
DATE: Monday, March 10, 2025
TIME: 7:00 PM
PLACE: 400 South Vine Street, Urbana, IL 61801

AGENDA

- A. Call to Order and Roll Call
- B. Approval of Minutes of Previous Meeting
 - 1. 02-03-2025 Committee of the Whole Minutes
- C. Additions to the Agenda
- D. Presentation and Public Input
- E. Council Input and Communications
- F. Reports of Standing Committees
- G. Committee of the Whole (*Council Member Christopher Evans, Ward 2*)
 - 1. Consent Agenda
 - a. **Resolution No. 2025-03-018R:** A Resolution Authorizing the Execution of an Intergovernmental Agreement for Residential Electronics and Household Hazardous Waste Collection – PW
 - b. **Resolution No. 2025-03-019R:** A Resolution Certifying a Community Housing Development Organization for the Urbana HOME Consortium (Habitat for Humanity, PY 2025) – CD
 - c. **Resolution No. 2025-03-020R:** A Resolution Approving and Authorizing the Execution of an Urbana HOME Consortium Community Housing Development Organization Funding Agreement (Habitat for Humanity, PY 2025) – CD
 - 2. Regular Agenda
 - a. **Ordinance No. 2025-03-007:** An Ordinance Amending the Annual Budget Ordinance (Budget Amendment #6 – Omnibus) – HRF
 - b. **Ordinance No. 2025-03-008:** An Ordinance Providing for the Issuance of Not to Exceed \$9,000,000 General Obligation Bonds, Series 2025 – HRF
- H. Reports of Special Committees
- I. Reports of Officers

All City meetings are broadcast on Urbana Public Television and live-streamed on the web. Details on how to watch are found on the UPTV webpage located at <https://urbanaillinois.us/upty>

J. Adjournment

PUBLIC INPUT

The City of Urbana welcomes Public Input during open meetings of the City Council, the City Council's Committee of the Whole, City Boards and Commissions, and other City-sponsored meetings. Our goal is to foster respect for the meeting process, and respect for all people participating as members of the public body, city staff, and the general public. The City is required to conduct all business during public meetings. The presiding officer is responsible for conducting those meetings in an orderly and efficient manner. Public Input will be taken in the following ways:

Email Input

Public comments must be received prior to the closing of the meeting record (at the time of adjournment unless otherwise noted) at the following: citycouncil@urbanaininois.us. The subject line of the email must include the words "PUBLIC INPUT" and the meeting date. Your email will be sent to all City Council members, the Mayor, City Administrator, and City Clerk. Emailed public comments labeled as such will be incorporated into the public meeting record, with personal identifying information redacted. Copies of emails will be posted after the meeting minutes have been approved.

Written Input

Any member of the public may submit their comments addressed to the members of the public body in writing. If a person wishes their written comments to be included in the record of Public Input for the meeting, the writing should so state. Written comments must be received prior to the closing of the meeting record (at the time of adjournment unless otherwise noted).

Verbal Input

Protocol for Public Input is one of respect for the process of addressing the business of the City. Obscene or profane language, or other conduct that threatens to impede the orderly progress of the business conducted at the meeting is unacceptable.

Public comment shall be limited to no more than five (5) minutes per person. The Public Input portion of the meeting shall total no more than two (2) hours, unless otherwise shortened or extended by majority vote of the public body members present. The presiding officer or the city clerk or their designee, shall monitor each speaker's use of time and shall notify the speaker when the allotted time has expired. A person may participate and provide Public Input once during a meeting and may not cede time to another person, or split their time if Public Input is held at two (2) or more different times during a meeting. The presiding officer may give priority to those persons who indicate they wish to speak on an agenda item upon which a vote will be taken.

The presiding officer or public body members shall not enter into a dialogue with citizens. Questions from the public body members shall be for clarification purposes only. Public Input shall not be used as a time for problem solving or reacting to comments made but, rather, for hearing citizens for informational purposes only.

In order to maintain the efficient and orderly conduct and progress of the public meeting, the presiding officer of the meeting shall have the authority to raise a point of order and provide a verbal warning to a

speaker who engages in the conduct or behavior proscribed under “Verbal Input”. Any member of the public body participating in the meeting may also raise a point of order with the presiding officer and request that they provide a verbal warning to a speaker. If the speaker refuses to cease such conduct or behavior after being warned by the presiding officer, the presiding officer shall have the authority to mute the speaker’s microphone and/or video presence at the meeting. The presiding officer will inform the speaker that they may send the remainder of their remarks via e-mail to the public body for inclusion in the meeting record.

Accommodation

If an accommodation is needed to participate in a City meeting, please contact the City Clerk’s Office at least 48 hours in advance so that special arrangements can be made using one of the following methods:

- Phone: 217.384.2366
- Email: CityClerk@urbanillinois.us



City of Urbana
400 S. Vine Street, Urbana, IL 61801
www.urbanainillinois.us

MEMORANDUM TO THE MAYOR AND CITY COUNCIL

Meeting: March 3, 2025, Committee of the Whole
Subject: A Resolution Authorizing Execution of an Intergovernmental Agreement for Residential Electronics and Household Hazardous Waste Collection

Summary

Action Requested

Council is being asked to approve a Resolution authorizing an intergovernmental agreement (IGA) for 2025 household hazardous waste (HHW) and electronics collection events.

Brief Background

Since the early 2010s, the City of Urbana has partnered with Champaign County, the City of Champaign, and the Village of Savoy to conduct semi-annual electronics recycling collection events. In the past four years, the Illinois EPA has funded an annual household hazardous waste (HHW) event in Champaign County organized by the same municipal partners. The County has drafted an IGA for local partners to share event costs based on population. The City of Urbana's cost share would be 18.6% of total costs. Total shared costs include contractual collection costs for the electronics recycling contractor of up to \$23,000 per event, parking lot rental costs, traffic patrol services, room rental costs, golf cart costs, and miscellaneous costs (tent rentals due to inclement weather, food, porta-potties, supplies). These costs are outlined in "Section 1. Purpose" of the IGA.

These events are very popular public events. In Fall 2024 countywide residents recycled 103,445 pounds of electronic devices in that one-day event, with over 53% (55,318 pounds) of that total being TVs alone. In 2024, the HHW event recovered 64,240 pounds of material at the August event.

Relationship to City Services and Priorities

Impact on Core Services – None

Strategic Goals & Plans – None

Previous Council Actions

Comparable Resolutions and IGAs have been approved on multiple occasions by City Council to support these joint recycling efforts.

Discussion

Fiscal and Budget Impact

The City of Urbana's maximum share in 2025 for one HHW collection event would be \$799.80. The City of Urbana's maximum share in 2025 for the two electronics recycling events would be \$8,858.30 (\$4,429.15 per event). Refer to Table 4.1 in the attached IGA. These events are funded in the U-Cycle budget.

Community Impact

These special events provide affordable access for our community to recycle electronics and HHW, because there are limited options for recycling these items regionally.

Recommendation

Staff recommends that City Council approve the Resolution authorizing the IGA.

Next Steps

If Council approves the Resolution, staff will ensure that the IGA is executed, and staff will jointly coordinate, schedule, and hold these special recycling events.

Attachments

1. A Resolution Authorizing Execution of an Intergovernmental Agreement for Residential Electronics and Household Hazardous Waste Collection
2. An Intergovernmental Cost Sharing Agreement Between the County of Champaign, the City of Champaign, the City of Urbana, and the Village of Savoy for Residential Electronics Collections in 2025 and Illinois Environmental Protection Agency-Sponsored One-Day Household Hazardous Waste Collection in 2025

Originated by: Courtney Kwong, Recycling Coordinator

Reviewed: Scott Tess, Sustainability & Resilience Officer
Tim Cowan, Public Works Director

Approved: Carol Mitten, City Administrator

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING EXECUTION OF AN INTERGOVERNMENTAL AGREEMENT FOR RESIDENTIAL ELECTRONICS AND HOUSEHOLD HAZARDOUS WASTE COLLECTION

WHEREAS, the City of Urbana (hereinafter, the “City”) is an Illinois home rule unit of local government pursuant to Section 6 of Article VII of the Illinois Constitution of 1970 and the Statutes of the State of Illinois; and

WHEREAS (5 ILCS 220/) Intergovernmental Cooperation Act allows the City “to combine, transfer, or exercise any powers, functions, privileges, or authority which any of the public agencies entering into the contract is authorized by law to perform, provided that such contract shall be approved by the governing bodies of each party”; and

WHEREAS, the City Council, after due consideration, finds that the expeditious provision of collection services for electronics and household hazardous waste is best provided by intergovernmental agreement with other public agencies.

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

Section 1. That an Intergovernmental Agreement providing for collection of electronics and household hazardous wastes among the City of Urbana, City of Champaign, Village of Savoy, and Champaign County in substantially the form of the copy of said Agreement attached hereto and hereby incorporated by reference, be and the same is hereby authorized and approved.

Section 2. That the Mayor and the City Administrator of the City of Urbana, Illinois, be and the same are hereby authorized to execute and the City Clerk of the City of Urbana, Illinois, be and the same is hereby authorized to attest to said execution of said Intergovernmental Agreement.

PASSED BY THE CITY COUNCIL this _____ day of _____

AYES:

NAYS:

ABSTENTIONS:

Darcy E. Sandefur, City Clerk

APPROVED BY THE MAYOR this _____ day of _____

Diane Wolfe Marlin, Mayor

AN INTERGOVERNMENTAL COST SHARING AGREEMENT
 BETWEEN THE COUNTY OF CHAMPAIGN,
 THE CITY OF CHAMPAIGN, THE CITY OF URBANA, AND THE VILLAGE OF SAVOY
 FOR RESIDENTIAL ELECTRONICS COLLECTIONS IN 2025 AND
 ILLINOIS ENVIRONMENTAL PROTECTION AGENCY-SPONSORED ONE-DAY
 HOUSEHOLD HAZARDOUS WASTE COLLECTION IN 2025

THIS AGREEMENT is made and entered into by and between the County of Champaign and the following Illinois municipal corporations: the City of Champaign, the City of Urbana, and the Village of Savoy, effective on the last date signed by a party hereto. The foregoing entities will hereafter be noted as “the parties.”

WHEREAS, Section 10 of Article VII of the Illinois Constitution of 1970, and 5 ILCS 220/1, *et seq.* enable the parties to enter into agreements among themselves and provide authority for intergovernmental cooperation; and

WHEREAS, the parties find it to be most cost effective to mutually combine efforts and to share in the costs associated with Residential Electronics Collections to be held on May 16-17, 2025 and October 10-11, 2025 at Parkland College campus in Champaign, Illinois and costs associated with the Illinois Environmental Protection Agency (IEPA)-Sponsored One-Day Household Hazardous Waste Collection to be held on August 9, 2025 at the State Farm Center Southwest Parking Lot in Champaign, Illinois (hereinafter referred to as “events”). These costs include:

For the Residential Electronics Collection events:

- a) One-time flat-rate collection fee payment of up to \$23,000 per event to A-Team Recyclers due by the end of the day on the start date of each event;
- b) The cost of two golf carts at \$275 per two-days at each event.

For the Illinois Environmental Protection Agency-Sponsored One-Day Household Hazardous Waste Collection event:

- c) The event fee of \$2,500 for use of State Farm Center Southwest Parking Lot for two days at \$1,250 per day.
- d) The cost of traffic patrol services to be provided by one traffic patrol person, not expected to exceed \$800 for the event.
- e) The cost of approximately \$800 for rental of an overhead 10’x 10’ tent with sides for two days in the event of unsuitable weather conditions.
- f) The cost of one golf cart at \$200 per two days at the event.

WHEREAS, the cost contribution required of each party is provided in this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

Section 1. Purpose

- 1-1. This Agreement outlines a cost-sharing arrangement between the parties for the purpose of administering the events in 2025. Costs will include:

For the Residential Electronics Collection events:

- a. Payment of a one-time flat-rate collection fee payment of up to \$23,000 per event to A-Team Recyclers due by the end of the day on the start date of each event;
- b. Payment for rental of two golf carts at \$275 per two-days at each event;

For the IEPA-Sponsored One-Day Household Hazardous Waste Collection event:

- c. Payment of an event fee of \$2,500 to the State Farm Center, University of Illinois at Urbana-Champaign, for use of the State Farm Center Southwest Parking Lot for two days at \$1,250 per day;
- d. Payment for traffic patrol services to be provided by one traffic patrol person, not expected to exceed \$800 for the event;
- e. Payment of approximately \$800 for rental of an overhead 10'x 10' tent with sides for two days in the event of unsuitable weather conditions;
- f. Payment for one golf cart at \$200 per two days at the event; and

Section 2. Terms

- 2-1. The terms of this Agreement shall be from the date last signed by the parties until 60 days following the final event, unless amended by agreement of the parties.

Section 3. Responsibilities

- 3-1. The parties understand and agree that of the parties to this Agreement, only the County of Champaign shall enter into a contract with the A-Team Recyclers and with Parkland College for the Residential Electronics Collections and with the IEPA and with the State Farm Center for the IEPA-Sponsored One-Day Household Hazardous Waste Collection event. However, the County of Champaign shall be entering into said contract on behalf of the other parties as well, and Champaign County agrees that it shall not enter into said contract unless it specifically names the other parties to this agreement as third party beneficiaries of that contract. Champaign County shall obtain

approval of the form of said contract with the contact from each of the parties to this Agreement prior to executing said contract.

