

Cook County, IL

Community

Development

Block Grant –

Disaster

Recovery

(CDBG-DR)

Updated – April 2019



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President

Cook County Board of Commissioners

Residential Resilience
Program

Policies and Procedures

**COOK COUNTY DEPARTMENT OF
PLANNING AND DEVELOPMENT**

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Part I: Cook County Residential Resilience Program Policy

1.0 Purpose

The purpose of the suburban Cook County (County) Residential Resilience Program (RRP) is to assist applicants who were directly impacted by the flooding in April/May 2013. The RRP is offered by the Cook County Department of Planning and Development (DPD) within the Bureau of Economic Development to provide assistance to affected applicants to repair damages caused by the floods and assist with improvements to minimize the risk of future flooding. Although it is anticipated, the properties will require some level of repairs to remaining damage; the focus and priority will be constructing mitigation measures. The federally declared disaster is FEMA-4116-DR, declared on May 10, 2013 for the incident period of April 16, 2013 to May 5, 2013

2.0 Program Overview

2.1 Funding Appropriation

Cook County received a Community Development Block Grant – Disaster Recovery (CDBG-DR) Grant for a total of \$83,616,000 in accordance with the Disaster Relief Appropriations Act, 2013 (Public Law 113-2). These grants are being made available through the U.S. Department of Housing and Urban Development (HUD) to assist disaster recovery efforts in response to declared major disasters occurring in Cook County in 2013. These funds may be used only for specific disaster recovery-related purposes. Cook County initially allocated \$12 million for RRP but this amount has been reduced to \$3,456,752 based upon the volume of applications.

2.2 Federally-Designated Areas Eligible for CDBG-DR Assistance

Cook County was declared eligible for federal assistance under FEMA-4116-DR. Any resident meeting all program eligibility requirements living in suburban Cook County is considered eligible for assistance. However, Cook County will ensure residents living within or adjacent to current or proposed efforts in flood mitigation and stormwater management as undertaken by the Metropolitan Water Reclamation District of Greater Chicago (MWRD) are aware of the program.

2.3 Program Administration

Cook County entered into a subrecipient agreement with North West Housing Partnership (NWHP) and Neighborhood Housing Services of Chicago (NHS) to provide the following services and activities:

- Conduct CDBG-DR program outreach and marketing to eligible communities and coordinate with Cook County responses to public inquiries.
- Review CDBG-DR applications for applicant eligibility and make award recommendations based on program requirements and HUD eligible activity and National Objective criteria.
- Oversee the construction process to ensure on-time project completion within budget that is satisfactory to both the applicant and Cook County.
- Provide data and information needed for HUD's Quarterly Progress Reports (QPR) and other state or county reporting needs.

- Assist Cook County with closeout activities connected with the CDBG-DR program.

These responsibilities and other contractual agreements can be referenced in the actual contracts between Cook County and the two subrecipients. CDM Smith (“Contractor”) will provide technical assistance to Cook County and the subrecipients for RRP.

3.0 Residential Resilience Program Requirements

3.1 CDBG-DR National Objective

All program activities (with certain exceptions regarding administrative and planning activities) must meet one of the CDBG-DR National Objectives:

- Low and Moderate Income (LMI).
- Urgent Need.
- Slum and Blight.

The RRP will provide benefits only to those applicants meeting the LMI National Objective requirements in accordance with HUD LMI standards. The subrecipients will determine a household’s LMI status once all documentation is received and verified (See Section 3.8).

3.2 Applicants Eligible for Assistance

Applicants must meet the following threshold criteria:

- The subject property must be located in suburban Cook County (i.e., outside the Chicago city limits). Use Exhibit A for guidance.
- The subject property must have been damaged under the Federal 2013 Disaster Declaration FEMA-4116-DR. Use Exhibit A for guidance.
- The subject property must have been the applicant’s primary residence at the time of the disaster. Use Exhibit A for guidance.
- The subject property must be located outside the 100-year flood plain as determined by the Flood Insurance Rate Map (FIRM). Use Exhibit G for guidance.
- The subject property must be a single-family structure (up to four units and owner-occupied) and affixed to a permanent foundation on the land owned by the applicant. Use Exhibit A for guidance.
- The applicant must have been the owner of record at the time of the disaster and continue to be the owner throughout the grant compliance period. Use Exhibit A for guidance.
- The applicant must be considered LMI as defined by HUD. Use Exhibit B for guidance.
- The applicant must be current on Cook County property taxes and taxes as a real property. Use Exhibit D for guidance.

- The applicant must be current on child support payments, if applicable. Use Exhibit D for guidance.

3.3 Types of Applicant Assistance

- **Housing Repairs:** Housing repairs are capped at \$25,000 of CDBG-DR funds. Refer to Section 7.0 for additional details on the scope of work that can be undertaken.
- **Elevation:** All subject properties being repaired are located outside the 100-year flood zone. Therefore, elevation will not be an eligible activity.
- **Reimbursement for Prior Repairs:** Applicants who have already completed all repairs are not eligible for assistance or any reimbursement costs for repairs under this program.

3.4 Eligible Structures

Only single-family structures are eligible for assistance. If a property is designated as a condominium or a townhome, the property owner of each condominium unit or townhome shall be allowed to apply for assistance for the unit under their ownership. These applicants will be reviewed on a case-by-case basis to assess responsibilities of the Home Owner Association. In all instances, each unit shall have an individual mailing address registered with the United States Postal Service (not a P.O. Box).

The assisted property must be wholly residential in character. Properties containing home-based businesses may be rehabilitated only where it can be clearly shown that program funds are not used to assist the business contained in or on the property.

Eligible structure type will be verified by the subrecipients through property tax statement. Use Exhibit A for guidance.

3.5 Ownership

Housing to be assisted must be owned by the person(s) occupying the unit. Ownership is defined as holding a fee simple title that is recorded in the form of a general warranty deed, special warranty deed, quit claim deed, deed of trust, etc. to the property and structure to be assisted. Documents must be stamped, recorded, and dated prior to the flooding disaster. If not all persons on the title recorded at the time of the disaster are still the current owners, at least one person (the applicant) must have been on the title and documentation to substantiate the change (death certificate, divorce decree, marriage certificate, etc.) must be provided and included in the file. Subrecipients will verify ownership by searching property records of the Cook County Recorder of Deeds or Cook County Assessor's Office, ordering a title tract search or obtaining the information from the applicant, as appropriate.

A mortgage lien can be placed on the property. To be eligible for assistance, the assisted applicant must be current with property taxes. Compliance with this ownership section must be documented. Use Exhibit C for guidance.

Purchase Contracts

- Contract for Deeds are not eligible unless the applicant converts their contract to full ownership prior to receiving funding assistance from RRP.
- Evidence of purchase contracts must prove that an applicant was purchasing a subject property on a contract by:
 - The applicant presenting the notarized contract dated and executed prior to the disaster for review by the subrecipients.
 - The applicant presenting the notarized and executed contract that was filed prior to the disaster in the conveyance records of Cook County.
- Proof that a contract has been completed and title conveyed to the purchaser is provided by:
 - Evidence of recordation of the deed in the name of the applicant in the conveyance records of Cook County.
 - Evidence that the property was transferred by a deed.

Trust

Property held in trust for the benefit of natural persons can be eligible for RRP assistance if at least one of the occupants at the time of the disaster was a current beneficiary of the trust. The trustee's powers must include the ability to affect the damaged property. If the trustee's powers do not include the ability to affect the damaged property, the beneficiaries with an interest in the damaged property must sign the closing documents along with the trustee.

The following is required to confirm eligibility:

- The applicant must provide a copy of the trust document.
- The trust document or an abstract or extract of the trust must be recorded in the conveyance records of Cook County in which the damaged property is located. This recordation in the conveyance records of the County in which the damaged property is located may be recorded post-disaster, if necessary.

The applicable agreements must be executed by trustee(s) unless the trust distributes the property to a beneficiary, in which event the beneficiary receiving the property must execute the applicable agreement and occupy the residence after assistance. If the property was not serving as the primary residence for the current beneficiaries or trustee, the applicant(s) is not eligible for assistance.

Death of Eligible Owner Occupant

If the deceased owner of the damaged address passed away after the disaster that damaged the subject property, the deceased person must meet all eligibility requirements for RRP.

Income determination will be based on the heir. The heir must agree to own and occupy the subject property for compliance period of the grant.

If the deceased owner of the damaged address passed away before the disaster, the heir occupying the property must meet all eligibility requirements and will be processed for assistance in the same manner as all other applicants. The heir to the property can attend the appointment, complete paper work, and make rehabilitation decisions and must agree to occupy the subject property after repairs are completed for the full compliance period of the grant.

If an eligible applicant dies and leaves their damaged property to a business entity, the property is ineligible for assistance.

If the applicant passes away during construction or during the compliance period, the heir is not responsible for the contract agreements.

3.6 Occupancy

The property must have been the applicant's primary residence at the time of the disaster. Primary residency is verified by the subrecipients through one of the forms listed below. All occupancy documentation must be from the time of the disaster, in the applicant or co-applicant's name, and show the damaged address. Use Exhibit A for guidance.

- Subject homestead exemption in the property tax records.
- Copy of electric, gas, or water bill. The bill must confirm that service was provided at the time of the disaster.
- Copy of FEMA letter showing payment received for subject property repairs and/or contents or an insurance document showing content coverage.
- Other qualified documents may be presented for consideration of proof of occupancy.

3.7 Duplication of Benefits

Section 312 of the Robert T. Stafford Disaster Assistance and Emergency Relief Act (42 U.S.C. 58155) prohibits any person, business concern, or other entity from receiving financial assistance with respect to any part of a loss resulting from a major disaster as to which he has received financial assistance under any other program or from insurance or any other source. In accordance with the Stafford Act, Disaster Recovery funds issued through CDBG-DR may not be used for any costs for which other disaster recovery assistance was previously provided.

Financial assistance received from any organization that is provided for the stated purpose of housing repair is considered a Duplication of Benefit (DOB). This includes funding received for the express purpose of funding the gap between the amount that can be provided under RRP and the total amount of funding needed to participate. The guideline is in accordance with Federal Register Vol. 76, No. 221, Wednesday, November 16, 2011.

The first step of the DOB calculation is to determine the amount of funds previously received to assist with disaster needs. Applicants are required to disclose all sources of disaster recovery assistance received, and the subrecipients/Cook County are required to verify the amount received. The subrecipients should collect the necessary back up documents at this time: verification from FEMA and SBA with the amount of

assistance received; verification from insurance with the amount of assistance received and signed Subrogation Agreement by the applicant as these are needed to complete the DOB process. Use Exhibit E for guidance.

Types of Assistance

The most common source of disaster recovery assistance comes from insurance, FEMA, and Small Business Administration (SBA). However, assistance may also come from non-profit organizations, faith-based organizations, other disaster relief organizations, and other governmental entities.

- National Flood Insurance Program (NFIP): Insurance proceeds must be disclosed by the applicant and third-party verified by the subrecipients.
- Private Insurance: Insurance proceeds must be disclosed by the applicant and third-party verified by the subrecipients.
- FEMA: FEMA proceeds must be disclosed by the applicant and the subrecipients must obtain verification from Cook County.
- SBA: SBA proceeds must be disclosed by the applicant and the subrecipients must obtain verification from Cook County.
- Other: Funds from other sources must be disclosed by the applicant. Examples include non-profits, other governmental agencies, and social groups.

Documentation

Only funds received for structural repair are considered a DOB. Funds received for temporary housing, content, fences, etc. do not count toward the DOB. The subrecipients will submit all applicants FEMA and SBA numbers to Cook County to verify the amount. The applicants will be required to provide a verification letter from the insurance company with their application or during the application review process. If verification is not received, the applicants will not be eligible for the program as DOB review cannot be completed without the insurance information. Once the subrecipients have received verification, a DOB worksheet will be completed for the applicant with back up documentation. Back up documentation includes:

- Verification from FEMA and SBA with the amount of assistance received.
- Verification from insurance with the amount of assistance received.
- Signed Subrogation Agreement by the applicant.
- Per HUD consideration, applicants may provide a self-certification to support verification efforts.

Repairs

If an applicant used the money received for structural repair, the repairs can offset the DOB. The applicant must provide documentation to prove that repairs were made. Acceptable documentation includes paid

receipts for materials, paid contractor invoices, and receipts for permits. If an applicant provides multiple receipts, the subrecipients will enter each acceptable receipt into the receipt calculator.

Once all documentation is reviewed to offset the DOB, the subrecipients will complete the DOB worksheet with the amount of expenditures and funds received. The subrecipients must ensure that all backup documentation is in the file that supports the amounts in the worksheet.

If documentation is provided by the applicant verifying that the full amount of housing repair assistance previously received was used as intended, no deduction is made from the amount of CDBG-DR Program funding for which the applicant is eligible.

If there is a duplication of benefits, the applicant will provide the funds to be escrowed to the subrecipients at the contract signing. The subrecipients will maintain the escrow and utilize escrowed funds prior to using federal funding.

If the duplication is less than \$50, the County will not require the applicant to escrow the funds. Requiring the applicant to escrow these funds totaling less than \$50 would constitute an abuse of federal funds, because the cost to process the duplication would be substantially more than the amount of the duplication.

