

ORDINANCE NO. 9596-63

AN ORDINANCE
APPROVING AND AUTHORIZING THE EXECUTION
OF AN URBANA HOME PROGRAM RECIPIENT AGREEMENT
IN CONNECTION WITH HOMESTEAD APARTMENTS SRO

WHEREAS, the City of Urbana, the City of Champaign, and Champaign County have been jointly designated as a Participating Jurisdiction by the U.S. Department of Housing and Urban Development (hereinafter "HUD") for purposes of receiving HOME Investment Partnerships (hereinafter "HOME") Program funds in the name of the Urbana HOME Consortium under provisions of Title II of the Cranston-Gonzales National Affordable Housing Act of 1990, as amended (42 U.S.C. 12701 *et seq.*); and

WHEREAS, the Urbana HOME Consortium has received HOME Program funds from HUD for the period beginning July 1, 1995, and ending June 30, 1996, to increase affordable housing opportunities for low-income residents of Urbana, Champaign, and unincorporated Champaign County; and

WHEREAS, the Urbana City Council has adopted a Consolidated Plan for Program Years 1995-1999 (hereinafter the "Consolidated Plan") which budgets \$798,000 in Urbana HOME Consortium funds for the period beginning July 1, 1995, and ending June 30, 1996, including \$220,248 set aside for use by the City of Urbana in accordance with an Intergovernmental Agreement Concerning Administration of a Champaign/Urbana/Champaign County HOME Investment Partnerships Consortium executed on October 19-20, 1994 (hereinafter the "Intergovernmental Agreement"); and

WHEREAS, the Consolidated Plan authorizes funds for development of a Single-Room-Occupancy (hereinafter "SRO") housing facility for homeless women and men; and

WHEREAS, the City has the right and authority, pursuant to both the HOME Program and the Intergovernmental Agreement, to allocate a portion of its funds to the Mental Health Center for purposes of developing the SRO.

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

1. That the City of Urbana hereby approves the *Urbana HOME Program Recipient Agreement, Mental Health Center, Homestead Apartments*, a copy of which is attached hereto and incorporated herein by reference, and authorizes the Mayor of the City of Urbana to execute the same on behalf of the City of Urbana.

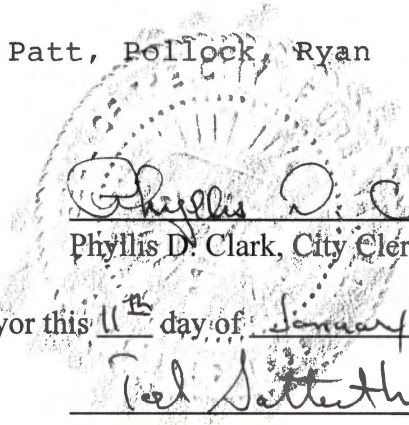
2. This Ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called, of a majority of the members of the City Council of the City of Urbana, Illinois, at the regular meeting of said Council on the 2 day of January, 1996.

PASSED by the City Council this 2 day of January, 1996.

AYES: Hayes, Kearns, Patt, Pollock, Ryan

NAYS: Taylor, Whelan

ABSTAINS:


Phyllis D. Clark
Phyllis D. Clark, City Clerk

APPROVED by the Mayor this 11th day of January, 1996.

Tod Satterthwaite
Tod Satterthwaite, Mayor

URBANA HOME PROGRAM
RECIPIENT AGREEMENT
MENTAL HEALTH CENTER -- HOMESTEAD APARTMENTS SRO

THIS RECIPIENT AGREEMENT, made and entered into by and between the CITY OF URBANA, an Illinois Municipal Corporation (hereinafter the "City"), and THE MENTAL HEALTH CENTER OF CHAMPAIGN COUNTY, an Illinois Not-For-Profit Organization (hereinafter the "Mental Health Center").

WITNESSETH:

WHEREAS, the Congress of the United States has enacted the Cranston-Gonzales National Affordable Housing Act of 1990 which created the HOME Investment Partnerships Program (hereinafter "HOME Program") to provide funds to states and local governments for affordable housing assistance with the flexibility to decide what kind of housing assistance or mix of housing assistance is most appropriate for local needs; and

WHEREAS, the City of Urbana, the City of Champaign, and Champaign County have been jointly designated as a Participating Jurisdiction by the U.S. Department of Housing and Urban Development (hereinafter "HUD") for purposes of receiving HOME funds in the name of the Urbana HOME Investment Partnerships Consortium (hereinafter "Urbana HOME Consortium") under provisions of Title II of the Cranston-Gonzales National Affordable Housing Act of 1990 as amended (42 U.S.C. 12701 et seq.) (hereinafter the "National Affordable Housing Act"); and

WHEREAS, the Urbana HOME Consortium has received HOME Program funds from HUD for the period beginning July 1, 1995, and ending June 30, 1996, to increase affordable housing opportunities for low-income residents of Urbana, Champaign, and unincorporated Champaign County; and

WHEREAS, the Urbana City Council has adopted a Consolidated Plan for Program Years 1995-1999 (hereinafter the "Consolidated Plan") which budgets \$798,000 in Urbana HOME Consortium funds for the period beginning July 1, 1995, and ending June 30, 1996, including \$220,248 set aside for use by the City of Urbana in accordance with an Intergovernmental Agreement Concerning Administration of a Champaign/Urbana/Champaign County HOME Investment Partnerships Consortium executed on October 19-20, 1994 (hereinafter the "Intergovernmental Agreement"); and

WHEREAS, the Consolidated Plan authorizes funds for development of a Single-Room-Occupancy (hereinafter "SRO") housing facility for homeless women and men; and