- 3-2. Each party is responsible for contributing its share of the total costs for the events under this Agreement, according to the percentages and up to the maximums specified in Section 4 (Cost-Sharing) of this Agreement.
- 3-3. Each party is also responsible for coordinating information requests from the other parties in a timely manner.

Section 4. Cost Sharing

4.1 The parties agree to share, according to the percentages shown in Table 4.1, total costs not to exceed the Maximum Total Cost shown for each event:

Table 4.1

| Event Date(s) | Champaign County Maximum Share (% of total) | City of Champaign Maximum Share (% of total) | City of Urbana Maximum Share (% of total) | Village of Savoy Maximum Share (% of total) | Maximum Total Cost |
|---------------------------------|---|--|---|---|--------------------|
| August 8-9, 2025 (HHW Event) | \$1,470.60 (34.2) | \$1,844.70 (42.9) | \$799.80 (18.6) | \$184.90 (4.3) | \$4,300 |
| May 16-17, 2025 (REC Event) | \$7,960.05 (34.2) | \$9,984.98 (42.9) | \$4,429.15 (18.6) | \$1,000.82 (4.3) | \$23,275 |
| October 10-11, 2025 (REC Event) | \$7,960.05 (34.2) | \$9,984.98 (42.9) | \$4,429.15 (18.6) | \$1,000.82 (4.3) | \$23,275 |

Section 5. Invoices and Payments

5.1 To facilitate payment for services described in Section 1.1 of this Agreement, following each event held and within 30 days of receipt of an invoice from the Champaign County Recycling Coordinator, each party agrees to provide its share of funds as shown in Table 4.1, payable to ‘Champaign County’ to the attention of Recycling Coordinator, Champaign County Department of Planning and Zoning, 1776 E. Washington Street, Urbana, IL 61802.

Section 6. Amendments.

This agreement may be amended only in writing signed by all parties.

Section 7. Survival of Provisions.

Any terms of this Agreement that by their nature extend after the end of the Agreement, whether by way of expiration or termination, will remain in effect until fulfilled.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date and year indicated herein.

CHAMPAIGN COUNTY

CITY OF CHAMPAIGN
An Illinois Municipal Corporation

By: _____

By: _____

Date: _____

Date: _____

ATTEST: _____

ATTEST: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

State's Attorney's Office

City Attorney

CITY OF URBANA
An Illinois Municipal Corporation

VILLAGE OF SAVOY
An Illinois Municipal Corporation

By: _____

By: _____

Date: _____

Date: _____

ATTEST: _____

ATTEST: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

City Attorney

Village Attorney



MEMORANDUM TO THE MAYOR AND CITY COUNCIL

Meeting: March 3, 2025, Committee of the Whole

Subject: A Resolution Certifying a Community Housing Development Organization for the Urbana HOME Consortium (Habitat for Humanity, PY 2025)

A Resolution Approving and Authorizing the Execution of an Urbana HOME Consortium Community Housing Development Organization Funding Agreement (Habitat for Humanity, PY 2025)

Summary

Action Requested

City Council is being asked to consider the two attached Resolutions. The first Resolution is for certification of Habitat for Humanity of Champaign County as a Community Housing Development Organization (CHDO) of the Urbana HOME Consortium. The second Resolution approves the execution of a CHDO funding agreement with Habitat for the construction of affordable housing.

Community Development Commission Recommendation

The Community Development Commission reviewed the proposal on [January 28, 2025](#), and voted unanimously to recommend approval to City Council.

Relationship to City Services and Priorities

Impact on Core Services

There will be no impact on core services as a result of approving these resolutions.

Strategic Goals & Plans

Approval of the proposed Resolutions is desirable and necessary to further the affordable housing goals as described in the [City of Urbana and Urbana HOME Consortium FY 2020-2024 Consolidated Plan](#). In addition, approval of the Resolutions furthers Mayor/Council Strategic Goal 2.2 (B) *Partner with developers to generate affordable rental and homeowner housing.*

Previous Council Actions

The Urbana City Council annually reviews and approves CHDO certification and funding agreements. Most recently, Council passed Resolution [2024-02-011R](#), A Resolution Certifying A Community Housing Development Organization for the Urbana HOME Consortium (Habitat CHDO Certification PY 2023) and Resolution [2024-02-007R](#), A Resolution Approving and

Authorizing the Execution of an Urbana HOME Consortium Community Housing Development Organization Agreement (Habitat CHDO Developer PY23).

Discussion

Brief Background

On an annual basis, the Urbana HOME Consortium (which consists of the City of Urbana, City of Champaign, and Champaign County) provides funding to certified Community Housing Development Organizations (CHDOs) for the creation of affordable rental and homeowner housing. The funding comes from the Consortium's annual allocation of HOME funds received from the U.S. Department of Housing and Urban Development (HUD).

As lead entity of the Urbana HOME Consortium, the City of Urbana is responsible for certifying CHDOs in Champaign County on an annual basis. In order to be certified as a CHDO and thus eligible to receive HOME funds, organizations must meet the certification requirements outlined in HUD Community Planning and Development Notice 97-11. Based on the assessment of staff, Habitat for Humanity has met the certification criteria in PY 2025 and is thus eligible to receive HOME funds for affordable housing development.

In PY 2025, Habitat for Humanity has requested \$150,000 in project development support and \$26,000 in operating support to construct four affordable housing units for homeownership. One project will take place in Urbana, and three projects will take place in Champaign. A summary of the projects, including the construction timeline, can be found in **Attachment 1**. Per HUD regulation, a minimum of 15 percent of the annual HOME allocation must be set aside for affordable housing development projects undertaken by certified CHDOs. HUD also requires that a maximum of five percent of the annual HOME allocation be set aside for CHDO operating expenses.

The units constructed with HOME funding are subject to a 10-year affordability period, during which time the units must be occupied by a low-income family. The affordability period will be enforced through the execution of a Land Use Restriction Agreement, which is included in the funding agreement as an attachment.

Fiscal and Budget Impact

CHDO funding is a set-aside from the annual allocation of HOME funding received from HUD and was included in the FY25 budget. Therefore, there will be no impact on the general fund as a result of approving these resolutions.

The provision of funds by the City to Habitat for Humanity is contingent upon the City's receipt of HOME funding from HUD. If HOME funds are discontinued or reduced by HUD for any reason, the City's payments to Habitat may cease or be reduced without advance notice, and the City will not be liable for any damages as a result of such discontinuance or reduction of grant funds.

Recommendation

City Council is asked to approve the two attached Resolutions.

Next Steps

If approved, staff will move forward with executing the CHDO funding agreement with Habitat for the construction of four affordable housing units. The projects will be complete by the summer of 2026.

Attachments

1. Project Summary
2. A Resolution Certifying a Community Housing Development Organization for the Urbana HOME Consortium (Habitat for Humanity, PY 2025)
3. A Resolution Approving and Authorizing the Execution of an Urbana HOME Consortium Community Housing Development Organization Funding Agreement (Habitat for Humanity, PY 2025)
4. Urbana HOME Consortium Community Housing Development Organization Funding Agreement (Habitat for Humanity, PY25)

Originated by: Breaden Belcher, Grants Division Manager

Reviewed: William Kolschowsky, Senior Management Analyst / Assistant to the City
Administrator

Approved: Carol Mitten, City Administrator

Attachment I
Project Summary

| Project Summary - Habitat for Humanity | | |
|--|------------------|-------------------|
| Project Address | Project Funding | Operating Funding |
| 912 Gregory, Urbana | \$37,500 | \$6,500 |
| 2005 Cypress, Champaign | \$37,500 | \$6,500 |
| 203 E. Hill, Champaign | \$37,500 | \$6,500 |
| 1432 Holly Hill, Champaign | \$37,500 | \$6,500 |
| Total: | \$150,000 | \$26,000 |

912 Gregory in Urbana is a vacant lot obtained from the City of Urbana through a blight reduction program. Habitat is building a house with community support. Construction will start in the Spring of 2025, and we anticipate completion in the Fall of 2025. A low-income family has selected the lot as their future home. We expect the family to move into the house in the late Fall of 2025 and close on the house in Winter of 2025.

2005 Cypress in Champaign is a vacant lot obtained from the City of Champaign in a lot disposition process. Habitat is building a house with community support. Construction will start in the Spring of 2025, and we expect construction to end in the Fall of 2025. A low-income family has selected this lot, and they will be moving in during the Fall of 2025. We expect to close on the house in the Winter of 2025.

203 E. Hill in Champaign is a vacant lot obtained from the City of Champaign in a lot disposition process. Construction will start in the Fall of 2025, and we anticipate completion in the Spring of 2026. A low-income family has selected the lot as their future home. We expect the family to move into the house in the late Spring of 2026 and close on the house in the Summer of 2026.

1432 Holly Hill Drive in Champaign is a vacant lot obtained from the City of Champaign in a lot disposition process. Construction will start in the Fall of 2025, and we anticipate completion in the Spring of 2026. A low-income family has selected the lot as their future home. We expect the family to move into the house in the late Spring of 2026 and close on the house in the Summer of 2026.

RESOLUTION NO. _____**A Resolution Certifying a Community Housing Development Organization for the Urbana HOME Consortium****(Habitat for Humanity, PY 2025)**

WHEREAS, the City of Urbana (“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 found and determined that certification of Habitat for Humanity of Champaign County as a Community Housing Development Organization for the Urbana HOME Consortium for PY 2025 is desirable and necessary to carry out one of the corporate purposes of the City of Urbana, to wit: implementation of Strategies and Objectives to Address the Affordable Housing Needs of Low and Moderate Income Households described in the *City of Urbana and Urbana HOME Consortium FY 2020-2024 Consolidated Plan*.

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

Section 1. That Habitat for Humanity of Champaign County (Habitat) be identified and certified as a Community Housing Development Organization (CHDO) for the Urbana HOME Consortium for the projects described in the Urbana HOME Consortium Community Housing Development Organization Funding Agreement and as such, be eligible to request specific HOME funds set aside for use by CHDOs, under regulations set forth by the U.S. Department of Housing and Urban Development.

Section 2. That said certification and the benefits afforded by it be in effect for the duration of the projects specified in the Urbana HOME Consortium Community Housing Development Organization Funding Agreement, or until such time that Council be informed of conditions necessitating a change in the status of Habitat as a CHDO.

PASSED BY THE CITY COUNCIL this _____ day of _____, _____.

AYES:

NAYS:

ABSTAINED:

Darcy E. Sandefur, City Clerk

APPROVED BY THE MAYOR this _____ day of _____, _____.

Diane Wolfe Marlin, Mayor

RESOLUTION NO. _____

A Resolution Approving and Authorizing the Execution of an Urbana HOME Consortium Community Housing Development Organization Funding Agreement

(Habitat for Humanity, PY 2025)

WHEREAS, the City of Urbana (“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 found and determined that execution of the attached Community Housing Development Organization agreement is desirable and necessary to carry out one of the corporate purposes of the City of Urbana, to wit: implementation of Strategies and Objectives to Address the Affordable Housing Needs of Low and Moderate Income Households described in the *City of Urbana and Urbana HOME Consortium (Champaign/Urbana/Champaign County) FY 2020-2024 Consolidated Plan*.

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

Section 1. That an Agreement providing \$150,000 in PY25 HOME CHDO project funds, and \$26,000 in PY25 HOME CHDO operating funds, for the creation of four (4) affordable single-family units, between the City of Urbana and Habitat for Humanity of Champaign County, in substantially the same form of the copy of said Agreement 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 Agreement 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:

ABSTAINED:

Darcy E. Sandefur, City Clerk

APPROVED BY THE MAYOR this ____ day of _____, _____.

Diane Wolfe Marlin, Mayor

URBANA HOME CONSORTIUM
COMMUNITY HOUSING DEVELOPMENT ORGANIZATION FUNDING
AGREEMENT

(Habitat for Humanity PY 2025)

THIS Community Housing Development Organization Agreement (hereinafter the “**AGREEMENT**”), for affordable housing development (hereinafter the “**PROJECT**”) is made and entered into by and between the CITY OF URBANA, an Illinois Municipal Corporation, acting as lead entity for the Urbana HOME Consortium (hereinafter the “**PARTICIPATING JURISDICTION, or PJ**”), and Habitat for Humanity of Champaign County, an Illinois Not-For-Profit Organization (hereinafter “**DEVELOPER**”) on February 17, 2025 (hereinafter the “**DATE**”).

