliance

The DEVELOPER agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart K of these regulations, except that (1) the DEVELOPER does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) the DEVELOPER does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. The DEVELOPER also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this Agreement. The DEVELOPER further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. “Independent Contractor”

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The DEVELOPER shall at all times remain an “independent contractor” and not an employee of the CITY with respect to the PROJECT and the services to be performed under this Agreement. The CITY shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers’ Compensation Insurance, as the DEVELOPER is an independent contractor.

C. Hold Harmless

The DEVELOPER shall hold harmless, defend and indemnify the CITY, its elected officials, employees, and agents from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the DEVELOPER’s performance or nonperformance of the PROJECT and the services or subject matter set forth in this Agreement.

D. Workers’ Compensation

The DEVELOPER shall provide Workers’ Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

E. Insurance & Bonding

The DEVELOPER shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage, and at a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to the total secured grant amount.

The DEVELOPER shall comply with the bonding and insurance requirements as required by the applicable provisions of 2 CFR 200, *et. seq.*

F. City Recognition

The DEVELOPER shall ensure recognition of the role of the CITY in the PROJECT and the provision of services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the DEVELOPER will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

G. Amendments

The CITY or DEVELOPER may amend, consistent with applicable terms and conditions, this Agreement at any time provided that such amendment(s) make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and/or approved by the CITY's governing body when deemed appropriate by the City in accordance with its policies and procedures. Such amendments shall not invalidate this Agreement, nor relieve or release the CITY or DEVELOPER from its obligations under this Agreement.

The CITY may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the PROJECT, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both CITY and DEVELOPER.

H. Suspension or Termination

In accordance with 2 CFR 200.338 – 200.342, the CITY may suspend or terminate this Agreement if the DEVELOPER materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

1. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
2. Failure, for any reason, of the DEVELOPER to fulfill in a timely and proper manner its obligations under this Agreement;
3. Ineffective or improper use of funds provided under this Agreement; or
4. Submission by the DEVELOPER to the CITY of reports that are incorrect or incomplete in any material respect.

In the event of a breach by DEVELOPER, the CITY reserves its right to enforce any and all of its cumulative legal remedies and rights, including, without limitation, seeking monetary damages or injunctive relief. The parties agree that this Agreement is governed by the laws of the state of Illinois, and venue for any legal action shall be proper only in the Circuit Court of Kane County, Illinois.

VIII. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1. Accounting Standards

The DEVELOPER agrees to comply with the applicable provisions of 2 CFR Part 200, *et. seq.* and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

The DEVELOPER shall administer its program in conformance with the applicable provisions of 2 CFR Part 200, *et. seq.* related to, “Cost Principles for Non-Profit Organizations” and “Cost Principles for Educational Institutions,” as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

B. Documentation and Record Keeping

1. Records to be Maintained

The DEVELOPER shall maintain all records required by the Federal regulations specified in 24 CFR 570.506, that are pertinent to the PROJECT and the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a) Records providing a full description of each activity undertaken;
- b) Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- c) Records required to determine the eligibility of activities;
- d) Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e) Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- f) Financial records as required by 24 CFR 570.502, and as required by the applicable provisions of 2 CFR 200, *et. seq.*; and
- g) Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Retention

The DEVELOPER shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of four (4) years. The retention period begins on the date of the submission of the CITY’s consolidated annual performance and evaluation report to HUD in which the PROJECT and the activities assisted under this Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve

any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

3. Client Data

The DEVELOPER shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to CITY monitors or their designees for review upon request.

4. Disclosure

The DEVELOPER understands that client information collected under this Agreement is private and the use or disclosure of such information, when not directly connected with the administration of the CITY's or DEVELOPER's responsibilities with respect to the PROJECT and services provided under this Agreement, is prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian, except to the extent such use or disclosure is required by applicable federal, state or local law.

5. Closeouts

The DEVELOPER's obligation to the CITY shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the CITY), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the DEVELOPER has control over CDBG funds, including program income.

