



MEMORANDUM OF UNDERSTANDING
BETWEEN LAKE COUNTY, ILLINOIS AND LAKE COUNTY HOUSING AUTHORITY
FOR THE COMPLETION OF ENVIRONMENTAL REVIEWS

THIS MEMORANDUM OF UNDERSTANDING (MOU) is made on October 23, 2015 and between the Lake County Housing Authority, an incorporated public housing authority (hereinafter referred to as the PHA) and Lake County, Illinois, a body politic and incorporated, acting as the Responsible Entity (hereinafter referred to as RE).

WHEREAS, the PHA maintains public housing under Section 9 of the United States Housing Act of 1937, and may elect to pursue housing projects and/or activities with federal financial assistance subject to environmental reviews pursuant to the National Environmental Policy Act of 1969 (NEPA) and implementing regulations of the Council on Environmental Quality, including but not limited to the regulations at 40 CFR Parts 1500-1508, and implementing regulations of the U.S. Department of Housing and Urban Development (HUD), including but not limited to HUD's regulations at 24 CFR Part 58; and

WHEREAS, as the recipient of federal financial assistance, the PHA may secure assistance for completing environmental reviews by the unit of general local government where the project is located as the RE authorized to assume environmental review obligations pursuant to 24 CFR 58.2(a)(7)(ii)(B); and

WHEREAS, the RE certifies it is authorized to:

- (1) assume responsibility for environmental review, decision making and action under NEPA and each provision of law designated in 24 CFR 58.5 applicable to any and all of the HUD financial assistance awarded to the PHA;
- (2) accept jurisdiction of the Federal courts for enforcement of these environmental responsibilities; and
- (3) execute the certification portion of HUD's Request for Release of Funds (RROF) and certifications as set forth in 24 CFR 58.4, 58.13, and 58.71; and

WHEREAS, the PHA requested the RE to complete the environmental review record with respect to the PHA's projects or activities pursuant to the conditions and provisions set forth in this MOU and the RE accepts responsibility to act as the responsible Federal agency under NEPA and the laws and authorities in 24 CFR 58.5 with respect to said projects and activities. This includes but is not limited to performing environmental reviews for the PHA in both the project-based Housing Choice Voucher funded programs and the Low Rent Public Housing program annually and on an as needed basis.

NOW THEREFORE, in consideration of the mutual promises and the terms and conditions set forth below, the PHA and RE hereby agree as follows:

Article 1. Incorporation of Recitals:

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

Article 2. Duties and Responsibilities of RE:

1. RE will perform and/or manage all environmental reviews and prepare all necessary documentation in support of the environmental review record for all activities subject to this MOU pursuant to the PHA's projects and any accompanying documents necessary to be submitted to HUD, in full compliance with:
 - a) HUD's "Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities" (24 CFR Part 58);
 - b) Section 102 of NEPA;
 - c) Related provisions of the Council on Environmental Quality regulations contained in 40 CFR Parts 1500 through 1508;
 - d) Definition of Maintenance Activities For Environmental Review Purposes provided by HUD via email and included as Appendix A;
 - e) HUD Notice PIH 2013-07 (HA) Issued March 5, 2013 unless amended, revoked or superseded and included as Appendix B; and
 - f) All other applicable Federal and State regulations.
2. Where appropriate and necessary in the environmental review process, RE will issue findings of no significant impact (FONSI) or findings of significant impact, determine whether to hold public hearings, prepare environmental impact statements and records of decision, issue notices of FONSI and notices of intent to request release of funds, and prepare requests for release of funds.
3. RE shall retain consultants and experts for special reviews or investigations and obtain other outside services deemed necessary by RE to its functions hereunder. The PHA shall pay the cost of any such experts, consultants or outside services as eligible Capital Fund activities.
4. RE must keep PHA involved in the RFP process and any proposals, submittals, questions, and selection process of the qualified firm for Environmental Review. RE must notify PHA of all costs associated with the environmental review, including but not limited to any consultants, experts, outside services, special reviews, and investigations.

Article 3: Duties and Responsibilities of PHA:

1. PHA procures at PHA's expense and provides RE with all available project and environmental information needed by RE in connection with activities pursuant to this MOU, including, without limitation, existing relevant information and any reports of investigation or study required to conduct an environmental review consistent with law and regulations.
2. PHA provides RE with documentation that adequately describes the full scope, purpose, and interrelationships of the subject HUD assisted project, which may include privately financed or non-federally assisted PHA financing, and any other documents and/or information requested by RE that RE reasonably believes is necessary to perform services required under this MOU and that are within the PHA's possession or control.

