



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Laurel Lunt Prussing, Mayor, City of Urbana

FROM: Elizabeth H. Tyler, ^{CAK} FAICP, Community Development Director

DATE: July 3, 2013

SUBJECT: **AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN REAL ESTATE (1007 North Berkley Avenue)**

AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN REAL ESTATE (810 East Park Street)

Description

Included on the agenda of the July 8, 2013 meeting of the Committee of the Whole are two Ordinances authorizing the sale of City-owned properties, 1007 North Berkley Avenue and 810 East Park Street to Habitat for Humanity of Champaign County (Habitat). Habitat intends to construct two single-family residences on the lots for qualified, low-income buyers that have already been identified.

Issues

The issue is whether the Committee of the Whole should approve the Ordinances Authorizing the Sale of Certain Real Estate (1007 North Berkley and 810 East Park Street).

Background

These properties were acquired through the Grants Management Division's Property Acquisition Program, which is supported by Community Development Block Grant (CDBG) Funds. This program allows the City to purchase, clear, improve, and maintain lots in order to promote and support the development of affordable housing opportunities. This is accomplished through the conveyance of such properties to non-profit housing developers.

The City of Urbana has supported affordable housing development by Habitat in the past by providing lots on which single-family, owner-occupied homes have been successfully completed. The proposed contracts, ordinances, and legal documents that would convey these properties are attached to this memorandum. The contract terms are similar to those previously used to convey City-owned properties to not-for-profit organizations for construction of new single-family residences for sale to low-income households.

The sales contracts call for the City to transfer the properties by recording a warranty deed in favor of Habitat with the Champaign County Recorder of Deeds. In order to ensure that the City is protected in case of default by Habitat, a Quit Claim deed, executed by Habitat in favor of the City, shall be placed in escrow with the Department of Community Development Services, which will be the Escrow Agent. The deadline for completion of construction of the homes according to the contracts is July 1, 2015.

Once construction of the homes is complete and a Certificate of Occupancy is issued, the Escrow Agent will destroy the Quit Claim Deed. In the event that Habitat has not begun construction of a single-family residence on the properties as of July 1, 2014, the City may file the Quit Claim deed and recover ownership of the property. This mechanism is necessary to prevent repayment of funds to the Department of Housing and Urban Development in the event that Habitat were to fail to break ground within the required 12-month period.

Transferring the lots will achieve the goals outlined in the City of Urbana and Urbana HOME Consortium Consolidated Plan for FY 2010-2014 by increasing the supply of affordable housing available to low and moderate income households, as well as supporting new construction for homeownerships sponsored by CHDOs and other nonprofits.

At its June 25, 2013 regular meeting, the Urbana Community Development Commission forwarded the attached Ordinance with a unanimous recommendation for approval.

Options

1. Approve the Ordinances Authorizing the Sale of Certain Real Estate (1007 North Berkley and 810 East Park Street).
2. Approve the Ordinances with changes.
3. Do not approve the Ordinances.


Fiscal Impacts

Providing these lots to Habitat will eliminate lot maintenance costs that are incurred by the Community Development Block Grant (CDBG) Program. The homes constructed at these sites would generate real estate taxes and will likely have a positive effect on surrounding property values. If the lots are not conveyed to Habitat, the City will continue to pay for ongoing maintenance until another viable affordable housing project is identified.

Recommendations

Staff and the Community Development Commission recommend approval of conveyance of the subject city-owned properties to Habitat for the development of affordable housing.

Memorandum Prepared By:



Jen Gonzalez
HOME Grant Coordinator
Grants Management Division

Attachments:

1. AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN REAL ESTATE
(1007 North Berkley Avenue)
 - a. Sales Contract
 - b. Settlement Sheet
 - c. Warranty Deed
 - d. Quit Claim Deed

2. AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN REAL ESTATE
(810 East Park Street)
 - a. Sales Contract
 - b. Settlement Sheet
 - c. Warranty Deed
 - d. Quit Claim Deed

3. Site location maps for 1007 North Berkley Avenue and 810 East Park Street

4. *Unapproved minutes from the June 25, 2013 regular meeting of the Urbana Community Development Commission*

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

(1007 North Berkley Avenue)

WHEREAS, Subsection (a), entitled "Sale of real estate," of Section 2-118, entitled "Purchase, sale, lease, etc., of real estate," of the Code of Ordinances, City of Urbana, Illinois, provides that any real estate owned by the City of Urbana may be sold in any manner prescribed by the City Council in an ordinance authorizing such sale; and

WHEREAS, the requirements of said Subsection (a) of Section 2-118 for a public hearing and for the required notice for such public hearing do not, pursuant to the terms thereof, apply to the sale of residential property acquired under the Community Development Program; and

WHEREAS, the City Council desires to sell the real estate commonly known as 1007 North Berkley Avenue, which said property has heretofore been acquired under the Community Development Program, in accordance with said Subsection (a) of Section 2-118 and the policy heretofore established with respect thereto; and

WHEREAS, the City Council expressly finds and declares that said real estate is not needed for governmental purposes or proprietary activity of the City of Urbana.