6. Audits & Inspections

All DEVELOPER records with respect to any matters covered by this Agreement shall be made available to the CITY, grantor agency, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cured by the DEVELOPER within 30 days after receipt of notice of deficiency by the DEVELOPER. Failure of the DEVELOPER to comply with the above audit

requirements will constitute a violation of this Agreement and may result in the withholding of future payments. The DEVELOPER hereby agrees to have an annual agency audit conducted in accordance with current CITY policy concerning DEVELOPER audits and Uniform Guidance. DEVELOPER shall complete and sign the Audit Certification Form presented as Exhibit "C" of this Agreement.

C. Reporting and Payment Procedures

1. Program Income

The DEVELOPER shall report quarterly all program income (as defined at 24 CFR 570.500(a)) generated by activities carried out with CDBG funds made available under this Agreement. The use of program income by the DEVELOPER shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitation, the DEVELOPER may use such income during the agreement period for activities permitted under this Agreement and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unexpended program income shall be returned to the CITY at the end of the Agreement period. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the CITY.

2. Indirect Costs

If indirect costs are charged and the DEVELOPER does not have a federally negotiated Facilities and Administrative Rate (F&A Rate), the DEVELOPER may charge a de minimis indirect cost rate as defined in 2 CFR Section 200.414 Indirect (F&A) costs, paragraph (f), or develop an indirect cost allocation plan for determining the appropriate DEVELOPER's share of administrative costs and shall submit such plan to the CITY for approval, in a form specified by the CITY before said charges are billed.

3. Payment Procedures

The CITY will pay to the DEVELOPER funds available under this Agreement based upon information submitted by the DEVELOPER and consistent with any approved budget and CITY policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the DEVELOPER, and not to exceed actual cash requirements. Payments will be adjusted by the CITY in accordance with advance fund and program income balances available in DEVELOPER accounts. In addition, the CITY reserves the right to liquidate funds available under this Agreement for costs incurred by the CITY on behalf of the DEVELOPER.

4. Progress Reports

The DEVELOPER shall submit regular Progress Reports to the CITY in the form, content, and frequency as required by the CITY.

D. Procurement

1. Compliance

The DEVELOPER shall comply with current CITY policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All project assets (unexpended program income, property, equipment, etc.) shall revert to the CITY upon termination of this Agreement.

2. OMB Standards

Unless specified otherwise within this Agreement, the DEVELOPER shall procure all materials, property, or services in accordance with the applicable provisions of 2 CFR 200, et. seq.

E. Use and Reversion of Assets

The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 2 CFR 200, et. seq. and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

1. The DEVELOPER shall transfer to the CITY any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.
2. Real property under the DEVELOPER's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of this Agreement. If the DEVELOPER fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, the DEVELOPER shall pay the CITY an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute program income to the CITY. The DEVELOPER may retain real property acquired or improved under this Agreement after the expiration of the five-year period.

3. In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the DEVELOPER for activities under this Agreement shall be (a) transferred to the CITY for the CDBG program or (b) retained after compensating the CITY [an amount equal to the current fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment].

IX. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT

The DEVELOPER agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. The DEVELOPER shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-assisted project. The DEVELOPER also agrees to comply with applicable CITY ordinances, resolutions and policies concerning the displacement of persons from their residences.

X. PERSONNEL & PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

The DEVELOPER agrees to comply with all the requirements set forth in 24 CFR Part 570.600, including but not limited to, Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063 as amended by Executive Order 12259, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086. The DEVELOPER further agrees to comply with all requirements set forth in the Illinois Human Rights Act (775 ILCS 5/2-101, et seq.) applicable to the Project.