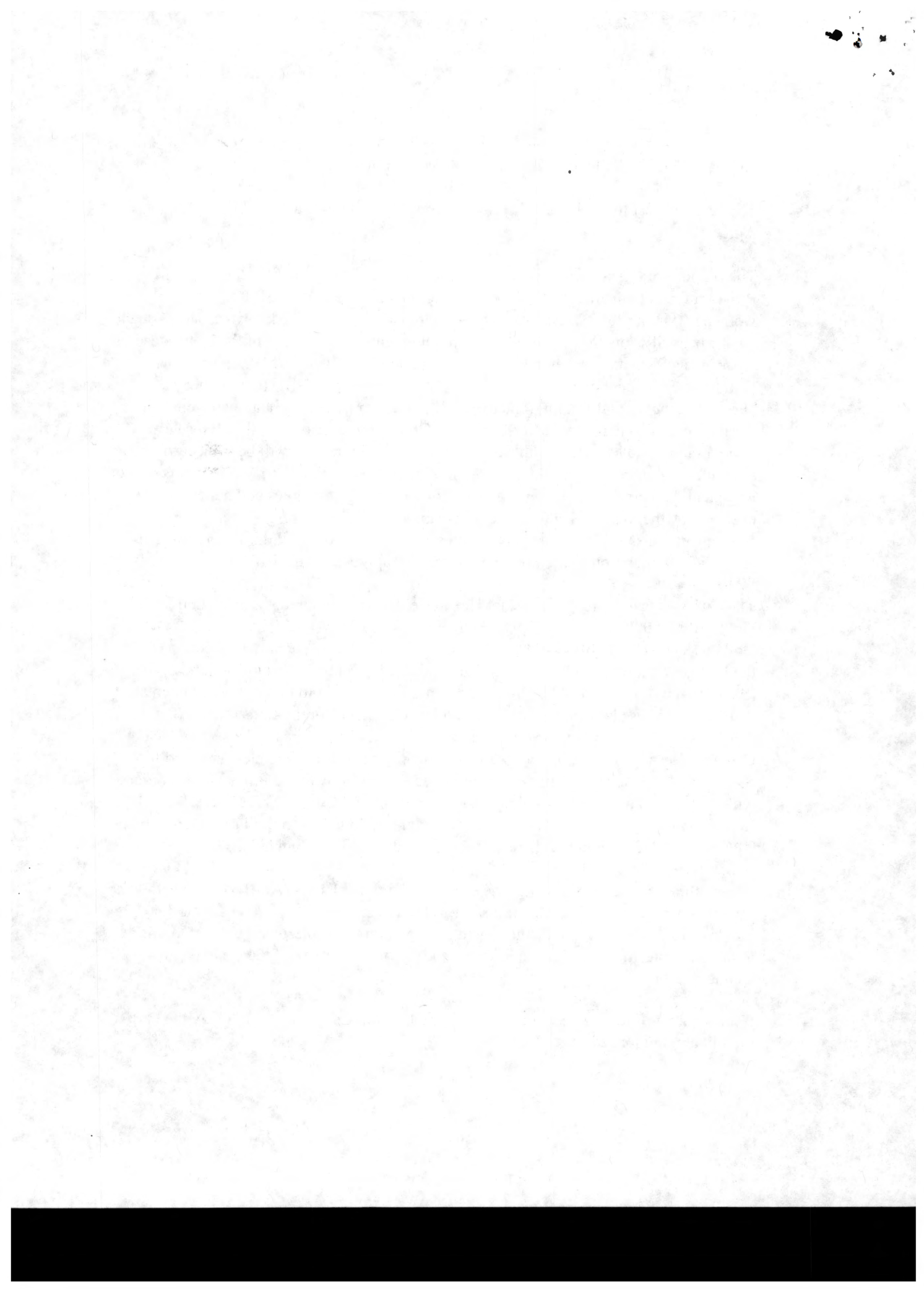
WHEREAS, the City has the right and authority, pursuant to both the HOME Program and the Intergovernmental Agreement, to allocate a portion of its funds to the Mental Health Center for purposes of developing an SRO.

NOW, THEREFORE, the parties hereby agree as follows.

1. The preamble set forth above is hereby incorporated and made a part of this Recipient Agreement.
2. The purpose of this Recipient Agreement is to provide a portion of the City's HOME Program funds to the Mental Health Center for development of an SRO for 25 single women and men at 302 West Griggs Street, Urbana, Illinois, to be known as Homestead Apartments SRO and to establish certain requirements for operation of the Homestead Apartments SRO once developed. The City and the Mental Health Center acknowledge that, upon completion and opening of Homestead Apartments SRO (hereinafter the "Project"), the Mental Health Center intends to transfer ownership and management of the Project to another Illinois Not-For-Profit Organization, known as the Homestead Corporation. The Mental Health Center agrees that said transfer will be subject to assumption by the Homestead Corporation of all responsibilities and requirements of this Recipient Agreement, including provisions of any promissory notes and mortgages executed by the Mental Health Center pursuant to this Recipient Agreement. Any subsequent transfer of the Project by Homestead Corporation shall during the first fifteen (15) years of operation of the Project require prior approval of the City.
3. The City agrees to loan to the Mental Health Center One Hundred Twenty Thousand Dollars (\$120,000) in FY1995-1996 HOME funds and Fifty-Four Thousand Forty-One Dollars (\$54,041) in FY1996-1997 HOME funds allocated to the City in accordance with the Intergovernmental Agreement and One Hundred Twenty Thousand Dollars (\$120,000) in FY1996-1997 HOME funds set aside pursuant to the Intergovernmental Agreement for use by Community Housing Development Corporations (hereinafter "CHDOs"). Said loans shall be made at zero percent (0%) interest. The Mental Health Center agrees to use said loan proceeds for property acquisition and clearance and for structure relocation and rehabilitation activities associated with the Project, in accordance with both the National Affordable Housing Act and the Section 8 Moderate Rehabilitation Single Room Occupancy Program for Homeless Individuals as codified at 24 CFR Part 882, Subpart H (hereinafter the "Section 8 SRO Regulations").

