

**AN ORDINANCE APPROVING AN AMENDMENT
TO A CERTAIN URBANA HOME CONSORTIUM COMMUNITY HOUSING
DEVELOPMENT ORGANIZATION AGREEMENT**

(Homestead Corporation of Champaign-Urbana,
CHDO Operations FY 2002-2003)

WHEREAS, the City of Urbana, the City of Champaign, the Village of Rantoul, and Champaign County have been jointly designated as a Participating Jurisdiction by the U.S. Department of Housing and Urban Development (hereinafter "HUD") for the purpose of receiving HOME Investment Partnership (hereinafter "HOME") Program funds in the name of the Urbana HOME Consortium; and

WHEREAS, the Urbana HOME Consortium received HOME Program funds from HUD for the period beginning July 1, 2002, and ending June 30, 2003; and

WHEREAS, the Urbana City Council has adopted and amended a Consolidated Plan for Program Years 2000-2004 (hereinafter the "Consolidated Plan") which budgeted \$1,039,000 in Urbana HOME Consortium funds for the period beginning July 1, 2002, and ending June 30, 2003, including \$51,950 in Community Housing Development Organization (hereinafter "CHDO") Operating funds in accordance with an Intergovernmental Agreement Concerning Administration of a Champaign/Urbana/Rantoul/Champaign County HOME Investment Partnerships Consortium executed by Mayor Tod Satterthwaite on behalf of the City on July 7, 1999 (hereinafter the "Intergovernmental Agreement"); and

WHEREAS, the Consolidated Plan encourages the development of non-profit housing development organizations eligible for CHDO status and promotes increasing the capacity for affordable housing production at the neighborhood level; and

WHEREAS, the Homestead Corporation of Champaign-Urbana (hereinafter "Homestead") has fulfilled all HOME Program requirements necessary to be certified as a CHDO; and

WHEREAS, Homestead was designated as a recipient of CHDO Operating funds from the Urbana HOME Consortium for FY2002-2003; and

WHEREAS, Homestead applied for and was awarded \$20,000 in HOME Program CHDO Operating funds for the administration and operating costs related to the continued operation and new development of HOME funded rental housing properties; and

WHEREAS, Homestead will incur additional costs above and beyond those initially funded under the CHDO Agreement; and

WHEREAS, the City has the right and authority, pursuant to both the HOME Program and the Intergovernmental Agreement to allocate additional Urbana HOME Consortium funds to Homestead.

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

Section 1. That the City of Urbana, acting as lead entity for the Urbana HOME Consortium approves an *Amendment To A Certain Urbana HOME Consortium Community Housing Development Organization Agreement Between The City of Urbana and Homestead Corporation (CHDO Operations - FY2002-2003)*, 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.

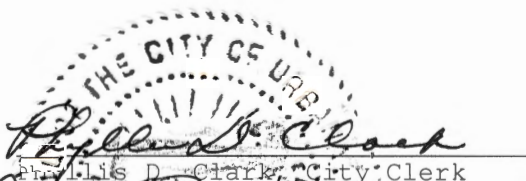
PASSED by the City Council this 17th day of February,
2003.

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

NAYS:

ABSTAINS:

APPROVED by the Mayor this 26th day of February,
2003.

The seal of the City of Urbana, Illinois, is circular with the text "THE CITY OF URBANA, ILLINOIS" around the perimeter. In the center, there is a smaller circle containing the year "1859".
Phillip D. Clark
Phillip D. Clark, City Clerk

by David J. Roberts
Deputy Clerk

Tod Satterthwaite
Tod Satterthwaite, Mayor

**AMENDMENT
TO A CERTAIN URBANA HOME CONSORTIUM
COMMUNITY HOUSING DEVELOPMENT ORGANIZATION AGREEMENT
BETWEEN THE CITY OF URBANA AND HOMESTEAD CORPORATION
(CHDO Operations – FY2002-2003)**

THIS AGREEMENT is made this 26 day of March, 2003, by and between the City of Urbana, an Illinois Municipal Corporation, acting as lead entity for the Urbana HOME Consortium (hereinafter the "City"), and the Homestead Corporation, an Illinois Not-For-Profit Organization (hereinafter "Homestead").