2. Nondiscrimination

The DEVELOPER agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive

orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable. The DEVELOPER further agrees to comply with the non-discrimination in employment and contracting opportunity provisions of the Illinois Human Rights Act, 775 ILCS 5/2-101, et seq. The DEVELOPER agrees not to discriminate against any worker, employee, applicant, or any member of the public because of race, religion, creed, color, sex, age, national origin, handicap or disability, ancestry, marital status, sexual orientation, order of protection status, military status, unfavorable discharge from military service, citizenship status, or pregnancy, or otherwise commit an unfair employment practice. The DEVELOPER shall take affirmative action to ensure that applicants are employed, and employees are treated during employment, without regard to their race, religion, creed, color, sex, age, national origin, handicap or disability, ancestry, marital status, sexual orientation, order of protection status, military status, unfavorable discharge from military service, citizenship status, or pregnancy. Such affirmative action shall include, but is not limited to, decisions regarding employment, upgrading, demotion, transfer, termination, rates of pay, other forms of compensation, and selection for training, including apprenticeships.

3. Section 504

The DEVELOPER agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The CITY shall provide the DEVELOPER with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action

1. Plan

The DEVELOPER agrees that it shall be committed to carry out an affirmative action program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966. The DEVELOPER agrees not to discriminate against any worker, employee, applicant, or any member of the public because of race, religion, creed, color, sex, age, national origin, handicap or disability, ancestry, marital status, sexual orientation, order of protection status, military status, unfavorable discharge from military service, citizenship status, or pregnancy, or otherwise commit an unfair employment practice. The DEVELOPER shall take affirmative action to ensure that applicants are employed, and employees are treated during employment, without regard to their race, religion, creed, color, sex, age,

national origin, handicap or disability, ancestry, marital status, sexual orientation, order of protection status, military status, unfavorable discharge from military service, citizenship status, or pregnancy. Such affirmative action shall include, but is not limited to, decisions regarding employment, upgrading, demotion, transfer, termination, rates of pay, other forms of compensation, and selection for training, including apprenticeships.

2. Women-, Minority- and Disabled Person-Owned Businesses

The DEVELOPER will use its best efforts to afford small businesses, minority business enterprises, women's business enterprises and disabled person business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this Agreement, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The DEVELOPER may rely on written representations by businesses regarding their status as minority, female or disabled person business enterprises in lieu of an independent investigation.

Documentation in the form provided by the City shall be completed by the DEVELOPER and any contractor/subcontractor identifying whether or not said entity is classified as a Women-, Minority- and/or Disabled Person-Owned Businesses.

3. Access to Records

The DEVELOPER shall furnish and cause each of its own DEVELOPERs or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the CITY, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The DEVELOPER will, in all solicitations or advertisements for employees placed by or on behalf of the DEVELOPER, state that it is an Equal Opportunity or Affirmative Action employer.

5. Subcontract Provisions

The DEVELOPER will include the provisions of Paragraphs X.A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own DEVELOPERs or subcontractors.

C. Employment Restrictions

1. Prohibited Activity

The DEVELOPER is prohibited from using funds provided herein or personnel employed in the administration of the project for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

2. Labor Standards

The DEVELOPER agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 *et seq.*) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The DEVELOPER agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 *et seq.*) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The DEVELOPER shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the CITY for review upon request.

The DEVELOPER agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this Agreement, shall comply with Federal requirements adopted by the CITY pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the DEVELOPER of its obligation, if any, to require payment of the higher wage. The DEVELOPER shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

"Section 3" Clause

- a) Compliance: Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 75, and all applicable rules and orders issued hereunder prior to the execution of this Agreement, shall be a condition of the Federal financial assistance provided under this Agreement and binding upon the CITY, the DEVELOPER and any of the DEVELOPER's subcontractors. Failure to fulfill these requirements shall subject the CITY, the DEVELOPER and any of the DEVELOPER's subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The DEVELOPER certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The DEVELOPER further agrees to comply with these "Section 3" requirements and to include the following language in all subcontracts executed under this Agreement:

"The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the PROJECT area, and that contracts for work in connection with the PROJECT be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the PROJECT is located."

The DEVELOPER further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the PROJECT or the neighborhood in which the PROJECT is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based

paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the PROJECT is located, and to low- and very low-income participants in other HUD programs.