WITNESSETH

WHEREAS, the City of Urbana, the City of Champaign, and Champaign County have been jointly designated as a Participating Jurisdiction by the U.S. Department of Housing and Urban Development (hereinafter “HUD”) for purposes of receiving HOME Investment Partnerships (hereinafter “HOME”) Program funds in the name of the Urbana HOME Consortium under provisions of Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended (42 U.S.C. 12701 *et seq.*) (hereinafter the “National Affordable Housing Act”); and

WHEREAS, the Urbana HOME Consortium, CFDA #14.239, has received HOME Program funds from HUD for the period beginning **July 1, 2024**, and ending **June 30, 2025** to increase affordable housing opportunities for low-income residents of Urbana, Champaign, and unincorporated Champaign County; and

WHEREAS, the Urbana City Council has adopted a Consolidated Plan for Program Years 2020-2024 (hereinafter the “Consolidated Plan”) and the City of Urbana and Urbana HOME Consortium Annual Action Plan FY 2024-2025 (hereinafter Annual Action Plan), which budgets Urbana HOME Consortium funds, including a fifteen percent set-aside for use by Community Housing Development Organizations (hereinafter “CHDOs”) to expand affordable housing opportunities at the neighborhood level, and a five percent set-aside for administrative and operational costs incurred by CHDOs in accordance with an Intergovernmental Agreement Concerning Administration of a Champaign/ Urbana/ Champaign County HOME Investment Partnerships Consortium executed by Mayor Tod Satterthwaite on behalf of the City on July 16, 2003 (hereinafter the “Intergovernmental Agreement”); and

WHEREAS, the PJ, as the administrator of a HOME Program, has authority under the provisions of the HOME Program to provide funding for the development of an affordable homeownership program, and for the provision of administration and operating assistance; and

WHEREAS, DEVELOPER has applied to the PJ for Urbana HOME Consortium funding for development and operating assistance in order to administer said PROGRAM; and

WHEREAS, the Consolidated Plan promotes expansion of homeownership opportunities and recommends that the Urbana HOME Consortium expand affordable homeownership/rental opportunities for low-income households; and

WHEREAS, DEVELOPER has fulfilled all HOME Program requirements necessary to be certified as a CHDO; and

WHEREAS, DEVELOPER desires to serve as a project developer the PROGRAM within the City of Champaign, the City of Urbana, and unincorporated Champaign County; and

WHEREAS, the PJ has determined that the PROGRAM is eligible for funding under the HOME Program; and

WHEREAS, the PJ has determined that the DEVELOPER has the ability to provide the required private matching funding to cover the cost of the PROGRAM; and

WHEREAS, the DEVELOPER has been fully informed regarding all requirements or obligations that must be met by DEVELOPER in order to utilize HOME Program funds for the PROGRAM, including but not limited to, the requirement that the assisted housing units must remain affordable to low-income households for a period of ten (10) or more years, in accordance with 24 CFR Part 92, Sections 203, 251-253; and

WHEREAS, the DEVELOPER, having been fully informed regarding the requirements of the HOME Program, is committed to starting the PROGRAM with the assistance of HOME Program funds on or before **April 1, 2025** and has made necessary arrangements to provide any required matching private contribution towards the cost of said PROGRAM.

NOW, THEREFORE, in consideration of the mutual covenants, promises and representations contained herein, the parties hereto agree as follows:

ARTICLE I: HOME REQUIREMENTS

Section 1: Commitment of HOME CHDO Funds

The PJ agrees to provide the DEVELOPER an amount not to exceed **\$150,000** in Project funds, and an amount not to exceed **\$26,000 (\$6,500 per unit)** in Operating funds from its federal HOME allocation from fiscal year 2024 – 2025. The DEVELOPER shall use the Funds in accordance with the HOME program guidelines outlined in 24 CFR Part 92 in carrying out the PROGRAM in the manner as described below:

Section 2: Use of HOME CHDO Project Funds

- a.) The CHDO Project funds provided to the DEVELOPER shall be used for development subsidy, down payment assistance to low- to moderate-income households, and for homeownership opportunities.

- b.) The DEVELOPER may only request HOME funds to be used for down payment assistance in combination with the development of a property wherein a development subsidy is being provided as part of an eligible CHDO project.
- c.) The DEVELOPER shall comply with the PROGRAM MANUAL prior to commitment of any work pursuant to this agreement. DEVELOPER shall provide PJ a copy of its PROGRAM MANUAL in accordance with the HOME Program regulations for approval by Urbana City staff. The DEVELOPER shall provide the PJ with the budget and financial projection for each home from the preliminary budget for the construction of each of house as provided in “Attachment 3” or in a similar document format as approved by the PJ.
- d.) The DEVELOPER shall own or purchase the real property for the Project in the following locations:
 - a. 912 Gregory, Urbana
 - b. 2005 Cypress, Champaign
 - c. 203 E Hill, Champaign
 - d. 1432 Holly Hill, Champaign
- e.) The DEVELOPER shall complete the Affordable Homeownership Program in accordance with the homebuyer contract provisions as described in the PROGRAM MANUAL approved by Consortium staff, by reference made a part hereof.
- f.) The DEVELOPER shall incorporate the sample documents for the PROGRAM as part of the PROGRAM MANUAL, which is to be submitted to Urbana City staff prior to commitment of funds.
- g.) The DEVELOPER shall complete the PROJECT within 4 years of funding commitment, or **March 1, 2029**.

Section 2: Use of CHDO Operating Funds

- a.) Specific uses of said funds are for administration and operating activities related to the continued operation and capacity building of the organization as shown in Exhibit 1.
- b.) DEVELOPER shall not request disbursement of HOME funds until HOME funds are needed to pay eligible costs related to the Operating Activities. The amount of any request for funds shall not exceed the amount needed and shall be supported by appropriate documentation (i.e., payroll documentation, receipts, invoices). The City shall make payment to DEVELOPER within fourteen (14) calendar days of receipt of a complete and acceptable request by the City. The City reserves the right to withhold disbursement of funds until appropriate documentation is submitted. All checks shall be made payable to DEVELOPER. All monies granted to DEVELOPER pursuant to this Agreement shall be expended by DEVELOPER by July 31, 2028.
- c.) DEVELOPER may expend funds per 24 CFR 92.208(a) and 24 CFR 92.300(f).

24 CFR 92.208(a): Up to 5 percent of a participating jurisdiction's fiscal year HOME allocation may be used for the operating expenses of community housing development organizations (CHDOs). These funds may not be used to pay operating expenses incurred by a CHDO acting as a subrecipient or contractor under the HOME Program. Operating

expenses means reasonable and necessary costs for the operation of the community housing development organization. Such costs include salaries, wages, and other employee compensation and benefits; employee education, training, and travel; rent; utilities; communication costs; taxes; insurance; equipment; materials and supplies. The requirements and limitations on the receipt of these funds by CHDOs are set forth in 92.300(f).

24 CFR 92.300(f): Limitation on community housing development organization operating funds. A community housing development organization may not receive HOME funding for any fiscal year in an amount that provides more than 50 percent or \$50,000, whichever is greater, of the community housing development organization's total operating expenses in that fiscal year. This also includes organizational support and housing education provided under section 233(b)(1), (2), and (6) of the Act, as well as funds for operating expenses provided under 92.208.

- d.) Equal Employment. DEVELOPER agrees that there shall be no discrimination against any person who is employed in carrying out the Operating Activities, or against any applicant for such employment, because of race, color, religion, sex, age, or national origin, or any other discrimination prohibited by Urbana law, including but not limited to employment, upgrading, demotion, or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. DEVELOPER further agrees to the following.
- i. It shall be bound by said equal opportunity clause with respect to its own employment practices during the duration of its participation with the City and HUD.
 - ii. It shall furnish the City and HUD with information as they may require for the supervision of such compliance and will otherwise assist the City and HUD in the discharge of primary responsibility for securing compliance.
 - iii. It shall carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the Secretary of Labor, the City, or HUD.
 - iv. It shall abide by the Urbana Human Rights Ordinance regarding equal employment.
- e.) DEVELOPER, its successors and assigns, agrees to fulfill the Operating Activities in accordance with HOME Program regulations promulgated at 24 CFR Part 92.
- f.) DEVELOPER acknowledges there is no match requirement for these HOME CHDO funds disbursed by the City.
- g.) DEVELOPER shall comply with the regulations, policies, guidelines, and requirements of 2 CFR Part 200 as they relate to the acceptance and use of Federal funds for the Operating Activities. DEVELOPER agrees to maintain financial records in accordance with applicable Federal guidelines as part of 2 CFR Part 200. DEVELOPER shall separately and accurately identify use of HOME funds pursuant to this Agreement.
- h.) DEVELOPER shall comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no person in the United States shall on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to

discrimination under any program or activity for which DEVELOPER receives Federal financial assistance.

Section 3: Affordability

The DEVELOPER shall comply with all income determinations and affordability requirements of the HOME Program as set forth in HUD Regulations 24 CFR 92.203 or 92.254, as applicable. The DEVELOPER shall determine each family's income eligibility by determining the family's annual income in accordance with the Part 5 (Section 8) methodology allowed in 24 CFR 92.203. The DEVELOPER is not required to re-examine the family's income at the time the HOME assistance is provided, unless more than six (6) months have elapsed since the DEVELOPER determined that the family qualified as income eligible.

The maximum purchase price shall not exceed **\$273,000**, which is 95% of the median purchase price of new housing for the metropolitan area as defined by the Single-Family Mortgage Limits under Section 203(b) of the National Housing Act. The project shall be single-family housing, which includes one (1) to four (4) family residence or condominium unit.

The HOME-assisted housing shall be the principal residence of the qualified income eligible homebuyer from the date of initial occupancy (loan closing for purchase of the property) and shall remain the principal residence of the family for a period of ten years from the date of project completion (the Affordability Period). For purposes of this AGREEMENT, project completion means that all necessary title transfer requirements to the DEVELOPER have been performed; construction has been completed; the project complies with the requirements of 24 CFR Part 92 (including the property standards under 24 CFR 92.251); the final drawdown has been disbursed for the project; the DEVELOPER has submitted all necessary demographic and financial information to the DEVELOPER in the form of the Activity Completion Report provided in "Attachment 5"; and the project completion information has been entered in the integrated disbursement and information system (IDIS) established by HUD.

The affordability requirements as listed in Section 24 CFR 92.254(a) (4) apply without regard to the term of any loan or mortgage or the transfer of ownership. The affordability requirements shall be imposed by deed restrictions, covenants running with the land or other mechanism approved by HUD, except that the affordability restrictions may terminate upon foreclosure or transfer in lieu of foreclosure. Said restrictions shall include that the PJ may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure or deed in lieu of foreclosure to preserve affordability.

Affordability Period

For allotted time period following project completion (hereinafter referred to "the Affordability Period"), the following restrictions shall apply.

The Affordability Period for the PROJECT is: 10 years

The DEVELOPER agrees to assist the PJ in restricting the use of the property by recording a Mortgage and Note (hereinafter the “DOCUMENTS”) in form and with the same content as that executed under even date herewith. DOCUMENTS shall be identical in substantial form as the forms in “Attachment 4” attached hereto and by reference made a part hereof.

In the event the housing does not continue to be the principal residence of the family for the duration of the Affordability Period, the PJ shall recapture a portion of the HOME Program assistance provided to the homebuyers in accordance with the terms and conditions provided in the loan agreement and note. The HOME Program funds provided under this AGREEMENT will be recaptured in accordance with 24 CFR 92.254(a)(5)(ii) and shall be repaid to the PJ, recorded as CONSORTIUM program income in accordance with 24 CFR 92.503, and used in accordance with the requirements of the HOME Program.

Should the DEVELOPER sell or transfer ownership of property assisted with HOME funds to a homeowner who does not meet the income eligibility of the HOME program, DEVELOPER shall reimburse the CONSORTIUM the amount of HOME funds disbursed on the project by the CONSORTIUM. The CONSORTIUM shall deposit said funds in the local HOME Trust Account to be utilized for other affordable housing activities at the discretion of the CONSORTIUM.

Section 4: HOME Project Requirements

Project Requirements:

The PJ shall provide HOME funds in accordance with 24 CFR 92.205(b) for eligible costs as described in 24 CFR 92.206 and 92.207. HOME Program funds will be disbursed on behalf of the DEVELOPER under the following terms and conditions.

HOME funds provided by the DEVELOPER to the eligible homebuyer as down payment assistance shall be in the form of a **Forgivable Loan** at 0% interest.

DEVELOPER shall comply with all HOME project requirements in subpart F of 24 CFR Part 92, including 92.250: Maximum per-unit subsidy amount and layering, which stipulates that the amount of HOME funds that a DEVELOPER may invest in affordable housing on a per-unit basis may not exceed the per-unit dollar limits established by HUD under Section 221.514(b)(1) and (c) of this title for elevator-type projects, involving nonprofit mortgagors, insured under Section 221(d)(3) of the National Housing Act that apply to the area in which the housing is located.

The PJ and DEVELOPER agree that the DOCUMENTS will be executed between the PJ and the HOMEBUYER at the initial purchase closing for any housing unit receiving funds under the PROGRAM pursuant to this AGREEMENT. The DOCUMENTS shall include language to ensure that the affordability period will be honored through the duration of this AGREEMENT and include provision for recapture of the HOME Program funds invested in the housing unit. PJ staff will prepare these DOCUMENTS, and the PJ will pay recording fees for the DOCUMENTS.

This period of affordability shall commence the date that all necessary project information is provided to HUD via HUD's Integrated Disbursement and Information System (IDIS). PJ agrees to enter all information provided into IDIS within 30 days of receipt. Should the PROJECT be modified after initial commencement date of the Affordability Period, a new Affordability Period may be re-structured.

The terms of the recapture provision will be such that they reflect the HUD provisions in the HOME Final Rule 24 CFR 92.254. Details of a recapture provision will be provided in the DOCUMENTS. Failure to ensure that the DOCUMENTS are executed at the initial purchase closing will result in withholding HOME Program funds until said item is addressed. DEVELOPER also agrees to reference these required DOCUMENTS in each of their PROGRAM Agreements with the Homebuyers.

List of Documents

The following documents are included as "Attachment 4- Affordable Homeownership Program Sample Documents," have been added to or made a part hereof by reference:

Mortgage
Note

Section 5: Property Standards

The DEVELOPER agrees that all housing purchased with HOME Funds shall meet the property standards, as established by the PJ, as well as all applicable State and local construction codes, rehabilitation standards, and zoning ordinances at the time of project completion.

DEVELOPER will provide homebuyers with a "walk-through" of the house and explain all maintenance concerns that are necessary to ensure the house remains in good repair and provide a bound document that includes information on all aspects of the home, including but not limited to architectural drawings, home warranty, appliance warranty, etc.