3.8 Household Income

In determining income, subrecipients will use the 1040 method as defined in 24 CFR 5.609 and in accordance with the Technical Guide for Determining Income and Allowances for the HOME Program, Third Edition, January 2005. The definition of adjusted gross income is based on the IRS Form 1040 "long form." Under the HOME regulations, the 1040EZ "short form" may not be used to determine an applicant's eligibility. However, CDBG-DR Programs use the IRS definition of annual income in different ways from the HOME regulations:

- CDBG-DR does not require use of the long form.
- CDBG-DR allows tax returns as proof of income.
- Annual income is gross amount of income anticipated by all adults in a family during the 12 months; the projection is valid for 12 months following the effective date to the determination. Documentation for CDBG-DR income qualification can be up to 12 months old.

If using IRS Form 1040 a new 1040 will need to be submitted no later than May 1st of the following year. Example: Homeowner provides a 2016 1040 in July 2017. If the homeowner has not received a Notice to Proceed (NTP) by May 1st, 2018, a new 2017 would need to be provided by the Homeowner.

HUD updates Income limits once a year. The timeframe of that update can vary year to year. If you have been provided the homeowner's most recent 1040, for example 2017, the 2017 HUD income limits would be used to determine household income.

Household Size

In determining the size of a household for the purposes of reporting income, HUD considers all persons who live in the same household to be household members. The household members may be a single family, one

person living alone, two or more families living together, or any other group of related or unrelated persons who share the same household.

Some households include persons who are not considered as family members for the purposes of determining household size. The persons not considered as part of the household include:

- Foster children.
- Foster aides.
- Live-in aids and children of live-in aides.

These persons should not be counted as household members when determining household size, if any, and should not be included when reporting annual household income. A child who lives in the house at least 50 percent of the time and is named in a shared-custody agreement can be counted in the household. If a family member is permanently absent from the household (e.g., a spouse who is in a nursing home), the head of household has the choice of either counting that person as a member of the household and including their income or determining that the person is no longer a member of the household.

To determine income eligibility, income must be provided for each person in the household who is 18 years or older.

Gross Household Income

If there is not a 1040 form for one or all household members or the income situation has changed since the 1040 was filed, the following applicable documents must be present for every household member that is 18 or older:

- Minimum of three current and consecutive months of check stubs (If the household member is paid monthly)
- Minimum four current and consecutive check stubs (If the household member is paid weekly, bi-weekly or semi-monthly)
- Pension statement showing current monthly or yearly gross amount
- Social Security statement or 1099
- Unemployment statement
- Certification of Zero Income Form

The subrecipients will obtain the appropriate documentation and determine the income level of each household. Total household income is determined by adding the income of all persons 18 or over. Exhibit B provides guidance and documentation for household income determination.

3.9 Other Eligibility Requirements

- Proof of disaster damage will be verified by the subrecipients through FEMA assistance, insurance assistance, SBA or photos for the days in question. FEMA and insurance documents must show

where an applicant had damage and/or received funds for the damages. Other documents may be considered on a case by case basis.

- Verification that the property is located outside of the flood zone and in Cook County will be verified by Cook County via the site-specific environmental review.
- Verification of current property taxes and that the property is real property will be verified by the subrecipients through the most current property tax document from the tax assessor's office.
- Verification that the applicant is not delinquent on child support requires each property owner to complete the Child Support Affidavit. The subrecipients submit the completed affidavit(s) to Cook County. Cook County verifies if the property owner(s) is delinquent and will notify the subrecipients of the verification results.

Insurance Declaration Page documenting homeowner currently has homeowners' insurance in force. This should be documented prior to work beginning on the housing unit.

3.10 Ineligible Items

The following are ineligible for assistance under RRP:

- Business entities are not eligible. These include but are not limited to: Limited Liability Companies, Limited Liability Partnerships, Corporations, etc.
- Applicants who lost ownership of their subject properties due to foreclosure or if the properties are the subject of pending foreclosure are ineligible for assistance.
- Properties located where federal assistance is not permitted are ineligible for assistance. Properties must be in compliance with Environmental Code 24 CFR Part 58.
- Appliances and housing components that are not integral to the structure of the subject property such as washers, dryers, and detached garages and carports are not eligible to be replaced under the CDBG-DR.
- Any manufactured/mobile home properties are not eligible for program assistance.

3.11 Approved Application

An approved application is one with all properly submitted paperwork reviewed and approved by NHS or NWHP, as applicable, based on the guidelines set in these RRP Policies and Procedures. An application would be considered approved in this context regardless of whether the property had yet to complete the Tier 2 environmental clearance, had an initial inspection, or scope of work/bids by the end of June 2018, subject to any extension granted by HUD. The subrecipient agreement total allocated to construction assumes grant funds for each household will receive an award for an amount not to exceed \$25,000.

4.0 Award Calculation

4.1 Subject Property Evaluations

The Estimated Cost of Repair (ECR) is an internal document only that provides an estimate of the basic costs needed to repair the subject property as well as implement the recommended mitigation measures. The ECR does not provide an evaluation that takes into account an exact replacement of applicant's original subject property. In contrast to insurance estimates that may be based on replacement costs, the ECR evaluation is based on needed and eligible repairs and on customary and reasonable costs developed by the construction industry in Illinois.

All property improvements must be for unmet housing needs resulting from disaster damage or improvements to prevent future flooding.

4.2 Calculating the Amount of Assistance

Assistance to individual applicants is determined after factoring in the inputs listed above, subtracting any DOB, and then factoring in the funding caps for the required rehabilitation activity.

- Does the estimated cost of repairs exceed funding cap for the activity?
- Is there a DOB? If yes, subtract from estimated cost of repairs and the remaining balance is the CDBG-DR award amount.

See example below:

Input	Value	Calculation
Estimated cost of repair	\$20,000	Does not exceed funding cap
Insurance received	\$3,000	Subtract from estimated repair cost
FEMA received	\$2,000	Subtract from estimated repair cost
SBA received	\$0	
Subtotal	\$5,000	$20,000 - 3,000 - 2,000 = 15,000$
Verified repairs	\$4,000	Repairs verified by receipts or site inspection
DOB	\$1,000	$\$5,000 - \$4,000 = \$1,000$

Based on this example, the applicant will have to provide \$1,000 toward the repair cost before the scope of work can be bid to a contractor. If the applicant cannot produce the required DOB funds, the subject property cannot move forward in RRP.

4.3 Type of Award

Applicants will receive a grant award in the form of a five-year forgivable loan. In order for the assisted applicant to receive a five-year forgivable loan, he or she must sign an Unsecured Promissory Note and Recapture Agreement (the "Recapture Agreement") to secure the full amount of the five-year forgivable loan. The Recapture Agreement will be signed contemporaneously with the issuance of the NTP and this execution date starts the five-year forgivable loan period. The County will record the Recapture Agreement

with the Cook County Recorder of Deeds at the completion of the work such that it represents any approved change orders. The five-year forgivable loan bears no interest.

Applicants will be given the opportunity to rescind the assistance offered due to the fact that a lien or other security interest will be filed against their property as a result of the assistance, if accepted and executed. A "Notice of Opportunity to Rescind Transaction" form will be provided to applicants by the subrecipients.

Where there are existing liens, mortgages or other security interests already against assisted properties (e.g., the applicant's primary mortgage), the County's Recapture Agreement will be recorded in a junior position to existing liens, mortgages or security interests.

In the event of future liens, mortgages or security interests recorded against an assisted applicant's property (e.g., a refinancing), Cook County may, at its discretion, subordinate the Recapture Agreement to any future liens, mortgages or other security interests.

The term of the Recapture Agreement is five years, remaining at one-hundred percent (100%) of the loan amount for the first full year and decreasing twenty percent (20%) each year thereafter. The anniversary date of the Recapture Agreement is five years from the date of the execution of the Recapture Agreement by the homeowner and the County. In the event the homeowner fails to comply with the terms and conditions of the Recapture Agreement or the RRP, the note must be repaid by the homeowner according to the following schedule:

- If the rehabilitated property is sold, rented, transferred, vacated or abandoned prior to the first anniversary date of the execution of the Recapture Agreement, one-hundred percent (100%) of the note becomes due.
- If the rehabilitated property is sold, rented, transferred, vacated or abandoned between the first and second anniversary dates of the execution of the Recapture Agreement, eighty percent (80%) of the note becomes due.
- If the rehabilitated property is sold, rented, transferred, vacated or abandoned between the second and third anniversary dates of the execution of the Recapture Agreement, sixty percent (60%) of the note becomes due.
- If the rehabilitated property is sold, rented, transferred, vacated or abandoned between the third and fourth anniversary dates of the execution of the Recapture Agreement, forty percent (40%) of the note becomes due.
- If the rehabilitated property is sold, rented, transferred, vacated or abandoned between the fourth and fifth anniversary dates of the execution of the Recapture Agreement, twenty percent (20%) of the note becomes due.
- At the fifth anniversary date, one-hundred percent (100%) of the note will be forgiven. Cook County will release the Recapture Agreement, upon written request, following completion of the five-year term.

If the assisted property becomes other than the assisted applicant's principal place of residence at any time during the five-year term (through sale, transfer, rental, or vacating or abandonment of the property), the principal amount of the note, based on the above schedule, is immediately due and repayable to Cook County.

5.0 Applicant Responsibilities

Applicants that complete and sign the RRP agreements are responsible for full compliance with terms of the agreements. Such conditions include but are not limited to the following:

- An applicant must maintain the subject property as their primary residence for a period of at least five (5) years.
- An applicant must maintain homeowner insurance coverage (not less than contract amount). Failure to maintain homeowner insurance may prohibit future assistance.
- An applicant must keep current on all property taxes or have a tax deferral.
- An applicant must adhere to requirements in the executed subrogation agreement and report to the County if, at any time in the future, additional funds are received for the same purpose altering the duplication of benefit calculation.
- An applicant must meet all requirements agreed upon in the executed Construction Contract Agreements and the Recapture Agreement, including agreeing to a lien on the property for the full amount of assistance.

6.0 Environmental Review and Clearance

All activities funded with CDBG-DR funds must have had an Environmental Review (ER) and received clearance to expend funds on the activity. The regulations for meeting HUD's ER requirements can be found at 24 CFR Part 58.

The RRP will follow a tiered ER process which allows for an initial "broad" review of all environmental factors that will be shared by properties in a given geographic area. Based on this broad review, the funds will be released for program activity contingent upon completing a "site specific" review once a potential property is identified and determined eligible for the program. Site specific ERs will identify any aboveground hazards, flood plains, historic properties, and noise issues when applicable. A site-specific ER must be completed for each property prior to taking any choice limiting actions.

Cook County will be responsible for the ER process. The subrecipients will provide property information including address, front exterior photograph of property and scope of work to Cook County.

Cook County expects the site-specific review to be completed six weeks after initiation but could take longer since completion is dependent upon receiving responses from consulting agencies, such as the Illinois State Historic Preservation Office (SHPO). Cook County will notify the subrecipients when the site-specific review is complete and provide a copy of the signed documentation. At that time, the subrecipients may enter into a contract with the applicant. Use Exhibit G for guidance.

7.0 Scope and Construction Process

All eligible properties will go through a work write-up, bid, and construction process and will be repaired per the rehabilitation and mitigation standards in this section.

7.1 Rehabilitation and Mitigation Standards for Non-Substantial Damaged Residents

Per 78 FR 14329 for rehabilitation other than new construction of residential housing or replacement of substantially-damaged residential housing, grantees must follow the guidelines specified in the HUD CPD Green Building Retrofit Checklist (herein referred to as “Retrofit Checklist” which is adapted and included as Exhibit F). The subrecipient and selected contractor must apply these guidelines to the extent applicable to the rehabilitation work undertaken, including the use of mold resistant products when replacing surfaces such as drywall. When older or obsolete products are replaced as part of the rehabilitation work, rehabilitation is required to use ENERGY STAR-labeled, WaterSense-labeled, or Federal Energy Management Program (FEMP)- designated products and appliances. For example, if the furnace, air conditioner or windows are replaced, the replacements must be ENERGY STAR-labeled or FEMP- designated product, WaterSense-labeled products (e.g., faucets, toilets, showerheads) must be used when water products are replaced. The Subrecipient’s Inspector will complete the checklist at the time an assessment is made of the eligible damages remaining. The Retrofit Checklist will be included in the applicant’s file and reviewed during monitoring visits.

78 FR 14329 refers to 44 CFR 59.1 for the definition of substantial damage and substantial improvement definitions. Substantial Damage is defined as damage of any origin sustained by a structure whereby the cost of restoring the structure to its pre-damaged condition would equal or exceed 50 percent of the market value of the structure before the damage occurred. Substantial Improvement is any reconstruction, rehabilitation, addition, or other improvement of a structure which the cost equals or exceeds 50 percent of the market value of the structure before the “start of construction” of the improvement. This term includes structures which have incurred “substantial damage,” regardless of the actual repair work performed.

As the primary purpose of this program is to minimize the future flood risk, rehabilitated housing should also implement mitigation measures recommended by the subrecipients or CNT’s RainReady Program.

Note that the Retrofit Checklist provides guidelines for two types of green improvements:

1. Water and Energy Conservation Measures.
2. Indoor Air Quality. Because the program limits each applicant to a maximum grant of \$25,000, it is not the intent that all measures listed on the Retrofit Checklist will be undertaken. Instead, if items on the Retrofit Checklist are required to either repair remaining flood damage or to mitigate the property to minimize the future flood risk, those guidelines on the Retrofit Checklist must be followed. Statements of Work are reviewed by the County and its Contractor prior to issuing the NTP to ensure Energy Star/Energy Conservation rating is included when applicable.

It is anticipated that each property may have a minor amount of flood repair work remaining that will be evaluated on a case-by-case basis that may include the following:

- Mold remediation.