The DEVELOPER certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

- b) Notifications: The DEVELOPER agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker's representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- c) Subcontracts: The DEVELOPER will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The DEVELOPER will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 75 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

Subcontract Provisions

The DEVELOPER will include the provisions of Paragraphs X.A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own DEVELOPERs or subcontractors.

D. Conduct

1. Assignability

The DEVELOPER shall not assign or transfer any of its duties and obligations in this Agreement without the prior written consent of the CITY thereto, including any assignments for claims for money due or to become due to the DEVELOPER

from the CITY under this Agreement to a bank, trust company, or other financial institution.

2. Subcontracts

Approvals: The DEVELOPER is hereby granted authority to subcontract all or any portion of the PROJECT as the DEVELOPER shall deem appropriate or necessary and upon such terms as may be acceptable to the DEVELOPER and which comply with all applicable laws, rules and regulations. Administration of any subcontracts by the DEVELOPER shall be in conformance with the applicable provisions of 2 CFR 200, et. seq.

- a) Content: The DEVELOPER shall cause all of the provisions of this Agreement in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

3. Hatch Act

The DEVELOPER agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

4. Conflict of Interest

The DEVELOPER agrees to abide by the applicable provisions of 2 CFR 200, et. seq. and 24 CFR 570.611, which include (but are not limited to) the following:

- a) The DEVELOPER shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts for the PROJECT.
- b) No employee, officer or agent of the DEVELOPER shall participate in the selection, or in the award, or administration of, a contract for the PROJECT if a conflict of interest, real or apparent, would be involved.
- c) No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-

assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a “covered person” includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the CITY, the DEVELOPER, or any designated public agency.

5. Lobbying

The DEVELOPER hereby certifies that:

- a) No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
- b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions; and
- c) It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all DEVELOPERS shall certify and disclose accordingly:
- d) Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

6. Reporting of Total Compensation of DEVELOPER Executives

The DEVELOPER shall complete certifications regarding Reporting of Total Compensation of DEVELOPER Executives, with reference to the PROJECT, as set forth in the Equal Employment Opportunity Certification, attached hereto as **Exhibit B**, and made a part hereof by reference.

7. Copyright

If this Agreement results in any copyrightable material or inventions, the CITY and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

8. Religious Activities

The DEVELOPER agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

9. Buy American and Buy America Requirement

The DEVELOPER acknowledges that the funding for this Agreement is subject to the Buy American and Buy America requirements in accordance with the federal regulations outlined by the U.S. Department of Housing and Urban Development (HUD) and other applicable federal laws.

The DEVELOPER agrees to comply with all Buy American and Buy America requirements as applicable to the specific project or activity funded under this Agreement. The DEVELOPER will ensure that all materials and products used in the project comply with these requirements.

The DEVELOPER will maintain records and documentation related to the origin and sourcing of materials and products used in the project, and will make such records available for inspection and review by the CITY, HUD, or other authorized entities as required.

a) Reporting and Documentation

The DEVELOPER will provide timely and accurate reports to the Funding Agency, including documentation demonstrating compliance with Buy American and Buy America requirements, as requested by the Funding Agency or regulatory authorities.

b) Non-Compliance

In the event of non-compliance with the Buy American and Buy America requirements, the CITY reserves the right to take corrective actions,

including withholding payments, terminating the Agreement, or pursuing any other legal remedies available.

c) Applicable Laws and Regulations

This Agreement is subject to all applicable federal, state, and local laws and regulations governing the use of CDBG funds, including but not limited to Buy American and Buy America requirements.

XI. ENVIRONMENTAL CONDITIONS

A. Air and Water

The DEVELOPER agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 U.S.C. , 7401, *et seq.*;
- Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, *et seq.*, as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the DEVELOPER shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The DEVELOPER agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-

based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

D. Historic Preservation

The DEVELOPER agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

XII. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

XIII. SECTION HEADINGS AND SUBHEADINGS

The Section headings of this Agreement are for convenience and reference only and in no way define, limit, or describe the scope or intent of this Agreement, and should be ignored in construing or interpreting this Agreement.