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

Section 1. That an Ordinance approving the Contract for Sale of Real Estate by and between the City of Urbana, Illinois, and Habitat for Humanity of Champaign County, in substantially the form of the copy of said Contract

attached hereto and incorporated herein by reference, be and the same is hereby authorized and approved.

Section 2. The Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute extensions of time set forth in the said Contract for and on behalf of the City of Urbana, Illinois.

Section 3. 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 hereby authorized to attest to said execution of said Contract for Sale of Real Estate as so authorized and approved for and on behalf of the City of Urbana, Illinois.

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

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

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

Laurel Lunt Prussing, Mayor

CONTRACT FOR SALE OF REAL ESTATE

This Contract made and entered into this ____ day of _____, 2013, 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 16 of Urbana Heights, an Addition to the City of Urbana; also the East Half of the Vacated Alley lying just West of an adjoining said Lot 16; being a subdivision of the Northeast Quarter of the Southwest Quarter of the Northeast Quarter of Section 8, Township 19 North, Range 9 East of the Third Principal Meridian, in Champaign County, Illinois.;

Part of PIN: 91-21-08-255-008;

Commonly known as 1007 North Berkley Avenue, 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 along with a warranty that the City has done nothing to encumber Subject Property since its acquisition (ALTA statement); 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 submit 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 fourteen business days 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.

- a. 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.
- b. 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)").
- c. In the event that Buyer constructs a single-family residence on Subject Property and is issued a Certificate of Occupancy for said residence by the Urbana Building Safety Division on or before July 1, 2015, or on or before the date established in any modification to this Contract, the Escrow Agent shall destroy said Quit Claim Deed. This covenant shall remain in full force and effect following the closing on this transaction.
- d. In the event that Buyer has not submitted and received approval of building plans from the Building Safety Division for the construction of a single-family residence on Subject Property as of July 1, 2014, or as of the date established in any modification to this Contract, Seller may pursue its rights under paragraph 17 (Default) and if this contract is terminated, the Escrow Agent shall release said Quit Claim Deed to Seller.

5. In the event that Buyer has begun construction of a single-family residence on Subject Property as of July 1, 2015, or as of the date established in any modification to this Contract, but has not received a Certificate of Occupancy for said residence 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 July 1, 2015, 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 Recorder's Office and deliver to the Seller.

Any and all escrow charges shall be paid by Buyer.

6. Taxes, Assessments and Notices. Real estate taxes apportioned through the date of possession shall be Sellers' expense. The proration thereof shall be calculated upon the basis of the most current tax information, including confirmed multipliers. Transfer tax and all special assessments and additional assessments which are a lien upon the real estate as of the date of this Contract shall be Sellers' expense. Any sanitary district, municipal sewer or recycling, regular condominium, homeowners or lake association dues or charges apportioned through the date of possession, and any special or additional assessments which have received final approval by said government entity or association, even if not yet billed or due, shall be Sellers' expense. All such taxes and special assessments shall constitute a credit to Buyers against the purchase price, and shall release Sellers from any further liability to Buyers in connection therewith. Only if the most current tax information is the most recent tax bill, will the proration of current taxes include any regular annual drainage assessment.
7. 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 physical condition of Subject Property. It is understood and agreed that because the subject parcel is vacant land, the Buyer waives receipt of any lead paint disclosure statements, or other statements regarding the condition of the premises as otherwise required by law.
8. Compliance with Development Codes. Any residence 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.

9. House Design. Any residence 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.
10. Use of Subject Property. The primary purpose of Buyer activities undertaken pursuant to this Contract shall be construction of a single-family residence for sale to a low-income household through the Buyer's Homeownership Program.
11. Limitation on Subsequent Sale of Subject Property. Any residence constructed by Buyer on Subject Property pursuant to this Contract may subsequently be sold by Buyer only to a household 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.
12. 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 until construction is completed and the unit is transferred to an income-eligible household. 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.
13. Construction Schedule. Buyer agrees to construct a single-family residence on Subject Property such that a Certificate of Occupancy is issued for the newly constructed residence by the Urbana Building Safety Division on or before July 1, 2015, or, on or before a date established in any modification to this Contract.
14. Storage of Building Materials. Building materials needed to construct any residence pursuant to this Contract shall be stored within property lines and shall not be placed in the public right-of-way.
15. 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.

