

R97-01

**CONTRACTUAL AGREEMENT FOR PROFESSIONAL SERVICES  
BETWEEN  
THE CITY OF DECATUR  
AND  
THE COMMUNITY INVESTMENT CORPORATION  
OF DECATUR, INC.**

THIS AGREEMENT, entered this 7th day of January, 1997 by and between the City of Decatur, Illinois (herein called the "City") and Community Investment Corporation of Decatur, Inc. (herein called the "CICD").

WHEREAS, the primary focus of the CICD is to retain and expand the economic and tax base of Decatur, so as to provide increased employment opportunities, affordable housing opportunities and neighborhood improvements through the provision of financial, technical, advisory and other assistance to individuals and entities focusing on inner city redevelopment, and;

WHEREAS, the City wishes to engage the CICD to assist the City in neighborhood and business development projects which will benefit Decatur;

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

**1. SCOPE OF SERVICE**

**A. Activity**

The CICD will be responsible for administering current and future HOME funds for the purpose of selection of the participating Community Housing Development Organization (CHDO) and for providing technical assistance to the CHDO's.

**I. Actions by the CICD**

- A. The CICD will ensure that all operations of the CHDO Program are in such a manner as to be in compliance with all applicable federal, state and local laws and regulations.
- B. The CICD will assume all responsibilities for the selection of the CHDO and monitoring for compliance, program guidelines, and all other administrative activities related to the operations of a CHDO.
- C. The CICD Housing and Neighborhood Committee will provide appropriate community oversight related to operations, management, guidelines and financial aspects of the CHDO.

- D. The CICD will cooperate with the City of Decatur in preparing and making any reports to other parties as appropriate and necessary for activities conducted under this agreement.

II. Actions by the City

- A. The City shall conduct and complete Environmental Review Reports and Historical Review required for federal compliance under Title II.
- B. The City via the Community Development staff shall provide the monthly progress report on activities associated with the CHDO Program, repayment status, and loans in process.
- C. The City shall maintain all project files and legally binding documents. They shall make available to the CICD President upon request.

B. Activity

The CICD will be responsible for the administration of the Decatur Industry and Technology Center (DITC)

I. Actions by the CICD

- A. The CICD will assume responsibility for the selection of eligible tenants, use, occupancy and operations of DITC in accord with applicable regulations of the US Department of Housing and Urban Development (HUD), Community Development Block Grant Program (CDBG), the Economic Development Administration (EDA), and Illinois Department of Commerce and Community Affairs (DCCA), and in accord with any conditions or other provisions of any loan or grant relating to the DITC.
- B. Rents shall be collected by the CICD and shall be used by it to defray the costs and expenses of the management and operation of the DITC.
- C. The CICD shall account to the City each calendar month as to said rents and the application thereof, and of any other funds in connection with the DITC received by it, to said expenses.
- D. The CICD shall keep accurate books of account which it shall annually cause to be audited by independent accountants and shall furnish a report thereof to the City.

- E. The CICD shall prepare, and submit to the City for its approval, an annual budget for the DITC which shall include along with estimated management, operation and maintenance expense a specific provision for long term maintenance items.
- F. The CICD shall provide for project management and operation and for the maintenance of the common use areas and facilities of the DITC.
- G. The Business and Downtown Committee shall meet to review the operating aspects of the incubator and may direct changes to the operation and may make recommendations for contractual changes to the City Council, and Executive Board.

## II. Actions by the City

- A. The City shall reasonably cooperate with the CICD in carrying out the project and shall allocate to the CICD any gifts or grants received by it intended for use in the DITC. The City will initially assist with snow removal, grounds keeping, major building maintenance, and insurance. It shall be the intent, however, for rents collected to cover the costs of these items.

## C. Activity

The CICD will be responsible for economic development loan programs.

### I. Actions by the CICD

- A. The CICD shall be responsible for administering, managing and directing the Revolving Loan Fund, the Economic Development Loan Fund, the Small and Minority Loan Fund and any other loan funds that CICD and the City agree are beneficial to the City of Decatur. The funds shall be administered to according to HUD, CDBG, EDA and DCCA regulations.
- B. The CICD shall be responsible for the loan services and collection of each loan.
- C. The CICD shall keep accurate books of account which it shall have annually audited by independent accountants and shall furnish a report thereof to the City.

### II. Actions by the City

- A. The City shall reasonably cooperate with the CICD and provide timely copies of any new regulations affecting programs.

D. Activity

The CICD will seek projects that are within their mission that will contribute to the betterment of the community.

2. TERM OF AGREEMENT

This Agreement shall be in full force and effect from January 7, 1997 to January 7, 1998, and thereafter until notice of termination is given by either party hereto to the other. Such notice shall be approved by the Council and in writing, shall be served personally or by certified mail and shall be effective ninety (90) days from the date of said service.

3. PAYMENT

It is expressly agreed and understood that the total amount to be paid by the City under this contract shall be \$84,000.00 annually for the first year, and at the same rate thereafter, prorated to the point of termination.

4. GENERAL COMPLIANCE

The CICD agrees to comply with all applicable federal, state and local laws and regulations governing the programs provided under this contract.

5. INDEPENDENT CONTRACTOR

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The CICD shall at all times remain as independent contractor with respect to the services to be performed under this Agreement. The City shall be exempt from payment of all unemployment compensation, FICA, retirement, life and/or medical insurance and workers' compensation insurance as the CICD is an independent contractor.

6. HOLD HARMLESS

The CICD shall hold harmless, defend and indemnify the City from any and all claim, actions, suits, charges and judgments whatsoever that arise out of performance or nonperformance of the services or subject matter called for in this contract.

## 7. WORKER'S COMPENSATION

The CICD shall provide workers' compensation insurance for all CICD employees involved in the performance of this contract.

## 8. INSURANCE AND BONDING

The CICD shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage.

## 9. AMENDMENTS

The City or CICD may amend this Contract at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of both organizations, and approved by the City Council. Such amendments shall not invalidate this Agreement, nor relieve or release the City or the CICD from its obligations under this contract.

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


CITY OF DECATUR

CICD

By

  
Mayor

By

  
Chairman

Attest:

  
City Clerk

Fed. ID# \_\_\_\_\_