3. PHA serves as liaison with local community groups and residents regarding all aspects of RE services under this MOU, including, but not limited to, scheduling meetings and participating in public meetings. PHA provides the RE with prior written notice of all meetings related to MOU services in order to allow the RE the opportunity to participate in such meetings.
4. PHA reimburses RE for expenses incurred for performing services under this MOU, including, but not limited to:
 - a. costs of publishing notices;
 - b. necessary travel expenses;
 - c. postage and express package delivery charges;
 - d. fees and expenses of experts, consultants and outside services retained by the RE;
 - e. RE's staff time devoted to performance of MOU services; and
 - f. actual costs incurred associated with any surveys or investigations.
5. PHA monitors environmental mitigation or procures such services to ensure compliance with environmental conditions specified in the authorization to use HUD funds or HUD approvals.
6. PHA provides the Five Year and Annual Plans to the RE in order to facilitate integration between RE planning and PHA activities and projects that require environmental reviews, including development, modernization or other capital activities.
7. PHA communicates to stakeholders the requirements for environmental reviews before any partner or stakeholder in the development makes a choice-limiting action upon submission of an application for HUD financial assistance. All Developers working with PHA will bear all costs associated with environmental reviews required by HUD.

Article 4. Agreement Terms:

1. This MOU is effective for a period of 1 year beginning November 1, 2015-October 31, 2016. Per LCHA negotiation MOU may extend through December 31, 2016, with an option of four (4) 1-year negotiable extensions. The service provided is optioned through December 2019.
2. PHA may terminate this MOU at any time by giving 30 days written notice to RE.
3. RE may terminate this MOU for any reason by giving 30 days written notice to PHA.
4. After termination by either party, PHA shall promptly reimburse RE for any and all costs expended by RE under this MOU, including fees by outside consultants and experts. Said costs shall be immediately due and RE shall remit payment in full to PHA within 14 days after termination..

Article 5. Conditions:

1. No official, employee or agent of either party shall be charged personally by the other or by an assignee or subcontractor with any liability or expenses of defense or be held

personally liable under any term or provision of this MOU, because of such party's execution or attempted execution of this MOU, or because of any breach thereof.

2. This MOU constitutes the entire agreement between the parties with respect to the subject matter hereof, and no other warranties, inducements, considerations, promises, or interpretations shall be implied or impressed upon this MOU that are not expressly addressed herein.
3. No changes or modifications of this MOU are binding unless made in writing and executed by the duly authorized officers of both the PHA and RE.
4. PHA and RE shall at all times observe and comply with all applicable laws, ordinances, rules, regulations and executive orders of the federal, state and local government now existing or hereinafter in effect, which may in any manner affect the performance of this MOU.
5. Whenever under this MOU either party, by a proper authority, waives either party's performance in any respect or waives a requirement or condition of either party's performance, the waiver so granted, whether express or implied, shall only apply to the particular instance and shall not be deemed a waiver forever for subsequent instances of the performance, requirement or condition. No such waiver shall be construed as a modification of the MOU regardless of the number of times either party may have waived the performance, requirement or condition.

Article 6. Indemnity

LCHA agrees to indemnify and hold harmless RE for any and all environmental findings made by HUD against PHA for the projects subject to this MOU including, but not limited to, the project-based Housing Choice Voucher funded program and the Low Rent Public Housing program, where an outside consultant performed the environmental review, including any findings which predate the County receiving HUD notice PIH 2013-09 the summer of 2015 and going forward.

Article 7. Authority and Notice:

1. Each person signing this MOU represents and warrants that such person has the requisite power and authority to enter into, execute, and deliver this MOU
2. All verbal and written communication, including required reports and submissions, shall be transmitted between RE and PHA as noted below.

Any notices sent to Lake County shall be electronically transmitted to:
Jodi Giniess, Community Development Administrator
Jgingiss@lakecountyil.gov

Any notices sent to the Lake County Housing Authority shall be electronically transmitted to:
David A. Northern Sr. Executive Director/CEO
dnorthern@lakecountyha.org

Signature page to follow

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Between Lake County, Illinois and Lake County Housing Authority
For The Completion of Environmental Reviews
10/23/2015
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IN WITNESS WHEREOF, Lake County, Illinois and the Lake County Housing Authority have executed this Memorandum of Understanding as of the date first written above and under the laws of the State of Illinois.

Lake County, Illinois

Lake County Board Chair

Lake County Housing Authority

Executive Director/CEO

Appendix A: Definition of Maintenance Activities for Environmental Review Purposes *(Provided by HUD employee Andrew Houge via email to Lake County August 21, 2015)*

Definition of Maintenance activities for environmental review purposes: Cleaning activities;

- (1) Protective or preventative measures to keep a building, its systems, and its grounds in working order;
 - (2) Replacement of appliances that are not permanently affixed to the building;
 - (3) Periodic replacement of single component parts of a building feature or system that are subject to normal wear and tear;
 - (4) Replacement of a single building feature destroyed by vandalism;
 - (5) Replacement of a malfunctioning component part of a building feature or system.
- Replacement of multiple parts or an entire system is not maintenance.