DEVELOPER agrees to conduct rehabilitation activities in compliance with the most recent version of the Urbana HOME Consortium Property Rehabilitation Standards. This document stipulates that, among other regulations, repairs made to owner-occupied structures as a part of a rehabilitation activity shall have a life expectancy of at least five (5) years with a goal life expectancy of fifteen (15) years.

Section 5: Other Program Requirements

- A. Financial Responsibility. The allocation of funds by the City pursuant to this Agreement shall in no way obligate the City for any financial responsibility incurred by the Project or Operating Activities in excess of the funding pledged herein.
- B. Affirmative Marketing of Vacant Units
DEVELOPER must adopt an affirmative marketing policy and procedure acceptable to HUD for homebuyers of newly renovated/constructed houses per 24 CFR 92.351.

Affirmative marketing steps consist of actions to provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, color, national origin, sex, religion, familial status or disability. The affirmative marketing requirements and procedures adopted must include:

1. Methods for informing the public, owners, and potential tenants about Federal fair housing laws and the CONSORTIUM's affirmative marketing policy.
2. Requirements and practices DEVELOPER must adhere to in order to carry out the affirmative marketing procedures and requirements.
3. Procedures to be used by DEVELOPER to inform and solicit applications from persons, in the housing market area, who are not likely to apply for the housing without special outreach.
4. Records that will be kept describing actions taken by DEVELOPER to affirmatively market units and records to assess the results of these actions.
5. A description of how the DEVELOPER will annually assess the success of affirmative marketing actions and what corrective actions will be taken where affirmative marketing requirements are not met.

C. Non-discrimination and Equal Opportunity

DEVELOPER agrees that there shall be no discrimination against any person who is employed in carrying out the PROGRAM, or against any applicant for such employment, because of race, color, religion, sex, age, or national origin, or any other discrimination prohibited by Federal, State, County or local laws, including but not limited to employment, upgrading, demotion, or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. DEVELOPER further agrees to the following:

1. It shall be bound by said equal opportunity clause with respect to its own employment practices during the duration of its participation with the PJ and HUD.
2. It shall furnish the PJ and HUD with information as they may require for the supervision of such compliance and will otherwise assist the PJ and HUD in the discharge of primary responsibility for securing compliance.
3. It shall carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the Secretary of Labor, the PJ, or HUD.
4. It shall abide by the Human Rights Ordinance as set forth in Chapter 12 of the Urbana Code of Ordinances.

D. Displacement, Relocation and Acquisition

If applicable, DEVELOPER agrees to assist the PJ to provide relocation assistance to persons temporarily relocated or permanently displaced at the levels described in and in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C.4201 to 4655) and 49 CFR, Part 24 and Section 104(d) of the Housing and Community Development Act, as applicable.

E. Labor and Contracting Requirements

PROJECT DEVELOPER and its contractors and subcontractors shall comply with the Davis-Bacon Act (40 U.S.C. 276a-276a-5) with regard to all its requirements including wage rates paid pursuant to or as a result of this AGREEMENT. Any contracts executed as a result of this AGREEMENT may also be subject to the overtime provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-332).

E. Disbarment & Suspension

The DEVELOPER certifies that it is not debarred or suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549. The DEVELOPER shall establish procedures to ensure they do not make any award to contractors or subcontractors at any tier in violation of the non-procurement debarment and suspension common rule. **The DEVELOPER shall verify and document that none of its contractors, or subcontractors are debarred, suspended or otherwise excluded from participation through the effective use of the List of Parties Excluded from Federal Procurement or Non procurement programs (“List”).** The DEVELOPER may request assistance from the PJ to access the List and document results.

F. Conflict of Interest

The DEVELOPER guarantees that no member of, or Delegate to, the Congress of the United States shall be admitted to any share or part of this contract or to any benefit to arise from the same. The DEVELOPER agrees that no members of the governing body of the locality in which the DEVELOPER is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the AGREEMENT during his/her tenure, or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the services performed under this AGREEMENT. Unless expressly permitted by U.S. Department and Housing and Urban Development (“HUD”), DEVELOPER agrees that no person who is an employee, agent, consultant, officer, or elected or appointed official of the DEVELOPER and who exercises or has exercised any functions or responsibilities with respect to activities assisted with HOME funds, or who is in a position to participate in a decision making process to gain inside information with regard to such HOME-assisted activities, may obtain a financial interest or benefit from the HOME-assisted activity, or have any interest in any contract, subcontract, or agreement with respect thereto, or the proceeds there under, either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure or for one (1) year thereafter. Unless expressly permitted by the PJ, no DEVELOPER, or officer, employee, agent or consultant of the DEVELOPER, may occupy a HOME-assisted affordable housing unit in a project.

G. Air and Water

The DEVELOPER agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

1. Clean Air Act, 42 U.S.C. 7401, *et seq.*;

2. Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, *et seq.*, as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder; Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

Section 6: Records and Reports

A. Records

DEVELOPER authorizes the PJ and HUD to conduct on-site reviews, examine personnel records, and to conduct any other procedure or practice necessary to assure compliance with this AGREEMENT and applicable HUD regulations. DEVELOPER will ensure that all documents related to this Project shall be kept for a period of five (5) years after project's affordability period has been completed (estimated at 2039). Records to be retained include but are not limited to timesheets; receipts and invoices for materials, supplies, and services; and documentation used to request re-imbusement of expenses.

DEVELOPER shall maintain such records and accounts, including program records, project records; financial records; program administration records; equal opportunity and fair housing records; affirmative marketing and MBE/WBE records; records demonstrating compliance with the income determination and requirements of 24 CFR 92.203; record keeping requirements of 24 CFR 92.508; records demonstrating compliance with the labor requirements of 24 CFR 92.354; records demonstrating compliance with the lead-based paint requirements of 24 CFR 92.355; records supporting exceptions to the conflict of interest prohibition pursuant to 24 CFR 92.356; debarment and suspension certifications required by 24 CFR parts 24 and 91; and any other records as are deemed necessary by the PJ to assure a proper accounting and monitoring of all HOME Funds. In the event the PJ determines that such records are not being adequately maintained by DEVELOPER, the PJ may cancel this AGREEMENT in accordance with Article I Section 7 and Article II herein.

With respect to all matters covered by this AGREEMENT, records will be made available for examination, audit, inspection or copying purposes at any time during normal business hours and as often as the PJ, HUD, representatives of the Comptroller General of the United States or other Federal agency may require. DEVELOPER will permit same to be examined and excerpts or transcriptions made or duplicated from such records, and audits made of all contracts, invoices, materials, records of personnel and of employment and other data relating to all matters covered by this AGREEMENT. The PJ'S right of inspection and audit shall obtain likewise with reference to any audits made by any other agency, whether local, State or Federal.

The DEVELOPER shall retain all records and supporting documentation applicable to this AGREEMENT for the most recent five (5) year period, except as provided below:

- (a) For homeownership housing projects, records shall be retained for ten (10) years after the project completion date, except for documents imposing recapture

provisions, which must be retained for five (5) years after the affordability period terminates.

- (b) Written agreements must be retained for five (5) years after the AGREEMENT terminates.
- (c) If any litigation, claim, negotiation, audit, monitoring, inspection or other action has been started before the expiration of the required record retention period, records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the required period, whichever is later.

B. Reports

The Developer must submit quarterly reports no more than ten (10) days after the end of each quarter. The following table lists the end of the quarter and the corresponding quarterly report due date:

| Quarter | Period | Due Date |
|---------|-------------------------|------------|
| 1st | January 1 – March 31 | April 10 |
| 2nd | April 1 – June 30 | July 10 |
| 3rd | July 1 – September 30 | October 10 |
| 4th | October 1 – December 31 | January 10 |
| 5th | January 1 – March 31 | April 10 |
| 6th | April 1 – June 30 | July 10 |
| 7th | July 1 – September 30 | October 10 |
| 8th | October 1 – December 31 | January 10 |

The quarterly reports shall be submitted by the DEVELOPER quarterly until the final house has been constructed and transferred to the homebuyer. A sample is attached as Exhibit G.

Section 7: Enforcing of Agreement

A default shall consist of any use of HOME Program funds for a purpose other than as authorized by this AGREEMENT, noncompliance with the HOME Program guidelines as outlined in 24 CFR Part 92, any material breach of the AGREEMENT, failure to timely comply with the audit requirements in Article XIII, failure to expend HOME Program funds in a timely manner, or a misrepresentation in the application submission which, if known by PJ and/or HUD, would have resulted in HOME Program funds not being provided. Upon due notice to the DEVELOPER of the occurrence of any such default and the provision of a reasonable opportunity to respond, the PJ may take one or more of the following actions:

- (a) Direct the DEVELOPER to prepare and follow a schedule of actions for carrying out the affected activities, consisting of schedules, timetables and milestones necessary to implement the affected activities.
- (b) Direct the DEVELOPER to establish and follow a management plan that assigns responsibilities for carrying out the remedial actions.

- (c) Cancel or revise activities likely to be affected by the performance deficiency, before expending HOME Program funds for the activities.
- (d) Reprogram HOME funds that have not yet been expended from affected activities to other eligible activities or withhold HOME Program funds;
- (e) Direct the DEVELOPER to reimburse the PJ's program accounts in any amount not used in accordance with the requirements of 24 CFR Part 92, et al;
- (f) Suspend disbursement of HOME Program funds for affected activities;
- (g) Other appropriate action including, but not limited to, any remedial action legally available, such as litigation seeking declaratory judgment, specific performance, damages, temporary or permanent injunctions, termination of the AGREEMENT and any other available remedies.

For purposes of this AGREEMENT, a reasonable opportunity to respond to any default shall be thirty (30) days from receipt by DEVELOPER of the PJ'S written notice of default. No delay or omission by PJ and/or HUD in exercising any right or remedy available to it under the AGREEMENT shall impair any such right or remedy or constitute a waiver or acquiescence in any DEVELOPER default.

Unless the DEVELOPER'S default is waived, the PJ may, upon twenty-four (24) hour written notice, terminate this AGREEMENT for said default. Waiver by the PJ of DEVELOPER'S default under this AGREEMENT shall not be deemed to be a waiver of any other default nor shall it be termination notice.

Notices required herein, shall be considered received by the DEVELOPER and the PJ if delivered in person, or when deposited in the U.S. Mail, postage prepaid certified mail, return receipt requested.

Section 8: Request for Disbursement of Funds

DEVELOPER shall not request disbursement of HOME Program funds until HOME Program funds are needed to pay eligible costs related to the PROGRAM. The amount of any request for funds shall not exceed the amount needed and shall be supported by appropriate documentation such as a sales contract, invoice, completed property maintenance inspection report, and performance-progress reports, and settlement statements from HOMEBUYER mortgage closings. The PJ shall make payment to DEVELOPER within fourteen (14) calendar days of receipt of a complete and acceptable request by the PJ. The PJ reserves the right to withhold disbursement of funds until appropriate documentation is submitted. All checks shall be made payable to "Habitat for Humanity of Champaign County". All monies granted to DEVELOPER pursuant to this AGREEMENT shall be expended by **December 31, 2026.**

Further, no payments shall be released to DEVELOPER prior to the PJ receiving environmental clearance from the Illinois Historic Preservation Agency stating no historical significance has been identified at the properties being developed with HOME Program funds and a flood plain map has been reviewed to prove the property is not located within a floodplain. PJ will be responsible for obtaining the necessary environmental clearance documentation.

Section 9: Duration of Agreement

This AGREEMENT shall be effective as of the date executed by the Mayor and attested by the City Clerk and shall remain in effect until the latest of the following dates or events: **ten (10) years after the closing date of the project in the federal Integrated Disbursement & Information System (IDIS), which is the date that a request to destroy confidential client information will be considered by the City of Urbana**; the date that any ongoing investigation is formally concluded in writing regarding the project described herein by the United States Department of Housing and Urban Development or any of its agents.

Section 10: Conditions for Religious Organizations

The DEVELOPER ensures that HOME Program funds shall not be provided to primarily religious organizations, such as churches, for any activity including secular activities. In addition, HOME Program funds shall not be used to rehabilitate or construct housing owned by primarily religious organizations or to assist primarily religious organizations in acquiring housing. However, HOME Program funds may be used by a secular entity to acquire housing from a primarily religious organization, and a primarily religious entity may transfer title to its property to a wholly secular entity and the entity may participate in the HOME Program in accordance with the requirements of this 24 CFR Part 92.257. The entity may be an existing or newly established entity, which may be an entity established by the religious organization. The completed housing project must be used exclusively by the owner entity for secular purposes, available to all persons regardless of religion. In particular, there must be no religious or membership criteria for tenants of the property.

Section 11: CHDO Provisions

CHDO has been certified by the CONSORTIUM and has been found to be in compliance with the composition of a CHDO under the HOME Requirements. The CHDO agrees to maintain their CHDO status for the duration of the AGREEMENT.

CHDO may retain any and all proceeds resulting from this HOME investment. Proceeds are to be used as specified under ARTICLE XIII of this AGREEMENT.

ARTICLE II: COMPLIANCE WITH VISITABILITY STANDARDS

Any residence constructed pursuant to this Agreement within the corporate limits of the City of Urbana and the City of Champaign shall incorporate applicable visitability for the jurisdiction in which the project is located.

ARTICLE III: FINANCIAL RESPONSIBILITY

The allocation of funds by the PJ pursuant to this AGREEMENT shall in no way obligate the PJ for any financial responsibility incurred by the PROGRAM in excess of the funding pledged herein. The PJ reserves the right to withhold pledged funds if the PJ is not satisfied with the

DEVELOPER'S compliance with the terms and conditions of performance outlined in this AGREEMENT.

ARTICLE IV: CERTIFICATIONS

DEVELOPER represents the following with respect to this AGREEMENT.

- A. DEVELOPER possesses legal authority to receive HOME Program funds from the PJ and to execute the PROGRAM as described herein.
- B. The governing body of DEVELOPER has duly adopted or passed as an official act a resolution, motion, or similar action authorizing execution of this AGREEMENT including all understandings and assurances contained herein and directing and designating the authorized representative of DEVELOPER to act in connection with this AGREEMENT and to provide such additional information as may be required.
- C. DEVELOPER, its successors and assigns, agrees to develop and operate the PROJECT in accordance with HOME Program regulations promulgated at 24 CFR Part 92 and with applicable building codes.
- D. DEVELOPER, its successors and assigns, agrees to comply with Section 3 of the Fair Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u), hereinafter referred to as "Section 3", which provides that, to the greatest extent feasible, opportunities for training and employment that arise through the PROGRAM shall be given to low-income residents of the Cities of Champaign, Urbana or Unincorporated Champaign County and that contracts in connection with the PROGRAM be awarded to business concerns located in or owned in substantial part by persons residing in the Cities of Champaign, Urbana or Unincorporated Champaign County. DEVELOPER agrees to comply with provisions of said Section 3 and the regulations as issued pursuant thereto by the Secretary of HUD set forth in 24 CFR Part 135, and all applicable rules and orders of HUD issued there under. DEVELOPER certifies and agrees that it is under no contractual or other disability that would prevent DEVELOPER from complying with these requirements. DEVELOPER'S responsibility to comply with Section 3 regulations includes the following:
 - 1. Including in each subcontract in excess of \$100,000 a requirement that the subcontractor comply with Section 3.
 - 2. Sending each labor organization or representative of workers with which DEVELOPER has a collective bargaining agreement or other understanding a notice of the DEVELOPER commitment under Section 3.
 - 3. Posting copies of the notice in conspicuous places at work sites where both employees and applicants for employment positions can see the notice.

4. Refraining from allowing a subcontractor to postpone filling any vacant employment and training positions after the subcontractor is selected but before the contract with the subcontractor is executed for the purpose of circumventing obligations under Section 3.
 5. Refraining from entering into any contract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of Section 3 regulations.
 6. Directing efforts to award covered contracts to Section 3 business concerns in order of priority.
 7. Directing efforts to employ and train Section 3 residents in the order of priority.
 8. Documenting actions taken to comply with Section 3 requirements.
 9. Submitting required Section 3 reports.
- E. DEVELOPER agrees to give maximum feasible priority to very low-income persons when administering the PROGRAM described herein.
- F. DEVELOPER acknowledges it shall match HOME Program funds disbursed by the PJ and pursuant to this AGREEMENT in the amount of \$37,500 in non-federal funds as defined in 24 CFR Part 92.220.
- G. DEVELOPER shall comply with the regulations, policies, guidelines, and requirements of federal management circulars as they relate to the acceptance and use of Federal funds for the PROGRAM. DEVELOPER agrees to maintain financial records in accordance with applicable Federal guidelines; these include but are not limited to, the regulations stipulated at 2 CFR 200 and further elaborated upon in Attachment 9.
- H. DEVELOPER shall comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no person in the United States shall on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which DEVELOPER receives federal financial assistance.
- I. DEVELOPER shall comply with Executive Order 11246, and all regulations issued pursuant thereto, which provide that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in all phases of employment during the performance of federal or federally assisted contracts. Such contractors and subcontractors shall take affirmative action to ensure fair treatment in employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation and selection for training and apprenticeship.
- J. DEVELOPER shall establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a

desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.

- K. No Federal appropriated funds have been paid or will be paid, by or on behalf of DEVELOPER, to any person for influencing or attempting to influence an officer or employee of any agency including the PJ, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

If any funds other than Federal appropriated funds have been paid, or will be paid to any person for influencing or attempting to influence an officer or employee of any agency including the PJ, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, DEVELOPER will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

- L. DEVELOPER shall give HUD and the Comptroller General through any authorized representative access to and the right to examine all records, books, papers, or documents related to the PROGRAM.
- M. DEVELOPER shall at all times observe and comply with all laws, ordinances, or regulations of Federal, State, and local governments which may in any manner affect the performance of this AGREEMENT. DEVELOPER shall be liable to perform all acts to the PJ in the same manner as the PJ performs these functions to the Federal government.
- N. DEVELOPER shall be responsible for any and all claims, costs, causes, actions, and expenses, including, but not limited to, attorneys' fees incurred by reason of a law suit or claim for compensation arising in favor of any person, including the employees, officers, independent contractors, subcontractors, or agents of DEVELOPER, on account of personal injuries or death, or damages to property occurring, growing out of, incident to, or resulting under this PROGRAM, whether such loss, damage, injury, or liability is contributed to by the negligence of the PJ or its officers, employees, or agents, or by the premises themselves or any equipment thereon whether latent or patent, or from other causes whatsoever, except that DEVELOPER shall have no liability for damages or the costs incident thereto caused by the sole negligence of the PJ, or its officers, employees, or agents.
- O. DEVELOPER shall have full control of the ways and means of performing the services referred to herein. DEVELOPER acknowledges and agrees that its

employees, representatives, subcontractors, and agents may in no respect be considered employees of the PJ.

- P. DEVELOPER agrees that, to the greatest extent feasible, all construction-related expenditures made for the PROGRAM shall be made to City of Champaign, Urbana and Unincorporated Champaign County firms or individuals.

ARTICLE V: PROHIBITION AGAINST LOBBYING

PROJECT SPONSOR acknowledges that no funds disbursed pursuant to this Agreement shall be used to finance lobbying activities. Furthermore, PROJECT SPONSOR acknowledges that no PROJECT SPONSOR employee funded in whole or part pursuant to this Agreement shall engage in lobbying activities at any time during the term of this Agreement. For purposes of this Agreement the term “lobbying activities” shall include the following.

- A. Any activity related to the election or appointment of an individual to public office, including, but not limited to, contributions to campaign funds, solicitation in an attempt to influence the outcome of an election for public office, and preparation and dissemination of campaign materials
- B. Sponsorship of candidate forums
- C. Sponsorship of voter registration drives
- D. Provision of transportation to polling places
- E. Contributing financially to elected or appointed public officials in an attempt to influence legislation
- F. Hiring an individual or individuals to represent an organization and/or its position before elected or appointed public officials.

ARTICLE VI: NOTICES

Notices and communications under this AGREEMENT shall be sent first class, prepaid to the respective parties as follows.

| | |
|------------|---|
| TO THE PJ: | City of Urbana Grants Division Attn: Manager 400 South Vine Street Urbana, Illinois 61801 |
|------------|---|

TO THE DEVELOPER: Habitat for Humanity of Champaign County
 Attn: Executive Director
 1914 Glenn Park Dr
 Champaign, IL 61821

ARTICLE VII: CONTINGENCIES

This AGREEMENT, including the provision of funds by the PJ for the PROJECT as described herein, is contingent upon the PJ'S receipt of HOME Investment Partnerships Program funds from the Department of Housing and Urban Development. If the CHDO project and/or operating funds are discontinued or reduced by HUD for any reason, the PJ's payments to the DEVELOPER may cease or be reduced without advance notice to the DEVELOPER, and the PJ will not be liable for any damages as a result of such discontinuance or reduction of grant funds. This AGREEMENT is also contingent upon signing of the PJ and the DEVELOPER.

ARTICLE VIII: ASSIGNMENT

DEVELOPER shall not assign this AGREEMENT, nor any part thereof, without prior written approval of the PJ.

ARTICLE IX: MODIFICATION

No modification of this AGREEMENT, including modification of the PROGRAM budget in "Attachment 3", shall be effective unless in writing and executed by the parties hereto.

ARTICLE X: EXECUTION OF AGREEMENT

This AGREEMENT shall be binding upon the PJ and DEVELOPER, their successors and assigns, and shall be effective as of the date executed by the Mayor of Urbana and attested by the City Clerk.

ARTICLE XI: PROJECT PUBLICITY

Any news release or other type of publicity pertaining to the work performed pursuant to this AGREEMENT must recognize PJ as a project partner, funded by HUD.

ARTICLE XII: MONITORING AND EVALUATING

The PJ shall be responsible for monitoring and/or evaluating all aspects of the services provided by DEVELOPER under this AGREEMENT. The PJ shall have access to and be able to make copies and transcriptions of such records as may be necessary in the determination of the PJ or HUD to accomplish this monitoring and/or evaluation. In order to properly monitor or evaluate the DEVELOPER'S performance under this AGREEMENT, the PJ shall make on-site inspections annually or as often as it deems necessary. Failure by the DEVELOPER to assist the PJ in this effort, including allowing the PJ to conduct the on-site inspections and have access to the DEVELOPER'S records, shall result in the imposition of sanctions as specified in Article I Section 7 herein.

Said evaluation may be accomplished by the PJ through a management evaluation of the services provided under this AGREEMENT during the term of this AGREEMENT.

During the period of affordability, the PJ shall perform on-site inspections to ensure units are the principal residence of the homebuyers and they are maintained to minimum property standards as determined by the code requirements as adopted by the local jurisdiction the Project is located in.

ARTICLE XIII: PROGRAM INCOME

DEVELOPER shall retain any proceeds from the sale of the property in the form of principal and interest on any mortgage issued through the sale, late payment fees, or any other income earned as a result of this PROJECT. Proceeds earned shall be used for expenses related to the furthering of affordable housing in the form of hard and soft costs associated with housing construction, provision of educational services related to homeownership, and operating expenses associated with carrying out affordable housing activities, which includes, but is not limited to: staff salaries, rent and utilities, taxes, marketing, etc. Furthermore, affordable housing initiatives undertaken with the support of proceeds from this PROJECT need not conform to the HOME regulations found at 24 CFR Part 92.

ARTICLE XIV: INDEMNIFICATION

DEVELOPER shall to the fullest extent allowed by law defend, hold harmless and indemnify the PJ from and against any and all liability, injury, loss, claims, damages, costs, attorneys' fees and expenses of whatever kind or nature which the PJ may sustain, suffer or incur or be required to pay by reason of:

- A. The loss of any monies paid to DEVELOPER.
- B. Fraud, defalcation or dishonesty on the part of any person representing, employed by, contracted or subcontracted by DEVELOPER.
- C. Any act, omission, wrongdoing, misconduct, want of care or skill, negligence or default on the part of DEVELOPER or any of its contractors, subcontractors, sub-subcontractors, materialmen, suppliers and laborers in the execution or performance of this AGREEMENT; or

The indemnity hereunder shall survive termination of the AGREEMENT. In the event that any action, suit or proceeding is brought against the PJ upon any liability arising out of the AGREEMENT, or any other matter indemnified against, the PJ at once shall give notice in writing thereof to DEVELOPER by registered or certified mail addressed to DEVELOPER. Upon receipt of such notice, DEVELOPER, at its own expense, shall defend against such action and take all such steps as may be necessary or proper to prevent the obtaining of a judgment against the PJ.

[Signatures on following page]

PJ:

**HABITAT FOR HUMANITY OF
CHAMPAIGN COUNTY:**

Diane Wolfe Marlin, Mayor

Signature

Date

Date

Attest

Section 12. Exhibits

- Exhibit A CHDO Operating Budget
- Exhibit B CHDO Project Budget/ Financial Projections per Property
- Exhibit C Project Schedule
- Exhibit D Certification of Federal Assistance
- Exhibit E Notice (the State of Illinois Prevailing Wage Act)
- Exhibit F Affordable Homeownership Program Packet (Mortgage, Note, Land Use Restriction Agreement)
- Exhibit G Quarterly Report Form
- Exhibit H Disclosure to Report Lobbying Activity
- Exhibit I MBE/WBE Report
- Exhibit J Statement of Special Conditions and Compliance with Uniform Administrative Requirements

Exhibit A
CHDO Operating Budget

Eligible Operating Expenses:

- Salaries, wages, benefits, and other employee compensation.
- Employee education, training, and travel.
- Rent and utilities.
- Communication costs.
- Taxes and insurance.
- Equipment, materials, and supplies.

CHDO Operating Budget:

| Eligible Expense: | Amount: |
|-----------------------------|-----------------|
| Wages & salaries | \$26,000 |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| Total: | \$26,000 |

Exhibit B
CHDO Project Budget

Item c.

