

**AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A
COMPREHENSIVE AGREEMENT TO SETTLE ALL OUTSTANDING MATTERS WITH
THE PUBLIC INTEREST FUND OF ILLINOIS**

(Formerly known as the Illinois Center for Citizens Involvement)

WHEREAS, the City of Urbana, the City of Champaign, and the County of Champaign, have been jointly designated as a participating jurisdiction by the U.S. Department of Housing and Urban Development (hereinafter simply "HUD") for the purpose of receiving Home Investment Partnership Program Funds in the name of the "Urbana Home Consortium" under the provisions of Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended (42 U.S.C. 12701 et. seq.) (hereinafter simply "National Affordable Housing Act") for the purpose of increasing affordable housing opportunities for low-income residents of Urbana, Champaign and the unincorporated Champaign County; and

WHEREAS, pursuant to such, over the past several years, the Urbana Home Consortium and PIFI have entered into several agreements to implement affordable housing programs; and

WHEREAS, PIFI has indicated its desire to not continue further direct involvement in the production of affordable housing units, and has indicated that they do not wish to continue to complete the Eads at Lincoln Project; and

WHEREAS, all the agreements above referred to, utilizing funds from Federal grants, have continuing obligations on both parties to the Federal Government, the continuing discharge of which needs to be addressed; and

WHEREAS, it is the intent of the parties in this agreement to settle and resolve all remaining issues outstanding as a result of the several agreements of the parties.

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

Section 1. That the "Comprehensive Agreement to Settle all Outstanding Matters with the Public Interest Fund of Illinois (formerly known as Illinois Center for Citizens Involvement)" as attached hereto and incorporated herein by reference is hereby approved.

Section 2. That the Mayor of the City of Urbana is hereby designated as the authorized representative of the City of Urbana and the Urbana HOME Consortium to execute the "Comprehensive Agreement to Settle all Outstanding Matters with the Public Interest Fund of Illinois (formerly known as Illinois Center for Citizens Involvement)."

PASSED by the City Council this 16th day of December,
2002 .

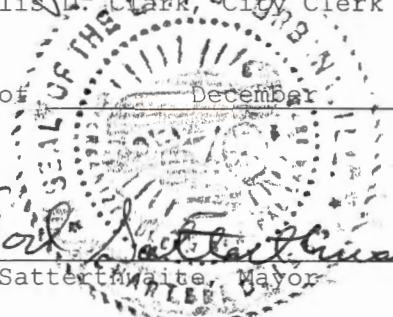
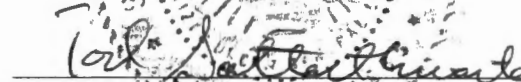
AYES: Chynoweth, Hayes, Huth, Otto, Patt, Whelan, Wyman

NAYS:

ABSTAINS:


Phyllis D. Clark, City Clerk

APPROVED by the Mayor this 24th day of December,
2002 .



Tod Satterthwaite, Mayor

A COMPREHENSIVE AGREEMENT TO SETTLE ALL OUTSTANDING MATTERS WITH THE
PUBLIC INTEREST FUND OF ILLINOIS (formerly known as Illinois Center for Citizens Involvement)

THIS AGREEMENT, made and entered into by and between the City of Urbana, an Illinois municipal corporation, acting as the lead entity for the Urbana Home Consortium (hereinafter "Urbana Home Consortium") and the Public Interest Fund of Illinois, an Illinois not-for-profit corporation, formerly known as Illinois Center for Citizens Involvement (hereinafter simply "PIFI").

WHEREAS, the City of Urbana, the City of Champaign, and the County of Champaign, have been jointly designated as a participating jurisdiction by the U.S. Department of Housing and Urban Development (hereinafter simply "HUD") for the purpose of receiving Home Investment Partnership Program Funds in the name of the "Urbana Home Consortium" under the provisions of Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended (42 U.S.C. 12701 *et. seq.*) (hereinafter simply "National Affordable Housing Act") for the purpose of increasing affordable housing opportunities for low-income residents of Urbana, Champaign and the unincorporated Champaign County; and

WHEREAS, pursuant to such, over the past several years, the Urbana Home Consortium and PIFI have entered into several agreements to implement affordable housing programs; and

WHEREAS, PIFI has indicated its desire to not continue further direct involvement in the production of affordable housing units, and has indicated that they do not wish to continue to complete the Eads at Lincoln Project; and

WHEREAS, all the agreements above referred to, utilizing funds from Federal grants, have continuing obligations on both parties to the Federal Government, the continuing discharge of which needs to be addressed; and

WHEREAS, it is the intent of the parties in this agreement to settle and resolve all remaining issues outstanding as a result of the several agreements of the parties.