Absent the occurrence of either of the events set forth in clauses (A), (B) or (C) below, no principal payments shall be due or payable. Said loans will be secured by a mortgage on the Property. This Recipient Agreement and any mortgage executed pursuant to this Recipient Agreement shall be recorded by the City in the Office of the Champaign County Recorder.

If any of the following events occur, the Mental Health Center agrees to repay the City the full amount loaned (up to \$294,041).



- A. A default by the Mental Health Center, its successors or assigns, under this Recipient Agreement or under any other document evidencing or securing the loans; or
 - B. The sale, conveyance, or transfer of ownership of the project by the Mental Health Center, other than to Homestead Corporation, without prior written consent of the City; or
 - C. Discontinuation of the Project as affordable housing for single homeless women and men before the end of the Project's 180th operating month, without prior written consent of the City and HUD.
4. The City agrees that, upon written request of the Mental Health Center, the City will subordinate its mortgage securing loans described in Section 3 herein to a mortgage granted by the Mental Health Center to the Illinois Housing Development Authority in connection with the Project if such new first mortgage is in an amount not to exceed One Hundred Fourteen Thousand Five Hundred Dollars (\$114,500).
 5. The Mental Health Center shall cause to be relocated to the Project site a two-story building from the former Chanute Air Force Base, Rantoul, Illinois, said building referred to by the Village of Rantoul, Illinois, as Building 836/506 Tuskegee Avenue. The Mental Health Center shall cause said relocated building to be reconfigured into 25 efficiency apartments, each with private bath and kitchenette. The apartment building shall be completed and ready for occupancy no later than June 30, 1997. The completed apartment building shall be staffed by at least two full-time resident managers and one two-thirds-time case manager. No funds received by the Mental Health Center pursuant to this Recipient Agreement shall be used for costs associated with management of the Project. The Mental Health Center, its successors and assigns, agree to develop and operate the Project in accordance with HOME Program Regulations promulgated at 24 CFR Part 92, with Section 8 SRO Regulations promulgated at 24 CFR Part 882 Subpart H, and with applicable City building codes.
 6. Once requirements described in Section 5 of this Agreement have been completed and Project ownership is transferred to Homestead Corporation, the Mental Health Center agrees to contract with Homestead Corporation to manage the Project for at least its first two operating years.
 7. The Mental Health Center authorizes the City and HUD to conduct on-site reviews, examine personnel records, and to conduct any procedure or practice necessary to assure compliance with this Recipient Agreement and the HOME Program Regulations at 24 CFR Part 92. In addition, the Mental Health Center or its successors or assigns agrees to provide a written annual report to the City concerning the financial and administrative status of the Project, including the status of Homestead Corporation, for a period of

fifteen years. Said written annual report shall be submitted to the Director of the City's Department of Community Development Services no later than March 31, with the first report due no later than March 31, 1997.

8. The Mental Health Center shall at all times observe and comply with all laws, ordinances, or regulations of Federal, State, and local governments which may in any manner affect the performance of this Recipient Agreement, including, but not limited to, the HOME Program Regulations at 24 CFR Part 92, Subparts F and H, the Davis-Bacon Act (40 U.S.C. 276a-276a-5) and related federal prevailing wage acts. The Mental Health Center shall be liable to perform all acts to the City in the same manner as the City performs these functions to the federal government except responsibilities for environmental review under provisions of the National Environmental Policy Act of 1969 and related authorities at 24 CFR Parts 50 and 58 and intergovernmental review under Executive Order 12372 and as amended by Executive Order 12416.
9. The Mental Health Center shall not assign this Recipient Agreement nor any part thereof, other than to Homestead Corporation, and the Mental Health Center shall not transfer or assign any funds or claims due hereunder, without prior written approval of the City.
10. The Mental Health Center shall not request disbursement of HOME funds until HOME funds are needed to pay eligible costs of the Project and, in the case of FY 1996-1997 HOME funds, no sooner than August 1, 1996. The amount of each such request shall not exceed the amount needed and shall be supported by appropriate documentation (i.e., receipts, invoices). The City shall process payment to the Mental Health Center within fourteen (14) calendar days of receipt of the request by the City. All checks shall be made payable to the Mental Health Center of Champaign County. All monies allocated in Section 3 of this Agreement shall be expended by the Mental Health Center by December 31, 1997. The Mental Health Center agrees that, to the greatest extent feasible, all expenditures made for the Project shall be made to Champaign County firms or individuals.
11. The allocation of funds by the City pursuant to this Recipient Agreement shall in no way obligate the City for any financial responsibility incurred by the Project in excess of the funding pledged herein. The allocation of these funds shall in no way obligate the City to bear financial responsibilities for ongoing maintenance of the Project.
12. The Mental Health Center agrees to defend the City from and against any claims, suits, or actions for death or injury to persons or damage to property brought against the City arising from any alleged claims, acts, or omissions in connection with this Recipient Agreement, including development of the Project, whether or not suit is filed, unless such claim, suit, or cause of action was based solely upon the negligence of the City, its employees, agents, or contractors. Additionally, the Mental Health Center shall indemnify the City for any sums the City becomes obligated to pay as damages arising

out of such circumstances except to the extent such damages are due to the negligence of the City, its employees, agents, or contractors.

