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City of Gary, Mayors Office of  
Housing Cons

830408

REHABILITATION CONTRACT

CHICAGO TITLE INSURANCE COMPANY

THIS AGREEMENT, made and entered into this 18th day of  
November 1985, by and between Stanley Construction Co.  
hereinafter called the "Contractor" and  
Barbara B. Lewis hereinafter called the "Owner". In  
consideration of the mutual premises and agreements contained  
herein, the undersigned CONTRACTOR and OWNER agree as follows:

I. SCOPE OF WORK:

- (1) CONTRACTOR agrees to furnish all labor, materials, tools, equipment, supervision and services necessary to do the work specified in the "LIST OF WORK" attached hereto and made a part hereof in a workmanlike manner. The property to be improved is commonly known as 804 Johnson Street Gary, Indiana and legally described as Lot 29, Block 1, Resubdivision of Gary Land Company's 3rd Subdivision, in the City of Gary, as shown in Plat Book 13, page 8, in Lake County, Indiana.

RECORDED  
NOV 25 1985  
STATE OF INDIANA

CONTRACTOR agrees to remove boards on structure at commencement of work and to return same to the Mayor's Office of Housing Conservation or to a place specified by that agency.

II. TIME OF COMPLETION:

- (1) CONTRACTOR agrees to furnish to the Office of Housing Conservation (OHC) all necessary building permits within fifteen (15) days after notification of the loan closing unless granted an extension by (OHC). CONTRACTOR further agrees not to begin the work to be performed until receipt of written "NOTICE TO PROCEED," from OHC after which the Contractor shall begin the work within 10 calendar days. It is understood that the Contractor shall complete the work within 90 calendar days of receipt of the "NOTICE TO PROCEED". It is further understood and agreed that time is of the essence and the Contractor agrees to begin the actual work covered by this contract with all due diligence so as to complete all work under this contract within the time specified herein.

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### III. CONTRACT SUM AND PAYMENT SCHEDULE:

(1) Owner hereby agrees to pay Contractor for the performance of the work detailed in the LIST OF WORK the sum of \$ 9,787.00 to be paid in accordance with one of the following provisions:

- a. In the event that a grant is used to cover the cost of rehabilitation, Contractor shall be paid in one (1) lump sum upon the completion of all work. In no event shall the Contractor be paid prior to inspection and approval of the work by OHC building inspectors.
- b. In the event that a loan is used to cover the cost of rehabilitation, Contractor shall be paid in up to, but not to exceed, two (2) partial payments and one (1) final payment. It is within the Contractor's discretion to determine the number of partial payments desired within these limitations. The amount of the partial payment paid to the Contractor by OHC shall equal eighty percent (80%) of the value of the work completed at the time of the request for partial payment. In the event that two (2) partial payments are made, the amount of the second partial payment shall equal eighty percent (80%) of the value of the work completed between the first partial payment request and the second request. No partial payments shall be made before at least fifty percent (50%) of all work has been completed. Partial payment requests shall specify each item completed on the LIST OF WORK and shall have a dollar value affixed thereto. Contractor shall present with the request for partial payment a certificate of partial completion executed by the Owner. No partial payment shall be made prior to inspection and approval by OHC building inspectors. The balance of the contract price shall be paid upon the completion of all work, subject to inspection and approval of OHC building inspectors.

### IV. FINANCING:

(1) Prior to commencement of said construction work, owner hereby agrees to furnish Contractor and OHC with satis-

exercise any functions or responsibilities in connection with the administration of the federal or local loan program, and no other officer or employee of the OHC or public official of the City of Gary, who exercises such functions or responsibilities, and no member of the City Council of the City of Gary, shall have any interest, direct or indirect, in this Contract.

- (n) Contractor agrees to comply with the OHC Specifications instructing the Contractor concerning bidding, general conditions, minimum standards, and special requirements.

X. SALES OR USE TAX:

- (1) Any sales or use taxes expense arising under this contract shall be borne by the Contractor.

XI. NON-LIABILITY:

- (1) The parties hereto agree to hold the OHC harmless for any damages concerning the undertaking and execution of this Agreement.
- (2) The parties further state that to the best of their knowledge no member of the OHC, and no officer, employee, or agent of said agency who exercise any functions or responsibilities in connection with the carrying out of the Project to which this Contract pertains, has any personal interest, direct or indirect, in this Contract.