- Remove drywall and flooring.
- Sewer cleaning and/or repairs.
- Replace damaged windows.
- Foundation wall repair.
- Water heaters.
- Furnaces.

However, the majority of assistance will likely include the installation of the following mitigation measures:

- Backflow prevention valves.
- Overhead sewer.
- Installation and/or replacement of sump pump and French drains.
- Rainwater capture and retention.
- Exterior flood mitigation improvements including gutters, site grading, swales, replacement of concrete to achieve slopes away from property.
- Other components related to flooding and resilience will be reviewed on a case-by- case basis.

7.2 Work Write-Up / Cost Estimate

The subrecipient's inspector will be sent to each property to assess the eligible damage remaining on the property and recommend additional repairs and/or mitigation measures to minimize the risk of future flooding. An additional site inspection may be undertaken by the Center for Neighborhood Technology under their RainReady program. During this Rain Ready analysis, CNT will conduct a screening interview and assessment and make recommendations for flood reduction measures that may include landscaping and paving modifications, plumbing and sewer repairs, foundation repair and waterproofing, and gutters and downspouts. The inspector will then prepare a complete work write up encompassing the findings and recommendations from both on site assessments including the completed Retrofit Checklist.

If the subject property has been determined to be historically significant by the SHPO, the subrecipients will amend the scope of work and cost estimate to incorporate needed repairs in accordance to SHPO provisions.

HUD requires that cost reasonableness be considered for all funded projects. HUD regulations (24 CFR 200.404) require a process to evaluate a bid based upon price and other factors. The subrecipients will prepare a cost estimate for the complete work write up. The cost estimate provided will be used internally to evaluate each of the bids and determine if the cost is reasonable.

Once the work write-up is completed, the applicant will be provided an opportunity to review and accept the work write-up before the property is awarded to a contractor.

7.3 Lead-Based Paint Requirements

Based upon the program design with the maximum assistance of \$25,000, the County calculated the rehabilitation costs for the program fall into the second category of requirements per 24 CFR 35.916 (b)(1)(ii): "Assistance of more than \$5,000 per unit up to and including \$25,000 per unit." Therefore, the lead-based paint requirements outlined in 24 CFR 35.930 (c) apply.

To determine lead applicability the County notes that all eligible applicants' property is receiving federal funds and it is anticipated that all property units were built prior to 1978. For those units that are found to be built after 1978, the regulation does not apply, and this is indicated on Exhibit G, question 6.

For all units for which the regulation does apply, the County has determined that based on the program's eligibility requirements the following exemptions are not applicable:

- Emergency repairs to the property are being performed to safeguard against imminent danger to human life, health or safety, to protect the property from further structural damage due to natural disaster, fire or structural collapse. The exemption applies only to repairs necessary to respond to the emergency.
- The property will not be used for human residential habitation.
- Housing "exclusively" for elderly or persons with disabilities, with the provision that children less than six years of age will not reside in the dwelling unit.
- The property has no bedrooms.
- The property is currently vacant and will remain vacant until demolition.

The following exemptions, as applicable, will be documented on Exhibit G, in questions 6 through 17:

- An inspection performed according to HUD standards found the property contained no lead-based paint.
- According to documented methodologies lead-based paint has been identified and removed; and the property has achieved clearance.
- The rehabilitation will not disturb any painted surface.

All applicants are to be provided the Renovate Right pamphlet in accordance with 24 CFR 35.910 and 24 CFR 35.130. The last page of document must be signed documenting the applicant has received the information. This must remain in the file for three years to demonstrate compliance. Subrecipient shall either perform paint testing on the painted surfaces to be disturbed or replaced during rehabilitation activities or presume that all these painted surfaces contain lead-based paint. If subrecipient is using the presumption criteria, the subrecipient must provide Cook County a copy of their policies and procedures. This document should be on file for applicants to review if requested. In accordance with 24 CFR 35.1350, safe work practices must be used and included in all construction contracts. All work must be cleared using dust swipe samples and files must contain the summary of the inspection along with the laboratory results. Use Exhibit G for guidance and documentation.

7.4 Bid Process

The subrecipients may prepare an invitation for bids with respect to one or more properties. The invitation for bids will contain a scope of work for each property, including applicable HUD CPD Green Building Retrofit Standards. Bid packages will be solicited in accordance with HUD's small purchase procurement process set forth in 2 CFR Part 200.

Subrecipients will solicit a minimum of three pre-qualified contractors. Alternatively, subrecipients may issue a Request for Proposals when seeking contractors' bids and solicit a minimum of three bids from the pool of contractors. If three bids are unavailable, the subrecipients will provide written justification to Cook County before awarding the contract. The subrecipients will verify that all contractors that accept work through RRP are not debarred from working through Cook County or the federal government.

Subrecipients will evaluate bid packages. Contracts will be awarded to the lowest most responsive bidder. Subrecipients will submit the recommendation for bid approval, along with the scope and cost estimate to the County for review by DPD's Contractor and DPD approval. The County will issue an NTP upon approval.

7.5 Construction Process

Once a contract has been awarded to the lowest most responsive bidder, the contractor and applicant will enter into a (i) construction contract and an (ii) escrow agreement in substantially the forms attached as Exhibits K and M, respectively.

Following issuance of the NTP by the County, contractors will be expected to communicate directly with applicants regarding construction progress. Subrecipients will provide construction management oversight.

7.6 Certificate of Completion

Upon completion of the rehabilitation, subrecipients will perform a final inspection to determine that the work was completed in accordance with the scope of work, including the HUD CPD Green Building Retrofit Standards (Exhibit F). In connection with the final inspection, subrecipient will complete and sign the Retrofit Checklist for each property.

7.7 Disbursement of Funds

Drawdowns for reimbursement of rehabilitation and carrying costs for each property will be subject to the submission of the following information to the County:

- Payment form 29A.
- Detailed scope of work for the rehabilitation of each unit in the Project for which reimbursement is being requested.
- Receipts for materials, appropriate Lien Waivers from contractors, and "paid in full" or "paid to date" Invoices from the contractor.
- Certificate of Completion, if applicable.

7.8 Change Orders

If during the course of the work a change order is determined to be necessary or is recommended, the subrecipient is responsible for preparing the updated scope of work, an estimate for the change order and securing quotes from the contractor. This information must be submitted to the County for approval. The submitted change order is reviewed by DPD's Contractor then approved by DPD. In the event the change order work is substantially different than the original scope of work, the County may require the subrecipient to solicit competitive bids for the change order work. The total cost of the work may not exceed \$25,000 including the change orders. Once the change order is approved, the subrecipient will be responsible for completing, gaining approval and securing signatures on all updated contract documents.

8.0 Contract Signing

Prior to the contract signing, the subrecipients will confirm that the applicant is current on property taxes and has applicable insurance.

The subrecipients will hold a contract signing with each applicant to explain the construction process, compliance period and obtain signatures on the following documents:

- Recapture Agreement.
- Subrogation Agreement (may have been signed previously during the intake process).
- Owner-Contractor Agreement / General Conditions.
- Notice to Rescind.
- Escrow Agreement (if applicable).

All owners listed on the deed must sign the contract documents or provide a power of attorney document allowing someone to sign on their behalf.

The subrecipients will submit the signed documents to the County for review and signature and the County will issue an NTP to the subrecipient for each property. Note these documents must be completed prior to commencement of construction.

These documents will need to be revised, as applicable, if a change order is approved.

The County will be responsible for providing procurement details of the contracts awarded by the subrecipients as part of the contract procured document available on the public disaster recovery website: <https://www.cookcountyil.gov/service/disaster-recovery-and-resilience>. The procurement information will be updated at least quarterly.

9.0 Marketing

Subrecipients will market RRP to potential applicants and to contractors.

Marketing to Applicants

Subrecipients will market RRP in order to provide sufficient information about it and to generate further interest from potential applicants. Subrecipients marketing efforts will not discriminate in any way and will

provide for equal opportunity and fair housing to all potential applicants. Marketing may be conducted using any and all of the following methods:

- Newspapers of general circulation and other local publications;
- Radio and/or television (such as local cable television channels);
- Public informational meetings held in Cook County;
- Mailings;
- Personal contact to potential applicants by county leaders or civic groups.

All informational meetings will occur in buildings that are compliant with the Americans with Disabilities Act (ADA). Those needing special assistance, such as sign language and ethnic verbal translations may make this request and it will be honored at the cost of the subrecipients.

10.0 Appeals Process

The Appeal Process provides applicants applying to the RRP the opportunity to have their eligibility, DOB, and Work Write-up reviewed to ensure that the subrecipients made the correct decision. Subrecipients will not change policies or laws set forth by the Cook County, State of Illinois or the federal government. Exceptions may be granted on a case by case basis by Cook County.

- Applicants may appeal the award determination within 10 business days of the ineligible letter.
- Once the request for appeal, the applicant will be contacted and inform them of what documentation is needed to support the appeal.
- The applicant will have 15 calendar days to provide the documentation.
- The subrecipients will process the appeal and ensure that the appropriate person reviews the provided documentation.
- A decision on the appeal will be made within 30 days of receipt of the additional documentation.
- The applicant will be notified in writing of the decision.

11.0 Recordkeeping

Subrecipients are required to maintain complete records of all applications, regardless of whether the applicant has been approved or has accepted a construction contract. Records shall be maintained for a minimum of five years and are to be made available to Cook County at its request.

The County will also maintain copies of their documents that may include child support compliance, signed agreements, correspondence with the subrecipients and/or applicants, documents from vendors and others within the County, invoices and other reports.

12.0 Closeout

Closing out an individual sub-grant represents a confirmation that the intended benefits of providing the funding have been accomplished and that all of the legal requirements imposed on use of the funds have been examined. All subrecipients are expected and required to conduct an orderly and timely closeout of their contract with Cook County, DPD.

12.1 Procedures

Closeout documents are to be provided within sixty (60) days after the contract expiration date or completion of the project. If the Subrecipient cannot meet this requirement, a written request for an extension of time may be submitted to Cook County through writing a formal letter to be addressed to the County for review. Permission to extend the due date for submission of closeout documents will be granted for good and valid reasons.

Cook County will have no objections to a Subrecipient initiating closeout procedures prior to the current expiration date, provided the following conditions can be met:

1. All final costs to be covered by the contract have been incurred or obligated, including payment of any unsettled third-party claims or contract commitments. This means no additional funds can or will be requested from Cook County. Costs are considered incurred when goods and services are received, and contract work is performed. **[Part 2 CFR §200.16, Subpart A- Closeout]**. *Closeout* means the process by which the Federal awarding agency or pass-through entity determines that all applicable administrative actions and all required work of the Federal award have been completed and takes actions as described in §200.343 Closeout.

(**Note:** If funds that have not been drawn down as of the completion of the project, a request for payment of these contract funds must be submitted prior to initiation of the closeout process or submission of the closeout documents. Additional funds can only be requested for expenses incurred before the expiration date of the CDBG-DR contract. However, they can be requested up to 60 days after the CDBG-DR contract expires.)
2. All project activities have been completed. This means that:
 - a. The activities have passed final inspection.
 - b. All construction is complete, final inspection has been made, the project is operational, and all beneficiaries are being served.
3. All leverage funds have been expended.
4. All issues from Cook County monitoring have been resolved.

12.2 Required Closeout Documentation

Subrecipients will close out their grants along with the assigned County staff or contractor staff. The Authorized Official will prepare and submit the closeout. The Authorized Official must initiate and submit required closeout documents to Cook County. Following is the documentation required.

1. Program Beneficiary Report.
2. Final Wage Compliance Report, if applicable.
3. Proof of Insurance, if applicable.
4. Board Minutes signed by and Authorized Official.
5. Final Inspection Report and/or Final Engineering Report, if applicable.
6. Documentation of Section 3 Summary Report.
7. Documentation of MBE/WBE Compliance Report.

The following is a description of the individual forms that make up the closeout documentation:

1. CDBG-DR Final Expenditure Report: This is the final version of the Monthly Expenditure Report the subrecipient has been submitting throughout the life of the project. The primary difference is that the numbers of this report are final. One version is for community development and the other is for economic development. (**Note**: Any cash on hand, except for funds held to pay audit costs, must be returned to the County.)
2. Contract Closeout Certification: This is the form where the Subrecipient certifies that all of the information provided is accurate and truthful. It also holds the Cook County, DPD and its employees harmless from any liabilities or claims arising from the performance of the contract. It must be signed and dated by the authorized official.
3. Program Beneficiary Report: This form is the cumulative total of all actual project beneficiaries. The ethnic origins total must equal the total number of beneficiaries as necessary to adequately report this information in DRGR.
4. Final Wage Compliance Report: This form is required to report any liquidated damages and/or wage restitution paid by the construction contractor.
5. Proof of Insurance: The subrecipient must attach proof of insurance for any above-ground facilities built or renovated and/or for equipment purchased with the assistance of CDBG-DR funds.
6. Final Inspection Report: This report is required to be submitted as proof that the project is complete and acceptable.
7. Final Engineering Report: This report must be submitted on projects where engineering was required.

8. Section 3 Summary Report: This report is required as proof for your attempts to comply with Section 3.
9. MBE/WBE Report: This report is required to document the participation by MBE/WBE for any construction work.

12.3 Post Closeout Responsibilities

It is entirely possible that submission and acceptance of the Closeout documents doesn't signal the end of the Subrecipient-County relationship. There are several circumstances under which the Subrecipient will have continuing responsibilities resulting from the closed project.

