

**ORDINANCE NO. 2020-02-003**

**AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN REAL ESTATE**

**(1407 W. Beslin St.)**

**WHEREAS**, Urbana City Code Section 2-118(a) provides that any real estate owned by the City of Urbana (“City”) may be sold in any manner prescribed by the City Council in an ordinance authorizing such sale; and

**WHEREAS**, the City owns certain real estate commonly known as 1407 W. Beslin Street; and

**WHEREAS**, Habitat for Humanity of Champaign County desires to buy, and the City desires to sell, the real estate for the purchase price of \$1 and other valuable consideration; and

**WHEREAS**, the City heretofore acquired the real estate under the Community Development Block Grant Program; and

**WHEREAS**, the requirements of Urbana City Code Section 2-118(a) for a public hearing and for the required notice for such public hearing do not apply to the sale of residential real estate acquired under the Community Development Block Grant Program, in accordance with Urbana City Code Section 2-118(b) and the policy established with respect thereto; and

**WHEREAS**, the City Council expressly finds and declares that the real estate is no longer needed for governmental purposes or proprietary activity of the City; and

**WHEREAS**, the City Council, after due consideration, finds that the sale of the real estate to Habitat for Humanity of Champaign County, as herein provided, is in the best interests of the residents of the City and is desirable for the welfare of the City’s government and affairs.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Urbana, Illinois, as follows:

**Section 1.**

The sale of the real estate commonly known as 1407 W. Beslin Street in Urbana, Illinois, and legally described below, substantially on such terms as contained in the Contract for Sale of Real Estate attached hereto and incorporated herein, is hereby authorized and approved:

Lot 4 in Block 27 of Seminary Addition to Urbana, as per Plat recorded November 16, 1863 in Deed Record "Y" at Page 209, situated in Champaign County, Illinois.

PIN: 91-21-07-401-003

**Section 2.**

The Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver a Contract for Sale of Real Estate, in substantially the form of the copy of the contract attached hereto and hereby incorporated by reference, and all other documents required to be delivered in connection with the transaction contemplated herein, and the City Clerk of the City of Urbana, Illinois, be and the same is hereby authorized to attest to the execution of the documents, as so authorized and approved for and on behalf of the City of Urbana, Illinois.

**Section 3.**

The Mayor of the City of Urbana, Illinois, or her designee, be and hereby is authorized to perform all acts necessary on behalf of the City of Urbana to effectuate the sale of the real estate. The Mayor is further authorized to approve minor modifications to the Contract and extensions of the times set forth therein.

**Section 4.**

This Ordinance shall not be construed to affect any suit or proceeding pending in any court, or any rights acquired, or a liability incurred, or any cause or causes of action acquired or existing prior to the effective date of this Ordinance; nor shall any right or remedy of any character be lost, impaired, or affected by this Ordinance.

**Section 5.**

This Ordinance shall be in full force and effect from and after its passage.

This Ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called, of three-fourths of all the alderpersons then holding office and the Mayor (6 of 8 votes) of the City of Urbana, Illinois, at a meeting of the City Council.

**PASSED BY THE CITY COUNCIL** this 10<sup>th</sup> day of February, 2020.

AYES: Brown, Hazen, Jakobsson, Miller, Roberts, Wu, Marlin

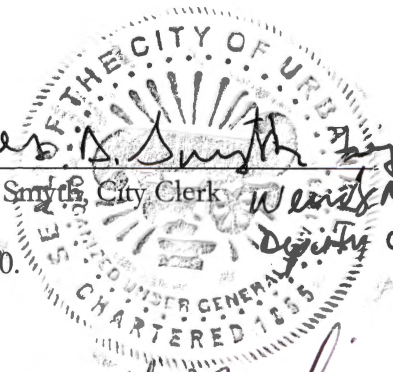
NAYS:

ABSTENTIONS:

*Charles A. Smyth*  
Charles A. Smyth, City Clerk

APPROVED BY THE MAYOR this 14<sup>th</sup> day of February, 2020.

*Diane Wolfe Marlin*  
Diane Wolfe Marlin, Mayor



*Wanda M. Hunt*  
*Deputy Clerk*

**CONTRACT FOR SALE OF REAL ESTATE**

This Contract made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2020, by and between the City of Urbana, Illinois, a municipal corporation of the State of Illinois (hereinafter referred to as Seller), and Habitat for Humanity of Champaign County, an Illinois not-for-profit corporation (hereinafter referred to as Buyer).

WITNESSETH:

IT IS MUTUALLY UNDERSTOOD AND AGREED BETWEEN THE PARTIES HERETO as follows:

- 1 Sale. Seller agrees to sell and convey, and Buyer agrees to buy, the following described parcel of real estate:

DESCRIPTION OF REAL ESTATE:

Lot 4 in Block 27 of Seminary Addition to Urbana, as per Plat recorded November 16, 1863 in Deed Record "Y" at Page 209, situated in Champaign County, Illinois.