13. The Mental Health Center shall have full control of the ways and means of performing the services referred to herein. The Mental Health Center acknowledges and agrees that its employees, representatives, subcontractors, and agents may in no respect be considered employees of the City.
14. The City agrees to approve a subdivision of the Project site generally in the configuration as shown in *Exhibit 1*, attached hereto and incorporated herein, with the condition that the City exempt the Mental Health Center from any City requirements for immediate reconstruction of Central Avenue. However, the Mental Health Center acknowledges and agrees that upon development of the northern lot of the subdivision replat (Lot 1 on Exhibit 1), the Mental Health Center and/or its successors or assigns shall make annual payments in lieu of special assessments to the City over a ten-year period in a total ten-year amount not to exceed Six Thousand Dollars (\$6,000).
- 14A. Upon timely submittal by the Mental Health Center of all required documentation and subject to payment by the Mental Health Center of all associated fees, including but not limited to a License and Permit Bond, the City shall approve a permit allowing relocation of a structure across City right-of-way for the Project described in this Recipient Agreement.
15. The Mental Health Center agrees to grant the City an option to purchase property identified as "Lot 1" in *Exhibit 1* no later than December 31, 2000, at a price of Thirty Three Thousand Dollars (\$33,000). If the City purchases and develops said property, any development will be done per the provisions of the City's land development code regarding storm water management.
16. The Mental Health Center agrees to maintain the Project in compliance with applicable Housing Quality Standards and local housing and property maintenance code requirements. The City's Housing Inspector shall perform annual inspections of the Project to ensure such compliance is upheld.
17. The Mental Health Center shall operate the Project in conformance with the Tenant Selection Policy and Eviction Policy, attached hereto and incorporated herein as *Exhibit 2*, and with an Affirmative Marketing Plan approved by HUD in compliance with Section 8 SRO Regulations.
18. The Mental Health Center agrees to maintain financial and administrative records in accordance with applicable Federal guidelines and OMB circulars A-110, A-122, A-133 and 24 CFR Part 84 as applicable and to separately and accurately identify use of HOME funds pursuant to this Agreement.

19. The Mental Health Center agrees that there shall be no discrimination against any person who is employed in carrying out the Project, or against any applicant for such employment, because of race, color, religion, sex, age, national origin, or any other discrimination prohibited by Urbana law, including but not limited to employment, upgrading, demotion, or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Mental Health Center further agrees to the following.

- A. It shall be bound by said equal opportunity clause with respect to its own employment practices during the duration of its participation with the City and HUD.
- B. It shall furnish the City and HUD with information as they may require for the supervision of such compliance and will otherwise assist the City and HUD in the discharge of primary responsibility for securing compliance.
- C. It shall carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the Secretary of Labor, the City, or HUD.
- D. It shall abide by local regulations cited in the Urbana Human Rights Ordinance regarding equal employment.

20. The Mental Health Center certifies the following with respect to this Recipient Agreement.

- A. The Mental Health Center possesses legal authority to receive HOME Program funds from the City and to execute the Project as described herein.
- B. The governing body of the Mental Health Center has duly adopted or passed as an official act a resolution, motion, or similar action authorizing execution of this Recipient Agreement including all understandings and assurances contained herein, and directing and designating the authorized representative of the Mental Health Center to act in connection with this Recipient Agreement and to provide such additional information as may be required.
- C. As a recipient of HOME Program funds, the Mental Health Center agrees to give maximum feasible priority to very low-income persons when administering the Project described herein.
- D. The Mental Health Center will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no person in the United States shall on the ground of race,

color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Mental Health Center receives federal financial assistance. The Mental Health Center shall immediately take any measure necessary to effectuate this assurance.

- E. The Mental Health Center will comply with Executive Order 11246, and all regulations issued pursuant thereto (24 CFR Part 130), which provide that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in all phases of employment during the performance of federal or federally-assisted contracts. Such contractors and subcontractors shall take affirmative action to insure fair treatment in employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation and selection for training and apprenticeship.
 - F. The Mental Health Center will establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
 - G. The Mental Health Center will give the City, HUD, and the Comptroller General through any authorized representative access to and the right to examine all records, books, papers, or documents related to the Project.
21. The Mental Health Center agrees that if the City determines that the Mental Health Center has not complied with or is not complying any provision of this Recipient Agreement and so notifies the Mental Health Center by written notice of said violations in accordance with Section 23 of this Recipient Agreement and the Mental Health Center fails to correct said violations within thirty (30) days from receipt of said written notice, the City may terminate this Recipient Agreement by written notice and may take any other action as may be permitted in any mortgage or promissory note executed by the Mental Health Center pursuant to this Recipient Agreement.
22. In the event the Mental Health Center defaults under any of the provisions of this Recipient Agreement and the City should employ attorneys or incur other costs for the collection of payments due under this Recipient Agreement, the Mental Health Center agrees that it will pay the City reasonable fees for such attorneys and other costs incurred by the City to enforce the terms of this Recipient Agreement.

23. Notices and communications under this Recipient Agreement shall be sent first class, prepaid to the respective parties as follows.

TO THE CITY: Bruce R. Stoffel, Manager
 Grants Management Division
 115 West Main Street, Suite 200
 P.O. Box 946
 Urbana, Illinois 61801

TO THE
MENTAL HEALTH
CENTER: Alexandria Lewis, Chief Executive Officer
 Mental Health Center of Champaign County
 1801 Fox Drive
 P.O. Box 1640
 Champaign, Illinois 61824-1640

24. This Recipient Agreement, including the provision of funds by the City for the Project as described herein, is contingent upon the following.

- A. Receipt of FY1995-1996 HOME Program funds by the Urbana HOME Consortium in the amount of \$798,000 as evidenced by a duly executed HOME Program agreement between the City and HUD.
- B. Receipt of FY1996-1997 HOME Program funds by the Urbana HOME Consortium in an amount not less than \$600,000 as evidenced by a duly executed HOME Program agreement between the City and HUD.
- C. Approval by the City of Champaign, Illinois, of funding for the Project in an amount not less than \$348,082 and concurrence with use of \$120,000 in FY1996-1997 HOME CHDO funds for the Project, as evidenced by a certified copy of an ordinance authorizing said funds adopted by the City Council of the City of Champaign, Illinois.
- D. Consummation of a sale of the following described real estate by the City to the Mental Health Center at a sales price of \$1 as evidenced by a duly executed deed delivered by the City to the Mental Health Center.