1. Loans: Responsibility for loan administration and program income, as stipulated in the original contract, continues for as long as there are any funds flowing that can be attributable to the original disbursement of CDBG-DR funds. Responsibilities include loan portfolio management, accounting and reporting;
2. Audits: In some instances, the project may be conditionally closed out pending submission and acceptance of a final audit. The project is not technically closed until the final audit has been received and accepted. (**Note**: Even though the Subrecipient is eligible to submit an application for another project after closeout documents have been submitted and accepted, no new funding can be obligated until all audits due on previous projects have been submitted and accepted.)
3. Maintenance of Records: All project records must be maintained for three years after project closeout by the subrecipient.
4. Cook County will not accept hard copies of any closeout documents. It is the responsibility of the subrecipient to file and store all hard copies.

Part II: Cook County Residential Resilience Program Procedures

The procedures for this program are comprised of the following documents:

1. The following Exhibits are provided to the subrecipients to use as a guide for compliance. These same checklists will be used by the County during monitoring and TAS visits:
 - Exhibit A – Eligibility
 - Exhibit B – Income Determination and Duplication of Benefits Worksheets
 - Exhibit C – Ownership
 - Exhibit D – Other Eligibility Requirements
 - Exhibit E – Duplication of Benefits
 - Exhibit G – Environmental / Lead-Based Paint
2. Exhibit H – Residential Resilience Program Responsibility Matrix: Indicates the organization and person responsible for each task of the procedures.
3. Exhibit I – Cook County CDBG-DR Residential Resilience Program Checklist: This is a file checklist that should be completed for each homeowner file at completion as part of the final file review and closeout. The completed checklist should be inserted into the front of each completed file.
4. Agreements
 - Exhibit J – Unsecured Promissory Note and Recapture Agreement
 - Exhibit K – Owner-Contractor Agreement / General Conditions
 - Exhibit L – Subrogation Agreement
 - Exhibit M – Escrow Agreement

EXHIBIT A – ELIGIBILITY

IF ANY QUESTION IN EXHIBIT A IS ANSWERED NO – STOP! APPLICANT IS NOT ELIGIBLE FOR THE PROGRAM.

1. Is the property located in suburban Cook County (outside the Chicago City limits?) Yes No

The subrecipient may use various documents to verify the property's location. Examples of documentation are: insurance bill, utility bill, print from assessor's page, driver's license, tax returns, etc.

Describe documentation used for your determination.

2. The property must have been damaged under the Federal 2013 Disaster Declaration (FEMA-4116-DR) declared May 10, 2013 for the time period April 16, 2013 to May 5, 2013. Yes No

Damage will be verified using various options.

- a. If the homeowner applied to FEMA or SBA, Cook County will supply the subrecipient with a copy of the data base documenting the amount of funds Homeowner received for structure repairs.
- b. Insurance documents showing date claim made and amount insurance company paid.
- c. Photo's showing the damage from the incident.
- d. Other documents may be considered on a case by case basis and be approved by the County.

Describe documentation used for your determination

3. Was the property the applicant's primary residence at the time of the disaster and the owner of record Yes No

Occupancy and ownership may be documented by applicant providing one of the following:

- a. Subject homestead exemption in the property tax records
- b. Copy of electric, gas, or water bill. The bill must confirm that service was provided at the time of the disaster.
- c. Copy of FEMA letter showing payment received for subject property repairs
- d. FEMA denial letter
- e. Insurance Document

- f. Letter from electric, gas cable or other utility service provider.
Letter must confirm that service was provided at the time of disaster.
- g. Proof of occupancy to be reviewed on a case by case

Describe documentation used for determination

- | | |
|---|-------------|
| 4. Is the property considered a single-family structure (up to four units)?
This can be verified on Cook County's Tax Assessment web site.
Copy the document and put in homeowner file. | Yes No |
|---|-------------|

Describe documentation used for conclusion:

Reviewed by _____ Date _____

EXHIBIT B – INCOME DETERMINATION

- | | | | |
|----|---|-----|----|
| 1. | Has household size been determined?
In determining the size of a household for purposes of reporting income, HUD considers all persons who live in the same household to be household members. Examples:
a. Single Family
b. One person living alone
c. Two or more families living together in the residence
d. Any group of related or unrelated persons who share the same household.
e. Children living in household at least 50% of the time and is named in a shared custody agreement.
The following persons are not considered a part of a household:
a. Foster children
b. Foster aides
c. Live-in aides and children of live-in aides | Yes | No |
|----|---|-----|----|

An exception to the above is if a family member is permanently absent from the household (e.g., a spouse who is in a nursing home), the head of household has the choice of either counting the person as a member of the household and including their income or determining that the person is no longer a member of the household

Describe documentation for determination

- | | | | |
|----|--|-----|----|
| 2. | Does the applicant meet the Low-to-moderate income requirements as defined by HUD at the time of application?
In determining income. Subrecipients will use the 1040 method as defined in 24 CFR 5.609. This program is using the IRS definition allowed by HUD in CDBG-DR. To determine income using a 1040 is the following in the file:
a. Copy of most recent 1040 or 1040EZ
b. Income should be projected for the next 12 months and documented using Exhibit B-1, HUD Income Limit Form. The income projection will be valid for 12-months after projecting the income.
c. In the event that the NTP is not issued within the 12 months following the date of the projection, a 12 month income projection will need to be redone using the most recently available 1040s and the applicable income limits. For example, if the original income projection was completed in August 12, 2017 based upon 2016 1040 and 2016 income limits, a new income projection must be completed if the NTP is not issued by August 12, 2018. Three years of HUD Income Limit Forms are included as Exhibit B-1 to cover the tax years applicable to this program. | Yes | No |
|----|--|-----|----|

If applicant does not have a 1040 form for themselves or other household members, the following documentation must be provided for any household member that is 18 or older:

- a. Minimum of three current and consecutive months of check stubs if paid monthly.
- b. Minimum four current and consecutive check stubs if paid weekly, bi-weekly, or semi-monthly
- c. Pension statement showing current monthly or yearly gross amount
- d. Social Security statement or 1099
- e. Unemployment statement
- f. Certification of Zero Income Form

If you are using a or b above, you must calculate income for a 12 month period. When income calculations are complete, subrecipient needs to complete B-1 and file with all income documents.

Describe documentation used for determination

Reviewed by _____ Date _____

COOK COUNTY RESIDENTIAL RESILIENCE PROGRAM

Exhibit B-1 HUD Income Limit Form (2017)

Homeowner Name: _____

Property Address: _____
Address, City, State, Zip Code

Household Member #	Household Member Name	Age	Projected Income, next 12 months
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Total Gross Household Income (sum of all anticipated income above)_____

Describe below what, if any, changes to income or household size are anticipated to change in the next 12 months and if included in projection above.

COOK COUNTY RESIDENTIAL RESILIENCE PROGRAM

CIRCLE where the household income falls on the table below based upon household size, i.e., a 4 person household with a Total Gross Income of 50,000 would fall under (A) – Low and “63,200” should be circled

HUD Family Income Limits for: 2017 (\$79,000 median income)

Area:

Chicago-Joliet-Naperville, IL HUD Metro FMR

	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
(A) - Low (80%)	44,250	50,600	56,900	63,200	68,300	73,350	78,400	83,450
(B) - Very Low (50%)	27,650	31,600	35,550	39,500	42,700	45,850	49,000	52,150
(C) - Extremely Low (30%)	16,600	19,000	21,350	24,600	28,780	32,960	37,140	41,320

Subrecipient Income Verification

NHS / NWHP (circle one) has reviewed the household income and persons and determined they meet the HUD Family Income Limits as shown above. The box circled indicates that their income for this household size is less than the limit listed. The requisite documents showing the household income and persons are attached to this form.

Reviewer Printed Name

Reviewer Signature

Form Completion Date

COOK COUNTY RESIDENTIAL RESILIENCE PROGRAM

Exhibit B-1 HUD Income Limit Form (2016)

Homeowner Name: _____

Property Address: _____
Address, City, State, Zip Code

Household Member #	Household Member Name	Age	Projected Income, next 12 months
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Total Gross Household Income (sum of all anticipated income above)_____

Describe below what, if any, changes to income or household size are anticipated to change in the next 12 months and if included in projection above.

COOK COUNTY RESIDENTIAL RESILIENCE PROGRAM

CIRCLE where the household income falls on the table below based upon household size, i.e., a 4 person household with a Total Gross Income of 50,000 would fall under (A) – Low and “61,500” should be circled

HUD Family Income Limits for: 2016 (\$76,900 median income)

Area:

Chicago-Joliet-Naperville, IL HUD Metro FMR

	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
(A) - Low (80%)	43,050	49,200	55,350	61,500	66,450	71,350	76,300	81,200
(B) - Very Low (50%)	26,950	30,800	34,650	38,450	41,550	44,650	47,700	50,800
(C) - Extremely Low (30%)	16,150	18,450	20,750	24,300	28,440	32,580	36,730	40,890

Subrecipient Income Verification

NHS / NWHP (circle one) has reviewed the household income and persons and determined they meet the HUD Family Income Limits as shown above. The box circled indicates that their income for this household size is less than the limit listed. The requisite documents showing the household income and persons are attached to this form.

Reviewer Printed Name

Reviewer Signature

Form Completion Date

COOK COUNTY RESIDENTIAL RESILIENCE PROGRAM

Exhibit B-1 HUD Income Limit Form (2015)

Homeowner Name: _____

Property Address: _____
Address, City, State, Zip Code

Household Member #	Household Member Name	Age	Projected Income, next 12 months
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Total Gross Household Income (sum of all anticipated income above)_____

Describe below what, if any, changes to income or household size are anticipated to change in the next 12 months and if included in projection above.

COOK COUNTY RESIDENTIAL RESILIENCE PROGRAM

CIRCLE where the household income falls on the table below based upon household size, i.e., a 4 person household with a Total Gross Income of 50,000 would fall under (A) – Low and “60,800” should be circled

HUD Family Income Limits for: 2015 (\$76,000 median income)

Area:

Chicago-Joliet-Naperville, IL HUD Metro FMR

	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
(A) - Low (80%)	42,600	48,650	54,750	60,800	65,700	70,550	75,400	80,300
(B) - Very Low (50%)	26,600	30,400	34,200	38,000	41,050	44,100	47,150	50,200
(C) - Extremely Low (30%)	16,000	18,250	20,550	24,250	28,410	32,570	36,730	40,890

Subrecipient Income Verification

NHS / NWHP (circle one) has reviewed the household income and persons and determined they meet the HUD Family Income Limits as shown above. The box circled indicates that their income for this household size is less than the limit listed. The requisite documents showing the household income and persons are attached to this form.

Reviewer Printed Name

Reviewer Signature

Form Completion Date

EXHIBIT C – OWNERSHIP

1.	Was ownership documented by			
	• Warranty Deed		Yes	No
	• Trust Agreement – If yes please complete 1.A below		Yes	No
	• Purchase Contract - If yes please complete 1.B below		Yes	No
1.A	Trust Agreement – The following is required to confirm eligibility			
	• Copy of the Trust Document		Yes	No
	• The trust document or an abstract or extract of the trust as recorded in the conveyance records of Cook County.		Yes	No
1.B	Purchase Contracts -The following documentation must be provided			
	• Was there evidence that the applicant was purchasing the subject property.		Yes	No
	• Did the applicant provide the notarized contract dated and executed prior to the disaster for review		Yes	No
	• Did the applicant provide the notarized and executed contract that was filed prior to the disaster in the conveyance records Of Cook County		Yes	No
	• Is there evidence of recordation of title in the name of the applicant in the conveyance records of Cook County		Yes	No
	• Is there evidence that the property was transferred by Warranty deed.		Yes	No
2.	Death of Eligible Owner Occupant			
	• Did the homeowner pass away after the disaster that damaged the subject property If N/A no further questions need to be answered.	N/A	Yes	No
	• Did the deceased homeowner meet all eligibility requirements in Exhibit A?		Yes	No
	• Was income determination based on the heir		Yes	No
	• Did the heir agree to own and occupy the property for the compliance period of the grant?		Yes	No
	• Did the homeowner pass away before the disaster If N/A no further questions need to be answered.	N/A	Yes	No
	• If the above is yes, did the heir occupying the property meet all the eligibility requirements in Exhibit A		Yes	No
	• Did the heir agree to occupy the subject property after repairs are completed for the full compliance period of the grant.		Yes	No

Describe documentation for conclusions

Reviewed by _____ Date _____

EXHIBIT D - OTHER ELIGIBILITY REQUIREMENTS

- | | | | |
|----|--|-----|----|
| 1. | Is the homeowner current on property taxes and property | Yes | No |
| | a. Copy of most current tax document from tax assessor's office. | | |
| 2. | Applicant has completed the Child Support Affidavit. | Yes | No |
| 3. | Subrecipient has submitted the completed Affidavit to Cook County. | Yes | No |
| 4. | Cook County has verified that the property is delinquent or not delinquent. | Yes | No |
| 5. | If property owner is delinquent has subrecipient contacted them and rectified the delinquency. | Yes | No |

Describe documentation used for determination

Reviewed by _____ Date _____

EXHIBIT E – DUPLICATION OF BENEFITS

Please refer to pages 6-8 of the Policies and Procedures and Cook County's overall Duplication of Benefits Policy.

- | | | |
|--|-----|----|
| 1. Did the applicant receive funds from any of the following sources: | | |
| • FEMA | Yes | No |
| • NFIP | Yes | No |
| • SBA | Yes | No |
| • Private Insurance | Yes | No |
| • Other – example, nonprofits, other governmental agencies, Social groups, churches, etc. | Yes | No |
| If the applicant received funding from any of these sources, those funds are considered a Duplication of Benefit in accordance with the Stafford Act, if the funds were received for structure. | | |
| | Yes | No |
| 2. Did the subrecipient submit all FEMA and SBA numbers to Cook County if the homeowner did not have their FEMA or SBA number, please submit name and address of applicant to Cook County. Cook County will verify all funds received from FEMA, SBA or NFIP | Yes | No |
| 3. Did the applicant provide a verification letter from the insurance company with their application. If verification is not received, the applicant will not be eligible for the program as DOB review cannot be completed. | Yes | No |
| 4. Has a DOB worksheet been completed | Yes | No |
| 5. Has all back up documentation been submitted i.e., | Yes | No |
| • Verification from FEMA and SBA | | |
| • Verification from Insurance | | |
| • Signed Subrogation Agreement | | |
| • Self-certification to support verification efforts. | | |
| 6. Did applicant use funds received for structural repairs | Yes | No |
| 7. Was documentation submitted to prove repairs were made | Yes | No |
| 8. Was there a DOB | Yes | No |
| 9. Has the final DOB calculation with documents been submitted to Cook County for approval | Yes | No |
| 10. If there was a DOB, did the applicant provide the funds to be escrowed | Yes | No |

Reviewed by _____ Date _____

		DOB Worksheet	
Type of Assistance	Amount	Date	Source
Homeowners Insurance			
Flood Insurance			
FEMA			
SBA			
Other			
Total			
Expenditures	Amount	Date	Source
Home Repair			
Temporary Housing			
Contractor Fraud			
Forced Mortgage			
Total			
DOB			
Homeowner:			
Parcel #:			
Grant Manager:			
Reviewer:			
Date:			

RECEIPT CALCULATOR

Store	Date	Item	Amount	Note
		Total	\$0.00	
Homeowner Name				
Parcel ID#				
Property Address				
Date				
Reviewer				

NOTES/COMMENTS:	<u>Amount of Assistance Received:</u>
	SBA Verification
	FEMA Verification
	Insurance Verification
	less Receipts Total Noted Above \$0.00
Potential DOB Amount	\$0.00

REMINDER: only funds received for structural repair are considered a DOB and only funds utilized for structural repair can offset the DOB (refer to section 3.7 of RRP Policies and Procedures manual.

**** Items in highlighted in red, are PENDING items.**

Exhibit F

HUD CPD Green Building Retrofit Checklist

The CPD Green Retrofit Checklist promotes energy efficiency and green building practices for residential retrofit projects. Grantees must follow the checklist in its entirety and apply all measures within the Checklist to the extent applicable to the particular building type being retrofitted. The phrase “when replacing” in the Checklist refers to the mandatory replacement with specified green improvements, products, and fixtures only when replacing those systems during the normal course of the retrofit.

Property Address: _____

WATER AND ENERGY CONSERVATION MEASURES

Water-Conserving Fixtures	Yes	No	N/A
Install or retrofit water conserving fixtures in any unit and common facility, use the following specifications: Toilets– 1.28 gpf; Urinals– 0.5 gpf; Showerheads– 2.0 gpm; Kitchen faucets– 2.0 gpm; and Bathroom faucets– 1.5gpm. [gpf = gallons per flush; gpm = gallons per minute]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ENERGY STAR Appliances	Yes	No	N/A
Install ENERGY STAR-labeled clothes washers, dishwashers, and refrigerators, if these appliance categories are provided in units or common areas.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Air Sealing: Building Envelope	Yes	No	N/A
Seal all accessible gaps and penetrations in the building envelope. If applicable, use low VOC caulk or foam.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Insulation: Attic (if applicable to building type) For attics with closed floor cavities directly above the conditioned space, blow in insulation per manufacturer's specifications to a minimum density of 3.5 Lbs. per cubic foot (CF). For attics with open floor cavities directly above the conditioned space, install insulation to meet or exceed IECC levels.	Yes	No	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Insulation: Flooring (if applicable to building type) Install ≥ R-19 insulation in contact with the subfloor in buildings with floor systems over vented crawl spaces. Install a 6-mil vapor barrier in contact with 100% of the floor of the crawl space (the ground), overlapping seams and piers at least 6 inches.	Yes	No	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Duct Sealing (if applicable to building type) In buildings with ducted forced-air heating and cooling systems, seal all penetrations of the air distribution system to reduce leakage in order to meet or exceed ENERGY STAR for Homes' duct leakage standard.	Yes	No	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Air Barrier System Ensure continuous unbroken air barrier surrounding all conditioned space and dwelling units. Align insulation completely and continuously with the air barrier.	Yes	No	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Radiant Barriers: Roofing When replacing or making a substantial repair to the roof, use radiant barrier sheathing or other radiant barrier material; if economically feasible, also use cool roofing materials.	Yes	No	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Windows When replacing windows, install geographically appropriate ENERGY STAR rated windows.	Yes	No	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sizing of Heating and Cooling Equipment When replacing, size heating and cooling equipment in accordance with the Air Conditioning Contractors of America (ACCA) Manuals, Parts J and S, or 2012 ASHRAE Handbook–HVAC Systems and Equipment or most recent edition.	Yes	No	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Domestic Hot Water Systems	Yes	No	N/A
When replacing domestic water heating system(s), ensure the system(s) meet or exceed the efficiency requirements of ENERGY STAR for Homes' Reference Design. Insulate pipes by at least R-4.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Efficient Lighting: Interior Units	Yes	No	N/A
Follow the guidance appropriate for the project type: install the ENERGY STAR Advanced Lighting Package (ALP); OR follow the ENERGY STAR MFHR program guidelines, which require that 80% of installed lighting fixtures within units must be ENERGY STAR-qualified or have ENERGY STAR-qualified lamps installed; OR when replacing, new fixtures and ceiling fans must meet or exceed ENERGY STAR efficiency levels.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Efficient Lighting: Common Areas and Emergency Lighting (if applicable to building type)	Yes	No	N/A
Follow the guidance appropriate for the project type: use ENERGY STAR-labeled fixtures or any equivalent high-performance lighting fixtures and bulbs in all common areas; OR when replacing, new common space and emergency lighting fixtures must meet or exceed ENERGY STAR efficiency levels. For emergency lighting, if installing new or replacing, all exist signs shall meet or exceed LED efficiency levels and conform to local building codes.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Efficient Lighting: Exterior	Yes	No	N/A
Follow the guidance appropriate for the project type: install ENERGY STAR-qualified fixtures or LEDs with a minimum efficacy of 45 lumens/watt; OR follow the ENERGY STAR MFHR program guidelines, which require that 80% of outdoor lighting fixtures must be ENERGY STAR-qualified or have ENERGY STAR-qualified lamps installed; OR when replacing, install ENERGY STAR compact fluorescents or LEDs with a minimum efficacy of 45 lumens/watt.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

INDOOR AIR QUALITY

Air Ventilation: Single Family and Multifamily (three stories or fewer)	Yes	No	N/A
Install an in-unit ventilation system capable of providing adequate fresh air per ASHRAE 62.2 requirements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Air Ventilation: Multifamily (four stories or more)	Yes	No	N/A
Install apartment ventilation systems that satisfy ASHRAE 62.2 for all dwelling units and common area ventilation systems that satisfy ASHRAE 62.1 requirements. If economically feasible, consider heat/energy recovery for 100% of corridor air supply.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Composite Wood Products that Emit Low/No Formaldehyde	Yes	No	N/A
Composite wood products must be certified compliant with California 93120. If using a composite wood product that does not comply with California 93120, all exposed edges and sides must be sealed with low-VOC sealants.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environmentally Preferable Flooring	Yes	No	N/A
When replacing flooring, use environmentally preferable flooring, including the FloorScore certification. Any carpet products used must meet the Carpet and Rug Institute's Green Label or Green Label Plus certification for carpet, pad, and carpet adhesives.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Low/No VOC Paints and Primers	Yes	No	N/A
All interior paints and primers must be less than or equal to the following VOC levels: Flats--50 g/L; Non-flats--50 g/L; Floor--100 g/L. [g/L = grams per liter; levels are based on a combination of the Master Painters Institute (MPI) and GreenSeal standards.]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Low/No VOC Adhesives and Sealants	Yes	No	N/A
All adhesives must comply with Rule 1168 of the South Coast Air Quality Management District. All caulks and sealants must comply with regulation 8, rule 51, of the Bay Area Air Quality Management District.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Clothes Dryer Exhaust	Yes	No	N/A
Vent clothes dryers directly to the outdoors using rigid-type duct work.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mold Inspection and Remediation	Yes	No	N/A
Inspect the interior and exterior of the building for evidence of moisture problems. Document the extent and location of the problems, and implement the proposed repairs according to the Moisture section of the EPA Healthy Indoor Environment Protocols for Home Energy Upgrades.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Combustion Equipment	Yes	No	N/A
When installing new space and water-heating equipment, specify power-vented or direct vent combustion equipment.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mold Prevention: Water Heaters	Yes	No	N/A
Provide adequate drainage for water heaters that includes drains or catch pans with drains piped to the exterior of the dwelling.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mold Prevention: Surfaces	Yes	No	N/A
When replacing or repairing bathrooms, kitchens, and laundry rooms, use materials that have durable, cleanable surfaces.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mold Prevention: Tub and Shower Enclosures	Yes	No	N/A
When replacing or repairing tub and/or shower enclosures, use non-paper-faced backing materials such as cement board, fiber cement board, or equivalent in bathrooms.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Integrated Pest Management	Yes	No	N/A
Seal all wall, floor, and joint penetrations with low-VOC caulking or other appropriate sealing methods to prevent pest entry.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lead-Safe Work Practices	Yes	No	N/A
For properties built before 1978, if the project will involve disturbing painted surfaces or cleaning up lead contaminated dust or soil, use certified renovation or lead abatement contractors and workers using lead-safe work practices and clearance examinations consistent with the more stringent of EPA's Renovation, Repair, and Painting Rule and HUD's Lead Safe Housing Rule.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Radon Testing and Mitigation (if applicable based on building location)	Yes	No	N/A
For buildings in EPA Radon Zone 1 or 2, test for radon using the current edition of American Association of Radon Scientists and Technologists (AARST)'s Protocols for Radon Measurement in Homes Standard for Single-Family Housing or Duplexes, or AARST's Protocol for Conducting Radon and Radon Decay Product Measurements in Multifamily Buildings. To install radon mitigation systems in buildings with radon level of 4 pCi/L or more, use ASTM E 2121 for single-family housing or duplexes, or AARST's Radon Mitigation Standards for Multifamily Buildings. For new construction, use AARST's Reducing Radon in New Construction of 1 & 2 Family Dwellings and Townhouses, or ASTM E 1465.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signature

Date

Printed Name, Company

EXHIBIT G – ENVIRONMENTAL/LEAD-BASED PAINT

- | | | |
|---|-----|----|
| 1. Did the file contain the Environmental Review for Activity/Project That is Categorically Excluded Subject to Section 58.5 | Yes | No |
| 2. Was the Environmental Review signed by Certifying Office | Yes | No |
| 3. Was the property identified in the Illinois Historic Preservation Agency (IHPA) Historic and Architectural Resources Geographic Information System. | Yes | No |
| 4. If the answer to number 3 is yes, please describe what measures were necessary to comply with IHPA's recommendations | | |
| | | |
| 5. Does the Environmental Review confirm property was not in the 100 year floodplain. If the answer is no, do not take any further action until Cook County has reviewed. | Yes | No |
| Describe documentation used for your determination | | |
| | | |
| 6. Is the property exempt from the lead-based paint rule
If Yes, circle exemption reason | Yes | No |
| <div style="display: flex; justify-content: space-between; margin-top: 10px;"> Home Newer than 1978 No Painted Surface will be Disturbed </div> | | |
| 7. Was a signed copy of the Renovate Pamphlet in the applicants file | Yes | No |
| 8. Were lead-based paint hazards being presumed in accordance with 24 CFR 35.930(c)(3). | Yes | No |
| 9. If lead based paint hazards were not presumed was a risk assessment conducted and put in the applicant's file. | Yes | No |
| 10. Does the file contain a letter pertinent documentation from the Public Health and Safety, Inc. describing the findings and recommendations of the Lead Safe Work Practices Quality Control walkthrough conducted on the property. | Yes | No |
| 11. Did subrecipients incorporate these findings and recommendations in the Scope of work. If the answer is no, please explain why the recommendations are not included. | Yes | No |

- | | | |
|---|-----|----|
| 12. Was a copy of the Lead Risk Assessor License certification in the file. | Yes | No |
| 13. Was a copy of the AIHA Laboratory Analysis Program certification in the file. | Yes | No |
| 14. Is there a copy of the Interior RRP Site Sketch included with the report. | Yes | No |

Describe documentation used for determination.