16. Assignment. Buyer shall not assign this Contract without prior written consent of Seller to such assignment.
17. Possession. City shall deliver possession of Subject Property to Buyer immediately upon completion of the closing of this transaction.
18. 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.
19. 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.
20. Modification. No modification or extension of this Contract shall be effective unless in writing and executed by the parties hereto.
21. 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
119 East University Avenue
Champaign, Illinois 61820

BY:

Laurel Lunt Prussing, Mayor

BY:

Executive Director

ATTEST:

Phyllis D. Clark, City Clerk

SETTLEMENT SHEET

BUYER: Habitat for Humanity of Champaign County
SELLER: City of Urbana, Illinois
ADDRESS: 1007 North Berkley Avenue, Urbana, Illinois
PTN: 91-21-08-255-008
DATE: July 16, 2013 (197 day of 365)

GROSS PURCHASE PRICE:		\$1.00
ADDITIONS TO PURCHASE PRICE:		\$0.00
ADJUSTED PURCHASE PRICE:		\$1.00
CREDITS TO BUYER:		\$0.00
Down payment:	0.00	
Real estate taxes:		
2013 P 2014	0.00 (Seller's Responsibility)	
Title services:	0.00 (POC by Seller)	
Transfer tax:	0.00 (exempt)	
Real estate commission:	0.00	
Junk/debris liens:	0.00	
UCSD:	0.00 (no service)	
Sewer benefit tax:	0.00 (no service)	
Recording fees:	0.00 (no encumbrances)	
Stormwater Utility Fee:	0.00	
BALANCE DUE SELLER LESS CREDITS:		\$1.00

SETTLEMENT SHEET ACCEPTED BY:

Executive Director
Habitat for Humanity of Champaign County

Date

Manager, Grants Management Division
City of Urbana, Illinois

Date

WARRANTY DEED

THIS INDENTURE WITNESSETH, that the Grantor, THE CITY OF URBANA, ILLINOIS, a municipal corporation duly organized and existing under and by virtue of the laws of the State of Illinois, for and in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, and pursuant to authority given by the City Council of the City of Urbana, Illinois, by virtue of Ordinance No. _____, CONVEYS AND WARRANTS to Habitat for Humanity of Champaign County, an Illinois not-for-profit corporation, the following described real estate, to-wit:

DESCRIPTION OF REAL ESTATE

Lot 16 of Urbana Heights, an Addition to the City of Urbana; also the East Half of the Vacated Alley lying just West of an adjoining said Lot 16; being a subdivision of the Northeast Quarter of the Southwest Quarter of the Northeast Quarter of Section 8, Township 19 North, Range 9 East of the Third Principal Meridian, in Champaign County, Illinois.

Part of PIN: 91-21-08-255-008;
Commonly known as 1007 North Berkley Avenue, Urbana, Illinois

Subject to:

- (1) Real estate taxes for the year 2013 and subsequent years;
- (2) Covenants, conditions, restrictions, and easements apparent or of record;
- (3) All applicable zoning laws and ordinances.

IN WITNESSETH, said Grantor has caused its corporate seal to be affixed, and has caused its name to be signed to these presents by LAUREL LUNT PRUSSING, its Mayor, and attested by Phyllis D. Clark, its City Clerk, this ____ day of _____, 2013.

CITY OF URBANA, ILLINOIS

By: _____
Laurel Lunt Prussing, Mayor

ATTEST:

By: _____
Phyllis D. Clark, City Clerk

QUIT CLAIM DEED

THIS INDENTURE WITNESSETH, that the Grantor, Habitat for Humanity of Champaign County, an Illinois not-for-profit, for and in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, CONVEYS AND QUIT CLAIMS to THE CITY OF URBANA, ILLINOIS, a municipal corporation, of 400 South Vine Street, in the City of Urbana, County of Champaign, and the State of Illinois, all interest in the following described real estate, to wit:

DESCRIPTION OF REAL ESTATE

Lot 16 of Urbana Heights, an Addition to the City of Urbana; also the East Half of the Vacated Alley lying just West of an adjoining said Lot 16; being a subdivision of the Northeast Quarter of the Southwest Quarter of the Northeast Quarter of Section 8, Township 19 North, Range 9 East of the Third Principal Meridian, in Champaign County, Illinois.

PIN: 91-21-08-255-008;

Commonly known as 1007 North Berkley Avenue, Urbana, Illinois

Subject to:

- (1) Real estate taxes for the year 2013 and subsequent years;
- (2) Covenants, conditions, restrictions, and easements apparent or of record;
- (3) All applicable zoning laws and ordinances.

Situated in the County of Champaign and State of Illinois hereby releasing and waiving all rights under and by virtue of the Homestead Exemption Laws of the State of Illinois.

Dated this _____ day of _____, 2013.

By:

Executive Director

STATE OF ILLINOIS)
) ss.
COUNTY OF CHAMPAIGN)

I, _____, a Notary Public in and for said county and state, do hereby certify that _____, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that she is the Executive Director of Habitat for Humanity of Champaign County, an Illinois Not-for-Profit Corporation, that as said Executive Director, she is authorized **(by the bylaws of said corporation / by a resolution duly adopted by the Board of Directors of said corporation)** to sign said instrument, and that she signed and delivered the said instrument for the uses and purposes therein set forth.

Given under my hand and official seal, this ____ day of _____, 2013.

Notary Public

Exempt under provisions of Paragraph 4, Section (b), Transfer Tax (35 ILCS 200/31-45).

Approved as to form

Date

Deed Prepared By:

City Attorney's Office
City of Urbana
400 South Vine Street
Urbana, Illinois 61801

Return Deed, Send Tax Bill To:
Habitat for Humanity of
Champaign County
119 E. University Ave.
Champaign, Illinois 61820

ORDINANCE NO. 2013-07-061

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

(810 East Park Street)

WHEREAS, Subsection (a), entitled "Sale of real estate," of Section 2-118, entitled "Purchase, sale, lease, etc., of real estate," of the Code of Ordinances, City of Urbana, Illinois, provides that any real estate owned by the City of Urbana may be sold in any manner prescribed by the City Council in an ordinance authorizing such sale; and

WHEREAS, the requirements of said Subsection (a) of Section 2-118 for a public hearing and for the required notice for such public hearing do not, pursuant to the terms thereof, apply to the sale of residential property acquired under the Community Development Program; and

WHEREAS, the City Council desires to sell the real estate commonly known as 810 East Park Street, which said property has heretofore been acquired under the Community Development Program, in accordance with said Subsection (a) of Section 2-118 and the policy heretofore established with respect thereto; and

WHEREAS, the City Council expressly finds and declares that said real estate is not needed for governmental purposes or proprietary activity of the City of Urbana.

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

Section 1. That an Ordinance approving the Contract for Sale of Real Estate by and between the City of Urbana, Illinois, and Habitat for Humanity of Champaign County, in substantially the form of the copy of said Contract

attached hereto and incorporated herein by reference, be and the same is hereby authorized and approved.

Section 2. The Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute extensions of time set forth in the said Contract for and on behalf of the City of Urbana, Illinois.

Section 3. 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 hereby authorized to attest to said execution of said Contract for Sale of Real Estate as so authorized and approved for and on behalf of the City of Urbana, Illinois.

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

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

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

Laurel Lunt Prussing, Mayor

CONTRACT FOR SALE OF REAL ESTATE

This Contract made and entered into this _____ day of _____, 2013, 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 5 in Block 3 of Mrs. E. Barr's Subdivision of the South 10 acres of Lots 4 and 5 of a subdivision of the West ½ of the Southwest ¼ of Section 9, Township 19 North, Range 9 East of the Third Principal Meridian, as per Plat recorded in Book "B" at Page 195, in Champaign County, Illinois.;

Part of PIN: 91-21-09-304-005;

Commonly known as 810 East Park Street, 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 along with a warranty that the City has done nothing to encumber Subject Property since its acquisition (ALTA statement); 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 submit 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 fourteen business days 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.

- a. 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.
- b. 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)").
- c. In the event that Buyer constructs a single-family residence on Subject Property and is issued a Certificate of Occupancy for said residence by the Urbana Building Safety Division on or before July 1, 2015, or on or before the date established in any modification to this Contract, the Escrow Agent shall destroy said Quit Claim Deed. This covenant shall remain in full force and effect following the closing on this transaction.
- d. In the event that Buyer has not submitted and received approval of building plans from the Building Safety Division for the construction of a single-family residence on Subject Property as of July 1, 2014, or as of the date established in any modification to this Contract, Seller may pursue its rights under paragraph 17 (Default) and if this contract is terminated, the Escrow Agent shall release said Quit Claim Deed to Seller.

5. In the event that Buyer has begun construction of a single- family residence on Subject Property as of July 1, 2015, or as of the date established in any modification to this

Contract, but has not received a Certificate of Occupancy for said residence 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 July 1, 2015, 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 Recorder's Office and deliver to the Seller.

Any and all escrow charges shall be paid by Buyer.

6. Taxes, Assessments and Notices. Real estate taxes apportioned through the date of possession shall be Sellers' expense. The proration thereof shall be calculated upon the basis of the most current tax information, including confirmed multipliers. Transfer tax and all special assessments and additional assessments which are a lien upon the real estate as of the date of this Contract shall be Sellers' expense. Any sanitary district, municipal sewer or recycling, regular condominium, homeowners or lake association dues or charges apportioned through the date of possession, and any special or additional assessments which have received final approval by said government entity or association, even if not yet billed or due, shall be Sellers' expense. All such taxes and special assessments shall constitute a credit to Buyers against the purchase price, and shall release Sellers from any further liability to Buyers in connection therewith. Only if the most current tax information is the most recent tax bill, will the proration of current taxes include any regular annual drainage assessment.
7. 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 physical condition of Subject Property. It is understood and agreed that because the subject parcel is vacant land, the Buyer waives receipt of any lead paint disclosure statements, or other statements regarding the condition of the premises as otherwise required by law.
8. Compliance with Development Codes. Any residence 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.
9. House Design. Any residence 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.

10. Use of Subject Property. The primary purpose of Buyer activities undertaken pursuant to this Contract shall be construction of a single-family residence for sale to a low-income household through the Buyer's Homeownership Program.
11. Limitation on Subsequent Sale of Subject Property. Any residence constructed by Buyer on Subject Property pursuant to this Contract may subsequently be sold by Buyer only to a household 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.
12. 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 until construction is completed and the unit is transferred to an income-eligible household. 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.
13. Construction Schedule. Buyer agrees to construct a single-family residence on Subject Property such that a Certificate of Occupancy is issued for the newly constructed residence by the Urbana Building Safety Division on or before July 1, 2015, or, on or before a date established in any modification to this Contract.
14. Storage of Building Materials. Building materials needed to construct any residence pursuant to this Contract shall be stored within property lines and shall not be placed in the public right-of-way.
15. 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.

16. Assignment. Buyer shall not assign this Contract without prior written consent of Seller to such assignment.
17. Possession. City shall deliver possession of Subject Property to Buyer immediately upon completion of the closing of this transaction.
18. 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.
19. 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.
20. Modification. No modification or extension of this Contract shall be effective unless in writing and executed by the parties hereto.
21. 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

BY:

Laurel Lunt Prussing, Mayor

ATTEST:

Phyllis D. Clark, City Clerk

BUYER:

Habitat for Humanity
119 East University Avenue
Champaign, Illinois 61820

BY:

Executive Director

SETTLEMENT SHEET

BUYER: Habitat for Humanity of Champaign County
SELLER: City of Urbana, Illinois
ADDRESS: 810 East Park Street, Urbana, Illinois
PTN: 91-21-09-304-005
DATE: July 16, 2013 (197 day of 365)

GROSS PURCHASE PRICE: \$1.00

ADDITIONS TO PURCHASE PRICE: \$0.00

ADJUSTED PURCHASE PRICE: \$1.00

CREDITS TO BUYER: \$0.00

Down payment: 0.00

Real estate taxes:

2013 P 2014 0.00 (Seller's Responsibility)

Title services: 0.00 (POC by Seller)

Transfer tax: 0.00 (exempt)

Real estate commission: 0.00

Junk/debris liens: 0.00

UCSD: 0.00 (no service)

Sewer benefit tax: 0.00 (no service)

Recording fees: 0.00 (no encumbrances)

Stormwater Utility Fee: 0.00

BALANCE DUE SELLER LESS CREDITS: \$1.00

SETTLEMENT SHEET ACCEPTED BY:

Executive Director

Habitat for Humanity of Champaign County

Date

Manager, Grants Management Division

City of Urbana, Illinois

Date

WARRANTY DEED

THIS INDENTURE WITNESSETH, that the Grantor, THE CITY OF URBANA, ILLINOIS, a municipal corporation duly organized and existing under and by virtue of the laws of the State of Illinois, for and in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, and pursuant to authority given by the City Council of the City of Urbana, Illinois, by virtue of Ordinance No. _____, CONVEYS AND WARRANTS to Habitat for Humanity of Champaign County, an Illinois not-for-profit corporation, the following described real estate, to-wit:

DESCRIPTION OF REAL ESTATE

Lot 5 in Block 3 of Mrs. E. Barr's Subdivision of the South 10 acres of Lots 4 and 5 of a subdivision of the West ½ of the Southwest ¼ of Section 9, Township 19 North, Range 9 East of the Third Principal Meridian, as per Plat recorded in Book "B" at Page 195, in Champaign County, Illinois.;

Part of PIN: 91-21-09-304-005;
Commonly known as 810 East Park Street, Urbana, Illinois

Subject to:

- (1) Real estate taxes for the year 2013 and subsequent years;
- (2) Covenants, conditions, restrictions, and easements apparent or of record;
- (3) All applicable zoning laws and ordinances.

IN WITNESSETH, said Grantor has caused its corporate seal to be affixed, and has caused its name to be signed to these presents by LAUREL LUNT PRUSSING, its Mayor, and attested by Phyllis D. Clark, its City Clerk, this ____ day of _____, 2013.

CITY OF URBANA, ILLINOIS

By: _____
Laurel Lunt Prussing, Mayor

ATTEST:

By: _____
Phyllis D. Clark, City Clerk

QUIT CLAIM DEED

THIS INDENTURE WITNESSETH, that the Grantor, Habitat for Humanity of Champaign County, an Illinois not-for-profit, for and in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, CONVEYS AND QUIT CLAIMS to THE CITY OF URBANA, ILLINOIS, a municipal corporation, of 400 South Vine Street, in the City of Urbana, County of Champaign, and the State of Illinois, all interest in the following described real estate, to wit:

DESCRIPTION OF REAL ESTATE

Lot 5 in Block 3 of Mrs. E. Barr's Subdivision of the South 10 acres of Lots 4 and 5 of a subdivision of the West ½ of the Southwest ¼ of Section 9, Township 19 North, Range 9 East of the Third Principal Meridian, as per Plat recorded in Book "B" at Page 195, in Champaign County, Illinois.;

PIN: 91-21-03-304-005;

Commonly known as 810 East Park Street, Urbana, Illinois

Subject to:

- (1) Real estate taxes for the year 2013 and subsequent years;
- (2) Covenants, conditions, restrictions, and easements apparent or of record;
- (3) All applicable zoning laws and ordinances.