PIN: 91-21-07-401-003

Commonly known as 1407 W. Beslin, Urbana, Illinois;

(hereinafter referred to as Subject Property).

2. Purchase Price. Seller agrees to convey title to Subject Property for One Dollar (\$1.00) and other consideration as described herein.
3. Evidence of Title. Within a reasonable time, Seller shall select and deliver one of the following to Buyer as evidence of title:
- a. A copy of the title insurance policy issued to the City in connection with acquisition of Subject Property by the City; the City warrants that it has done nothing to encumber Subject Property since its acquisition of Subject Property; or
  - b. A commitment of title insurance issued by a title insurance company regularly doing business in Champaign County, committing the company to issue a policy in the usual form insuring title to Subject Property to Buyer for the amount of the Seller's purchase price or the minimum amount of title insurance, whichever is greater.

Permissible exceptions to title shall include only the lien of general taxes; zoning laws and building ordinances; easements, apparent or of record, which do not underlie the improvements, if any; and covenants and restrictions of record which

are not violated by the existing improvements or the present use of the property and which do not restrict reasonable use of the property.

Buyer shall point out in writing to Seller within a reasonable time after receipt of the evidence of title any objections that Buyer may have thereto and unless so pointed out the evidence of title shall be conclusively presumed to be accepted by Buyer.

Seller shall have a reasonable time to cure any objections actually interfering with or impairing the merchantability of the title to Subject Property. If Seller is unable to cure such objections and is unable to procure a title policy insuring over such objections, then Buyer shall have the option to terminate the Contract. The evidence of title and title insurance shall be at the sole expense of the Seller.

4. Conveyance. Seller agrees to convey Subject Property to Buyer by good and sufficient Warranty Deed, subject to current general taxes, covenants, conditions, restrictions, easements apparent or of record, and to all applicable zoning laws and ordinances.

Buyer agrees to construct Affordable Housing for households at or below eighty percent (80.0%) of the median family income based upon family size, for Champaign County, Illinois as determined by HUD, and as certified by the City of Urbana, Grants Management Division: hereinafter "Affordable Housing"

At the time of closing of this transaction, a Warranty Deed from Seller in favor of Buyer shall be recorded with the Champaign County Recorders' Office and delivered to Buyer.

At the same time, a Quit Claim Deed from Buyer in favor of Seller shall be placed in escrow with the City of Urbana Department of Community Development Services (hereinafter referred to as "Escrow Agent").

In the event that Buyer constructs Affordable Housing on Subject Property and is issued a Certificate of Occupancy for said Affordable Housing by the Urbana Building Safety Division on or before December 30, 2021, or on or before the date established in any modification to this Contract, the Escrow Agent shall destroy said Quit Claim Deed.

In the event that Buyer has not started construction of Affordable Housing on Subject Property as of December 30, 2021, or as of the date established in any modification to this Contract, the Escrow Agent shall release said Quit Claim Deed to Seller.

In the event that Buyer has begun construction of Affordable Housing on Subject Property as of December 30, 2021, or as of the date established in any modification to this Contract, but has not received a Certificate of Occupancy for said Affordable Housing as of that date, Seller retains the right to pay Buyer, in care of the Escrow Agent, an amount equivalent to the value of improvements in place on Subject Property as of December 30, 2021, or as of the date established in any modification to this Contract, taking credit

against said amount for any outstanding liens or encumbrances against Subject Property, said liens including real estate taxes prorated up to the date Seller assumes possession under this paragraph, and for any fees or professional expenses incurred by the Seller as a result of the assumption of the Subject Property under this paragraph. Said value shall be certified to both Buyer and Seller by an architect licensed by the State of Illinois, doing business in Champaign County, Illinois and mutually acceptable to Buyer and Seller. The Escrow Agent shall deliver said payment to Buyer, and release and record said Quit Claim Deed with the Champaign County Records Office and deliver to the Seller.

Any and all escrow charges shall be paid by Buyer.

5. Taxes and Assessments. Seller shall pay all special assessments confirmed prior to the date of this Contract and real estate taxes assessed against Subject Property for 2019 payable in 2020 up to the date of possession. Buyer shall pay all special assessments and real estate taxes assessed against Subject Property after the date of possession

Buyer shall promptly pay all bills for utilities and taxes associated with Buyer's possession and use of Subject Property, including but not limited to water, gas, electric, cable television, sewage treatment, and sewer benefit taxes.