NOW THEREFORE, FOR AND IN CONSIDERATION of the mutual promises herein contained, the parties agree as follows:

1. PIFI acknowledges its obligation to complete the construction of the properties commonly known as 914 North Third Street, Champaign, 916 North Third Street, Champaign, and 1103 North Harvey Street, Urbana. PIFI herein renews its commitment to expeditiously complete the construction of said structures in a good workmanlike manner, and acts of God or matters beyond their control aside, promises that said structures will be completed and ready for occupancy on or before the 31st day of December, 2002. Furthermore it is acknowledged that 1103 North Harvey home construction is expected to close prior to December 31, 2002, however because of delay and inflationary causes there is a shortfall of approximately \$1,300; to provide the funds necessary for closing and transfer of title to the homebuyer, therefore, PIFI and the Consortium hereby agree that Section 4 of the Community Housing Development Organization Agreement between the Urbana HOME Consortium and the Illinois Center for Citizen Involvement (HomeBuild3 FY 2000-2001) Agreement, dated October 4, 2000, is hereby amended to increase the amount of construction loan interest payments from \$8,000 to a maximum \$10,000.

2. Within thirty (30) days following the execution of this Agreement by the last to sign, PIFI will deliver to Urbana Home Consortium the originals of all documents, files, electronic data and any and all other information related to the projects funded by the Urbana Home Consortium, City of Urbana and City of Champaign. The Urbana Home Consortium agrees that it will safely keep all such documents, electronic data and other information safe for at least ten (10) years from the date of delivery and agrees to hold PIFI harmless should any of the documents be lost or destroyed.

3. PIFI will provide the Urbana Home Consortium all information related to clients that PIFI has identified as potential homebuyers under the Eads at Lincoln Project. This information should include but not be limited to the following:

- Name
- Address
- Phone
- Lending organization/bank
- Income verification data

- Case file information
- Any and all agreements the homebuyer has with architects, contractors, etc.
- House plans/designs that differ from bidding documents.

4. PIFI will provide the Urbana Home Consortium copies of house plans, blueprints, engineering/architectural drawings, bid documents, and all related un-named documents related to house plans and design information for the Eads at Lincoln Project.

5. PIFI acknowledges that attached as Exhibit 1 is a list of various warranties flowing to the owners of the respective homes constructed which warranties remain the obligation of PIFI.

6. PIFI acknowledges that it has no legal or equitable interest in the following parcels:

902 Washer, Urbana

908 West Eads, Urbana

910 West Eads, Urbana

916 West Eads, Urbana

and represents to the Urbana Home Consortium that it has done nothing to encumber such parcels or create any liens adhering to such parcels. Further, if requested, PIFI will execute a quit-claim deed to such property conveying all of its right, title and interest to the City of Urbana or its nominee. The parcel at 1105 North Harvey was conveyed to one Tori Exum on the condition that the said Tori Exum caused to be erected a qualified residential structure within a time certain, and that if the said condition is violated, that a quit claim deed executed by the said Tori Exum should be released to PIFI. Inasmuch as PIFI is withdrawing from further participation in constructing any improvements at 1105 North Harvey, PIFI herewith assigns all of its right, title and interest in the property at 1105 North Harvey and their agreement with Tori Exum to the City of Urbana. The intent of such assignment of PIFI's interest to the City of Urbana is to allow the City of Urbana to cause the reversion of such property to the City of Urbana in the event a qualified residential structure is not placed on the said lot within the appropriate time frame.

7. With respect to those properties listed in Exhibit #1, PIFI has retained a certain reversionary interest that certain conditions regarding utilizing such property for affordable housing are breached. PIFI herewith assigns all of its right and interest that it may have with respect to such to declare defaults or

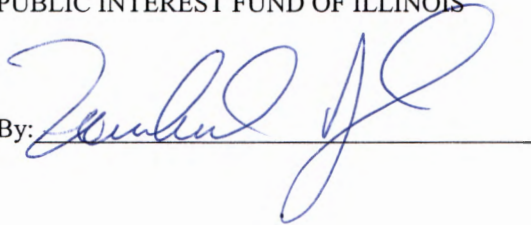
breaches of conditions which could result in repayment to PIFI of monies furnished to the grantees therein; all such payments are herewith assigned to the Urbana Home Consortium.

8. PIFI represents that all funds received from Urbana Home Consortium were based on legal and proper billing and expenditures, and further, if HUD or the Consortium determines that any such funds were not properly and legally expended by PIFI, that PIFI will reimburse all such funds to the Consortium or cities as appropriate and hold the Urbana Home Consortium harmless on same. The Urbana Home Consortium acknowledges that, to the best of its knowledge, all such expenditures were legal and proper. The Urbana Home Consortium acknowledges receipt of services for said expenditures.

9. Each party acknowledges that, except for any funds due and owing under paragraph 8 above, that neither party owes the other party any further funds. Except as described in paragraph No. 8 above, each party fully and forever release, acquit and discharge each other from any and all claims and demands of whatsoever kind or nature.

PUBLIC INTEREST FUND OF ILLINOIS

By: _____



URBANA HOME CONSORTIUM

By: _____