*PRO FORMA -
SOURCES AND USES OF FUNDS*

HABITAT AFFORDABLE
HOMEOWNERSHIP PROGRAM

2005 Cypress

SOURCES OF FUNDS - Development & Mortgage Financing

SUBSIDIES

| | |
|---|----------|
| Habitat Fund for Humanity HOME CHDO Developer Subsidy | \$25,000 |
| Homebuyer Downpayment | \$37,500 |
| Private Donations | \$4,000 |
| In Kind Donations | \$15,000 |
| HACC Down Payment Assistance (IHDA & FHLB) | \$13,500 |
| Homebuyer Mortgage Payments 5 years | \$60,000 |
| | \$30,000 |
| | \$20,000 |

SOURCES OF FUNDS

\$205,000

USES OF FUNDS

| | |
|------------------|-----------------|
| Property | \$10,000 |
| Maintenance | \$2,000 |
| | \$12,000 |
| | |
| LAND DEVELOPMENT | |
| Site Prep | \$30,000 |
| Sanitary Sewer | \$2,500 |
| Site Improvement | \$7,700 |
| Storage Shed | \$0 |
| Landscaping | \$6,500 |
| | \$46,700 |

PROFESSIONAL FEES

| | |
|------------------------|---------|
| Architect | \$2,500 |
| Engineering and Survey | 0 |
| Developer Fee | \$0 |
| Legal Fees | \$1,800 |
| Appraisal | 0 |
| Permits | \$500 |
| | \$2,000 |
| | 0 |

\$6,800

CONSTRUCTION

| | |
|---------------|-----------|
| Buildings | \$137,500 |
| Change Orders | \$0 |

FINANCING

| | |
|--------------------------|---------|
| Construction Loan Fees | \$0 |
| Closing Costs for Seller | \$2,000 |
| | 0 |

\$2,000

\$137,500

PRO FORMA

-

SOURCES AND USES OF FUNDS

HABITAT AFFORDABLE
HOMEOWNERSHIP PROGRAM

912 N
Gregory

SOURCES OF FUNDS - Development & Mortgage Financing

SUBSIDIES

| | | |
|---------------------------------------|----------|----------|
| Habitat Fund for Humanity | \$25,000 | |
| HOME CHDO Developer Subsidy | \$37,500 | |
| Homebuyer Downpayment | \$4,000 | \$20,000 |
| Private Donations | \$8,500 | |
| In Kind Donations | \$60,000 | |
| Kulas Foundation | | |
| Down Payment Assistance (IHDA & FHLB) | \$30,000 | |
| Homebuyer Mortgage Payments 5 years | \$20,000 | |

SOURCES OF FUNDS

\$205,000

USES OF FUNDS

| | | |
|---------------------------------|---------|-----------------|
| Property | \$2,000 | \$10,000 |
| Maintenance | 0 | |
| | | \$12,000 |
| LAND DEVELOPMENT | | \$30,000 |
| Site Prep | \$2,500 | |
| Sanitary Sewer Site Improvement | \$7,700 | |
| Storage Shed | \$0 | |
| Landscaping | \$6,500 | |
| | | \$46,700 |

PROFESSIONAL FEES

| | |
|------------------------|----------------|
| | \$2,500 |
| Architect | 0 |
| Engineering and Survey | \$0 |
| Developer Fee | \$0 |
| Legal Fees | \$1,800 |
| Appraisal | 0 |
| Permits | \$500 |
| | \$2,000 |
| | 0 |
| | \$6,800 |

CONSTRUCTION

| | |
|---------------|-----------|
| | \$137,500 |
| Buildings | 0 |
| Change Orders | \$0 |

FINANCING

| | |
|--------------------------|----------------|
| Construction Loan Fees | \$0 |
| Closing Costs for Seller | \$2,000 |
| | 0 |
| | \$2,000 |

\$137,500

PRO FORMA -
SOURCES AND USES OF FUNDS

HABITAT AFFORDABLE
HOMEOWNERSHIP PROGRAM

203 E Hill

SOURCES OF FUNDS - Development & Mortgage Financing

SUBSIDIES

| | |
|---------------------------------------|----------|
| Habitat Fund for Humanity | \$25,000 |
| HOME CHDO Developer Subsidy | \$37,500 |
| Homebuyer Downpayment | \$4,000 |
| Private Donations | \$23,500 |
| In Kind Donations England Foundation | \$5,000 |
| Down Payment Assistance (IHDA & FHLB) | \$60,000 |
| Homebuyer Mortgage Payments 5 years | \$30,000 |
| | \$20,000 |

SOURCES OF FUNDS

\$205,000

USES OF FUNDS

| | |
|-------------|----------|
| Property | \$10,000 |
| Maintenance | \$2,000 |

\$12,000

LAND DEVELOPMENT

| | |
|------------------|----------|
| Site Prep | \$30,000 |
| Sanitary Sewer | \$2,500 |
| Site Improvement | \$7,700 |
| Storage Shed | \$0 |
| Landscaping | \$6,500 |

\$46,700

CONSTRUCTION

| | |
|---------------|-----------|
| Buildings | \$137,500 |
| Change Orders | \$0 |

\$137,500

PROFESSIONAL FEES

| | |
|------------------------|---------|
| Architect | \$2,500 |
| Engineering and Survey | \$0 |
| Developer Fee | \$0 |
| Legal Fees | \$1,800 |
| Appraisal | \$0 |
| Permits | \$500 |
| | \$2,000 |

\$6,800

FINANCING

| | |
|--------------------------|---------|
| Construction Loan Fees | \$0 |
| Closing Costs for Seller | \$2,000 |
| | \$0 |

\$2,000

PRO FORMA -
SOURCES AND USES OF FUNDS

HABITAT AFFORDABLE
HOMEOWNERSHIP PROGRAM

1432 Holly
Hill

SOURCES OF FUNDS - Development & Mortgage Financing

SUBSIDIES

| | |
|---------------------------------------|----------|
| Habitat Fund for Humanity | \$25,000 |
| HOME CHDO Developer Subsidy | \$37,500 |
| Homebuyer Downpayment | \$4,000 |
| Private Donations | \$15,000 |
| In Kind Donations | \$13,500 |
| Yahoo Foundation | \$30,000 |
| U of I Student Chapter | \$30,000 |
| Down Payment Assistance (IHDA & FHLB) | \$30,000 |
| Homebuyer Mortgage Payments 5 years | \$20,000 |

SOURCES OF FUNDS

\$205,000
0

USES OF FUNDS

| | |
|-------------|----------|
| Property | \$10,000 |
| Maintenance | \$2,000 |

\$12,000

LAND DEVELOPMENT

| | |
|------------------|----------|
| Site Prep | \$30,000 |
| Sanitary Sewer | \$2,500 |
| Site Improvement | \$7,700 |
| Storage Shed | \$0 |
| Landscaping | \$6,500 |

\$46,700

CONSTRUCTION

| | |
|---------------|-----------|
| Buildings | \$137,500 |
| Change Orders | \$0 |

\$137,500

PROFESSIONAL FEES

| | |
|------------------------|---------|
| Architect | \$2,500 |
| Engineering and Survey | 0 |
| Developer Fee | \$0 |
| Legal Fees | \$1,800 |
| Appraisal | 0 |
| Permits | \$500 |
| | \$2,000 |
| | 0 |

\$6,800

FINANCING

| | |
|--------------------------|---------|
| Construction Loan Fees | \$0 |
| Closing Costs for Seller | \$2,000 |
| | 0 |

\$2,000

Exhibit C
Project Schedule

912 Gregory

| TASK NAME | START DATE | END DATE | COMMENTS |
|----------------|-------------|-------------|----------|
| Construction | Spring 2025 | Fall 2025 | |
| Family move in | | Fall 2025 | |
| Closing | | Winter 2025 | |
| | | | |
| | | | |

2005 Cypress

| TASK NAME | START DATE | END DATE | COMMENTS |
|----------------|-------------|-------------|----------|
| Construction | Spring 2025 | Fall 2025 | |
| Family move in | | Fall 2025 | |
| Closing | | Winter 2025 | |
| | | | |
| | | | |

203 E Hill

| TASK NAME | START DATE | END DATE | COMMENTS |
|----------------|------------|-------------|----------|
| Construction | Fall 2025 | Spring 2026 | |
| Family move in | | Spring 2026 | |
| Closing | | Summer 2026 | |
| | | | |
| | | | |

1432 Holly Hill

| TASK NAME | START DATE | END DATE | COMMENTS |
|----------------|------------|-------------|----------|
| Construction | Fall 2025 | Spring 2026 | |
| Family move in | | Spring 2026 | |
| Closing | | Summer 2026 | |
| | | | |
| | | | |

Exhibit D

Urbana HOME Consortium
Certification of Federal Assistance



Rev. 9/11/2024

Project name/address: _____

Project type: _____

The Urbana HOME Consortium Subrecipient/Developer/CHDO certifies that:
(Select one of the following)

At the time of application for HOME funds, the above-named project is supported with other federal funds:

Amount: _____ Source: _____

Amount: _____ Source: _____

Amount: _____ Source: _____

**Additional items should be added as an attachment.*

At the time of application for HOME funds, the above-named project is not supported with any other federal funds. **Should the applicant seek other federal funds in the future, the Urbana HOME Consortium will be notified promptly of the sources and uses of the funds.**

Signature of Authorized Official

Title

Date

Exhibit E
State of Illinois Prevailing Wage Act

Notice

The Illinois State Prevailing Wage Act (820 ILCS 130/0.01 et seq.) provides in part as follows: "Not less than the general prevailing rate of hourly wages for work of a similar character on public works in the locality in which the work is performed, and not less than the general prevailing rate of hourly wages for a legal, holiday and overtime work, shall be paid to all laborers, workers and mechanics employed by or on behalf of any public body engaged in the construction of public works." (820 ILCS 130/3, quoted in part).

The Act defines a public body as follows: "'Public body' means the state or any officer, board or commissioner of the state or any political subdivision or department thereof, or any institution supported in whole or part by public funds, authorized by law to construct public works . . ." (820 ILCS 130/2, quoted in part).

The Department of Labor has recently applied this provision to a not-for-profit corporation, indicating that it was the opinion of the Department that the not-for-profit, because of its State funding, was considered a public body for the purposes of the Prevailing Wage Act. You are encouraged to contact the Department of Labor for its guidance with respect to whether or not it considers your organization a "public body" under the Act for the purposes of the Prevailing Wage Act. If the Prevailing Wage Act applies, you are required to compensate all workers on the project, including volunteers, for work done on the project.

Since, by the terms of this agreement you are required to follow all local, State and Federal laws, if the State Prevailing Wage Act is applicable to your organization, then you are required to comply with the Act by the terms of this contract."

DEVELOPER: DEVELOPER

Signed by: _____

Title: _____ Date: _____

Exhibit F
Affordable Homeownership Program Packet
(Mortgage, Note, Land Use Restriction Agreement)

URBANA HOME CONSORTIUM
HOME BUYER ASSISTANCE
DEVELOPER Affordable Homeownership Program

MORTGAGE

THIS MORTGAGE (“Mortgage”) is given on < Date,
, by <Borrower Name> (the “Borrower”) to the City of Urbana, Illinois, a unit of local government having its principal offices at 400 South Vine Street, Urbana, Illinois 61801, acting as the lead entity for the Urbana HOME Consortium (the “PJ”). Borrower conditionally owes the PJ a maximum amount of and no /100 [\$ _____]. This debt is evidenced by Borrower’s promissory note (the “Note”) dated the same date as this Mortgage, a copy of which is attached hereto as Exhibit “A”, which provides for a ten year (10) term, hereinafter referred to as the “Affordability Period,” commencing on the date that this activity is marked as “Complete” on the U.S. Department of Housing and Urban Development’s Integrated Disbursement and Information System.

This Mortgage secures to the PJ: (a) all repayment of the debt evidenced by the Note, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums advanced by the PJ pursuant to paragraph 7 of this Mortgage to protect the security of this Mortgage; and (c) the performance of Borrower’s covenants and agreements under this Mortgage and the Note.

For these purposes, Borrower hereby mortgages, grants and conveys to the PJ, its successors and assigns, the real property described as:

- Legal Description:** <INSERT FULL LEGAL DESCRIPTION>;
- Common address:** < INSERT FULL ADDRESS HERE > ;
- PIN:** < PARCEL IDENTIFICATION NUMBER >;

located in the County of Champaign, State of Illinois, together with (a) all the improvements now or hereafter erected on the property and all easements, rights and appurtenances thereto; (b) all leases and licenses with respect to the property; (c) all rents, royalties and profits thereof; and (d) all fixtures and equipment now or hereafter in or on the property. All replacements and additions shall also be covered by this Mortgage. The real property referenced above and all of the other property subject to this mortgage is hereinafter referred to collectively in this Mortgage as the “Property”.

Borrower covenants that Borrower is the lawful owner of the Property conveyed by this Mortgage and has the full right and power to mortgage, grant and convey the Property and that the Property is unencumbered, except for the encumbrances of record described in Exhibit “B”

hereto acceptable to the PJ (the “Permitted Encumbrances”). Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any Permitted Encumbrances.

Borrower covenants to the PJ as follows:

1. **Payment Under the Note.** Borrower agrees to promptly pay when due any amounts required to be paid by the Note.
2. **Application of Payments.** Unless applicable law provides otherwise, all payments received by the PJ under paragraph 1 will be applied to principal due under the Note.
3. **Charges and Liens.** Borrower will pay all taxes, assessments, charges and fines attributable to the Property which may attain priority over this Mortgage. Borrower will pay these obligations on time directly to the person to whom payment is owed.

Borrower will promptly discharge any lien which may attain priority over this Mortgage unless Borrower: (a) agrees in writing to pay the obligation secured by the lien in a manner acceptable to the PJ; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which, in the PJ’s opinion, operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to the PJ subordinating the lien to this Mortgage. If the PJ determines that any part of the Property is subject to a lien which may attain priority over this Mortgage, the PJ may give Borrower a notice identifying the lien. Borrower will satisfy the lien or take one or more of the actions set forth above within ten (10) days of the PJ’s giving of such notice.

4. **Hazard Insurance.** Borrower will keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term “extended coverage”, and any other hazards for which the PJ requires insurance. All policies of insurance hereunder will be from such companies and in such form and amounts as may be satisfactory to the PJ, will name the PJ as a loss payee and will include a provision requiring 30 days advance written notice to the PJ prior to the termination or modification of such policy.