Situated in the County of Champaign and State of Illinois hereby releasing and waiving all rights under and by virtue of the Homestead Exemption Laws of the State of Illinois.

Dated this _____ day of _____, 2013.

By:

Executive Director

STATE OF ILLINOIS)
) ss.
COUNTY OF CHAMPAIGN)

I, _____, a Notary Public in and for said county and state, do hereby certify that _____, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that she is the Executive Director of Habitat for Humanity of Champaign County, an Illinois Not-for-Profit Corporation, that as said Executive Director, she is authorized **(by the bylaws of said corporation / by a resolution duly adopted by the Board of Directors of said corporation)** to sign said instrument, and that she signed and delivered the said instrument for the uses and purposes therein set forth.

Given under my hand and official seal, this ____ day of _____, 2013.

Notary Public

Exempt under provisions of Paragraph 4, Section (e), Transfer Tax (35 ILCS 200/31-45).

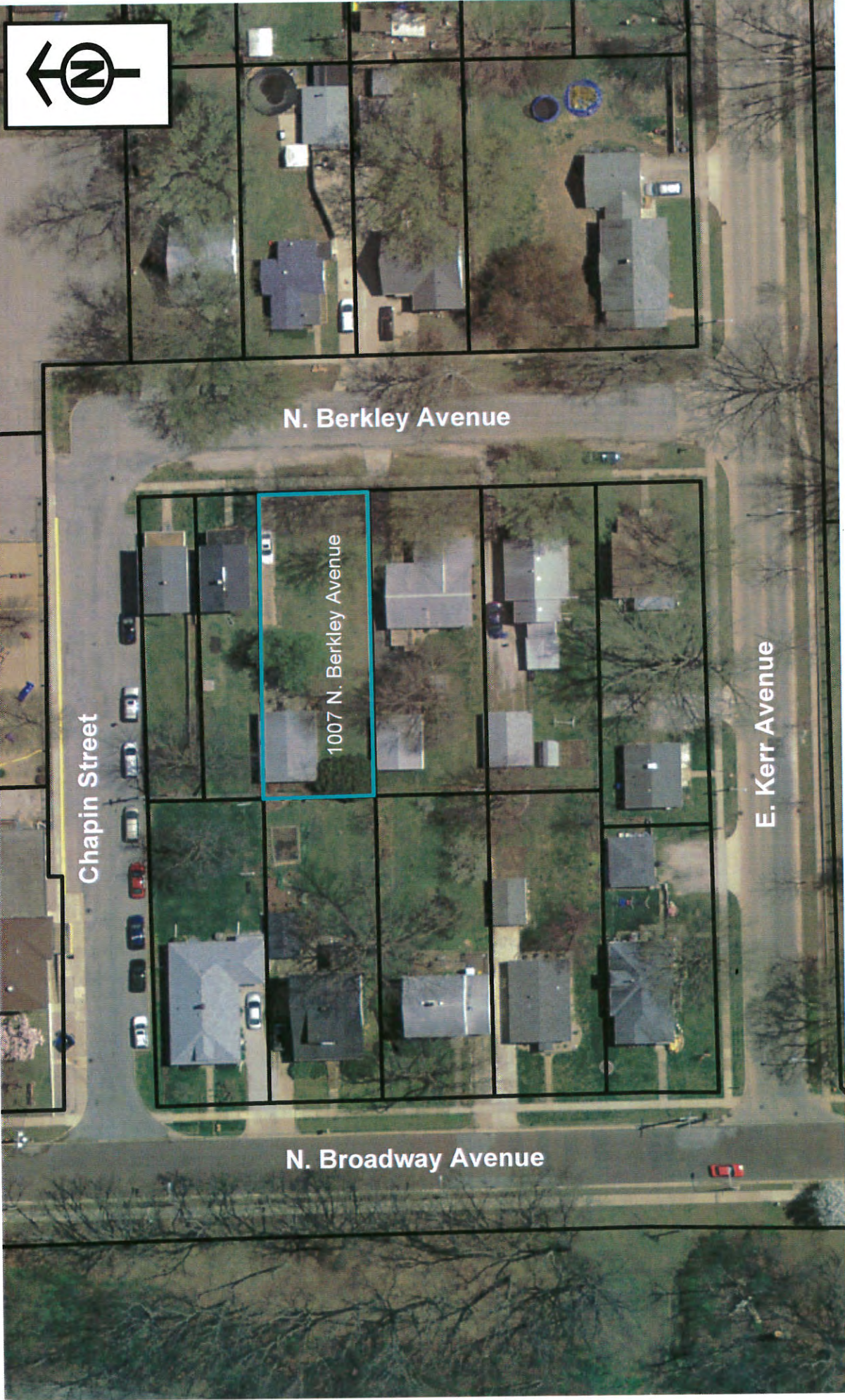
Approved as to form

Date

Deed Prepared By:

City Attorney's Office
City of Urbana
400 South Fine Street
Urbana, Illinois 61801

Return Deed, Send Tax Bill To:
Habitat for Humanity of
Champaign County
119 E. University Ave.
Champaign, Illinois 61820



Prepared 6/19/2013 by
Community Development Services - adk



Location Map

**1007 N. Berkley Avenue
Urbana, IL**



Location Map
810 E. Park Street
Urbana, IL



Prepared 6/19/2013 by
Community Development Services - adk



**UNAPPROVED
MINUTES
COMMUNITY DEVELOPMENT COMMISSION MEETING
Tuesday, June 25, 2013, City Council Chambers
400 South Vine Street, Urbana, IL 61801**

Call to Order: Chairperson Cobb called the meeting to order at 7:05 p.m.

Roll Call: Kelly Mierkowski called the roll. A quorum was present.

Commission Members Present: Fred Cobb, Janice Bengtson, Brad Roof, Anne Heinz Silvis, Lisabeth Searing, Jerry Moreland (arrived at 7:09pm), Chris Diana (arrived at 7:06pm)

Commission Members Excused: George Francis

Others Present: Kelly H. Mierkowski, Jennifer Gonzalez, and Jenell Hardy, Community Development Services; Sheila Dodd, Habitat for Humanity

Approval of Minutes: *Chairperson Cobb asked for approval or corrections to the March 26, 2013 minutes. Commissioner Diana moved to approve the minutes, and Commissioner Bengtson seconded the motion. The motion carried unanimously.*

Petitions and Communications: None.

Staff Report: Kelly Mierkowski, Grants Management Division Manager, provided a brief overview of the staff report provided to the Commissioners. She indicated that the grant amounts allocated for the 2013-2014 fiscal year increased CDBG slightly from the projected amounts in the Annual Action Plan and decreased the HOME grant for the coming year.

She mentioned the Federal Home Loan Bank of Chicago applications that staff is currently working on this week. One application is for rehabilitation and new construction of the City's Transitional Housing units, and the other is to augment the City's Urbana Dream Downpayment Assistance Program.

Ms. Mierkowski presented Commissioner Roof with a street sign and certificate of appreciation signed by the Mayor to recognize his two terms serving on the Commission.

Jenell Hardy provided an update on the Lanore/Adams Multi-Use Path project. She noted that it was previously an unofficial walking path used by residents that is being upgraded to be utilized as a formal pathway. The project is almost complete, with the exception of some minor landscaping that needs to be completed. Ms. Hardy also indicated that the streetlights are up and running in the neighborhood.

Commissioner Roof asked whether emergency vehicles could use the Multi-Use Path in the case of an emergency. Ms. Hardy indicated that this was not the intent of the original design, but that

in the case of an emergency the path is likely wide enough to allow an emergency vehicle to pass.

Old Business: Commissioner Roof requested an update on the means by which staff was now highlighting the Commission's opinion on any given vote presented to City Council. Ms. Mierkowski noted that staff is bolding the Commission's votes in the memos as requested.

Commissioner Diana inquired about the difference between the projected and actual grant amounts to be received for FY 2012-2013. Ms. Mierkowski went over the exact numbers. Commissioner Roof asked if the reductions would impact the timeliness of the grants and the calculations used. Ms. Mierkowski and Jen Gonzalez indicated that it should not impact staff's ability to commit and expend funds.

New Business:

A Resolution Certifying A Community Housing Development Organization for the Urbana HOME Consortium For FY 2012-2013 (Habitat for Humanity) – Ms. Gonzalez explained the changes at Habitat for Humanity of Champaign County (Habitat) and their subsidiary, Champaign County Neighborhood Alliance for Habitat (Neighborhood Alliance). Habitat for Humanity's board is currently in a position to be a CHDO, and they have 1/3 low-income participation on their board. This will simplify the process of working with them as a CHDO.

The FY 2011-2012 contract for four new, single-family units has been completed, and they are now working on their 2012-2013 contract to build four additional houses.

The requested funding amount, \$37,910.00, is approximately 50 percent of their construction cost. The remaining 50 percent is funded by a local church or other organization. The operating subsidy to be awarded is \$7,000 per project, as determined by the HOME Technical Committee. The HOME Technical Committee recommended the proposed funding amounts based on historical performance and past subsidy.