A part of the Southwest Quarter of Section 8, Township 19 North, Range 9 East of the Third Principal Meridian, Champaign County, Illinois, more particularly described as follows:

All of the Wabash Railroad Company Right-of-Way between the East Right-of-Way line of Central Avenue and the East line of Lot 3 of S.T. Busey's First Addition to Urbana, said Right-of-Way being further described as:

Commencing at the intersection of the East Right-of-Way line of Central Avenue with the North Right-of-Way line of Griggs Street; Thence N0°-06'-47"W, an assumed bearing, along said East Right-of-Way line of Central Avenue, 68.80 feet, to the POINT OF BEGINNING, said point being the intersection of the South Right-of-Way line of Central Avenue; Thence, continuing N0°-06'-47"W, along said East Right-of-Way line, 33.01 feet to the North Right-of-Way line of said Wabash Railroad; Thence S88°-57'-55"E, along said North Right-of-Way line, 263.31 feet to the East line of Lot 3 of S.T. Busey's First Addition to Urbana; Thence, S0°-19'-25"E, along the East line of said Lot 3, 33.01 feet, to the South Right-of-Way line of said Wabash Railroad; Thence, N88°-57'-55"W, along said South Right-of-Way line, 263.43 feet, to the POINT OF BEGINNING.

Said Right-of-Way containing 8,691.33 square feet or 0.20 acres, more or less. All situated in the City of Urbana, Champaign County, Illinois;

the location of said real estate is illustrated in *Exhibit 3*, attached hereto and incorporated herein.

Upon satisfaction of these contingencies, the parties to this Recipient Agreement shall reconfirm this Recipient Agreement in writing. Said confirmation shall include copies of the documents described in this section and shall be recorded by the City in the Office of the Champaign County Recorder.

25. This Recipient Agreement shall be binding upon the City and the Mental Health Center, their successors, and assigns, including the Homestead Corporation for a period of fifteen years from the date of issuance of a Certificate of Occupancy, for the Project by the City's Building Safety Manager. This Recipient Agreement shall be effective as of the date executed by the City.
26. The Mental Health Center shall pay to the City of Urbana and Cunningham Township a total annual payment in lieu of property taxes in the amount of One Thousand Five Hundred Dollars (\$1,500) for the term of this Recipient Agreement.

CITY OF URBANA

BY: Tal Sattuthuents

DATE: 1/8/96

ATTEST: Phyllis D. Clark

MENTAL HEALTH CENTER OF CHAMPAIGN COUNTY

BY: John J. Lewis

DATE: 1/9/96

ATTEST: Brenda Evans

Exhibit 1: Schematic Plan for Subdivision of the Homestead Apartments SRO Site

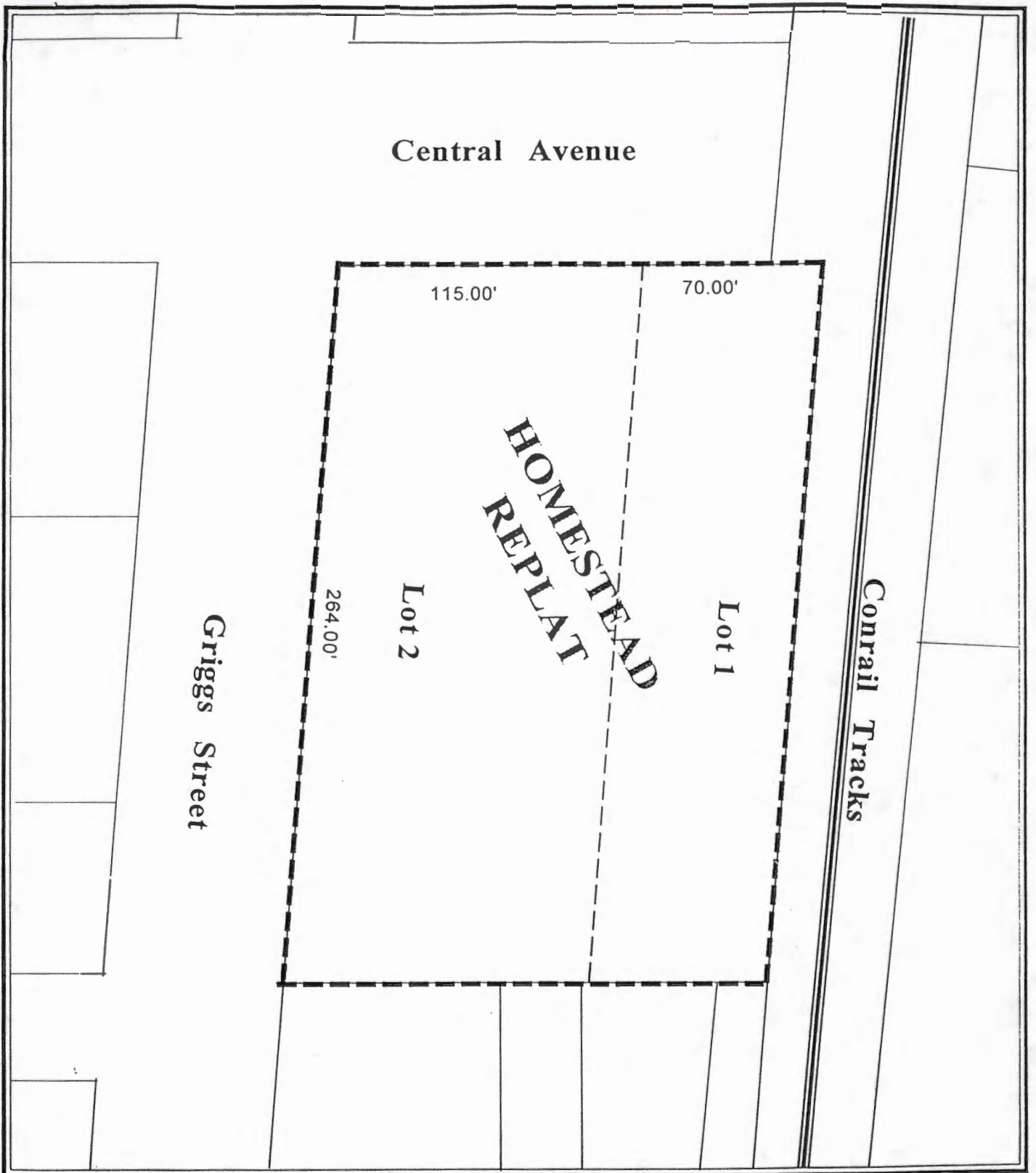
Exhibit 2: Tenant Selection Policy and Eviction Policy

Exhibit 3: Existing Plat of the Homestead Apartments SRO Site, Illustrating the Location of Real Estate to be Sold by the City of Urbana to the Mental Health Center

Exhibit 4: Budget for Development of a 25-unit Homestead Apartments SRO

Exhibit 1

**Schematic Plan for Subdivision
of the Homestead Apartments SRO Site**



SRO Site - 302 Griggs Street

Proposed Replat

December 15, 1995 SCALE : One Inch = 50 Feet



Exhibit 2

Tenant Selection Policy and Eviction Policy

**HOMESTEAD APARTMENTS SRO
TENANT SELECTION POLICY**

I. Requirements for Placement on Waiting List

Homestead Apartments SRO serves single women and men age 18 and over who are sleeping in emergency shelters, other facilities for homeless persons (transitional housing programs), or places not meant for human habitation, such as cars, parks, sidewalks, or abandoned buildings. This includes persons who ordinarily live in such places but are in a hospital or other institution on a short-term basis (short-term is considered to be 30 consecutive days or less).

- A. **Income:** Single women and men considered for residency in this facility shall **be homeless and** have income at or below 50% of Median Family Income (one person) for Champaign County as released and periodically updated by the U. S. Department of Housing and Urban Development. Currently, a household of one person earning at or below \$15,100 would be considered to have income at or below 50% of Median Family Income.

Gross monthly income shall include the following:

- (1) wages, tips, commissions;
- (2) pensions, annuities;
- (3) social security (net of insurance benefit);
- (4) supplemental security income;
- (5) unemployment;
- (6) food stamps;
- (7) income from real estate or business operations, interest income;
- (8) other regular verifiable income.

Gross monthly income shall be adjusted for anticipated verifiable changes in the applicant's income.

- B. No person who at the time of application has a documented history of violent criminal behavior, a felony conviction, pending felony charges, or pending charges for a violent crime will be considered for the waiting list. Additionally, no individual with a history of **alcohol dependence**, drug dependence or illegal drug behavior or charges will be placed on the waiting list unless they have documentation demonstrating successful completion of substance abuse treatment with no subsequent **alcohol or** drug problems. During the application process, if the individual's situation changes and they do not meet eligibility requirements, their application will be rejected and their name will be removed from the waiting list.
- C. Each individual at the time of application will have documented an ability to live

independently in a manner not requiring or relying on the assistance of others for the activities of daily living. Activities of daily living include eating, dressing, bathing, grooming, and household management activities. Documentation will be accepted from but is not limited to credit references, shelter staff references, and previous landlord references.

II. Occupancy Selection Preferences Using Waiting List

The following selection criteria applies to each single individual applying for residency in this facility and accounts for the *two (2) preference points available*.

A. **NEED.** *1 point* will be awarded if an applicant meets one, two, or all three of the following federal preference criteria.

- * Individuals currently occupying substandard housing or homeless.
- * Individuals paying more than 50 percent of gross household income for rent.
- * Individuals who are involuntarily displaced.

B. **CAPACITY.** *1 point* will be awarded each individual who at the time of application has documentation they have been a client of one the following Champaign County shelters for at least 30 consecutive days: Mental Health Center Transitional Program, Center for Women in Transition, A Woman's Place, Salvation Army Stepping Stone Shelter, Restoration Urban Ministries, St. Jude Catholic Worker House, Men's Emergency Shelter, Prairie Center, Safe House, Champaign House, CHASI/Roundhouse..

