

ORDINANCE NO. 2004-03-036

AN ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE AN INTERGOVERNMENTAL AGREEMENT
BETWEEN THE CITY OF URBANA AND THE HOUSING AUTHORITY OF CHAMPAIGN COUNTY
REGARDING REDEVELOPMENT OF LAKESIDE TERRACE

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That an Intergovernmental Agreement pertaining to redevelopment of Lakeside Terrace Apartments and related activities, between the City of Urbana and the Housing Authority of Champaign County, in substantially the form of the copy of said Agreement attached hereto and hereby incorporated by reference, be and the same is hereby authorized and approved.

Section 2. That the Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, be and the same is authorized to attest to said execution of said Agreement as so authorized and approved for and on behalf of the City of Urbana, Illinois.

PASSED by the City Council this _____ day of _____,
_____.

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____,
_____.

Tod Satterthwaite, Mayor

**AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF URBANA
AND
THE HOUSING AUTHORITY OF CHAMPAIGN COUNTY**

REGARDING REDEVELOPMENT OF LAKESIDE TERRACE

WHEREAS, the City of Urbana (hereinafter referred to as the "City") and the Housing Authority of Champaign County (hereinafter referred to as "HACC") both have an interest in the provision of housing and related services for very low and low income families, as set forth in the City's Consolidated Plan for Program Years 2000-2004 and other related plans and programs and its status as an entitlement community receiving funds from the U.S. Department of Housing and Urban Development (hereinafter referred to as "HUD") and in the HACC's Annual Plan, Fiscal Year 2004 and other related plans and programs and its status as a Public Housing Authority receiving funds from HUD; and

WHEREAS, the need for redevelopment or improvement of the Lakeside Terrace Apartments has long been recognized by both the City and the HACC and has been reflected in the relevant plans and policies of both agencies, as well as in previous efforts to obtain Federal assistance for the redevelopment of this public housing site; and

WHEREAS, the City's Consolidated Plan states that "the City will assist in the development of a plan which partners with the private sector to use private dollars to leverage HOPE VI or other Federal funds, to replace the demolished units [resulting from redevelopment of Lakeside Terrace] with a combination of new on-site units, scattered site units and Section 8 rent subsidies. Although Section 8 vouchers or certificates may be used to relocate households living at these complexes at the time of redevelopment, at least 80% of demolished units will be replaced with permanent, subsidized housing units that will be affordable to extremely low income families with children, irrespective of their income"; and

WHEREAS, the HACC once again desires to seek assistance from HUD and the Illinois Housing Development Authority for demolition of Lakeside Terrace and is working with a developer, Brinshore Development, to redevelop Lakeside Terrace with up to 200 tax credit apartments, 24% of which would be reserved for very low income families; and

WHEREAS, on March 1, 2004, the City Council adopted Resolution No. 2004-02-003R, stating that the City opposes any demolition of Lakeside Terrace without the adoption of a Redevelopment Plan that is consistent with the City's Consolidated Plan provision cited above and directing the Mayor to develop an Interagency Agreement committing the HACC to relocation and replacement housing vouchers, conversion of tenant-based Section 8 vouchers to project-based status and use of expected capital fund replacement funds to create new public housing units.

NOW BE IT AGREED on this ____ day of _____, 2004, by and between the City of Urbana, Illinois and the Housing Authority of Champaign County as follows:

Section 1. Redevelopment Plan. The City and HACC agree to work together to complete and adopt a Redevelopment Plan for Lakeside Terrace including a combination of on-site redevelopment with tax credit and project-based Section 8 voucher apartments and public housing replacement units to be provided by HACC under the HUD replacement formula. City staff shall prepare a Draft Redevelopment Plan for City Council review by the Council Committee of the Whole meeting of April 12, 2004.

Section 2. Section 8 Voucher Plan. The HACC agrees to adopt and implement a “Section 8 Administrative Plan, Project Based Assistance Plan”. This Plan envisions the allocation of a minimum of 80 project-based Section 8 vouchers to the Lakeside Terrace Redevelopment Plan, 48 of which may be provided on-site at the expanded Lakeside Terrace site and at least 32 of which will be provided throughout Champaign County as part of the scattered site element of the Lakeside Redevelopment Plan.

Section 3. Replacement Housing Funds. The HACC agrees to make application to HUD for replacement housing funds to provide as many replacement public housing units as funding will allow throughout Champaign County to offset those lost at Lakeside Terrace, under the terms set forth in the Interoffice Memorandum from HACC Executive Director to the Mayor, dated, February 13, 2004 and to implement the designation or construction of said units as set forth in the mutually agreed upon Redevelopment Plan provided for in Section 1.

Section 4. Affordability Periods. The HACC agrees to maximize the affordability periods for the project-based vouchers (established under Section 2) and the newly created public housing (established under Section 3), by applying the HUD permitted 10-year affordability period with two possible five-year extensions.

Section 5. Relocation Plan. The HACC agrees to adopt and implement a “Lakeside Terrace Relocation Plan” providing for relocation vouchers and assistance for all residents. The HACC further agrees to hold regular resident meetings and to work with the residents of Lakeside Terrace to address relocation needs and concerns.

Section 6. City Support. Pursuant to the terms of Agreement, the City agrees to support the Redevelopment of Lakeside Terrace and shall affirm its support through communication to HUD and IHDA for applications for project approval, funding and tax credits. The City shall further provide for zoning and development approvals necessary for the Redevelopment Plan, insofar as said plans meet the Zoning and Development Ordinances of the City.

Section 7. City Contributions. Through its Annual Action Plan process for review and use of CDBG and HOME funds, the City pledges its financial support for the Lakeside Redevelopment Plan. Said contributions may take the form of CDBG and HOME fund allocations, commitment of Community Development staff to redevelopment planning efforts,

support of affiliated non-profit and CHDO efforts to develop scattered site housing as a part of the Redevelopment Plan, construction of infrastructure improvements (through CDBG fund allocations), donation and/or acquisition of land, and ceding of annual IHDA bond cap towards the project.

Section 8. Amendment or Revocation. This agreement may be amended or revoked only upon the mutual written consent of both parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives on the day and date first above written.

CITY OF URBANA

By:

It's:

Attest:

Housing Authority of Champaign County

By:

It's:

Attest: