

RESOLUTION NO. 2003-05-012R

A RESOLUTION AUTHORIZING EXECUTION OF AN INTERGOVERNMENTAL
AGREEMENT CONCERNING ADMINISTRATION OF A
CHAMPAIGN/URBANA/CHAMPAIGN COUNTY HOME INVESTMENT
PARTNERSHIPS CONSORTIUM
(FY 2004-2006)

WHEREAS, the Congress of the United States has enacted the Cranston-Gonzales National Affordable Housing Act of 1990 (hereinafter the "Act") which created the HOME Investment Partnerships Program (hereinafter the "HOME Program") to provide funds to states and local governments for affordable housing assistance with the flexibility to decide what kind of housing assistance or mix of housing assistance is most appropriate for local needs; and

WHEREAS, the U.S. Department of Housing and Urban Development (hereinafter "HUD") subsequently issued regulations set forth in 24 CFR Part 92 allowing units of general local government to enter into mutual cooperation agreements to form consortia for the purpose of obtaining funds from the HOME Program; and

WHEREAS, on June 16, 1997, the Urbana City Council authorized execution of an agreement to participate in a Champaign/Urbana/Champaign County HOME Investment Partnerships Consortium (hereinafter the "Consortium Agreement"), said Consortium Agreement being approved by the Champaign City Council on June 3, 1997, and by the Champaign County Board on May 20, 1997; and

WHEREAS, on June 27, 1997, the City of Urbana, acting on behalf of the City of Champaign and Champaign County, submitted the Consortium Agreement to the HUD Chicago Field Office for its review and approval; and

WHEREAS, the Consortium Agreement was amended July 13, 1999 to include the Village of Rantoul as a member of the Champaign/Urbana/Champaign County HOME Investment Partnerships Consortium; and

WHEREAS, the Consortium Agreement dated July 13, 1999 renamed the Champaign/Urbana/Champaign County HOME Investment Partnerships Consortium to the Champaign/Urbana/Rantoul/Champaign County HOME Investment Partnerships Consortium; and

WHEREAS, the Village of Rantoul has elected to withdraw from participating in the HOME Investment Partnerships Consortium; and

WHEREAS, the City of Champaign, City of Urbana, and Champaign County now desire to renew the Champaign/Urbana/Champaign County HOME Investment Partnerships Consortium with HUD.

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

Section 1: That the Mayor of the City of Urbana is hereby authorized and directed to sign an Intergovernmental Agreement Concerning Administration of a Champaign/Urbana/Champaign County HOME Investment Partnerships Consortium, a copy of which said Intergovernmental Agreement is attached hereto and incorporated herein by reference, and to cooperate with the City of Champaign and Champaign County in the implementation of the HOME Program pursuant to said Intergovernmental Agreement.

Section 2: That the City Clerk of the City of Urbana is hereby authorized and directed to file a certified copy of this resolution with the City Clerk of the City of Champaign and the County Clerk of Champaign County.

Section 3: Upon adoption by the City of Champaign, the City of Urbana, and Champaign County, the said Intergovernmental Agreement will supercede an Intergovernmental Agreement Concerning Administration of a Champaign/Urbana/Champaign County HOME Investment Partnerships Consortium enacted on July 27, 2000.

PASSED by the City Council this _____ day of _____,
_____.

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____,
_____.

Tod Satterthwaite, Mayor

**INTERGOVERNMENTAL AGREEMENT CONCERNING ADMINISTRATION
OF A CHAMPAIGN/URBANA/CHAMPAIGN COUNTY
HOME INVESTMENT PARTNERSHIPS CONSORTIUM**

This Agreement is made between the CITY OF CHAMPAIGN, ILLINOIS, the CITY OF URBANA, ILLINOIS, (hereinafter the "Cities") and the COUNTY OF CHAMPAIGN, ILLINOIS (hereinafter the "County") (collectively referred to as the "parties" or "members").

WHEREAS, the Congress of the United States has enacted the Cranston-Gonzalez National Affordable Housing Act of 1990 as amended (42 U.S.C. 12701 *et seq.*) (hereinafter the "Act") which created the HOME Investment Partnerships Program (hereinafter the "HOME Program") to provide funds to states and local governments for affordable housing assistance with the flexibility to decide what kind of housing assistance or mix of housing assistance is most appropriate for local needs; and

WHEREAS, the U.S. Department of Housing and Urban Development (hereinafter "HUD") subsequently issued regulations set forth in 24 CFR Part 92 allowing units of general local government to enter into mutual cooperation agreements to form consortia for the purpose of obtaining funds from the HOME Program; and

WHEREAS, the Cities and the County desire to enter into affordable housing development activities and, for that reason, wish to seek such federal funding as may be available to them pursuant to the Act; and

WHEREAS, the Cities and the County have determined that joint action is the most effective way to accomplish the purposes of the Act; and

WHEREAS, the Cities of Champaign and Urbana are home rule units under the 1970 Illinois Constitution and the County of Champaign is a body politic and corporate; and

WHEREAS, the Cities and County are geographically contiguous units of general local government; and

WHEREAS, by virtue of the Intergovernmental Cooperation Act (5 ILCS 220/1 *et seq.*), the Cities and County are empowered to enter into intergovernmental cooperation agreements to jointly exercise powers; and

WHEREAS, the Cities and County have approved a HOME Investment Partnerships Consortium Agreement in the format prescribed by HUD for submittal to the HUD Chicago Field Office for its review and approval; and

WHEREAS, said HOME Investment Partnerships Consortium Agreement does not address certain issues pertaining to administration of the Champaign/Urbana/Champaign County HOME Investment Partnerships Consortium, and thus this separate agreement among the parties is necessary for the efficient administration of the HOME Program.

NOW, THEREFORE, in consideration of the matters set forth above and below, the parties agree as follows.

Section 1. Consortium Created; Purpose; Application

- A. The purpose of this Intergovernmental Agreement is to address certain matters of administration of the HOME Program. It incorporates and in many instances repeats the essential matters set forth in the HOME Investment Partnerships Consortium Agreement but in the event of conflict, the HOME Investment Partnerships Consortium Agreement shall control.
- B. The Cities and the County hereby form a consortium to be known as the Champaign/Urbana/Champaign County HOME Consortium (and recognized as the Urbana HOME Investment Partnerships Consortium by HUD) (hereinafter called the "Consortium") whose members include the City of Champaign, the City of Urbana, and the County of Champaign, Illinois.
- C. The purpose of the Consortium shall be to apply for and receive federal HOME funds and to administer the HOME program.
- D. The Consortium shall file an application for HOME Program funding for federal Fiscal Years 2004-2006 and subsequent three-year periods through automatic renewal provisions provided for in the HOME Investment Partnerships Consortium Agreement and through Section 7 of this Agreement.

Section 2. Cooperation

The Cities and the County agree to cooperate among one another to assist the Consortium and to cooperate in undertaking housing assistance activities for the HOME Program.

Section 3. Lead Entity

- A. **Designation.** The City of Urbana is hereby designated as lead entity under this Agreement
- B. **Responsibilities.** As lead entity, the City of Urbana:
 - (1) Shall act in a representative capacity for all members for the purposes of the HOME Program.
 - (2) Shall assume overall responsibility for ensuring that the Consortium's HOME Program is carried out in compliance with the requirements of the HOME program in accordance with HUD regulations in 24 CFR Parts 91 and 92 and

requirements of 24 CFR 92.350 (a)(5) relating to Ex.Ord. 11625, Minority Business Enterprises, and Ex.Ord. 12135, Women's Business Enterprises.

- (3) Is authorized to amend the consortium agreement on behalf of and with the consent of members in order to add new members to the Consortium.

Section 4. Individual Member Responsibilities

- A. **Program Responsibility.** Individual member jurisdictions of the Consortium shall take such steps as are necessary to implement programs identified in their respective housing strategies (including those HOME programs funded through the Consortium) as such programs pertain to identified needs and priorities of the individual member jurisdictions. Such implementation steps include but are not limited to securing other funding, in addition to HOME funds, necessary to implement affordable housing programs relevant to that individual jurisdiction and administering and implementing such programs.
- B. **Fair Housing.** Each individual member of the Consortium hereby agrees to take steps necessary to affirmatively further fair housing within its representative jurisdiction.
- C. **Matching funds.** Each individual member of the Consortium shall be responsible for obtaining any necessary matching funds or matching fund credits required by 24 CFR Part 92.
- D. **Program Income.** Each Consortium member shall inform and account to all other Consortium members for any income generated by the expenditure of HOME funds received by the Consortium member, such as the repayment of a loan of HOME funds. The use of any such HOME program income must have been negotiated and consented to by all Consortium members. Such consent shall be given by the chief administrative officer of each member, who is hereby authorized and required to consent if such income is utilized in accordance with then current HUD regulations. Any program income received by any of the parties may be used for eligible activities in accordance with all HOME requirements that then apply.
- E. **Consolidated Plan.** No Consortium member may veto nor restrict the implementation of any part of the Consortium's approved Consolidated Plan.

Section 5. Program Descriptions

The City of Urbana, in cooperation with the City of Champaign, and the County, shall prepare and submit on behalf of the Consortium, and as part of its Consolidated Plan, program descriptions and the required certifications to the Secretary of HUD for HOME funds under the

terms of the Act, starting with federal Fiscal Years 2004-2006. The program descriptions shall include:

- A. The proposed use of HOME matching funds for each category of eligible activity (as needed);
- B. The amount of HOME funds being reserved for use by Community Housing Development Organizations (hereinafter "CHDOs"). The Cities and the County are aware that, at the time this Agreement is executed, the Consortium is responsible for reserving not less than 15 percent of the funds it receives through the Consortium for investment only in housing to be developed, sponsored, or owned by a CHDO, this requirement being set forth at 24 CFR 92.300. HUD will compute this 15 percent set-aside requirement for the Consortium as a whole. (See 6B for further description)
- C. A statement of policies and procedures to be used to meet the required affirmative marketing.
- D. The establishment and oversight of a minority- and female owned business outreach program.
- E. The required certifications.

Section 6. Share of Consortium's HOME funds; Matching Funds

- A. Each member of the Consortium shall be entitled to utilize an amount of the HOME funding awarded to the Consortium based on that member's percentage of the total allocation to the consortium as indicated by the HUD funding formula. For example, if the Consortium's total funding allocation is \$600,000 and application of the HOME formula to one member shows that the member's contribution to the Consortium's allocation is \$150,000, then that member shall be entitled to \$150,000 of the funds so allocated to the Consortium.
- B. The parties agree that from each member's share of an annual HOME entitlement allocation shall be deducted an amount equivalent to 15 percent of each member's allocation to create a common pool of HOME funds for use by CHDOs. Funds in the CHDO pool shall be allocated to eligible non-profit organizations for HOME-eligible projects upon the consent of all Consortium members.
- C. The parties agree that from each member's share of an annual HOME entitlement allocation shall be deducted an amount up to 10 percent of each member's allocation to create a pool of HOME funds for general program administration. The parties agree that program administration funds shall be used to reimburse the City of Urbana for actual, both direct and indirect program administration costs that it incurs in its capacity as lead entity pursuant to this agreement. Any

program administration funds not expended by the City of Urbana in any program year shall be returned to all Consortium members within 60 days following the end of the program year in accordance with the entitlement allocation method described in Section 6A above. Upon request, the City of Urbana will provide written documentation to other members which support its program administration costs.

- D. At the option of the parties, each agree that from each member's share of an annual HOME entitlement allocation shall be deducted an amount up to 5 percent of each member's allocation to create a pool of HOME funds for general program administration of the Consortium's CHDOs.
- E. A member may voluntarily transfer a part or all of its HOME allocation to the other members of the Consortium or to the Consortium's CHDOs. Such transfer shall be evidenced in writing and signed by the chief administrative officer of the transferring member.
- F. Each member is responsible for obtaining the necessary matching fund (or matching fund credits) for all of the HOME projects within its jurisdiction as required by 24 CFR Part 92.

Section 7. Term; Withdrawal

- A. This Agreement shall be for a period of not less than the period necessary to carry out all activities that have utilized funds awarded for federal Fiscal Years 2004, 2005, and 2006 (commencing October 1, 2003 and ending September 30, 2006). This Agreement shall remain in effect until the HOME funds from each of the federal Fiscal Years 2004, 2005, and 2006 are closed out pursuant to 24 CFR 92.507.
- B. This Agreement will be automatically renewed for successive three-year consortia qualification periods, after the three-year period specified in Paragraph A, above, provided that:
 - 1. The City of Urbana shall notify the City of Champaign and Champaign County in writing, in accordance with applicable HUD consortia designation notices, of their right not to participate in successive three-year qualification periods, including any amendments required in accordance with Paragraph C, below, and the City of Urbana submits copies of said written notice to HUD by the date specified in HUD's Consortia Qualification Notice applicable for a subsequent three-year consortia qualification period; and
 - 2. None of the Consortium Members, upon receiving said notice, decide to be removed from the consortium by exercising their right not to participate.