XII. CONTRACT:

- (1) The executed contract documents shall consist of the following:
  - a. Bid and Proposal
  - b. The Specifications

c. The Rehabilitation Contract

d. List of Work (Specifications and Drawings)

XIII. BENEFIT:

- (1) This contract shall be binding upon the parties hereto, their heirs, personal representatives and successors.

XIV. CONDITION FOR VALIDITY OR AGREEMENT:

- (1) The agreement is contingent upon the receipt by the Owner of a Federal or Local Grant or Loan in an amount sufficient to cover the cost of the rehabilitation work described herein. If the Federal or Local Grant or Loan is not approved, this Agreement is null and void.

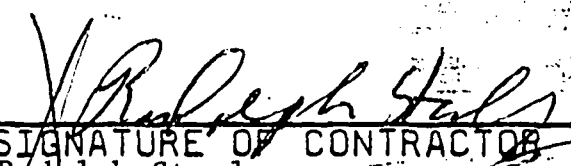
IN WITNESS WHEREOF, the Contractor has executed this Bid and Proposal and Contractor and the Owner has executed acceptance.

CONTRACTOR

ACCEPTANCE OF OWNER

Rudolph Stanley  
NAME OF CONTRACTOR

Barbara Lewis  
NAME OF OWNER(S)

  
SIGNATURE OF CONTRACTOR  
Rudolph Stanley

  
SIGNATURE OF OWNER(S)  
Barbara Lewis

8911 Park Valley Court  
ADDRESS OF CONTRACTOR

B.  
SIGNATURE OF OWNER(S)

804 Johnson Street  
ADDRESS OF OWNER(S)



Before me, the undersigned, a Notary Public in and for said County and State, this 18th day of November, 1985, personally appeared Barbara B. Lewis, as Owner, and acknowledged the execution of the foregoing Contract. In Witness Whereof, I have hereto subscribed my name and affixed my official seal.



12/4/1988

*Paulette Y. Williams*

NOTARY PUBLIC

Paulette Y. Williams

PAULETTE Y WILLIAMS

NOTARY PUBLIC STATE OF INDIANA

LAKE CO.

MY COMMISSION EXP. DEC 4, 1988

ISSUED THRU INDIANA NOTARY ASSOC.

Prepared by Rosalind Parr, Attorney

factory evidence that the financing of the work has been provided for and that payment will be made in accordance with the above designated schedule of payment.

V. ESCROWEE AND MORTGAGEE:

- (1) Contractor hereby agrees to comply with the regulations of escrowee and mortgagee, where applicable, and upon request, to enter into agreements with the escrowee and/or mortgagee with regard to disbursement of funds.

VI. DELAY IN COMMENCEMENT OF WORK:

- (1) In the event the Contractor fails to proceed with the work within the time limit specified in the Contract, the Owner shall notify the Contractor in writing by certified mail that if the work is not started within ten (10) days from receipt of said notice, the Owner may, at his option, declare the Contractor in default and terminate the Contract without notice.
- (2) It is understood and agreed that the Contractor shall immediately notify the Owner in writing of any unavoidable delay in the commencement of work. Said notice shall state the reasons for the unavoidable delay (e.g., inclement weather or back orders for material) and the approximate number of days the Contractor expects to be delayed. The Contractor shall, after notice to the Owner, have an automatic extension of ten (10) days for the commencement of work. The Owner may, at his option, grant an additional extension. If the extension of time is violated, the Owner has the right to terminate the contract without notice.
- (3) In the event the Contractor is declared in default pursuant to Subsections 1 or 2 above, and his right to proceed under the Contract terminated, the Owner must, within seven (7) calendar days of the termination, send written notification to the Contractor and OHC by certified mail that the Contract has been terminated.
- (4) It is further understood and agreed that in the event the Contractor is declared in default by the Owner, the Owner may procure the services of another contractor to complete

complete the work, and hold the Contractor liable for any additional costs incurred thereby and any damages resulting to Owner by reason of said default.

VII. EXCUSABLE DELAYS IN COMMENCEMENT OR COMPLETION OF WORK:

- (1) It is further understood and agreed that should the Contractor be obstructed or delayed in the commencement or completion of the work under this Contract by any act or delay of the Owner and/or concerned Governmental Agency, escrowee or mortgagee, or any Act of God, then the time herein fixed for the completion of said work will be extended for a period equivalent to the time lost by reason of such acts.