XIV. WAIVER

The CITY's failure to act with respect to a breach by the DEVELOPER does not waive its right to act with respect to subsequent or similar breaches. The failure of the CITY to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

XV. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the CITY and the DEVELOPER for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the CITY and the DEVELOPER with respect to this Agreement.

XVI. SUBJECT TO FINANCIAL ASSISTANCE AGREEMENT

This Agreement is made subject to financial assistance agreements between the CITY and HUD, with the rights and remedies of the parties hereto being in accordance with this Agreement.

XVII. ATTORNEY'S OPINION

If requested, the DEVELOPER shall provide an opinion by its attorney, in a form reasonably satisfactory to the Corporation Counsel of the City of Aurora, that all steps necessary to adopt this Agreement, in a manner binding upon the DEVELOPER, have been taken by the DEVELOPER.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

[SIGNATURE PAGE FOLLOWS]

DRAFT

CITY OF AURORA ILLINOIS ____/____/2025

REALTY & MORTGAGE CO.

BY: _____
SIGNATURE

BY: _____
BOARD CHAIRPERSON SIGNATURE

ITS: Community Development Manager

BOARD CHAIRPERSON PRINTED NAME

ATTEST: _____
CITY CLERK

ATTEST: _____
HUGH RIDER
CO-PRESIDENT

(Federal Identification Number)

Unique Identity ID

DRAFT

EXHIBIT A**2025 CDBG BUDGET****PROJECT NUMBER: CDBG-2025-01**

**NORTH ISLAND APARTMENTS LIMITED PARTNERSHIP BY: NORTH ISLAND APARTMENTS LLC ITS
GP FOR
ROOF REPLACEMENT FOR AFFORDABLE SENIOR HOUSING LOCATED AT
2 NORTH STOLP AVENUE, AURORA, ILLINOIS 60506**

COLUMN A Designated Use of Funds		COLUMN B Total Amount/Value (Includes CDBG)	COLUMN C Amount of CDBG Funds
Direct Project Costs			
1.	Roof replacement and the replacement of major systems such as water heaters, cooling towers, boilers, heat pumps and other substantial rehabilitation as approved by the Mayor or such City employee (except for permits)	\$ 400,000	\$ 400,000
2.		\$	\$
3.		\$	\$
4.		\$	\$
5.		\$	\$
6.		\$	\$
7.		\$	\$
8.		\$	\$
9.		\$	\$
10.		\$	\$
SUBTOTAL:		\$	\$
Personnel/Administrative Costs (salary/benefits)			
1.		\$	\$
2.		\$	\$
3.		\$	\$
4.		\$	\$
5.		\$	\$
6.		\$	\$
7.		\$	\$
8.		\$	\$
9.		\$	\$
10.		\$	\$
SUBTOTAL:		\$ 0.00	\$ 0.00
OVERALL PROJECT TOTAL (Direct Project Costs + Personnel Admin.):		\$	\$

EXHIBIT B

FY 2025

REPORTING OF TOTAL COMPENSATION OF DEVELOPER EXECUTIVES

Project No. CDBG-2025-01

***NORTH ISLAND APARTMENTS LIMITED PARTNERSHIP BY: NORTH ISLAND APARTMENTS LLC ITS
GP - ROOF REPLACEMENT FOR AFFORDABLE SENIOR HOUSING***

For sub-awards equal to or greater than \$25,000, report the names and total compensation of each of the DEVELOPER's five most highly compensated executives for the DEVELOPER's preceding completed fiscal year, if:

- (A) 80 percent or more of its annual gross revenues is from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
- (B) \$25,000,000 or more in annual gross revenues is from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
- (C) The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 ([15 U.S.C. 78m\(a\)](#), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

Name	Total Compensation
1.	
2.	
3.	
4.	
5.	

☐ Check here if the above qualification does not apply to the DEVELOPER organization.

