

RESOLUTION NO. 2022-10-081R

**A RESOLUTION AUTHORIZING THE EXECUTION OF AN
INTERGOVERNMENTAL AGREEMENT WITH THE
HOUSING AUTHORITY OF CHAMPAIGN COUNTY REGARDING
REDEVELOPMENT OF LIERMAN AND WASHINGTON AVE SITE**

WHEREAS, the City of Urbana (the “City”) is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution, 1970, and may exercise any power and perform any function pertaining to its government and affairs, and the passage of this Resolution constitutes an exercise of the City’s home rule powers and functions as granted in the Illinois Constitution, 1970; and

WHEREAS, the City Council of the City of Urbana, Illinois has determined that execution of an intergovernmental agreement with the Housing Authority of Champaign County as it relates to redevelopment of the Lierman and Washington Ave sites is desirable and necessary to improve public safety and revitalize a distressed neighborhood.

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

Section 1. That an Intergovernmental Agreement pertaining to redevelopment of the Lierman and Washington Ave. sites between the City of Urbana and the Housing Authority of Champaign County, in substantially the same form as attached hereto and hereby incorporated by reference, be and the same is hereby authorized and approved.

Section 2. That the Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, be and the same is authorized to attest to said execution of said Amendment as so authorized and approved for and on behalf of the City of Urbana, Illinois.

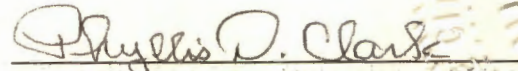
This Resolution is hereby passed by the affirmative vote, the "ayes" and "nays" being called, of a majority of the members of the Council of the City of Urbana, Illinois, at a meeting of said Council.

PASSED by the City Council this 10th day of October, 2022.

AYES: Wu, Evans, Hursey, Kolisetty, Bishop, Wilken, Quisenberry

NAYS: None

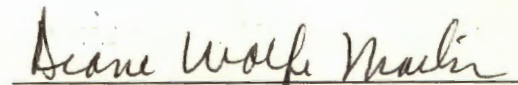
ABSTAINS: None



Phyllis D. Clark, City Clerk



APPROVED by the Mayor this 18th day of October, 2022.



Diane Wolfe Marlin, Mayor

**AN INTERGOVERNMENTAL AGREEMENT BY AND BETWEEN THE CITY OF
URBANA, ILLINOIS AND THE HOUSING AUTHORITY OF CHAMPAIGN
COUNTY, ILLINOIS**

This INTERGOVERNMENTAL AGREEMENT BY AND BETWEEN THE CITY OF URBANA, ILLINOIS AND THE HOUSING AUTHORITY OF CHAMPAIGN COUNTY, ILLINOIS (including any exhibits and attachments hereto, collectively this "Agreement"), is made and entered into as of October __, 2022, but actually executed as of the dates beneath their signatures set forth below by and between the City of Urbana and the Housing Authority of Champaign County (collectively, the "Parties").

WHEREAS, City of Urbana (hereafter, the "City") is a municipal corporation, a body politic, and a home rule unit of government pursuant to Article VII, Section 6 of the Illinois Constitution of 1970; and

WHEREAS, the Housing Authority of Champaign County (hereafter, the "Authority") was created by the Illinois State Legislature in 1939 to provide housing for low income individuals and families; and

WHEREAS, the Parties have an interest in the provision of quality affordable housing for very low and low income families as well as the overall economic health, well-being, quality of life, safety, and security within the City of Urbana generally including the Lierman neighborhood; and

WHEREAS, there existed in the City of Urbana a vacant lot on the southeast corner of Lierman and Washington; and

WHEREAS, there existed in the City of Urbana a multi-family residential property commonly referred to as the "Urbana Townhomes" site that consisted of a number of townhome buildings and that the said townhomes buildings were demolished because they presented a threat to the overall economic health, well-being, quality of life, safety, and security of the Lierman neighborhood within the City of Urbana, thereby leaving a vacant real estate parcel (collectively, the "Redevelopment Sites"); and

WHEREAS, Urbana currently owns the Redevelopment Sites; and

WHEREAS, the revitalization of the Redevelopment Sites is dependent in large part on a cooperative arrangement between the City, the Authority, and one or more third persons who wish to and/or intend to undertake any form of renovation of the Redevelopment Sites; and

WHEREAS, the City and the Authority seek to reinstitute and expand a prior intergovernmental agreement that, in part, provided for the redevelopment of the Urbana Townhomes site and now re-enter into an arrangement in order to promote, foster, and facilitate revitalization of the Redevelopment Sites that may include a private Development Partner who will assist the parties in undertaking the redevelopment of the Redevelopment Sites.