For examples of activities that do and do not qualify as maintenance, see the Table below.

EXAMPLES OF MAINTENANCE ACTIVITIES vs. REHABILITATION ACTIVITIES

Feature or System	Maintenance Activities* (DO NOT Require Review)	Rehabilitation Activities (DO Require Review**)
Site	<ul style="list-style-type: none"> lawn care (litter pickup, mowing, raking), trimming trees and shrubs snow/ice removal neighborhood cleanup application of pavement sealants, parking lot restriping, directional signage or marking for handicapped accessibility repair of cracked or broken sidewalks 	<ul style="list-style-type: none"> extensive new landscaping construction of new walkways, driveways or parking areas
Building Exterior	<ul style="list-style-type: none"> cleaning and fixing gutters and downspouts repainting previously painted surfaces (including limited scraping and low-pressure washing) removal of graffiti 	<ul style="list-style-type: none"> cleaning masonry or stripping painted surfaces by sandblasting or high pressure washing applying new exterior siding
Roof	<ul style="list-style-type: none"> fixing leaks application of waterproof coating to a flat roof replacement of deteriorated flashing in-kind replacement of loose or missing shingles or tiles 	<ul style="list-style-type: none"> replacement of roof with new shingles, tiles, roll roofing, membrane, or new metal roof

Feature or System	Maintenance Activities* (DO NOT Require Review)	Rehabilitation Activities (DO Require Review**)
Windows and Doors	<ul style="list-style-type: none"> washing windows caulking, weather stripping, re-glazing windows and doors fixing broken windowpane(s) or door replacing broken door lock replacing a vandalized entry door to restore security of a building or unit 	<ul style="list-style-type: none"> window replacement door replacement adding storm windows or storm door
Interior Walls and Ceilings	<ul style="list-style-type: none"> mending cracked plaster fixing holes or cracks in drywall replacing stained ceiling tiles painting or wallpapering 	<ul style="list-style-type: none"> installation of new drywall or paneling installation of acoustical ceiling tile installation of dropped ceilings
Flooring	<ul style="list-style-type: none"> cleaning floors replacement of worn carpeting or vinyl flooring*** 	<ul style="list-style-type: none"> stripping wooden floors installation of vinyl or carpet on previously uncovered floors
Circulation	<ul style="list-style-type: none"> in-kind replacement of broken stair treads or balusters inspection and servicing of elevators 	<ul style="list-style-type: none"> rebuilding stair or constructing new stair installation of new access ramp
Kitchen	<ul style="list-style-type: none"> replacement of stoves, refrigerators, and microwaves*** replacing cabinet hardware*** 	<ul style="list-style-type: none"> replacing kitchen cabinets, counter and/or sink kitchen remodel
Bathroom/Laundry	<ul style="list-style-type: none"> unclogging sink or toilet replacing deteriorated toilet in an occupied housing unit*** replacing broken medicine cabinet*** replacing washing machines and dryers and the hoses or vent hoses that serve them*** installation of grab bars 	<ul style="list-style-type: none"> installation of new shower and/or tub bathroom remodel
HVAC	<ul style="list-style-type: none"> servicing and maintenance of mechanical systems changing air filters cleaning air ducts installing or replacing a window air conditioner replacing a malfunctioning part of a HVAC system like a thermostat or a burner on a furnace*** 	<ul style="list-style-type: none"> installation of new furnace or heat distribution system installation of central air conditioning

Feature or System	Maintenance Activities* (DO NOT Require Review)	Rehabilitation Activities (DO Require Review**)
Electrical/Lighting	<ul style="list-style-type: none"> • changing light bulbs • replacing malfunctioning light fixture, electrical switch or outlet*** 	<ul style="list-style-type: none"> • rewiring of building • installation of new electrical service • redecorating with new light fixtures
Plumbing	<ul style="list-style-type: none"> • fixing plumbing leaks*** • repairing damage from frozen pipes*** 	<ul style="list-style-type: none"> • installation of new plumbing system
Security	<ul style="list-style-type: none"> • installation of protective plywood, security alarm systems, and temporary fencing 	<ul style="list-style-type: none"> • installation of new security barriers
Life Safety	<ul style="list-style-type: none"> • servicing smoke, fire and CO2 detectors • installation of smoke, fire and CO2 detectors 	<ul style="list-style-type: none"> • making physical changes to a building to comply with fire and life safety codes
Pest Infestation	<ul style="list-style-type: none"> • pest inspection/treatment 	

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APPENDIX B: HUD Notice PIH 2013-07 (HA) enclosed