- | | | |
|---|-----|----|
| 15. Was an inspection conducted using clearance dust wipe sampling? | Yes | No |
| 16. Does the file contain the Summary of the Inspection? | Yes | No |
| 17. Does the file contain the laboratory results and find that no Dust swipe samples collected exceeded permissible limits as Set forth by EPA, HUD and IDPH. | Yes | No |

Describe documentation used for determination

Reviewed by _____ Date _____

Exhibit H - Residential Resilience Program Responsibility Matrix

Procedure Item	Party Responsibility	Staff Responsibility
Program Design and Selection Criteria Development/Refinement	DPD	Susan Campbell/Karl Bradley
Development of Subrecipient Agreement and Amendments	DPD	Eva Garrett
Review of Subrecipient Agreement and Amendments with Subrecipients	DPD	Pat Wilson/Karl Bradley
County Signature on Subrecipient Agreement and Amendments	DPD	Susan Campbell
Complete Broad Environmental Review for Program	CDM Smith	Patrick Dunn
Broad Environmental Review Approval	DPD	Pat Wilson/Karl Bradley sign
Program Outreach and Marketing	NHS/NWHP	NHS/NWHP
Receipt/Review of CDBG-DR Residential Resilience Program App	NHS/NWHP	Shavon/Paula
Photo ID (All homeowner(s) over 18 yrs. on title)	NHS/NWHP	Shavon/Paula
Correspondence	NHS/NWHP	Shavon/Paula
Other Supporting Documents	NHS/NWHP	Shavon/Paula
Federal 1040 tax return or Income docs per Section 3.8 of policies	NHS/NWHP	Shavon/Paula
Ownership Documentation	NHS/NWHP	Shavon/Paula
Occupancy Documentation	NHS/NWHP	Shavon/Paula
Proof of Damage	NHS/NWHP	Shavon/Paula
Collect Signed Subrogation Agreement	NHS/NWHP	Shavon/Paula
Submit Child Support Affidavit to the County for Verification	NHS/NWHP	Shavon/Paula
Child Support Verification	DPD	Pat Wilson
Notify Subrecipient Results of Child Support Verification	DPD	Pat Wilson
DOB Worksheet	NHS/NWHP	Shavon/Paula
Receipts and Receipt Calculator	NHS/NWHP	Shavon/Paula
Insurance Verification	NHS/NWHP	Shavon/Paula
SBA Data Check and send to subrecipient	CDM Smith	Becky Bock
FEMA Data Check and send to subrecipient	CDM Smith	Becky Bock
Current on Property Taxes	NHS/NWHP	Shavon/Paula
Current Property	NHS/NWHP	Shavon/Paula
Insurance	NHS/NWHP	Shavon/Paula
DOB Worksheet Review/notation	CDM Smith	Becky/Nancy
DOB Worksheet Approval sent to Subrecipient	DPD	Pat Wilson
Request Site-Specific Environmental Review for property	NHS/NWHP	Sharon/Brina
Complete Site Specific Environmental Review-Section 6.0	CDM Smith	Patrick Dunn
Environmental Review-Section 6.0 Approval	DPD	Pat Wilson/Karl Bradley sign
Complete Site Inspection for Property	NHS/NWHP	Matt/Mike
Document necessary work in Photos	NHS/NWHP	Matt/Mike
Complete RainReady Inspection for Property	CNT	CNT
Homeowner Lead Notice(s) per 24 CFR 35.125 (if applicable)	NHS/NWHP	Matt/Mike
Signed receipt of lead hazard information pamphlet (if applicable)	NHS/NWHP	Matt/Mike
Signed Work Write Up	NHS/NWHP	Matt/Mike
Estimate Cost of Repairs	NHS/NWHP	Matt/Mike
Prepare and Issue Invitation to Bid (per household)	NHS/NWHP	Matt/Mike
Receive and evaluate bids, recommend award	NHS/NWHP	Matt/Mike
Submit SOW, Cost Estimate and Bids to County	NHS/NWHP	Shavon/Paula
Review of SOW and Bids	CDM Smith	Becky/Nancy
Notice of Opportunity to Rescind	DPD	Pat Wilson
Owner-Contractor Agreement/General Conditions Signature/Submit to County	NHS/NWHP	Shavon/Paula
Owner-Contractor Agreement/General Conditions Approval	DPD	Eva Garrett
Unsecured Promissory Note and Recapture Agreement Gather		
Homeowner Signature/Submit to County	NHS/NWHP	Shavon/Paula
Unsecured Promissory Note and Recapture Agreement Approval	DPD	Eva Garrett
Subrogation Agreement submittal to County	NHS/NWHP	Shavon/Paula
Subrogation Agreement Approval	DPD	Eva Garrett

Procedure Item	Party Responsibility	Staff Responsibility
Escrow Agreement (if applicable)	NHS/NWHP	Shavon/Paula
Proof of Receipt of Escrow Funds (if applicable)	NHS/NWHP	Shavon/Paula
Notice to Proceed	DPD	Pat Wilson
Notice to Proceed Acknowledgement	NHS/NWHP	Shavon/Paula
Submit information on change orders to County for approval	NHS/NWHP	Matt/Mike
Review of Change Order	CDM Smith	Becky/Nancy
Change Order Approval	DPD	Pat Wilson
Updated Agreements to Reflect Change Orders	NHS/NWHP	Shavon/Paula
Updated Agreement Approvals to Reflect Change Orders	DPD	Eva Garrett
Update Contracts Procured document for website	CDM Smith	Technical lead
Post updated Contracts Procured document for website	DPD	Barb Maloof
Certification of Completion	NHS/NWHP	Matt/Mike
Warranty Form	NHS/NWHP	Matt/Mike
Applicable Construction Documents	NHS/NWHP	Matt/Mike
Lead Based Paint Report and clearance (if applicable)	NHS/NWHP	Matt/Mike
Complete Green Building Retrofit Checklist	NHS/NWHP	Matt/Mike
Complete file quality control exhibits and checklist	NHS/NWHP	Shavon/Paula
Prepare Grant Closeout Package	NHS/NWHP	Shavon/Paula
Report Beneficiaries/accomplishments	NHS/NWHP	Shavon/Paula
DRGR Data Entry on Beneficiaries/Accomplishments	CDM Smith	Aisha
DRGR Data approval/QPR submittal	DPD	Lesa
Approve Grant Closeout Package	DPD	Pat Wilson
Invoice submittal	NHS/NWHP	Danketta Holt/Debbie Kiskowski
Invoice review	DPD	Pat Wilson/Karl to sign
Invoice processing/payment	DPD	Monica/Ken
Record Promissory Note and Recapture Agreement on property with County Clerk - after completion with final known amount/documents	DPD	Eva/Isabel
Submit a copy of all files to the County	NHS/NWHP	Shavon/Paula
Complete final files for archiving	DPD	Pat Wilson
Ongoing Technical Assistance to Subrecipients incl bi-weekly phone calls	DPD/CDM Smith	Karl/Pat/Becky/Nancy
Periodic Progress discussions with subrecipient management	DPD	Karl
Periodic Desk-Monitoring of Subrecipients	DPD/CDM Smith	Pat/Becky/Nancy
Periodic On-Site-Monitoring of Subrecipients	DPD/CDM Smith	Pat/Becky/Nancy
Preparation of On-Site Monitoring Letters	CDM Smith	Becky/Nancy
Review and Approval, signature on On-Site Monitoring Letters	DPD	Pat Wilson/Karl Bradley sign

Exhibit I - Cook County CDBG-DR Residential Resilience Program Checklist

Cook County CDBG-DR Residential Resilience Program

Checklist

Homeowner(s) Name		Address	Municipality			Homeowner ID
			YES	NO	N/A	COMMENTS
	CDBG-DR Residential Resilience Program App					
	Photo ID (All homeowner(s) over 18 yrs. on title)					
	Correspondence					
	Other Supporting Documents					
Section Yellow - Program Requirements -See Section 3.0						
	Federal 1040 tax return or Income docs per Section 3.8 of policies					
	Ownership Documentation					
	Occupancy Documentation					
	Proof of Damage					
	Child Support Verification					
Section Red - Duplication of Benefits-See Section 3.7						
	DOB Worksheet					
	Receipts and Receipt Calculator					
	Insurance Verification					
	SBA Verification					
	FEMA Verification					
Section Blue - Pre-Contract Signing-See section 8.0						
	Current on Property Taxes					
	Environmental Review-Section 6.0					
	Current Property Insurance					

Cook County CDBG-DR Residential Resilience Program Checklist

Homeowner Name		Address	Municipality			Homeowner ID
			YES	NO	N/A	COMMENTS
Section Orange - Contract Signing-See section 8.0						
	Recapture Agreement					
	Bi-Party Agreement					
	Subrogation Agreement					
	Escrow Agreement (if applicable)					
	Proof of Receipt of Escrow Funds (if applicable)					
	Notice of Opportunity to Rescind					
Section Purple - Construction-See section 7.0						
	Notice to Proceed					
	Certification of Completion					
	Warranty Form					
	Applicable Construction Documents					
Section Green- Scopes-Section 7.1						
	Signed Work Write Up					
	Photos					
	Homeowner Lead Notice(s) per 24 CFR 35.125 (if applicable)					
	Lead Based Paint Report and clearance (if applicable)					
	Signed receipt of lead hazard information pamphlet (if applicable)					
	HUD CPD Green Building Retrofit Checklist (Exhibit F)					
Reviewed by:			Reviewed by:			
Date:			Date:			
NOT ALL INCLUSIVE - FUTURE INFORMATION MAY BE REQUIRED AND SUBRECIPIENT MAY AMEND FOR THEIR USE						

Exhibit J - Unsecured Promissory Note and Recapture Agreement

Document Prepared By & Mail to:
Eva L. Garrett, Esq.
Legal Affairs
Bureau of Economic Development
Department of Planning and Dev.
69 W. Washington, 29th Floor
Chicago, Illinois 60602

Above Space for Recorder's Use Only

UNSECURED PROMISSORY NOTE AND RECAPTURE AGREEMENT
Cook County Community Development Block Grant -
Disaster Recovery ("CDBG- DR") Residential Resilience
Program

	LOAN AND RECAPTURE TABLE	AMOUNT
A.	Principal Amount	\$ [REDACTED]
B.	Annual Interest Rate	0%
C.	Maturity Date	[REDACTED]
D.	Interest Rate on Matured and Unpaid Amount	0%
E.	Recapture Period	5 YEARS
F.	Recapture Amount	\$ [REDACTED]

FOR VALUE RECEIVED, this Unsecured Promissory Note and Recapture Agreement ("collectively, this "Agreement") is made as of the [REDACTED] day of [REDACTED] 2018 (the "Effective Date") by and between [REDACTED] ("Borrower") and the County of Cook, a body politic and corporate of the State of Illinois ("County").

RECITALS

WHEREAS, the County of Cook, acting through its Bureau of Economic Development, Department of Planning and Development has received a Community Development Block Grant-Disaster Recovery (CDBG-DR) grant (the "Grant"), in accordance with the Disaster Relief Appropriations Act, 2013 (Public Law 113-2) and implementing regulations (collectively, the "CDBG-DR Legal Requirements"). The Grant has been made available through the U.S. Department of Housing and Urban Development ("HUD"); and

WHEREAS, the County has allocated a portion of the Grant funds (the "Grant Funds") for use in the County's CDBG-DR Residential Resilience Program (the "Program") to assist with housing rehabilitation activities in owner occupied housing units in response to declared major flooding disasters occurring in suburban Cook County in April/May of 2013; and

WHEREAS, the CDBG-DR Legal Requirements require that the County allocate Grant Funds to eligible activities benefitting households whose incomes do not exceed 80% of area median income; and

WHEREAS, Borrower meets the income eligibility requirements under the Program; and

WHEREAS, the Borrower is required to execute this Agreement in favor of the County to secure certain performance and payment covenants intended to assure compliance with the CDBG-DR Legal Requirements and achieve the objectives of the Program; and

WHEREAS, Borrower qualifies for a CDBG-DR loan (the "Loan"), subject to the terms and conditions set forth herein, in the principal amount set forth in Row A of the Loan and Recapture Table (the "Table") at the interest rate set forth in Row D of the Table, for use in performing CDBG-DR eligible rehabilitation activities (the "Project") for the property legally described in **Exhibit A** (the "Property"), attached hereto and incorporated herein by reference; and

WHEREAS, Borrower understands and agrees that Borrower must comply with the CDBG-DR Legal Requirements and will cause the contractor to comply with said requirements, as applicable.

NOW THEREFORE, Borrower has executed and delivered this Agreement to secure (a) payment of all recapture amounts described herein; (b) performance of residency, transfer, resale, financing, and refinancing covenants and due on sale provisions describe herein; and (c) performance of all other obligations, covenants, conditions and agreements contained herein.

LOAN TERMS

1. The recitals set forth above constitute an integral part of this Agreement and are hereby incorporated herein by this reference.
2. The term of this Agreement is five (5) years. The principal amount shall be forgiven twenty percent (20%) annually, commencing upon the first Anniversary Date (as such term is defined in Section 3) of the Effective Date of this Agreement and each Anniversary Date thereafter for a total of 5 years.
3. "Anniversary Date" shall mean each anniversary date of the Effective Date. For example: if the Effective Date is January 31, 2018, the first Anniversary Date would be January 31, 2019 and each January 31st thereafter for a total of 5 years.
4. "Homebuyer Recapture Amount" shall mean initially the amount, determined as of the Effective Date of this Agreement, set forth in Row F of the Table, but which shall reduce on a pro rata basis on each Anniversary Date, based on the number of years set in Row E of the Table (the "Recapture Period").
5. Upon the 5th Anniversary Date, subject to Borrower's satisfactory compliance with all conditions of this Agreement and the CDBG-DR Legal Requirements, as determined by the County, the entire principal amount of the loan shall be deemed forgiven in its entirety.
6. If the Property or any part of the Property is sold, transferred, foreclosed, or leased, during the Recapture Period, Borrower shall, at the time of such sale or transfer, repay the County the outstanding Homebuyer Recapture Amount, then due and payable, from any available net sale proceeds, subject to any applicable limitations upon repayment set forth in the CDBG-DR Legal Requirements.
7. Notwithstanding the foregoing, a sale or transfer arising from the death of the Borrower during

rehabilitation of the Property or during the Recapture Period, which operates to transfer the Borrower's interest in the Property to the Borrower's heirs or beneficiaries, whether by will, trust or a similar estate planning instrument, or by intestacy, shall not be subject to the foregoing due on sale provision in Section 6 hereof.

