

Passed: March 5, 2012
Signed: March 6, 2012

RESOLUTION NO. 2012-02-010R

**A RESOLUTION AUTHORIZING THE SUBMISSION OF A REQUEST TO THE UNITED STATES
DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT FOR AN EXCEPTION TO THE HOME INVESTMENT
PARTNERSHIPS ("HOME") PROGRAM CONFLICT OF INTEREST PROVISION
24 C.F.R. 92.356**

WHEREAS, the Urbana HOME Consortium ("Consortium") was created to obtain federal grant funds from the Home Investment Partnerships ("HOME") Program of the United States Department of Housing and Urban Development ("HUD") for affordable housing initiatives in the local area; and

WHEREAS, the City of Urbana ("City") serves as lead entity of the Consortium; and

WHEREAS, Habitat for Humanity of Champaign County ("Habitat") organized the Champaign County Neighborhood Alliance for Habitat ("Neighborhood Alliance"), a separate 501(c)(3) organization, to expand affordable housing opportunities in the Consortium area as a Community Housing Development Organization (CHDO); and

WHEREAS, the City certified the Champaign County Neighborhood Alliance for Habitat ("Neighborhood Alliance") as a Community Housing Development Organization by Resolution 2011-07-025R on July 18, 2011; and

WHEREAS, the City executed a \$140,000 HOME agreement with the Champaign County Neighborhood Alliance for Habitat ("Neighborhood Alliance") to carry out HOME-assisted activities in the Consortium area in its capacity as a certified Community Housing Development Organization (CHDO) and a \$27,528 HOME agreement to support the operating activities of the CHDO; and

WHEREAS, Sheila Dodd, former employee of the City of Champaign, which is a member and subrecipient of the Consortium, left her position with the City of Champaign on October 27, 2011 to accept the job of executive director of Habitat; and

WHEREAS, due to the close working relationship between Habitat and Neighborhood Alliance, a conflict of interest may be present in accordance with HOME provisions found at 24 C.F.R. § 92.356; and

WHEREAS, the Consortium desires to seek an exception of said HOME provisions found at 24 C.F.R. 92.356(b) which prohibit an employee of a HOME subrecipient from obtaining a financial interest or benefit in a HOME-assisted activity, or having an interest in any contract, or the proceeds thereunder for one year after their tenure; and

WHEREAS, the acting city attorney has provided HUD with a legal opinion that concludes an exception to a prohibited federal conflict under the circumstances described herein would not be contrary to Illinois state or local law; and

WHEREAS, the Consortium, after due notice to the public, has presented the facts to the City Council for discussion and decision as to whether there is good cause to support a request for an exception to the conflict prohibition of 24 C.F.R. § 92.356; and

WHEREAS, the City Council has reviewed the facts and has determined that there is good cause to recommend pursuit of an exception; and

WHEREAS, the City Council finds that an exception to the conflict of interest provisions of 24 C.F.R. § 92.356 will serve to further the purposes of the HOME Program and the effective and efficient administration of the Consortium.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Urbana, Champaign County, Illinois, as follows:

Section 1.

The Community Development Services Department director is authorized to submit a request to HUD on behalf of the Consortium for an exception to the HOME conflict of interest prohibition of 24 C.F.R. § 92.356 to allow the Consortium to provide HUD funds to Neighborhood Alliance and is authorized to execute all necessary documents for said purpose.

Section 2.

The City Council hereby directs that the record of the discussion of this matter be reflected in the official minutes of the meeting.

PASSED by the City Council this 5th day of March, 2012 .

Phyllis B. Clark
 Phyllis B. Clark, City Clerk
by Helen J. Hester
 Helen J. Hester, Deputy Clerk

APPROVED by the Mayor this 6th day of March, 2012

Laurel Lunt Prussing
 Laurel Lunt Prussing, Mayor

