

RESOLUTION NO. 9899-R6

A RESOLUTION REGARDING THE CRYSTAL LAKE NEIGHBORHOOD
HOMEBUYER ASSISTANCE
PROGRAM

WHEREAS, the City of Urbana initiated a program to facilitate the purchase of homes previously owned by Carle Foundation as part of a Development Agreement Between the City of Urbana and Carle Foundation, hereinafter referred to as the Carle Homebuyer Assistance Program; and

WHEREAS, the Carle Homebuyer Assistance Program was successful in that all twelve of the homes listed were sold in the Crystal Lake Neighborhood; and

WHEREAS, there are funds remaining in that program; and

WHEREAS, the City of Urbana Community Development Commission voted at their June 23, 1998 meeting to recommend the Urbana City Council approve the program as described herein; and

WHEREAS, the Urbana City Council direction was to return with any fund balance for City Council approval of a continuation of a homebuyer program; and

WHEREAS, the Urbana City Council has determined that continued support for home ownership purchase program in the Crystal Lake Neighborhood is important.

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

The City Council finds and determines that the program described on the attached description is satisfactory and should be implemented as described.

PASSED by the City Council this 20 day of July, 1998.

AYES: Hayes, Huth, Kearns, Patt, Taylor, Wyman

NAYS:

ABSTAINED:


Phyllis D. Clark, City Clerk



APPROVED by the Mayor this 27th day of July, 1998.

Tod Satterthwaite
Tod Satterthwaite, Mayor

general res.

PROGRAM DESCRIPTION
CRYSTAL LAKE NEIGHBORHOOD HOMEBUYER ASSISTANCE
PROGRAM
July 20, 1998

TITLE: Crystal Lake Neighborhood Homebuyer Assistance Program

FUNDING SOURCE: City of Urbana General Fund - These are funds that the City Council authorized for the purchase of twelve properties owned by Carle Foundation. This program will use the balance of the funds of the Carle Homebuyer Assistance Program for a new, general homebuyer assistance in the Crystal Lake Neighborhood.

FUNDING AMOUNT: \$21,000.

TERM: Effective immediately upon the City Council's approval of the program description and until June 30, 1999 or until fund depletion.

PROGRAM DESCRIPTION:

- *Purpose:* This fund was established to facilitate home-ownership in the Crystal Lake Neighborhood.
- *Eligible Expenses:* A qualified homebuyer could receive a loan for the downpayment and closing costs up to 6% of the sales price. The loan is interest-free with no monthly payments and is due back to the City of Urbana upon subsequent sale of the property.
- *Qualified Homebuyer:* A qualified homebuyer is one who:
 - agrees to use his/her property as owner-occupied housing as long as he/she owns the property -- in the event the buyer subsequently converts the property to investor (rental) property, the homebuyer assistance loan on the property may be immediately called due.
 - has income at or below the following limits based on household size:

Persons in Household	Income Not To Exceed
1	\$40,080
2	\$45,830
3	\$51,520
4	\$57,270
5	\$61,870

6	\$66,410
7	\$71,010
8	\$75,610

- *Program guidelines:*

- Buyer negotiates terms of first mortgage financing with the financial institution of the buyer's choice--there are no pre-approved lenders or first mortgage financing terms. Subject to approval by the buyer's first mortgage lender, this homebuyer assistance may be used in conjunction with FHA and conventional financing.
 - Terms of sale, including sales price, are negotiable between the buyer and the seller. The City of Urbana is not party to sales negotiations. No sales price limits are associated with this program.
 - If FHA financing is used, homes must be brought up to FHA standards. The costs of these improvements and whether or not they are included in the sales price of the properties is subject to negotiation between the buyer and the seller.
 - Homebuyer assistance is available on a first-come/first-served basis until funding for this program is depleted.