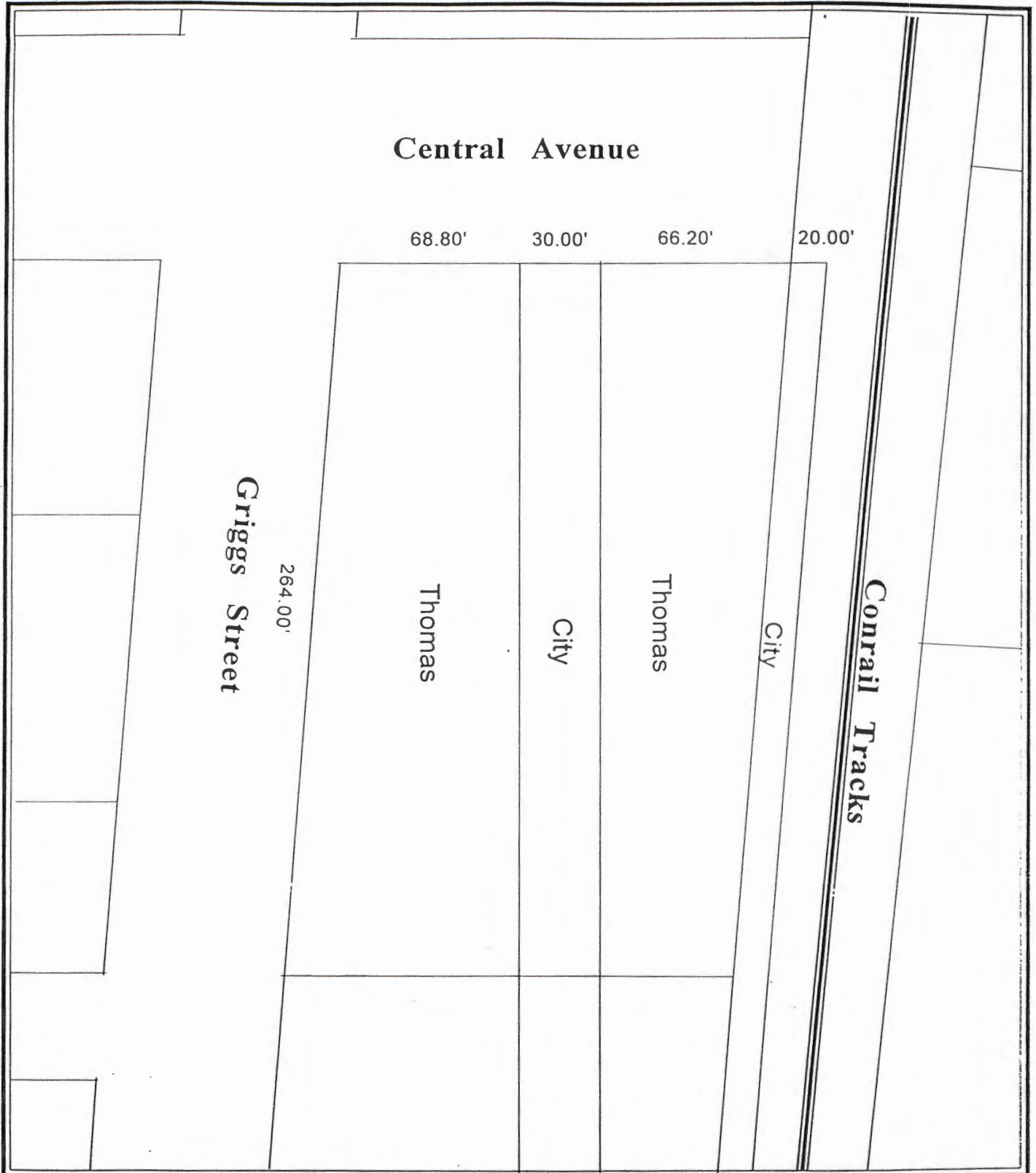
Allowing for consideration of total preference points awarded, a tenant will be selected from the written waiting list in the chronological order of their application, insofar as is practicable, and any rejected applicant shall receive prompt written notification of the grounds for such rejection.

***HOMESTEAD APARTMENTS SRO
EVICTION POLICY***

Eviction proceedings must follow HUD guidelines as well as Federal, State, and local eviction laws. HUD guidelines allow eviction in cases of material non-compliance with the lease, failure to carry out obligations under any state landlord/tenant act, or other good cause. Material non-compliance includes one or more substantial violations of the lease; repeated minor violations that disrupt the livability of the building (e.g. repeated events of drunk and disorderly conduct), adversely affect the health or safety of another tenant, interfere with management, or have an adverse financial effect on the project; failure of the tenant to provide the management with required eligibility information; and non-payment of rent. HUD regulations require a 30-day notice in most eviction cases; when non-payment of rent is the reason for eviction only a five-day notice is required by HUD.

Exhibit 3

**Existing Plat of the Homestead Apartments SRO Site,
Illustrating the Location of Real Estate to be Sold
By the City of Urbana to the Mental Health Center**