VIII. DISPUTES FOLLOWING COMMENCEMENT OF WORK:

- (1) In the event of any dispute arises under this Contract following the commencement of work, it is understood and agreed that the aggrieved party shall have the following recourse:
  - a. Within seven (7) calendar days of the occurrence of said dispute, the aggrieved party must send written notification by certified mail to the other party and the OHC. Said notification shall state the reasons for the dispute and shall request a meeting of all parties and OHC, said meeting to be held at OHC within five (5) business days of receipt of the notification by the OHC. The OHC is responsible for notifying the parties of the exact time and date of the meeting.
  - b. Whenever a controversy with regard to any phase of this contract arises between the parties that cannot be resolved within two weeks of the meeting referred to in (a), the parties specifically agree to submit such controversy to binding arbitration, pursuant to Indiana Code 34-4-2-2. The arbitration panel shall consist of three (3) persons to be named as follows: Each party shall have the right to name one (1) arbitrator to the panel. The third arbitrator shall be the Director (or Acting Director) of the Mayor's Office of Housing Conservation for the City of Gary,



Indiana. The will of the majority of arbitrators shall be sufficient to return an award. Procedure pertaining to arbitration as dictated by Indiana Code 34-4-2-2 shall be made applicable to this arbitration agreement.

- (2) If for any reason Contractor is declared in default of this contract, Owner may procure the services of another Contractor to complete the work and hold Contractor liable for any additional costs incurred thereby and any damages resulting to Owner by reason of said default. Owner shall send written notification to Contractor by certified mail, return receipt requested ten (10) days prior to his declaration of default.

IX. GENERAL CONDITIONS:

- (1) The following general conditions shall be part of this Contract:
- a. Rehabilitation Loan and Grant. The Owner proposes to pay for the work by means of a Grant or Loan from the United States, payable through the Office of Housing Conservation of the City of Gary, Indiana (OHC), and the Contractor agrees that no partial or final payment shall be due him until the work is completed, inspected and approved by the OHC in accordance with Section III. The Contractor will cooperate with the Owner by furnishing lien waivers, releases and other documents as required by the OHC.
  - b. Indemnification. The contractor agrees, but not by way of limitation, to protect, indemnify and hold harmless the Owner and the OHC, its officers, commissioners and employees, against any and all losses, claims or suits (including costs and attorney's fees) for or on account of the following: injury to or death of persons; sickness or disease; loss, damage or destruction of property belonging to either the Owner or other; non-compliance with the Fair Labor Standards Act of 1933, if the above occurs by reason of the act or neglect of the Contractor, his employees or agents (including Subcontractors) in connection with the performance of the Contract.

the following insurance is in force. Policies shall be submitted for approval of OHC and shall be endorsed to provide that the policies will not be cancelled or changed until ten (10) days after written notice of change or cancellation has been delivered to the OHC. Coverage shall be least as follows:

	<u>BODILY INJURY</u>	<u>PROPERTY DAMAGE</u>
Manufacturer's & Contractors	\$100,000/200,000	\$100,000
Independent Contractor's	\$100,000/200,000	\$100,000
Product incl. Completed Operations	\$100,000/200,000	\$100,000
Hold Harmless (Contractual)	\$100,000/200,000	\$100,000
Auto Owned, Hired or Leased	\$100,000/200,000	\$100,000
Workmen's Compensation	Statutory	\$ 50,000

If any such insurance is due to expire during the construction period, the Contractor shall not permit the coverage to lapse and new certificates shall be furnished to the OHC.

- d. Liens and Waivers of Liens. The Contractor agrees to waive, and does hereby waive and relinquish, all right to lien upon the real estate herein above described and the building to be improved thereon in accordance with the terms of this contract, and the Contractor expressly agrees that no lien shall attach to the real estate, building structure or any other improvement of the Owner, either on behalf of the Contractor herein or on behalf of the subcontractors, the mechanics, journeymen, laborers, materialmen, or persons performing labor upon or furnishing materials and machinery for such property or improvement of said Owner, and the said Contractor does hereby expressly waive all right to any such lien under the laws of the State of Indiana for and on behalf of himself and all other such persons fur-

lien under the laws of the State of Indiana for and on behalf of himself and all other such persons furnishing labor and materials, as foresaid, in any form or manner whatsoever for the erection, construction and completion of said rehabilitation of said dwelling house.

It is further agreed that this Contract may be filed and recorded in the Recorder's Office of Lake County, Indiana, and that the filing and recording of same shall be constructive notice of its content and of the fact that this is a no lien contract to all parties or persons whomever.