NOW, THEREFORE, in exchange for good, valuable, and mutual consideration that each Party acknowledges as having in hand received, and in consideration for the exchange of the covenants, terms and conditions contained in this Agreement, the Parties agree as follows:

SECTION 1 - REDEVELOPMENT PLAN: The City and the Authority shall cooperate and work with one another in order to develop, design, create, and/or adopt a plan for the revitalization (collectively, hereafter, "Redevelopment Plan") of the Redevelopment Sites. The Parties shall contribute such expertise as each may possess in undertaking and creating the Redevelopment Plan. Such Redevelopment Plan is anticipated to consist of new construction on the Redevelopment Sites for the purpose of providing mixed income multi-family rental dwelling units. Nothing herein shall be deemed to prohibit the Parties from retaining the services of or entering into one or more agreements with one or more third persons to prepare and/or assist in the preparation of the Redevelopment Plan or any portion thereof. In the event the Parties elect to retain the services of one or more third persons to prepare or assist in the preparation of the Redevelopment Plan, no such third person shall be hired or otherwise be retained unless and until the Parties agree on the formula for paying for the services of such third person. Any such Redevelopment Plan shall provide that any private or public stormwater sewer system constructed on the Redevelopment Sites shall allow the owner of 1505 and 1507 East Washington Street, Urbana, Illinois to connect its private stormwater sewer system that serves said owner's three apartment buildings to such stormwater sewer system constructed on the Redevelopment Sites unless the City expressly and in writing waives this specific term and condition.

SECTION 2 - DEVELOPMENT AGREEMENT: The Parties jointly selected Northpointe Development to serve as the Development Partner in the Redevelopment Plan to be undertaken at the redevelopment sites. The Parties shall negotiate mutually acceptable terms of agreement with Northpointe for undertaking of the Affordable Housing project.

SECTION 3 - REDEVELOPMENT SITES: The City, in its sole discretion and on terms acceptable to the City, may elect to transfer title to the Redevelopment Sites to another person, whether a governmental entity, not-for-profit entity, for-profit entity, or other private person in order to undertake and complete the Redevelopment Project involving the Redevelopment Sites.

SECTION 4 - REDEVELOPMENT PLAN AND PROJECT FINANCING: The Parties anticipate that the Redevelopment Project will be financed through a variety of sources including but not necessarily limited to financial assistance from local, state, and federal sources, which include the City and the Authority. Such financing sources may include but shall not necessarily be limited to Low Income Housing Tax Credits, HUD financing, private investment, gifts, and such other sources that are known to and/or have yet to be identified by the Parties. Notwithstanding the foregoing,

- A. The City, at its sole election and upon terms and conditions agreeable to it, may -
 - i. provide indirect financial assistance in connection with the Redevelopment Project including, but not necessarily limited to, waivers of fees, permit costs, and other applicable costs; and/or
 - ii. provide and/or facilitate the provision of such other funds as are or may be available to the City for such a project; and/or

iii. facilitate access to and use of funding sources available to the City that may be willing to fund or finance such a project; and/or

iv. subordinate any City lien and/or financing currently in place, including but not necessarily limited to secondary HOME financing and/or demolition liens as may be needed in order to secure additional funding or financing for the Redevelopment Project or portion thereof, provided that the units supported by such financing remain affordable as defined and through the terms stipulated in the HOME loan documents.

B. The Authority, at its sole election and upon terms and conditions agreeable to the Authority, may -

i. provide "gap" financing; and/or

ii. provide long-term project-based subsidies; and/or

iii. provide and/or facilitate the provision of such other funds as are or may be available to the Authority for such a project; and/or

iv. facilitate access to and use of funding sources available to the Authority that may be willing to fund or finance such a project.

Nothing herein shall constitute a representation, warranty, promise, or obligation by or on the part of the either Party to contribute that Party's own funds to the Redevelopment Project. However, notwithstanding the foregoing, the Parties, jointly and separately, shall undertake reasonable good faith efforts to locate sources of funding, which may include but not necessarily be limited to governmental and private sources of funding, to undertake and complete the Redevelopment Project.