6. Condition of Subject Property. Buyer agrees to accept Subject Property in its "as-is" condition, and Seller disclaims all warranties express or implied as to the condition of Subject Property.
7. Compliance with Development Codes. Any Affordable Housing constructed pursuant to this Contract shall be constructed in accordance with all applicable land development, zoning, and building codes, and the visitability standards of the City of Urbana, Illinois, and with any and all covenants recorded for the subdivision in which Subject Property is located. Buyer shall be responsible for obtaining and paying for all permits required under said codes.
8. House Design. Any Affordable Housing constructed pursuant to this Contract shall be substantially compatible in design and quality of construction with drawings previously submitted by Buyer to the City of Urbana. Prior to issuance of any building permit by the Building Safety Division of the City of Urbana, Illinois, the Grants Management Division Manager of the Department of Community Development Services of the City of Urbana, Illinois, acting on behalf of the City, may request alterations to the proposed house design so as to comply with this Section.
9. Use of Subject Property. The primary purpose of Buyer activities undertaken pursuant to this Contract shall be construction of Affordable Housing for sale to a low-income household through the Buyer's Homeownership Program. To ensure, a Land- Use Regulatory Agreement in substantially the form set forth as ATTACHEMENT A to this contract must be signed by all grantees to whom Habitat for Humanity conveys the

subject parcel and recorded at the time of closing of such transaction. The City of Urbana Indirect Homebuyer Assistance Land-Use Regulatory Agreement attached hereto and incorporated herein, is an essential part of this contract.

10. Limitation on Subsequent Sale of Subject Property. Any Affordable Housing constructed by Buyer on Subject Property pursuant to this Contract may subsequently be sold by Buyer only to a family having income at or below 80 percent of median family income for Champaign County based on household size. Applicable income limits are those certified by the Grants Management Division Manager of the Department of Community Development Services of the City of Urbana, Illinois, acting on behalf of the City, to be in effect at the time Buyer accepts a household into its Homeownership Program. Buyer shall keep record of compliance with this Section on file for inspection by representatives of the City and the U.S. Department of Housing and Urban Development.
11. Property Maintenance. Buyer agrees to keep Subject Property properly mowed and free of excess vegetation and debris at all times from the date of this contract. Buyer shall neither suffer nor commit any waste on or to Subject Property. Buyer agrees to promptly respond to any notices received from the City of Urbana, Illinois, with regard to violation of the City's nuisance codes and to promptly correct any violation cited by said City. Buyer shall promptly pay all bills or charges incurred for materials, services, labor, or other like items that may create encumbrances against Subject Property. Buyer will become responsible for all property maintenance as of the date of this Contract.
12. Construction Schedule. Buyer agrees to construct Affordable Housing on Subject Property such that a Certificate of Occupancy is issued by the Urbana Building Safety Division on or before December 30, 2021, or, on or before a date established in any modification to this Contract.
13. Storage of Building Materials. Building materials needed to construct Affordable Housing pursuant to this Contract shall be stored within property lines and shall not be placed in the public right-of-way.
14. Seller Held Harmless. Buyer agrees to indemnify and hold Seller, its officers, agents, and employees, harmless for any liability or damages of any nature or kind concerning undertaking of any activity pursuant to this Contract, including reasonable attorneys' fees incurred in defending against any such claim.
15. Assignment. Buyer shall not assign this Contract without prior written consent of Seller to such assignment; provided, however, that Seller shall not unreasonably withhold such consent and further provided that no such assignment shall act as a discharge or release of Buyer's liability under this Contract.
16. Possession. City shall deliver possession of Subject Property to Buyer concurrently with closing of this transaction.

17. Default. If Buyer fails to perform any obligation imposed upon it by this Contract, Seller may serve written notice of default upon Buyer and if such default is not corrected within ten (10) days thereafter, this Contract shall terminate. In the event of failure of Seller to perform obligations imposed upon it by this Contract, Buyer may terminate this Contract upon similar notice served upon Seller and similar expiration of time period. The foregoing remedies in the event of default are not intended to be exclusive, and the parties shall have the right to all other lawful remedies, including specific performance. Default by Seller or Buyer shall entitle the non-defaulting party to claim as damages all reasonable costs, attorneys' fees, and expenses in connection with enforcement of this Contract.
  
18. Notices. Any notice required under this Contract to be served upon Seller or Buyer shall be mailed by certified mail to such parties at the address shown herein following their signatures, or at such other place as the parties may from time to time designate in writing.
  
19. Modification. No modification or extension of this Contract shall be effective unless in writing and executed by the parties hereto.
  
20. Terms Binding. All terms of this Contract shall be binding upon the heirs, legatees, devisees, representatives, and assignees of the parties.

IN WITNESS WHEREOF, the parties have executed this Contract as of the day and year first above written.

SELLER:  
 City of Urbana, Illinois  
 400 South Vine Street  
 Urbana, Illinois 61801

BUYER:  
 Habitat for Humanity of  
 Champaign County  
 119 E. University  
 Champaign, Illinois 61824

BY: *Diane Wolfe Marlin*  
 Diane Wolfe Marlin, Mayor

BY: *Chad Hoffman*  
 Executive Director

ATTEST: *Charles A. Smyth by Wendon M. Bundy, deputy clerk*  
 Charles A. Smyth, City Clerk

ATTEST: \_\_\_\_\_

Ordinance No. 2020-02-003