All insurance policies and renewals must be acceptable to the PJ and must include a standard mortgage clause. The PJ may hold the policies and renewals and, if the PJ requires, Borrower will promptly give to the PJ all receipts of paid premiums and renewal notices. Upon the occurrence of a loss covered by insurance, Borrower will give prompt notice to the insurance carrier and the PJ. The PJ may make proof of loss if not made promptly by Borrower.

Insurance proceeds will be applied to restoration or repair of the Property damaged if the PJ determines that the restoration or repair is economically feasible and the PJ’s security is not lessened by such restoration or repair. In such event, the PJ has the right to collect and hold the insurance proceeds and make the proceeds available to Borrower from time to time for the payment of the cost and expense of repair and restoration upon receipt of satisfactory evidence that such cost or expense has been incurred. If the PJ determines that the restoration or repair is not economically feasible or the PJ’s security would be lessened, the insurance proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property or does not answer within 30 days a notice from the PJ that the insurance carrier has offered to settle a claim, then the PJ may settle the claim with the insurance carrier and

collect the insurance proceeds from the insurance carrier and may use the proceeds to repair or restore the Property or to pay sums secured by this Mortgage, whether or not then due.

If under paragraph 19 the Property is acquired by the PJ, Borrower's right to any insurance policies and all insurance proceeds resulting from damage to the Property prior to the PJ's acquisition shall pass to the PJ to the extent of the sums secured by this Mortgage immediately prior to such acquisition.

5. **Preservation and Maintenance of Property.** Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate, or commit waste. Borrower shall cause the Property to comply with all local codes, ordinances, zoning ordinances, the Model Energy Code and the United States Department of Housing and Urban Development's ("HUD") Section 8 Housing Quality Standards, as set forth in Section 370.601 of the Rules.

6. **Occupancy and Resale Restrictions.** Borrower covenants that during the Affordability Period, the property shall be occupied and maintained as the principal residence of the Borrower.

Any sale or use of the Property for a purpose other than the principal residence of the Borrower within the Affordability Period, shall be considered a default of this agreement, and shall initiate repayment of the loan as required by the Note.

In the event of a foreclosure or deed in lieu of foreclosure relating to any other loan encumbering the Property, the PJ shall have the right, but not the obligation, to acquire the Property prior to such foreclosure or deed in lieu of foreclosure to preserve the foregoing affordability provisions as provided in 24 CFR Part 92.254 (a)(4) of the Regulations.

7. **Protection of the PJ's Rights in the Property: Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Mortgage or there is a legal proceeding that might significantly affect the PJ's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then the PJ may do and pay for whatever is necessary to protect the value of the Property and the PJ's rights in the Property. The PJ's actions may include paying any sums secured by a lien which has priority over this Mortgage, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although the PJ may take action under this paragraph 7, the PJ does not have to do so. Any amount disbursed by the PJ under this paragraph 7 shall become additional debt of Borrower secured by this Mortgage.

8. **Inspection.** The PJ or its agents may make reasonable entries upon and inspections of the Property. The PJ shall give Borrower notice prior to the time of an inspection specifying reasonable cause for the inspection.

9. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property or for conveyance in lieu of condemnation are hereby assigned and shall be paid to the PJ and shall be applied to the sums secured by this Mortgage as if the Note had been prepaid on the date the condemnation award is approved, whether or not then due, with any excess paid to Borrower. If the Property is abandoned by Borrower or if, after notice by the PJ to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to the PJ within 30

days after the date the notice is given, the PJ is authorized to accept such award or settlement and to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Mortgage, whether or not then due.

10. **Borrower Not Released; Forbearance Not a Waiver.** Extension of the time for payment or modification of payment of the sums secured by this Mortgage granted by the PJ to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower’ successors in interest. The PJ shall not be required to commence proceedings against any successor in interest and may refuse to extend time for payment or otherwise modify payment of the sums secured by this Mortgage by reason of any demand made by the original Borrower or Borrower’ successors in interest. Any forbearance by the PJ in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

11. **Successors and Assigns Bound.** The covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of the PJ and Borrower and shall be covenants running with, binding and burdening the Property, subject to the provisions of paragraphs 17 and 21.

12. **Loan Charges.** If the loan secured by this Mortgage is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. The PJ may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note. Notwithstanding anything to the contrary set forth in this paragraph 12, no interest or prepayment charge is payable under the Note.

13. **Legislation Affecting the PJ’s Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Mortgage unenforceable according to its terms, the PJ, at its option, may require immediate payment in full of all sums secured by this Mortgage and may invoke any remedies permitted by paragraph 19. If the PJ exercises this option, the PJ shall take the steps specified in paragraph 19.

14. **Notices.** Any notices, demand, request or other communication that any party may desire or may be required to give to any other party hereunder shall be given in writing at the addresses set forth below by any of the following means: (a) overnight courier; or (b) registered or certified United States mail, postage prepaid, return receipt requested.

The Borrower:

<Borrower name>
<Address >
<Contact Number>

The PJ:

Urbana HOME Consortium
C/O City of Urbana – Administrative Agent
ATTN: Grants Management Division Manager
400 S. Vine Street
Urbana, IL 61801
217-384-2447

Such addresses may be changed by notice to the other party given in the same manner as herein provided. Any notice, demand, request or other communication sent pursuant to subsection (a) shall be served and effective one (1) business day after deposit with the overnight courier. Any notice, demand, request or other communication sent pursuant to subsection (b) shall be served and effective three (3) business days after proper deposit with the United States Postal Service.

15. **Governing Law; Severability.** This Mortgage shall be governed by the laws of the State of Illinois (without giving effect to Illinois choice of law principles). In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or Note, as the case may be, which can be given effect without the conflicting provision. To this end, the provisions of this Mortgage and the Note are declared to be severable.

16. **Borrower's Copy.** Borrower shall be given one conformed copy of the Note and this Mortgage.

17. **Transfer of the Property or a Beneficial Interest in Borrower.** In the event of (a) a default by Borrower, beyond any applicable cure period, of its obligations under the Note or this Mortgage, or (b) a sale, conveyance or other transfer of the Property for consideration, excluding, however, if Borrower are individuals, any sale, conveyance or transfer to a spouse upon a dissolution of marriage, or to a surviving spouse upon the death of a Borrower, then Borrower shall repay to the PJ the Loan, or such portion of the Loan as may be due and payable under the terms of the Note.

Upon the occurrence of either of the foregoing events, the PJ shall give Borrower notice of acceleration. This notice shall provide a period of not less than 30 days from the date the notice is given within which Borrower must pay all sums required by this paragraph 17. If Borrower fails to pay these sums prior to the expiration of this period, the PJ may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

18. **Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower will have the right to have enforcement of this Mortgage discontinued at any time prior to the earlier of: (a) five (5) days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Mortgage; or (b) entry of a judgment enforcing this Mortgage. Those conditions are that Borrower: (w) pays the PJ all sums which then would be due under this Mortgage and the Note had no acceleration occurred; (x) cures any default of any other covenants or agreements; (y) pays all expenses incurred in enforcing this Mortgage, including, but not limited to, reasonable attorneys' fees; and (z) takes such action as the PJ may reasonably require to assure that the lien of this Mortgage, the PJ's rights in the Property and Borrower's obligations to pay the sums secured by this Mortgage shall continue unchanged. Upon reinstatement by Borrower, this Mortgage and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17.

19. **Acceleration; Remedies.** Prior to any acceleration of the amounts owed to the PJ under the Note or this Mortgage (other than an acceleration under paragraphs 13 and 17 unless applicable law provides otherwise) the PJ shall give notice to Borrower following Borrower's breach of any covenant or agreement in this Mortgage (the "Default"). The notice shall specify: (a)

the Default; (b) the action required to cure the Default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the Default must be cured; and (d) that failure to cure the Default on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert, in the foreclosure proceeding, the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the Default is not cured on or before the date specified in the notice, the PJ at its option may require immediate payment in full of all sums secured by this Mortgage without further demand and may foreclose this Mortgage by judicial proceeding. The PJ shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorneys' fees and costs of title evidence, and such sums shall be immediately due and payable and shall be secured by this Mortgage. Upon any sale of the Property made by virtue of judicial proceedings or a decree of foreclosure and sale, the PJ may bid for and acquire the Property and in lieu of paying cash therefore may make settlement for the purchase price by crediting upon Borrower' indebtedness secured by this Mortgage, the sale price, after first deducting from the sale price the expenses of the sale and the cost of the foreclosure. The proceeds of any foreclosure sale of the Property shall be distributed and applied in the following order of priority: first, on account of all costs and expenses of the foreclosure proceedings; second, to repayment of the indebtedness of Borrower secured by this Mortgage; and third, any excess to Borrower, its successors and assigns.

20. **Possession.** Upon acceleration under paragraph 19 or abandonment of the Property and at any time prior to the expiration of any period of redemption following judicial sale, the PJ (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by the PJ or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage.

21. **Release.** Upon the expiration of the Affordability Period, the PJ shall release this Mortgage without charge to Borrower. Borrower shall pay any recordation costs.

22. **Waiver of Homestead.** Borrower waives all right of Homestead Exemption in the Property, as described in 735 ILCS 5/12-901. The Borrower reserves the right, however, to seek a reduced assessment based on Homestead under 30 ILCS 200/16-80.

23. **Filing and Recording Fees.** Borrower shall pay all title insurance premiums, escrow charges, filing, registration or recording fees, and all expenses incident to the execution and acknowledgement of this Mortgage and all federal, state, county and municipal taxes and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution, delivery and performance of this Mortgage.

By signing below, Borrower accepts and agrees to be bound by the terms and covenants in this Mortgage.

Borrower – < Name >

Approved:

City of Urbana, IL

DEVELOPER

STATE OF ILLINOIS)
) ss.
COUNTY OF CHAMPAIGN)

I, the undersigned, a Notary Public in and for said county and state, do hereby certify that ≤ Borrower Name
≥ personally known to me to be the same person(s) whose name(s) is/are subscribed to the foregoing instrument,
appeared before me this day in person, and acknowledged that they signed and delivered the said instrument as their
free and voluntary act for the uses and purposes therein set forth.

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

Notary Public

EXHIBIT “A” (to mortgage)

PROMISSORY NOTE

U.S. \$ _____

FOR VALUE RECEIVED, the undersigned, <Borrower Name >, (“Borrower”) covenants and promise(s) to pay to the order of the City of Urbana (the “Payee”), a unit of local government, the principal sum of _____ and 00/100 Dollars (\$ _____), with interest in the amount of zero percent (0%) (“HOME Investment”).

If, during the Affordability Period, as defined in the Mortgage, the subject property is sold, then the City shall receive a portion of the Deferred Loan (as herein below as outlined) from the Net Proceeds. The portion of Deferred Loan received by the City from the Net Proceeds is based upon the proration of the remaining years of the HOME Affordability Period at the time of a sale, conveyance or other transfer of the Residence, excluding those Permitted Transfers described in clause ii. The table below describes the portion of the Deferred Loan the City will receive from the Net Proceeds.

| | | | | | |
|---------------------------|--|---|---|---|---|
| Sale occurs within: | 1 st Year of 10 Year Period | 2 nd Year of 10 Year Period | 3 rd Year of 10 Year Period | 4 th Year of 10 Year Period | 5 th Year of 10 Year Period |
| Portion of Grant Received | 90% (Max Amount to be recaptured: \$xxx) | 80% (Max. Amount to be Recaptured: \$xxx) | 70% (Max. Amount to be Recaptured: \$xxx) | 60% (Max. Amount to be Recaptured: \$xxx) | 50% (Max. Amount to be Recaptured: \$xxx) |

| | | | | | |
|---------------------------|--|---|---|---|--|
| Sale occurs within: | 6 th Year of 10 Year Period | 7 th Year of 10 Year Period | 8 th Year of 10 Year Period | 9 th Year of 10 Year Period | Year of 10 Year Period |
| Portion of Grant Received | 40% (Max Amount to be recaptured: \$xxx) | 30% (Max. Amount to be Recaptured: \$xxx) | 20% (Max. Amount to be Recaptured: \$xxx) | 10% (Max. Amount to be Recaptured: \$xxx) | 0% (Max. Amount to be Recaptured: \$xxx) |

For the purposes of this Note, the net proceeds are defined as the sale price minus:

- (a) (Sale in other than foreclosure proceeding) the amount of the loan repayment, other than the HOME Investment, the verified cost of any capital improvements made by the Borrower since purchase and reasonable closing costs, or
- (b) (Sale in foreclosure proceeding) the amount stated to be “surplus funds” as indicated in the “Report of Sale” filed with the Court.

The amount due shall not exceed the total amount of the original HOME investment. The period from the date of this Promissory Note to the date that is ten (10) years after the date of the execution of the sales contract for the property between Buyer and DEVELOPER which is referred to herein as the “Affordability Period”. This note will be forgiven in its full amount upon expiration of the Affordability Period.

Notary Public

EXHIBIT “B” (to mortgage)

PERMITTED ENCUMBRANCES:

First mortgage in the amount of \$ <Amount of First Mortgage> with < Insert Name of First Mortgage Holder>.