SECTION 5 - APPLICABILITY OF CITY CODES: Nothing in this Agreement shall be deemed or construed as constituting a waiver of any City building, building maintenance, fire, life-safety, or other code, ordinance, rule, or regulation that may be applicable to or govern the Redevelopment Project other than the fees as the City may agree, but is not obligated, to waive as provided for in Section 4 of this Agreement. In the event that the Redevelopment Project is undertaken and completed, nothing in this Agreement shall be deemed or construed as constituting a waiver of any City building, building maintenance, fire, life-safety, or other code, ordinance, rule, or regulation that may be applicable to or govern the properties that have, heretofore, been identified as the Redevelopment Sites.

SECTION 6 - ANTICIPATED TIME FOR REDEVELOPMENT: To the extent practicable, the Parties shall make a reasonable good faith effort to complete such redevelopment funding applications as they deem proper in order to complete the Affordable Housing redevelopment project. To the reasonable extent practicable, the Parties shall make a good faith effort, whether jointly or in cooperation with one or more private developers, to undertake and complete the Redevelopment Project on or before December 31, 2024. In the event that the Parties make a reasonably good faith effort to meet the aforesaid deadlines but fail to do so, such failure

shall not be deemed to constitute a breach of or a default on this Agreement and the Parties shall continue to cooperate with each other in an effort to complete the Redevelopment Plan and Redevelopment Project in a reasonably timely manner.

SECTION 7 - DEFAULT AND CURE: In the event that either Party believes that the other Party has acted unreasonably or has defaulted in connection with any term, provision, or covenant contained in this Agreement, that Party shall give written notice to the other Party, which written notice shall identify the Section of this Agreement that the noticing Party believes has been breached. Such notice shall also specify in reasonable detail the means by which the other Party has acted unreasonably and/or breached this Agreement. The Party receiving the notice shall have fourteen (14) days in which to cure the alleged unreasonable conduct or breach, provide a different date by which the Party receiving the notice believes it can correct the unreasonable act or default, or provide in writing to the noticing Party why the recipient of the notice has not acted unreasonably or in breach of this Agreement. If the recipient of the notice believes that it has not acted unreasonably or otherwise in breach of this Agreement, that Party shall specify in detail why it believes it has acted reasonably and/or why it does not believe that it is in breach of this Agreement. In the event that the Parties cannot reach consensus on whether the recipient of the notice has either acted unreasonably or breached this Agreement, then either Party may terminate this Agreement by providing written notice to the other Party that advises that the Agreement shall be deemed terminated on the ninetieth (90th) day of the date of such notice of termination.

SECTION 8 - MISCELLANEOUS:

A. **Indemnity:** Each Party agrees to defend and hold harmless the other Party and its officers, agents, and employees from and for any and all losses, costs, expenses, demands, claims, causes, causes of action, judgments, and liabilities sustained and/or alleged to have been sustained in connection with, as a result of, and/or arising out of the intentional, willful, wanton, or gross negligence of the other Party in connection with the performance or undertaking of any obligation provided for in this Agreement. Nothing herein shall be deemed, interpreted, or construed as constituting and or extending any indemnity, hold harmless, or duty to defend covenant to the intentional, willful, wanton, grossly negligent, or negligent acts of any third person unless one or both Parties to this Agreement otherwise agree in writing to indemnify and/or hold harmless such other third person. This indemnity, hold harmless, and duty to defend provision shall not expire until the statute of limitations, including any tolling period therefor, expires. In the event either Party to this Agreement seeks or elects to invoke the indemnity, hold harmless, and/or duty to defend provision contained herein, such Party shall provide the other Party with written notice of such intent to exercise this Sub-Section and such notice shall provide such information as is necessary to inform or otherwise apprise the recipient of such notice of the basis and reason for seeking to exercise the terms, provisions and covenants contained in this Sub-section.

B. **Notices:** Any and all notices required to be given by this Agreement shall be given in the following means and any such notice shall be deemed effective as hereinafter provided:

i. If by First Class U.S. Postal Service: Any and all notices sent by U.S. Postal Service shall be sent via First Class mail, registered, or certified mail with return

receipt requested. If any notice is placed in a properly addressed and stamped envelope, such notice shall be deemed effective five (5) business days after the date of placement with the U.S. Postal Service.