- C. That the parties hereto agree to adopt any amendment to this Agreement or the Consortium Agreement incorporating changes necessary to meet the requirements for cooperation agreements set forth in HUD's Consortia Qualification Notice applicable for a subsequent three-year consortia qualification period; that City of Urbana shall submit said amendment to HUD as specified in the Consortium Qualification Notice; and that failure to comply will void the automatic renewal of this Agreement.

- D. None of the signatories to this Agreement may withdraw from the Consortium while this Agreement remains in effect.

Section 8. Execution

The Cities and the County agree to evidence their consent to participate in the Consortium by providing each other with a certified copy of a resolution from their respective governing bodies stating that the chief executive officer of the governing body is authorized to sign this Intergovernmental Agreement. The signature of the chief executive officer of each Consortium member shall be affixed to this Intergovernmental Agreement evidencing the willingness of each member to participate in the Consortium.

IN WITNESS WHEREOF, the parties have hereunto set their hands this day.

CITY OF CHAMPAIGN

Steven C. Carter, City Manager

Date

CITY OF URBANA

Tod Satterthwaite, Mayor

Date

COUNTY OF CHAMPAIGN, ILLINOIS

Patricia Avery, Chair
Champaign County Board

Date

Approved as to legal form and sufficiency:

City Attorney, City of Champaign

Date

City Attorney, City of Urbana

Date

State's Attorney, County of Champaign

Date

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WHEREAS, the Village of Rantoul and the Cities of Champaign and Urbana are home rule units under the 1970 Illinois Constitution and the County of Champaign is a body politic and corporate; and

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- C. The purpose of the Consortium shall be to apply for and receive federal HOME funds and to administer the HOME program.
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- A. The proposed use of HOME matching funds for each category of eligible activity (as needed);
- B. The amount of HOME funds being reserved for use by Community Housing Development Organizations (hereinafter "CHDOs"). The Cities and the County are aware that, at the time this Agreement is executed, the Consortium is responsible for reserving not less than 15 percent of the funds it receives through the Consortium for investment only in housing to be developed, sponsored, or owned by a CHDO, this requirement being set forth at 24 CFR 92.300. HUD will compute this 15 percent set-aside requirement for the Consortium as a whole. (See 6B for further description)
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described in Section 6A above. Upon request, the City of Urbana will provide written documentation to other members which support its program administration costs.

- D. A member may voluntarily transfer a part or all of its HOME allocation to the other members of the Consortium. Such transfer shall be evidenced in writing and signed by the chief administrative officer of the transferring member.
- E. Each member is responsible for obtaining the necessary matching fund (or matching fund credits) for all of the HOME projects within its jurisdiction as required by 24 CFR Part 92.

Section 7. Term; Withdrawal

- A. This Agreement shall be for a period of not less than the period necessary to carry out all activities that have utilized funds awarded for federal Fiscal Years 2001, 2002, and 2003 (commencing October 1, 2000 and ending September 30, 2003). This Agreement shall remain in effect until the HOME funds from each of the federal Fiscal Years 2001, 2002, and 2003 are closed out pursuant to 24 CFR 92.507.
- B. None of the signatories to this Agreement may withdraw from the Consortium while this Agreement remains in effect.

Section 8. Execution

The Cities and the County agree to evidence their consent to participate in the Consortium by providing each other with a certified copy of a resolution from their respective governing bodies stating that the chief executive officer of the governing body is authorized to sign this Intergovernmental Agreement. The signature of the chief executive officer of each Consortium member shall be affixed to this Intergovernmental Agreement evidencing the willingness of each member to participate in the Consortium.

IN WITNESS WHEREOF, the parties have hereunto set their hands this day.

CITY OF CHAMPAIGN

Steven C. Carter, City Manager

Date

CITY OF URBANA

Tod Satterthwaite, Mayor

Date

VILLAGE OF RANTOUL

Gary Adams, Village Administrator

Date

COUNTY OF CHAMPAIGN, ILLINOIS

Steve Moser, Chairman
Champaign County Board

Date

Approved as to legal form and sufficiency:

City Attorney, City of Champaign

Date

City Attorney, City of Urbana

Date

Village Attorney, Village of Rantoul

Date

State's Attorney, County of Champaign

Date