Commissioner Roof moved that the CD Commission forward the Resolution with a recommendation for approval to the Urbana City Council. The motion was seconded by Commissioner Heinz-Silvis. The motion carried unanimously.

An Ordinance Authorizing the Sale of Certain Real Estate (1007 North Berkley Avenue)

An Ordinance Authorizing the Sale of Certain Real Estate (810 East Park Street)

Ms. Gonzalez explained that the funding approved for Habitat in the previous agenda item was in coordination with the lot transfers presented to the Commission. Commissioner Roof asked about the structures in the pictures and if any demolition would be required. Ms Gonzalez explained that 810 E. Park St. had been previously demolished by Fannie Mae prior to the City acquiring it. She indicated that the photo used for the map of 1007 N Berkley was old, and that the structure had already been demolished as well.

A Ordinance Approving Modifications To The City of Urbana and Urbana HOME Consortium FY 2011-2012 ANNUAL ACTION PLAN (Transitional Housing Rental Rehab)

Ms. Gonzalez explained the brief history of the Transitional Housing Program. It was started in 1991 in conjunction with funding to rehabilitate three units prior to housing homeless families in transition. She noted that no additional federal funds have been used since the original projects were undertaken to do major repairs on the units. The units are due for standard repairs and replacements, such as a new roof, upgraded furnace, installation of central air, replacement of kitchen and bathroom amenities, and any code violations noted by the inspectors.

Ms. Gonzalez indicated that one of the units required significant repairs and that the City is applying to the Federal Home Loan Bank of Chicago to demolish and reconstruct the unit. The other two units can be brought up to the property maintenance code with standard single-family rehabilitation similar to the Whole House Rehabilitation program currently in operation for eligible owner-occupied properties. Because the repairs are necessary to prevent more serious repairs if the maintenance is deferred further, staff is recommending reducing the owner-occupied program in order to allow for two rental rehabilitation projects on the City's Transitional Housing units.

Commissioner Roof asked about the nature of the repairs. Ms. Hardy explained that central air conditioning would be put into the units, as well as other code related issues. Ms. Roof asked how repairs were being completed in the past. Ms. Hardy indicated that the CDBG funds were previously used to carry out minor repairs as needed. She noted that the funds were very limited, and that changes brought about by the HEARTH Act were requiring more stringent observation of local code enforcement in units that house homeless individuals and families. She further explained that, depending on the cost or extent of repairs being undertaken, some repairs do not require meeting today's code, while other larger and more substantial repairs kick in more stringent regulations.

Mr. Roof asked if the scope of the program was going to be changed at all to allow for a more self-sustaining model for repairs and other needs of the program. Ms. Hardy said that the program will likely not change because the major repairs proposed have a life-span of approximately twenty years, such as the new roofs. Jerry Moreland asked whether or not families were currently living in the units. Ms. Hardy went over the occupancy status of each unit, indicating that several families recently moved out and that one of the units was currently vacant. Mr. Moreland asked when the vacant unit was last rehabilitated, and staff estimated that substantial repairs were last completed approximately eight or nine years ago after a minor fire occurred at the unit.

Commissioner Roof moved to forward the Resolution with a recommendation for approval to the Urbana City Council. The motion was seconded by Commissioner Moreland. The motion carried unanimously.

A Resolution Approving A Supportive Housing Program Subrecipient Agreement Between The City of Urbana and The Center for Women in Transition

A Resolution Approving A Supportive Housing Program Subrecipient Agreement Between The City of Urbana and The Salvation Army

Ms. Hardy stated that dollars go to the Center for Women in Transition and the Salvation Army. The two organizations operate three programs. CWIT operates A Woman's Place and several homeless programs on Church Street in Champaign. The Salvation Army operates three (3) single-family units for families in Champaign for their transitional housing program. These agencies use the funds for operational expenses, supportive services and administration costs. This will be the 18th year that the City has administered the Supportive Housing Program.

Commissioner Cobb asked why the memo discusses the City's funds. Ms. Hardy indicated that the program requires us to set up a line of credit with the City to reimburse the organizations carrying out the program before requesting federal reimbursement from HUD. It is in the budget, but it is not part of the City's general funds.

Commissioner Diana noted that the line item for the \$5,135 goes to the City of Urbana for administrative activities, and as such the City budget is impacted. Ms. Hardy discussed the data collection the staff undertakes to submit to HUD. She indicated that each entity in the program may have to pay for licenses to participate in the data collection program. She noted that the budget accounts for the administration costs regardless of whether or not the funds are received.

Commissioner Diana moved that the Community Development Commission moved to forward the Resolution to the City Council with a recommendation for approval. The motion was seconded by Commissioner Heinz Silvis, and the motion passed unanimously.

Adjournment: Chairperson Cobb adjourned the meeting at 7:51 p.m.

Recorded by Jen Gonzalez, Grant Coordinator



UNAPPROVED