~~ii. If by facsimile transmission: Any and all notices sent by facsimile transmission shall be deemed effective the day after the date of transmission but only if the sending fax machine provides a written acknowledgement that the transmission was properly sent to the recipient Party's facsimile telephone number and received by the recipient Party's fax machine. If any one of the immediate-
afore-stated conditions is not met, the notice shall be deemed ineffective.~~

iii. If sent by overnight courier service: Any and all notices sent by overnight courier service shall be deemed effective the date after delivery of such notice but only if the said courier service provides or otherwise makes available tracking of the delivery of such notice, which tracking shall include the date and time when such delivery to the recipient Party was made.

iv. If by personal service: Any and all notices that are personally served on the recipient Party shall be deemed effective the day after delivery is made but only if the person delivering any such notice executes an affidavit that states the date when such personal delivery was made.

C. Record Keeping: The Parties agree to keep and maintain any and all records and documents created in connection with the creation of the Redevelopment Plan and any undertaking of the Redevelopment Project. Such records shall be kept and maintained in accordance with the State Records Act (5 ILCS 160/1 *et seq.*).

D. Severability: If any term or other provision of this Agreement is declared by a court or administrative agency of competent jurisdiction to be invalid, illegal, or incapable of being enforced, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of these transactions contemplated hereby is not affected in any manner materially adverse to either Party. Notwithstanding the immediate foregoing, if in any such proceeding, one Party's performance under this Agreement is declared to be unenforceable by the other Party, then this Agreement shall be deemed to automatically terminate with such termination date to be effective on the date when such declaration, finding, order, or decree is entered.

E. Entirety of Agreement: This Agreement constitutes the entire agreement between the Parties; it supersedes any prior agreement or understanding between them, oral or written, with respect to the matters addressed herein, all of which are hereby canceled.

F. Amendment or Modification: This Agreement may not be amended or modified except by an instrument in writing signed by both Parties.

G. Waiver: Any waiver or release by one Party of the other Party of any term, condition or covenant contained in this Agreement shall be deemed effective only if such waiver is contained in a writing signed by the Party granting such waiver. Any such waiver shall not be deemed, construed, or interpreted as a waiver or release of any other term, condition or covenant contained in this Agreement.

H. Execution in Counterparts: This Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

I. Governing Law and Jurisdiction: The laws of the State of Illinois shall apply to any construction, interpretation, enforcement, or action for breach of this Agreement. In the event that any action is filed which seeks to interpret, enforce, or declare breach of this Agreement, any such action shall be filed and maintained in the Sixth Judicial Circuit of the Circuit Court, Champaign County, Illinois.

J. Representations and Warranties of Authority to Execute: The Parties represent and warrant that the person executing this Agreement on the respective Party's behalf is duly authorized to do so.

K. Termination and Expiration of Agreement: This Agreement shall terminate upon the occurrence of any one of the following:

- i. Completion of the Redevelopment Project as substantially provided for in such Redevelopment Plan or any amendment thereto.
- ii. After a reasonable good faith effort has been undertaken by the Parties to undertake the Redevelopment Project in accordance therewith but without success and upon written notice of one Party to the other Party to such effect.
- iii. Upon the Parties' failure, following reasonable good faith efforts, to obtain the necessary participation and financing by one or more third persons to undertake the Redevelopment Project.
- iv. Upon mutual agreement of the Parties which Agreement shall be in writing whether for cause or without cause.
- v. Upon a breach or default of this Agreement where the non-breaching or non-defaulting Party declares in writing that this Agreement shall be terminated as of a date provided in such notice of breach or notice of default.

For the City of Urbana:

By: Aiane Wolfe Marlin

Its: Mayor

Attest: Phyllis D. Clark

Date: 10/19/2022

For the Housing Authority of Champaign County:

By: _____

Its: _____

Attest: _____

Date: _____

Exhibit A

Affordable Housing Project

Project Description

Prairie Ridge Apartments include:

- At least 40 units of affordable housing targeting families earning between 30 – 80% of County Median Income
- Emphasis on a low-density design including a two-story apartment building with walk-out units and cottage-style ranch townhome buildings
- Community amenity space such as a playground and small-scale community garden
- A potential partnership between Northpointe Development and the Housing Authority with the Housing Authority serving as the 51% owner of the development
- Increasing the city's tax base through the redevelopment of a community garden and an underutilized city-owned lot