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 the "HOME Program") to provide funds to states and local governments for affordable housing assistance; and

WHEREAS, the City of Urbana, the City of Champaign, the Village of Rantoul and unincorporated Champaign County have been jointly designated as a Participating Jurisdiction by the U.S. Department of Housing and Urban Development for purposes of receiving HOME Program funds in the name of the Urbana HOME Consortium (hereinafter the "HOME Consortium"); and

WHEREAS, the Urbana City Council has adopted a Consolidated Plan for Program Years 2000-2004 which budgets \$1,039,000 in HOME Consortium funds for the year beginning July 1, 2002, and ending June 30, 2003 in accordance with an Intergovernmental Agreement Concerning Administration of a Champaign/Urbana/Rantoul/Champaign County HOME Investment Partnerships Consortium executed by Mayor Tod Satterthwaite on behalf of the City on July 7, 1999 (hereinafter the "Intergovernmental Agreement"); and

WHEREAS, on September 24, 2002, the City and Homestead entered into an Urbana HOME Consortium Community Housing Development Organization Agreement (hereinafter the "CHDO Agreement"), through which the City allocated \$20,000 of FY2002-2003 HOME Consortium funds to Homestead for administration and operating costs related to the continued operation and new development of HOME funded rental housing properties; and

WHEREAS, Homestead has developed and continues to operate six (6) houses in Urbana and three (3) in Champaign and desires to develop more single-family properties in Urbana; and

WHEREAS, the City and Homestead now desire to amend the CHDO Agreement to allocate additional funds for Homestead's administration costs to develop more rental properties.

NOW, THEREFORE, for and in consideration of the premises and of the mutual covenants and agreements herein contained, the parties agree as follows.

1. Section 3 of the CHDO Agreement is hereby amended to read as follows.

The City pledges to Homestead \$26,950 in Urbana HOME Consortium funds for the Project.

Specific uses of said funds are for administration and operating activities related to the continued operation and new development of their HOME CHDO rental programs are shown in Exhibit 1.

Homestead shall not request disbursement of HOME funds until HOME funds are needed to pay eligible costs related to the Project. The amount of any request for funds shall not exceed the amount needed and shall be supported by appropriate documentation (i.e. payroll documentation, receipts, invoices). The City shall make payment to Homestead within fourteen (14) calendar days of receipt of a complete and acceptable request by the City. The City reserves the right to withhold disbursement of funds until appropriate documentation is submitted. All checks shall be made payable to "Homestead Corporation." All monies granted to Homestead pursuant to this Agreement shall be expended by Homestead by August 31, 2003.

2. Exhibit 1 - Budget of the CHDO Agreement is hereby amended to read as follows.

<u>Operating Expenses</u>	<u>Amount</u>
Personnel Expenses:	
Staff Salaries and Benefits	\$41,000
Office Supplies:	
Telephone Services	\$900
Office Supplies	\$200
Printing and Postage	\$370
Contractual Services:	
Payroll Services	\$400
Annual Audit Fee	\$2,000
Insurance	\$3,000
Travel/Training/Membership Costs	\$530
	<u>\$49,000</u>

3. All other provisions of said CHDO Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals, and have caused this instrument to be executed by their duly authorized officials and corporate seals affixed hereto, all on the day and year first above written.

CITY OF URBANA

BY: Tod Satterthwaite
Tod Satterthwaite, Mayor

ATTEST: Phyllis D. Clark
Phyllis Clark, City Clerk

HOMESTEAD CORPORATION

BY: Paul M. Adams

ATTEST: Jim Rose