Contractor shall furnish a waiver of lien at the completion of his work that the contents and conditions of this paragraph have been complied with, and shall furnish such waiver to the Owner and OHC before partial or final payment is made hereunder. It is further understood and agreed that the Contractor will furnish the Owner and OHC waivers of mechanic's liens from sub-contractors, laborers, and materialmen who have done work on or furnished material for said contract before partial or final payment. Further, the Contractor shall, at Owner's request, post notice that conforms to the Indiana Statutes on "NO LIEN CONTRACTS."

e. Changes in the Work. No modifications of this Contract shall be made except by written instrument, signed by the Contractor, accepted by the Owner and approved by the OHC.

(1) The cost or credit to the Owner resulting from a change in the work shall be determined in one or more of the following ways:

- a. By mutual acceptance of a lump sum. The cost of each item must be properly itemized;
- b. By unit prices stated on the Contract Documents or subsequently agreed upon; or
- c. By actual cost and a mutually acceptable fixed or percentage fee.

- (f) General Guaranty. The Contractor shall remedy any defect due to faulty material or workmanship and pay for any damage resulting therefrom which shall appear within the period of one (1) year from final payment. Any disputes arising from the Contractor's guarantee shall be handled in accordance with the provisions of Section VIII.

Further, Contractor will furnish Owner with all manufacturer's and supplier's written guarantees and warranties covering materials and equipment furnished under this Contract. Unless otherwise specified all materials shall be new and both materials and workmanship shall be of good quality. The Contractor shall not employ any unfit person on the premises nor anyone not skilled in the work assigned him.

- (g) The Subcontractors and Assignments. Assignment of the Contract shall be made with the written consent of the Owner and the approval of the OHC.
- (h) Permits and Codes. The Contractor will secure at his own expense all necessary permits and licenses required to do the work and to comply with all building and code regulations and ordinances whether or not covered by the specifications and drawings for the work. Contractor understands that all necessary permits must be obtained prior to receiving the Notice(s) to Proceed(s).
- (i) Equal Employment Opportunity. (Contracts subject to Executive Order 11246). During the performance of this Contract, the Contractor agrees as follows:

- (1) The Contractor will not discriminate against any employee or any applicant for employment because of race, creed, color, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to the race, creed, color, sex, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination rates of pay or other forms of compensation; and selection for training including apprenticeship. The Contractor agrees

to post in conspicuous place, available to employees and applicants for employment, notice to be provided by the municipality setting forth the provisions of this nondiscrimination clause.

- (2) The Contractor will, in all solicitations and advertisements for employees placed by or on behalf of the Contractors, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, sex, or national origin.
- (3) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Owner, advising the labor union or worker's representative of the Contract's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (4) The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (5) The Contractor will furnish all information and reports required by executive Order 11246 of September 24, 1965, and by rules, regulations and orders of the Secretary of Labor or the Secretary of Housing and Urban Development pursuant thereto, and will permit access to his books, records, and accounts by the Owner, the Secretary of Housing and Urban Development and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.
- (6) In the event of the Contractor's noncompliance with the nondiscrimination clause of this Contract or with any of such rules, regulations or orders, this Contract may be cancelled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for

further Government contracts in accordance with procedures authorized in Executive Order 11246 of September, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965 or by rules, regulations or orders of the Secretary of Labor or as otherwise provided by law.

- (7) The Contractor will include the provisions of paragraphs (1) through (6) in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 Executive Order 11246 of September 24, 1965 so that such provisions will be binding upon each subcontractor or purchase order as the Owner may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the Contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the Owner, the Contractor may request the United States to enter into litigation to protect the interest of the United States.
- (j) Responsibilities of Owner. If the property is vacant during the performance of this contract, the contractor will be responsible for paying all utilities. If the property is occupied during the time of performance of the contract, the contractor shall pay twenty percent (20%) of all utility bills necessary to carrying out the work.
- (k) Occupancy Provision. The premises are to be ~~(occupied)~~(vacant) during the course of the construction work.
- (l) Condition of Premises. The Contractor agrees to keep premises clean and orderly during the course of the work and remove all debris at the completion of the work. Materials and equipment that have been removed and replaced as part of the work shall belong to the Contractor unless stated otherwise.
- (m) Interest of OHC Personnel and Local Public Officials. No member of the governing body of the OHC who