8. If the Property is found to be in violation of local or County ordinances, the County shall have the option of declaring the entire original amount of the Loan due and payable to the County immediately.
9. The Property must remain the primary residence of the Borrower during the Project and throughout the Recapture Period.
10. Borrower will pay when due all general taxes and assessments, special assessments, water charges and all of the charges against the Property and shall, upon written request, furnish to the County receipts evidencing payment thereof, provided that Borrower, in good faith and with reasonable diligence, may contest the validity or amount of any such taxes, assessments or charges, provided that during any such contest the enforcement of the lien of such taxes, assessments or charges is stayed. Failure to remain current on all property taxes or have a tax deferral will result in the entire original amount of the Loan to become due and payable to the County immediately.
11. Property insurance coverage at or in excess of the amount of the Loan will be secured at the Borrower's expense for the entire period of this Agreement. If Borrower fails to maintain hazard insurance coverage, Borrower may be prohibited from receiving any additional funding with federal disaster relief assistance for the Property.

IMPORTANT NOTICE FOR FEDERAL DISASTER RELIEF

DUTY TO NOTIFY. In the event of the transfer of the Property described above by Borrower or Borrower's successors and assigns (each, a "Transferor"), the Transferor shall, not later than the date on which such transfer occurs, notify the transferee in writing of the requirements to:

(i) Obtain insurance in accordance with applicable federal law and obtain hazard insurance, with respect to said Property, if the above described Property is not so insured as of the date on which the above described Property is transferred; and

(ii) Maintain insurance in accordance with applicable federal law and maintain hazard insurance, with respect to said Property. Such written notification shall be contained in documents evidencing the transfer of ownership of the above described Property.

FAILURE TO NOTIFY. If Transferor fails to provide notice as described above and subsequent to the transfer of the above described Property:

(i) the transferee fails to obtain or maintain hazard insurance, in accordance with applicable federal law with respect to the above described Property;

(ii) the above described Property is damaged by a disaster; and

(iii) Federal disaster relief assistance is provided for the repair, replacement, or restoration of the Property as a result of such damage, the Transferor may be required to reimburse the Federal Government in an amount equal to the amount of the federal disaster relief assistance provided with respect to the above described Property.

The County has the right to waive any or all of the terms of this Agreement, based on extenuating circumstances that would warrant or justify such waiver, regardless of the age of the forgivable loan.

Borrower- (type Borrower's Name)

Co-Borrower (type Co-Borrower's Name, if applicable)

**Susan M. Campbell
County of Cook, Illinois
Director, Department of Planning and Development**

STATE OF ILLINOIS)
)
COUNTY OF COOK)

I, _____, a Notary Public in and for said County, in the State
aforesaid, do hereby certify that _____, personally known to me as the same person

whose name is subscribed to the foregoing instrument, appeared before me this day in person and being first duly
sworn by me acknowledged that he/she signed and delivered the said instrument as his/her free and voluntary act,
for the uses and purposes therein set forth.

Given under my hand and notarial seal this _____ day of _____, 2018.

Notary Public

My commission expires _____.

STATE OF ILLINOIS)
)
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Susan M. Campbell, personally known to me to be the Director of Cook County Department of Planning and Development of the Bureau of Economic Development and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that, as the Director, she signed and delivered the said instrument pursuant to the authority given by the County of Cook as her free and voluntary act and as the free and voluntary act of the County, for the uses and purposes therein set forth.

Given under my hand and official seal, this_____day of_____, 2018.

My Commission expires: _____

Notary Public

EXHIBIT A
PROPERTY DESCRIPTION

LEGAL DESCRIPTION:

COMMONLY KNOWN ADDRESS:

P.I.N.:

Exhibit K - Owner-Contractor Agreement/General Conditions

OWNER/CONTRACTOR AGREEMENT

This Owner/Contractor Agreement ("Agreement") made this _____ day of _____, 20____, by and between _____, residing at _____, (hereinafter called the "Owner"), and _____, having a principal place of business located at _____, (hereinafter called the "Contractor").

WITNESSETH: that the Owner and the Contractor, for the considerations herein after named mutually agree as follows:

1. SCOPE OF WORK – The Contractor shall furnish all of the material and perform all of the work on the structure(s) located at _____, _____, Illinois as shown on the drawings and described in the contract documents.
2. TIME OF COMPLETION – The Owner shall issue a written notice to proceed within _____ days from the date of the Owner's signing of this Agreement, accepting the Contractor's bid and proposal, providing the Contractor has obtained the necessary related documents including permits, and presents them to the Owner and staff of Neighborhood Housing Services of Chicago, Inc. ("NHS").

If the Notice to Proceed is not received by the Contractor within this _____ day period, the Contractor may at his option terminate his obligation under this Agreement, provided he/she has obtained the necessary related documents including permits. In the event the Contractor does not provide the necessary related documentation within 15 days from the date of the Owner's signing of this Agreement, the Owner has the option of terminating the Contract for cause.

The Contractor, weather permitting, shall commence work within _____ calendar days after the issuance of the Notice to Proceed, and all work is to be completed within _____ calendar days after commencing. In the event the Contractor does not proceed with the aforesaid work within _____ calendar days of the issuance of the Notice to Proceed, the Owner has the option of terminating the contract for failure to commence work within the time allowed by the Agreement.

3. CONTRACT SUM – The Owner shall pay the Contractor for the performance of the contract, subject to the additions and deductions provided therein, in current funds, the sum of _____ dollars (\$_____).
4. PROGRESS PAYMENT – The Owner shall make payments on account of the contract, upon requisition by the contractor, conditioned upon inspection by service

provider as follows: *Progress payments as work progresses, according to NHS payout schedules dates, with a maximum of _____ payouts.*

5. ACCEPTANCE AND FINAL PAYMENT – The final payment shall be due 15 working days after waivers are received by NHS staff provided all work is completed and the contract has been satisfactorily performed, subject to all provisions of the general conditions.

6. CONTRACT DOCUMENTS

Contractor Proposal Dated _____

Drawings Dated _____

Addenda Dated _____

General Conditions, articles 1 through 17, inclusive, are attached to and made a part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

CONTRACTOR & FIRM NAME

OWNER(S) NAME

CO-OWNER'S NAME

ADDRESS OF CONTRACTOR

ADDRESS OF OWNER(S)

CONTRACTOR'S SIGNATURE & TITLE

OWNER'S SIGNATURE

APPROVED:

SERVICE PROVIDER

NEIGHBORHOOD HOUSING SERVICES OF CHICAGO, INC.

GENERAL CONDITIONS TO OWNER/CONTRACTOR AGREEMENT

ARTICLE I

CONTRACTOR DOCUMENTS The contract documents enumerated on page 2, #6 of the Owner/Contractor Agreement will be administered as comprising one General Agreement, and each document will be construed equally with all other documents.

ARTICLE II

ASSIGNMENT OF CONTRACT The Contractor shall not assign this contract without the written consent of Owner. The request for assignment must be addressed to the Owner and to Neighborhood Housing/Neighborhood Lending ("NHS/NLS").

ARTICLE III

CHANGES IN THE WORK All changes from the original contract shall be in writing and approved by the Owner(s), Contractor, and NHS/NLS staff. During the course of construction, the Contractor shall notify the Owner and NHS/NLS staff of any condition or repair not covered in the contract, which is necessary for satisfactory completion. Defects, which become evident as the work progresses shall be reported, not concealed. All change orders are subject to placement of funds into escrow to cover the expense of the change order.

ARTICLE IV

ACCESS TO WORK The Contractor shall permit and facilitate observation of the work by the Owner and the NHS/NLS staff at all times.

ARTICLE V

PAYMENTS Payments shall be made as provided in this agreement and the Construction Loan Escrow Agreement. Upon the request of the Contractor, approval of the Owner and acceptance by NHS/NLS staff, payments will be made within 14 working days of up to 100% of the completed work, subject to submission of satisfactory releases of liens and/or paid receipts from the Contractor, his subcontractors, laborers, and/or material suppliers. NHS/NLS will have authority to reject work which does not conform to the contract documents. Notice of rejection will be issued to Owner and Contractor by NHS/NLS staff.

Payments otherwise due may be withheld on account of defective work not remedied, liens filed, previous overpayments, damage by the contractor to others not adjusted, or failure to make payments properly to subcontractors, or for material or labor.

Work will be construed to have been completed when:

- A. All specified work meets accepted trade standards.
- B. All equipment is operating properly and efficiently and Owner has been instructed how to operate.
- C. All circuits, pipes and valves installed under the contract have been clearly and permanently labeled.
- D. All construction rubble, packing material and debris of any kind has been removed from site.
- E. Owner has received all written manufacturer's and supplier's warranties on all items installed under the terms of the contract.

The making and acceptance of the final payment shall constitute a waiver of all claims by the Owner, other than those arising from unsettled liens or from faulty work appearing thereafter, as provided for in Article XII (Warranty), and of all claims by the contractor, except any previously made and still unsettled.

ARTICLE VI

OWNER'S RIGHT TO TERMINATE THE CONTRACT Should the Contractor neglect to execute the work properly or fail to perform any provisions of the contract, the Owner, after seven (7) days verifiable receipt of written notice to the Contractor, Neighborhood Lending Service, and his surety, if any, may, without prejudice to any other remedy he may have, make good the deficiencies and may deduct the cost thereof from the payment then or thereafter due to the Contractor; or at his option may terminate the contract and take possession of all materials, tools, and appliances and finish the work by such means as he sees fit, with the approval of NHS/NLS staff. If the unpaid balance of the contract price exceeds the expense of finishing the work, such excess shall be paid to the Contractor. If such expense exceeds such unpaid balance, the Contractor shall pay the difference to the Owner. The owner's right to terminate the contract as set forth in this article is subject to contractor's right to request arbitration pursuant to article VIII.

ARTICLE VII

CONTRACTOR'S RIGHT TO TERMINATE THE CONTRACT Should the work be stopped by any public authority for a period of thirty (30) days or more, through no fault of the Contractor; or should the work be stopped through any act or neglect of the Owner for a period of seven (7) days; or should the Owner fail to pay the Contractor any payment within thirty (30) days after it is due; then the Contractor, upon seven (7) days verifiable receipt of written notice to the Owner and NHS/NLS, may stop work or terminate the contract and recover from the Owner payment for all executed work and any loss sustained plus reasonable profit and damages. However, all time limits stated in the contract documents are essential to the contract. The completion date may be extended for reasons of strike, fire, material delays or other verifiable causes. Contractor's right to terminate the contract as set forth in this article is subject to homeowner's right to request arbitration pursuant to article VIII.

ARTICLE VIII

MEDIATION AND ARBITRATION Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by the process as outlined below:

- A) An informal mediation process utilizing the services of NHS' Construction Specialist and/or Attorney to reach a settlement of the controversy or claim;
- B) If no settlement is reached through subparagraph A), then the parties shall submit for Mediation through the American Arbitration Association (AAA); this process can be initiated by either or both parties to the controversy, by filing a "Request For Mediation" with AAA, and paying the requisite administrative fees;
- C) If no settlement is reached through subparagraphs A) or B), at the instance of one or both parties, the controversy shall be submitted to AAA for Arbitration. The decision of the arbitrator shall be binding on the parties and enforceable in a court of competent jurisdiction. It is not required of the parties to the controversy, that they avail themselves of all three avenues of resolution. They may elect A) B) and C), A) and C), B) and C), or just C).

The processes set forth herein are not intended to be exclusive and the sole avenues to be utilized in seeking resolution to any controversy or claim.

ARTICLE IX

DEMAND FOR ARBITRATION Notice of the demand for arbitration shall be made in writing (**verifiable receipt**) to the other party to the agreement. The demand shall be made within 7 days after the claim, dispute or other matter in question has arisen **or** within 7 days of either party being notified in writing that an adverse action is being taken against said party by the other party to the agreement.

ARTICLE X

CONTRACTOR'S LIABILITY INSURANCE The Contractor will carry comprehensive liability insurance coverage protecting the Owner and Contractor for no less than ONE MILLION DOLLARS (\$1,000,000) in the event of bodily injury (including death) and ONE HUNDRED THOUSAND DOLLARS (\$100,000) in the event of property damage arising out of the work performed by the contractor; satisfactory Workmen's Compensation Insurance; and Scaffold Act Insurance, if the work requires the use of any equipment designated under the Scaffold Act. A certificate of insurance shall be submitted to NHS/NLS before starting work.

ARTICLE XI

PERMITS All permits, unless otherwise specified, must be obtained and paid for by the Contractor. This includes building, plumbing, electrical, heating or any other permits necessary to complete the job. Contractor shall arrange for all permit inspections.

ARTICLE XII

WARRANTY OF CONSTRUCTION (1) In addition to any other warranties set out elsewhere in this contract, the Contractor warrants that the work performed under this contract conforms to the contract requirements and is free of any defect of equipment, material, design furnished, or workmanship performed by the Contractor or any of his subcontractors or suppliers at any tier. Such warranty shall continue for a period of one year from date of final acceptance of the work, but with respect to any part of the work of which the Owner takes possession and use prior to final acceptance, such warranty shall continue for a period of one year from the date the Owner takes possession and use. Under this warranty, the Contractor shall remedy at his/her own expense any such failure to conform or any such defect. In addition, the Contractor shall remedy at his/her own expense any damage to Owner's owned or controlled, real or personal property when that damage is the result of the Contractor's failure to conform to contract requirements or any such defect of equipment, material, workmanship, or design. The Contractor's warranty with respect to work repaired or replaced hereunder will run for one year from the date of such repair or replacement.