SRO Site - 302 Griggs Street

Existing Property Lines

December 15, 1995 SCALE : One Inch = 50 Feet

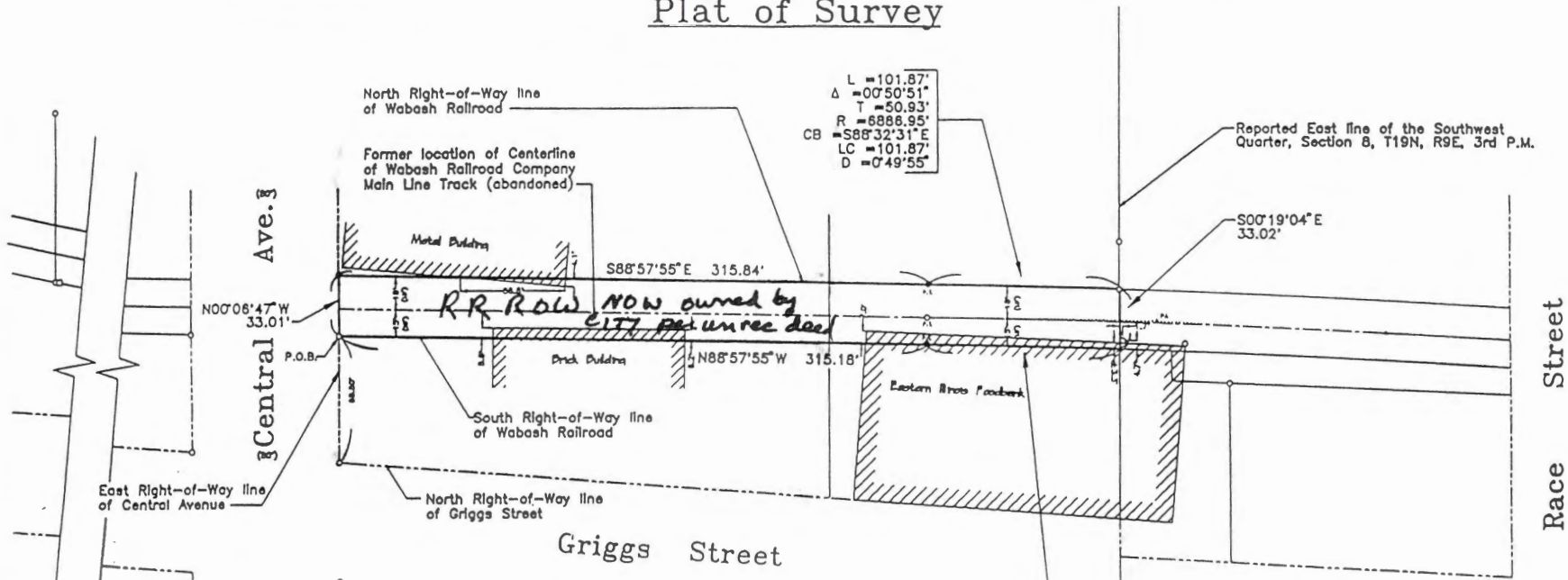


Exhibit 4

Budget for Development
of a 25-Unit Homestead Apartments SRO

Development Expenses			
Lot Acquisition	\$	99,000	
Move Building, renovation, site clearance and improvements	\$	492,000	
Construction Costs Contingency at 10%	\$	49,200	
Total Hard Costs			\$ 640,200
Environmental Audit - class 2*	\$	22,727	
Architecture & Engineering fees (8% of Reno & 1st floor)	\$	46,021	
Appraisal	\$	455	
Attorney' Fees	\$	3,636	
Accounting Fees	\$	3,636	
Title & Recording Fees	\$	91	
Building Permits	\$	455	
Insurance During Development	\$	1,818	
Soft Cost Contingency @ 10%	\$	7,884	
Total Soft Costs			\$ 86,723
Project Manager/developer fee (includes bookkeeping)	\$	75,000	
Initial Investment in Operating Reserves	\$	142,500	
Payment in Lieu of Taxes During Development	\$	1,500	
IHDA Program Application Fee	\$	250	
Initial Investment in Replacement Reserves	\$	25,000	
Total Expenses			\$ 971,173
Development Revenues			
Grants			
City of Champaign CDBG Grant*	\$	240,000	
City of Urbana HOME Grant*	\$	120,000	
CHDO 96 HOME Grant	\$	120,000	
Champaign 1996 HOME Grant	\$	108,082	
Urbana 1996 HOME Grant	\$	54,041	
Housing Development Corporation - Project manager*	\$	25,000	
Community Reinvestment Council - Project Manager*	\$	50,000	
Total Local grants			\$ 717,123
State of Illinois (IHDA) Grant	\$	125,000	
ENR energy grant	\$	14,550	
Total State Grants			\$ 139,550
Total Grants			\$ 856,673
Loans			
State of Illinois (IHDA) Mortgage loan	\$	114,500	
Urbana-Champaign HOME Loan (96-97)	\$	-	
Total Loans			\$ 114,500
Total Revenues			\$ 971,173

Plat of Survey



L = 101.87'
 Δ = 00°50'51"
 T = 50.93'
 R = 6886.95'
 CB = S88°32'31"E
 LC = 101.87'
 D = 0°49'55"

L = 102.65'
 Δ = 00°51'29"
 T = 51.32'
 R = 6853.95'
 CB = N88°32'11"W
 LC = 102.64'
 D = 0°50'9"

LEGAL DESCRIPTION

A part of the Southwest Quarter of Section 8, Township 19 North, Range 9 East of the Third Principal Meridian, Champaign County, Illinois, more particularly described as follows:

All of the Wabash Railroad Company Main Line Right-of-Way between the East line of the Southwest Quarter of said Section 8 and the East Right-of-Way line of Central Avenue, also being described as:

Commencing at the intersection of the East Right-of-Way line of Central Avenue with the North Right-of-Way line of Griggs Street; Thence, N0°08'47"W, an assumed bearing, along said East Right-of-Way line of Central Avenue, 33.01 feet, to the POINT OF BEGINNING, said point being the intersection of the South Right-of-Way line of the Wabash Railroad with the East Right-of-Way line of Central Avenue; Thence, continuing N0°08'47"W, along said East Right-of-Way line, 33.01 feet to the North Right-of-Way line of said Wabash Railroad; Thence S88°57'55"E, along said North Right-of-Way line, 315.84 feet to a point of curvature; Thence, continuing along said North Right-of-Way line, around a curve to the right, having a central angle of 0°-50'-51", a radius of 6886.95 feet and a chord bearing of S28°-32'-31"E, and a chord distance of 101.87 feet, for an arc distance of 101.87 feet, to the East line of the Southwest Quarter of Section 8, T19N, R9E of the 3rd P.M.; Thence, S0°19'04"E, along the East line of said Southwest Quarter, 33.02 feet, to the South Right-of-Way line of said Wabash Railroad; Thence, along said South Right-of-Way line, around a curve to the left, having a central angle of 0°-51'-29", a radius of 6853.95 feet, a chord bearing of N88°-32'-11"W, and a chord distance of 102.64 feet, for an arc distance of 102.65 feet, to a point of tangency; Thence, continuing along said South Right-of-Way line, N88°-07'-05"W, 316.18 feet, to the POINT OF BEGINNING.

COUNTY OF CHAMPAIGN)
 STATE OF ILLINOIS) SURVEYOR'S REPORT

I, Benjamin W. Fisher, Illinois Professional Land Surveyor Number 2682, do hereby state that I have caused a survey to be made of a portion of the former Wabash Railroad Company Right-of-Way (abandoned), as shown on the attached plat.

I further state that this plat is a true and correct representation of that survey.

Signed and Sealed this 18th Day of January, 1995

Benjamin W. Fisher
 Benjamin W. Fisher
 IPLS #2682



Said Right-of-Way containing 13789.34 square feet or 0.32 acres, more or less as situated in the City of Urbana, Champaign County, Illinois.

City of Urbana
Public Works Department
Engineering Division

Surveyed/Drawn: DWF Date: 1/10/05