(FFATA/FSRS)

Signature, Board Chairperson

Date signed

ATTEST:

Signature, «Executive_Director_Title»

Date signed

EXHIBIT C

Project No. CDBG-2025-01

REALTY & MORTGAGE CO.- ROOF REPLACEMENT FOR AFFORDABLE SENIOR HOUSING

FY 2025

Community Development Block Grant (CDBG)

HOME Investment Partnership Act (HOME)

Audit Certification

Community Development Block Grants/Entitlement Grants

CFDA 14.218 (CDBG); CFDA 14.239 (HOME)

Grantee Name: Realty & Mortgage Co.

Address: **2 N. Stolp Ave Aurora, IL 60506**

Audit Point of Contact: Hugh Rider

Phone: **(773)989-8000** E-mail address: hrider@realtymortgageco.com

The City of Aurora ("City"), as administrator of federal Community Development Block Grant and HOME Investment Partnership Act funds, is responsible for ensuring compliance with Federal, State and local laws and regulations in the performance of grant work. Federal regulations require that non-Federal organizations, **which expend \$750,000 or more in total Federal assistance** during their fiscal year, must have a Single Audit performed in accordance with the Single Audit Act of 1984 (as amended) and Office of Management and Budget (OMB) UNIFORM GUIDANCE. The City is required to monitor our sub-recipients of federal awards and determine whether they have met the audit requirements of the Uniform Guidance and whether they are in compliance with federal laws and regulations.

If your jurisdiction/organization met the above expenditure threshold you must submit a copy of the Single Audit report to the City. Please note that you are only required to submit to us a Single Audit report for those fiscal years that your organization received CDBG and/or HOME funding through the City and the expenditure threshold is met. Failure to provide the required audit report or reports will affect your organization's Federal assistance in future years.

Accordingly, we are requesting that you check one of the following, INSERT INFORMATION AS TO THE END DATE FOR YOUR FY23 fiscal year, sign and date the letter and return it to us at your earliest convenience.

1. ____ We have completed our single audit for fiscal year ended 2023. A copy of the audit reports and all applicable reports are enclosed. (If material exceptions were noted, please enclose a copy of the responses and corrective actions taken.)

2. ____ We expect our single audit for the fiscal year ending ____ to be completed by _____. A copy of the audit report will be forwarded to the Community Development Division, Attn: Chris Ragona, Community Development Manager, 44 E. Downer Place, Aurora, IL 60507 within 30 days of the receipt of that report.

3. ____ We are not subject to a single audit for the **fiscal year ending (mm/dd)** _____ because:
____ We expend less than \$750,000 in federal awards (from all sources) annually.
____ We are a for-profit organization.
____ Other (please explain) _____

Type or Print Name

Title

Signature

Date

EXHIBIT D

FY 2025

Community Development Block Grant (CDBG)

Project No. CDBG-2025-01

***NORTH ISLAND APARTMENTS LIMITED PARTNERSHIP BY: NORTH ISLAND APARTMENTS LLC
ITS GP – ROOF REPLACEMENT FOR AFFORDABLE SENIOR HOUSING***

ADDENDUM

DRAFT

Certification for a Drug-Free Workplace

U.S. Department of Housing
and Urban Development

Applicant Name

NORTH ISLAND APARTMENTS LIMITED PARTNERSHIP BY: NORTH ISLAND APARTMENTS

Program/Activity Receiving Federal Grant Funding

CDBG-2025-01 -ROOF REPLACEMENT FOR AFFORDABLE SENIOR HOUSING

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue to provide a drug-free workplace by:

a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition.

b. Establishing an on-going drug-free awareness program to inform employees ---

(1) The dangers of drug abuse in the workplace;

(2) The Applicant's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;

d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will ---

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

2. Sites for Work Performance. The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above: Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

2 NORTH STOLP AVENUE , AURORA, ILLINOIS 60506

Check here ☐ if there are workplaces on file that are not identified on the attached sheets.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.
(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

Hugh Rider

Title

Co-President

Signature

Date

X