(2) The Owner or his/her representative shall notify the Contractor in writing within a reasonable time after the discovery of any failure, defect or damage.

(3) Should the Contractor fail to remedy any failure, defect or damage described above within one month after receipt of notice thereof, the Owner shall have the right to replace, repair or otherwise remedy such failure, defect or damage at the Contractor's expense.

(4) In addition to the other rights and remedies provided by this clause, all subcontractors', manufacturers', and suppliers' warranties, expressed or implied, respecting any work and materials shall, at the direction of the Owner, be enforced by the Contractor for the benefit of the Owner. In such case, if the Contractor's warranty (*see I above*) has expired, any suit directed by the Owner to enforce a subcontractor's, manufacturer's or supplier's warranty shall be at the expense of the Owner. The contractor shall obtain any warranties which the subcontractors, manufacturers, or suppliers would give in normal commercial practice and require such warranties to be executed in writing to the Owner with provision for extending the warranty to the successor(s) in title in the event the property is sold by the Owner prior to the expiration of the warranty period.

(5) Notwithstanding any other provision of this clause, unless a defect is caused by the negligence of the Contractor or his subcontractors or suppliers at any tier, the Contractor shall not be liable for the repair of any defects of material furnished by the Owner, or for the repair or damage which results from any such defect in Owner-furnished materials.

(6) The warranty specified herein shall not limit the Owner's rights under the Payment clause of this contract with respect to latent defects, gross mistakes or fraud.

ARTICLE XIII

TEMPORARY SERVICES AND STORAGE DURING CONSTRUCTION The Owner agrees to permit the Contractor to use in occupied structures at no cost, existing utilities such as light, heat, power, and water necessary to the carrying out and completion of the work. The Contractor shall provide and pay for all temporary utilities and facilities should they not exist in unoccupied structures or restore existing utilities should they be interrupted due to construction in an occupied structure. The Owner agrees to permit the Contractor to store necessary tools and materials on the subject property at no cost. The Contractor shall be responsible for the storage and safety of his own materials. The Contractor shall not allow combustible materials or other fire hazards to be left or to accumulate.

The Owner assumes no liability whatsoever for damage to, or loss by theft or vandalism of any material, appurtenance or appliance, whether or not such has been brought into the building, applied, connected or installed until the project is completed and accepted by the Owner, unless otherwise specified.

In the event the Owner elects to occupy and/or use any completed or partially completed portion of the structure, the Contractor is released from the above liabilities for this portion of the materials.

The Owner agrees to cooperate with the Contractor to facilitate the performance of the work, including providing access to parts of the structure to be worked on, the removal and replacement of rugs, coverings and furniture, as necessary. The premises are to be (occupied) (vacant) during the course of construction work.

ARTICLE XIV

MATERIALS AND WORKMANSHIP ALL MATERIALS USED UNDER THE CONTRACT SHALL BE NEW, OR SAME OR BETTER GRADE, QUALITY, DIMENSIONS, AND DESIGN AS THAT ORIGINALLY INSTALLED, UNLESS OTHERWISE SPECIFIED. Materials and/or workmanship failing to meet these requirements shall be replaced at the Contractor's expense. Acceptance of materials and/or workmanship by the Owner prior to completion of the contract does not relieve the Contractor from his obligation to produce materials and/or workmanship in first-class condition at the completion of the contract.

All work shall be performed by mechanics skilled in their respective trades in accordance with all existing applicable codes. The Contractor shall provide competent superintendence during all phases of the work.

OWNER SUPPLIED MATERIALS AND/OR LABOR WARRANTY Materials and labor supplied by the owner often creates scheduling and warranty problems. We do not recommend supplying material or labor for your own protection. Should you decide to supply materials they will be exempt from warranty and may void the warranty of related work if failure occurs.

Should any work to be performed by the owner causes delays in the work the contractor is to perform as a part of this contract, the owner may be charged for the time the contractor cannot work on another project (elsewhere) during the delay. Owner assumes all liability for injury or damage to materials or premises while engaged in owner supplied labor.

MATCHING MATERIAL Owner shall be aware of the limitations of matching woodwork, flooring, tile, plaster, paint, stucco, concrete and masonry, siding and roofing materials. While every effort shall be made to match existing materials, textures, colors, and planes, exact duplication is not guaranteed. Substitute materials of similar quality, pattern and design shall be used if unable to obtain exact matching materials.

SQUARE AND PLUMB Out of square and plumb conditions of existing structures will require some of the same, (out of square/plumb), in new work to properly mask the existing conditions and not call attention to those details. (Unless new work requires rebuilding structures/framing.)

HIDDEN AND UNFORESEEN DAMAGES AND CONDITONS For the purpose of this contract, hidden, concealed and unforeseeable condition shall mean a condition not readily observable to an experienced contractor, subcontractor or NHS inspecting the property for the purpose of estimating for and performing the work specified within the contents of this contract. If such a condition is found after work has commenced, a Change Order shall be initiated and the owner shall pay any additional costs.

ARTICLE XV

DEMOLITION **Demolition** of all parts to be removed shall be done in a safe, orderly fashion, taking care to avoid damage to parts which are to be left in place. All debris shall be removed from premises as it is generated and shall not be allowed to accumulate. Materials and equipment that has been removed and replaced as part of the work shall belong to the Contractor, unless otherwise specified.

ARTICLE XVI

PROTECTION OF WORK The Contractor shall adequately protect the work, adjacent property, and the public, and shall be responsible for any damage or injury due to his act or to the neglect of any subcontractor, or by anyone for whose acts any of them may be liable. The Contractor shall perform the work without unnecessarily interfering with other contractor's work or Owner's activities.

PROTECTION OF OWNER'S PROPERTY Owner agrees to remove and/or protect any personal property, in or near the work area, including flowers, shrubs, wall hangings, knickknacks and the like. Owner is responsible for keeping children and pets safe and out of work areas.

ARTICLE XVII

CLEANUP The Contractor shall keep the premises clean and orderly during the course of the work, and all debris created by the construction shall be removed on a continuing basis and not allowed to accumulate. This includes all fixtures removed as part of the work.

Exhibit L - Subrogation Agreement

**Cook County Community Development Block Grant Disaster Recovery(CDBG-DR)
Residential Resilience Program**

SUBROGATION AND ASSIGNMENT AGREEMENT

This Subrogation and Assignment Agreement (“Agreement”) is made this ____ day of _____, 2018 by _____ (“Homeowner(s)”) with the address of _____, _____, Illinois 6____ (“Address”).

Assignment Relating to Funds Received under CDBG-DR Residential Resilience Program

In consideration of Homeowner’s receipt of funds or the commitment by the County of Cook, a body politic and corporate of the State of Illinois (“County”) to evaluate Homeowner’s application for the receipt of funds under the CDBG-DR Residential Resilience Program (“Program”) administered by the County; Homeowner hereby assigns to County all of Homeowner’s future rights to reimbursement and all payments received under any policy of casualty or property damage insurance (the “Policies”) or under any reimbursement or relief program related to or administered by the Federal Emergency Management Agency (“FEMA”) or the Small Business Administration (“SBA”) for physical damage to the Structure (defined below) that was the basis of the calculation of Homeowner’s award to the extent of the proceeds paid to Homeowner under the Program. The proceeds or payments referred to in the preceding sentence, whether they be from insurance, FEMA or the SBA, shall be referred to herein as “Proceeds.” The rights Homeowner assigns are specific to the Structure with respect to which the Proceeds were paid (the “Structure”) which is described in Homeowner’s application with the Program arising out of physical damage to the Structure originally caused by the federally declared disaster, in accordance with FEMA-4116, but also including Proceeds received for damage to the Structure caused by any subsequent event that occurred until the commencement of repair or reconstruction utilizing Program funds. The Policies include, but are not limited to, policies characterized as wind, flood or any other type of casualty or property damage insurance coverage held by Homeowner and which provides coverage for physical damage to the Structure.

Cooperation and Further Documentation

Homeowner agrees to assist and cooperate with the County should the County elect to pursue any of the claims Homeowner has against the insurers for reimbursement under any such Policies. Homeowner’s assistance and cooperation shall include allowing suit to be brought in Homeowner’s name(s), giving depositions, providing documents, producing records and other evidence, testifying at trial and any other form of assistance and cooperation reasonably requested by the County. Homeowner further agrees to assist and cooperate in the attainment and collection of any Proceeds that the Homeowner would be entitled to under any applicable FEMA or SBA program as described above. If requested by the County, Homeowner agrees to execute such further and additional documents and instruments as may be requested to further and better assign to the County, to the extent of the Proceeds paid to Homeowner under the Program, the Policies, the disaster relief funds from FEMA or SBA and/or any rights thereunder, and to take, or cause to be taken, all actions and to do, or cause to be done, all things requested by the County to consummate and make effective the purposes of this Agreement.

Authorization for County to Contact Third Parties

Homeowner explicitly allows the County to request of any company with which Homeowner held Policies or FEMA or the SBA any non-public or confidential information needed by the County to monitor and enforce its interest in the rights assigned to it under this Agreement and to give Homeowner's consent to such company to release said information to the County.

Agreement to Turn over Proceeds; Future Reassignment

If Homeowner (or any entity holding a lien on the Structure, except to the extent required by senior loan documents) hereafter receives any insurance payment or disaster relief or reimbursement funds for physical damage to the Structure (not including proceeds received to cover contents), Homeowner agrees to promptly pay such amounts to the County, if Homeowner received grant proceeds under the Program in an amount greater than the amount Homeowner would have received if such insurance and/or disaster relief or reimbursement payment had been considered in the calculation of Homeowner's award. Once the County has recovered an amount equal to the Program grant proceeds paid to Homeowner, the County will reassign to Homeowner any rights assigned to the County pursuant to this Agreement.

Mortgage County Rights

Homeowner acknowledges that this Agreement does not impair Homeowner's mortgage or County's rights as loss-payee under any deed of trust or mortgage on the Structure.

Miscellaneous

(a) Homeowner represents that all statements and representations made by Homeowner regarding Proceeds received by Homeowner shall be true and correct as of the date of Closing.

(b) In any proceeding to enforce this Agreement, the County shall be entitled to recover all costs of enforcement, including reasonable attorney's fees.

IN WITNESS WHEREOF, Homeowner has caused this Agreement to be duly executed as of the day and year first above written.

Homeowner(s):

Signature: _____
[type name]

Signature: _____
[type name]

Exhibit M - Escrow Agreement

CONSTRUCTION ESCROW AGREEMENT

This Construction Escrow Agreement ("Escrow Agreement") is made and entered into this _____ day of _____, 2018 by and among _____ ("Owner"), Neighborhood Housing Services of Chicago, Inc. ("NHS" or "Escrow Agent"), and _____ ("General Contractor").

At the request of the Owner, Neighborhood Lending Services ("Lender") will deposit with NHS the sum of \$ _____, for the home rehabilitation work on the property commonly known as: _____, Illinois.

1. The Escrow Agent is authorized and directed to disburse the funds deposited hereunder to:
 - A. Pay the costs of rehabilitation of any improvement to be done on the above-named property, as approved by the Owner.
 - B. Obtain release and satisfaction of liens and other encumbrances, if any, pursuant to statements of amount due which must be approved by the Owner.
2. Disbursements will be made according to that certain Owner/Contractor Agreement by and between the Owner and the General Contractor, dated as of _____, 2018 and subject to all of the provisions of Sections 6 and 7 of this Escrow Agreement.
3. No interest will be paid to the Owner on funds escrowed under this Escrow Agreement.
4. The inspector for the Escrow Agreement agent is to be _____, or any other person assigned by NHS.
5. No disbursement of funds will be made, except for material purchased from material suppliers (at the discretion of NHS), prior to work being performed and in place.
6. Prior to each disbursement of funds hereunder it is a requirement of this escrow that the Escrow Agent be furnished:
 - A. An approval by the Owner of the requested disbursements, or in the case of a Owner/Contractor dispute, disbursements will be made in accordance with Article VIII of the attached General Conditions.

- B. Statements, waivers, affidavits, supporting waivers, and release of lien (if necessary) satisfactory to the Escrow Agent.
 - C. An inspection conducted by NHS staff person verifying that the labor and material for which payment is requested satisfies the terms of the Owner/Contractor Agreement.
 - D. The Escrow Agent will not pay for any work beyond that called for in the Owner/Contractor Agreement as detailed in the accepted proposal dated _____ unless a written change order has been approved and signed by NHS staff, the General Contractor and the Owner prior to the General Contractor's performing the additional work.
 - E. No disbursement will be made on any change order until sufficient funds to cover the cost of the additional work have been deposited with the Escrow Agent. (See Article III, General Conditions).
7. No liability is assumed by the Escrow Agent with regard to protection against mechanic's lien claims.

OWNER/BORROWER

OWNER/BORROWER

The undersigned agrees that at the time of each request for payment, the improvements referred to in the Escrow Agreement for said payment will have been constructed and completed in strict accordance with the contract, free and clear of any liens or claims from subcontractors, laborers and material suppliers. The undersigned also concurs with the above escrow instructions signed by the Owner and Lenders and directs NHS to proceed in accordance therewith.

GENERAL CONTRACTOR

NEIGHBORHOOD HOUSING SERVICES OF CHICAGO, INC.

BY: _____