Prepared by and return to:

City of Urbana -Grants Division
Attn: Manager
400 South Vine Street
Urbana, Illinois 61801
(217) 384-2447

Land Use Restriction Agreement

This instrument was prepared by:

City of Urbana, Grants Management Division
400 S. Vine Street
Urbana, IL 61801

After recording, return to:

City of Urbana, Division 400 S. Vine Street
Urbana, IL 61801

Attn: Breaden Belcher, Manager

REGULATORY AND LAND USE RESTRICTION AGREEMENT

This Regulatory and Land Use Restriction Agreement (“Regulatory Agreement”) is made between [DEVELOPER] an Illinois limited partnership (“Borrower”), and the City of Urbana, an Illinois municipal corporation (“City”), each a “party” and together the “parties,” and is effective on the last date signed by a party hereto.

Background

The Congress of the United States has enacted the Cranston-Gonzalez National Affordable Housing Act of 1990, 42 U.S.C. 12701, *et seq.*, which created the HOME Investment Partnerships Act (the “HOME Act”) to provide funds to state and local governments for affordable housing assistance that is most appropriate for local needs. The HOME Investment Partnerships Program (“HOME Program”), 24 CFR Part 92, implements the Act. The City is a Participating Jurisdiction under the Act and receives HOME Program funds.

The City has agreed to make a loan to the Borrower in the original, principal amount of \$ _____ (“Loan”), to be used for the eligible costs associated with the construction of an affordable housing development with ____ total units on the Borrower’s real property (the “Real Estate”) legally described in Exhibit A.

The Borrower has executed and delivered to City its promissory note (“Note”) as evidence of its indebtedness to City in the principal amount of the Loan or so much thereof as may hereafter be advanced upon the Loan to the Borrower by the City, payable at the time and in the manner as specified in the Note.

The Loan is evidenced, secured and governed by, among other things: (a) the Note; (b) the Mortgage of even date herewith executed by Borrower and recorded on in the Champaign County Recorder’s Office (“Mortgage”); (c) the Rental Housing Developer Agreement entered into by the Borrower and the City dated as of even date herewith (“Project Agreement”), such agreement being on file at the offices of the City; and (d) this Regulatory Agreement. The Regulatory Agreement, the Project Agreement, the Note, the Mortgage, and all other documents executed by

Borrower which evidence, govern or secure the Loan are each referred to as a “Loan Document” and collectively referred to as the “Loan Documents.”

As an inducement to City to make the Loan, the Borrower has agreed to enter into this Regulatory Agreement in accordance with the terms, conditions, and covenants set forth below, consents to be regulated and restricted by City as herein provided, and has agreed to certain rental restrictions as provided for in the HOME Act and the regulations promulgated thereunder and codified at 24 CFR Part 92 as the same may be amended and supplemented from time to time, and as applicable (the “Regulations”).

Therefore, the parties agree as follows.

1. Regulatory Compliance. The Borrower’s acts regarding the Real Estate and the improvements now or hereinafter located thereon (together referred to as the “Project”) at all times shall be in conformance with the HOME Act and the Regulations and any additional rules, regulations, policies and procedures of the City promulgated under the HOME Act, all as the same may be amended and supplemented from time to time. The Borrower shall obtain all federal, state, and local governmental approvals required by law for the Project (as defined in the Project Agreement). The Borrower shall cause the Project to comply with all local codes, ordinances, zoning ordinances, and the United States Department of Housing and Urban Development’s (“HUD”) Section 8 Housing Quality Standards, as set forth in 24 CFR Part 982.

2. Occupancy and Rental Restrictions. The Borrower further represents, warrants, covenants, and agrees that:

- A. [Number of units] will be subject to the HOME regulations as Low HOME Rent units. A total of fifteen (X) units will be reserved for families at thirty percent (30%) of AMI; twenty-one (X) will be reserved for those at fifty percent (50%) of AMI; twenty-four (X) will be reserved for those at sixty percent (60%) of AMI; and one will be a manager-occupied unit.
- B. In the advertising, marketing, rental of the City HOME Units, and the selection of tenants for the Project, the Borrower shall abide by the terms and conditions of the Tenant Selection Plan executed by the Borrower and approved by the City, the Affirmative Fair Housing Marketing Plan executed by the Borrower and approved by the City, the Project Agreement (as such documents may be amended from time to time with the prior written consent of the City), the HOME Act, the Regulations, and all applicable ordinances, regulations, rules, procedures and requirements of the City.
- C. The Borrower shall not, in the selection of tenants, in the provision of services, or in any other manner unlawfully discriminate against any person on the grounds of race, color, creed, religion, sex, unfavorable military discharge, ancestry, disability, national origin, marital status, familial status, or because the prospective tenant is receiving governmental rental assistance. The Borrower shall comply with all of the provisions of Paragraph 13 of the Illinois Housing Development Act (20 ILCS 3805/13), as amended, Sections 92.350 and 92.351 of the Regulations (24 C.F.R. §§ 92.350 and 351, as amended) and all other provisions of federal, state and local law relative to non-discrimination.

- D. In the management, maintenance, and operation of the Project, the Borrower shall abide by the terms and conditions of the Project Agreement, as such document may be amended from time to time with the prior written approval of City. The Borrower shall be responsible for ensuring any management agent's compliance with the HOME Act, the Regulations, and all applicable ordinances, regulations and statutes and the rules, procedures and requirements of the City.
- E. On forms approved by the City, the Borrower shall obtain from each prospective tenant, prior to his or her admission to the Project, a determination of income in accordance with Section 92.203(a) of the Regulations ("Determination"), and at such intervals thereafter as required by the City conduct a reexamination of income in accordance with Section 92.252(h) of the Regulations (the "Reexamination") from all such tenants. The Borrower shall submit the initial Determination and results of each subsequent Reexamination to the City in the manner prescribed by the City.
- F. In the manner prescribed by City, the Borrower shall obtain written evidence substantiating the information given for the initial Determination and each subsequent Reexamination and shall retain such evidence in its files at the Project or at the offices of the Borrower for three years after the year to which such evidence pertains.
- G. Rent for the City HOME Units shall not be greater than the rent allowed under the terms of the Project Agreement. Any increases in rents for the City HOME Units in accordance with the Project Agreement are subject to the provisions of outstanding leases, and, in any event, the Borrower shall provide tenants of City HOME Units no fewer than 30 days' prior written notice before implementing any increase in rents.
- H. City HOME Units will be deemed to comply with this paragraph 2, despite a temporary noncompliance with this paragraph, if (i) the noncompliance is caused by increases in the incomes of tenants already occupying such City HOME Units; and (ii) actions satisfactory to City are being taken to ensure that all vacancies are filled in accordance with this paragraph 2 until the noncompliance is corrected. Subject to the limitations set forth in Section 92.252(i)(2) of the Regulations with respect to low-income housing tax credits, if applicable, tenants who no longer qualify as low-income tenants must pay for rent and utilities an amount not less than 30% of the family's adjusted monthly income, as recertified annually.
- I. The Borrower shall require all tenants occupying City HOME Units to execute a lease in a form approved by the City in accordance with Section 92.253 of the Regulations (24 CFR 92.253), as amended, and all applicable provisions of the Regulations.
- J. The Borrower shall cause all Loan proceeds to be used for eligible activities and eligible costs and for the benefit of eligible beneficiaries, as such terms are defined in Sections 92.205 and 92.206 of the Regulations (24 CFR 92.205 and 92.206), as amended.

- K. The Borrower shall submit to the City on an annual basis the rent schedule for the City HOME Units reflecting the actual rates being charged at the Project.
 - L. The Borrower shall not evict any tenant from a City HOME Unit in the Project without good cause.
 - M. Within 30 days after the end of each calendar year, the Borrower shall certify to the City that, at the time of such certification and during the preceding calendar year, the Borrower was in compliance with the requirements of this paragraph 2, or, if the Borrower is not or has not been in compliance with such requirements, the Borrower shall give notice to City of its failure to comply and the corrective action the Borrower is taking or has taken.
 - N. Subject to termination in the event of foreclosure or transfer in lieu of foreclosure as provided in Section 92.252(e) of the Regulations (24 CFR 92.252(e)), the occupancy and rental restriction provisions of this paragraph 2 shall remain in effect for a period of 20 years from the date of project completion (the “Affordability Period”). In the event of foreclosure or deed in lieu of foreclosure relating to any other loan encumbering the Project, the City shall have the right, but not the obligation, to acquire the Project prior to such foreclosure or deed in lieu of foreclosure to preserve the foregoing affordability provisions as provided in Section 92.252 of the Regulations.
3. Acts Requiring City Approval. Except as permitted pursuant to the other Loan Documents, the Borrower shall not without the prior written approval of City, which may be given or withheld in City’s sole discretion, do any of the following:
- A. convey, transfer, or encumber the Project or any part thereof, or permit the conveyance, transfer, or encumbrance of the Project or any part thereof;
 - B. convey, assign, or transfer any right to manage or receive the rents and profits from the Project.
 - C. rent any City HOME Unit for less than one year, unless otherwise mutually agreed in writing by the Borrower and the tenant in accordance with the Regulations;
 - D. lease or sublease any non-residential facility in the Project or amend or modify any such lease or sublease, which, to the best of the Borrower’s knowledge, would result in a conflict of interest between any of the parties to such contracts and the City, its officers, employees, agents or members of their respective immediate families; or require, as a condition of the occupancy or leasing of any City HOME Unit in the Project, any consideration or deposit other than the pre-payment of the first month’s rent plus a security deposit in an amount not to exceed one month’s rent to guarantee the performance by the tenant of the covenants of such lease. Any funds collected by Borrower as security deposits shall be kept separate and apart from all other funds of the Project.

4. Program Requirements. The Borrower further covenants, represents and warrants to the City as follows:

- A. Flood Insurance. If required by the City, the Borrower shall procure flood insurance satisfactory to the City if the Project is located in a 100-year flood plain.
- B. Scope of Work. The only work to be done in connection with the Project will be that described in the Project Agreement.
- C. Insurance Proceeds. If the Borrower receives insurance proceeds for any damage or destruction to the Real Estate occurring during the Affordability Period, the Borrower shall apply such proceeds to the repair of such damage or destruction, in accordance with the provisions set forth in the Mortgage.
- D. Cooperation and Project Design. The Borrower shall expeditiously complete construction of the Project, as set forth in the Project Agreement. The Borrower shall design and construct the Project in conformity with (i) applicable federal, state and local statutes, regulations, ordinances, standards and codes (except as otherwise approved by the City), (ii) industry practices in Illinois and (iii) applicable rules, contracts, agreements, procedures, guides and other requirements of the City provided to the Borrower in writing.
- E. Furnishing Records, Reports, and Information. At the request of the City, the Borrower shall furnish (i) such records and information as required by the City in connection with the maintenance, occupancy, and physical condition of the Real Estate; and (ii) such reports, projections, certifications, budgets, financial reports, operating reports, tax returns, and analyses as required pursuant to the Regulations and any other applicable statutes, rules, and regulations.
- F. Audit. The Project and the equipment, buildings, plans, specifications, offices, apparatus, devices, books, contracts, records, documents and other papers relating thereto, and the books and records relating to the Borrower, shall at all times be maintained in reasonable condition for proper audit, and shall be subject to examination, inspection and copying at the office of the Borrower by the City or its agents or representatives at any time during regular business hours as the City reasonably requires.

5. Violation of Agreement by Borrower.

- A. Upon violation of any of the provisions of this Regulatory Agreement by the Borrower, the City shall give written notice thereof to the Borrower in the manner provided in paragraph 14 hereof. If such violation is not corrected to the satisfaction of the City within 30 days after the date such notice is mailed, or within such further time as the City in its sole discretion permits (but if such default is of a nature that it cannot be

cured within such 30 day period, then so long as the Borrower commences to cure within such 30 day period and diligently pursues such cure to completion within a reasonable period not to exceed 120 days from the date of such notice, such violation shall not be considered to be a default (“Default”), or if any Default or event of Default under any other Loan Document is not cured within any applicable grace, cure, or notice period set forth therein, then the City may declare a Default under this Regulatory Agreement, effective on the date of such declaration of Default and notice thereof to Borrower, and upon such Default the City may undertake any or all of the following:

- (1) declare the whole of the indebtedness under the Note immediately due and payable and proceed with the rights and remedies set forth in the Mortgage.
- (2) withhold further disbursement of the Loan.
- (3) subject to the rights of Senior Lenders, as defined in the Mortgage, collect all rents and charges in connection with the operation of the Project and use such collections to pay the Borrower’s debts under the Loan Documents and such other debts of the Borrower in connection with the Project and the necessary expenses of preserving and operating the Project.
- (4) subject to the rights of Senior Lenders, as defined in the Mortgage, take possession of the Project, bring any action necessary to enforce any rights of the Borrower in connection with the operation of the Project and operate the Project in accordance with the terms of this Regulatory Agreement until such time as the City, in its sole discretion, determines that the Borrower is again in a position to operate the Project in accordance with the terms of the Regulatory Agreement and in compliance with the requirements of the Note and the Mortgage.
- (5) apply to any state or federal court for an injunction against any violation of this Regulatory Agreement, for the appointment of a receiver to take over and operate the Project in accordance with the terms of this Regulatory Agreement, or for such other relief as may be appropriate.
- (6) subject to the rights of Senior Lenders, use and apply any monies deposited by the Borrower with the City regardless of the purpose for which the same were deposited, to cure any such Default or to repay any indebtedness under the Loan Documents which is due and owing to the City.
- (7) exercise such other rights or remedies as may be available to the City hereunder, under any other Loan Document, at law or in equity.

B. Because the injury to the City arising from a Default under any of the terms of this Regulatory Agreement would be irreparable and the number of damages would be difficult to ascertain, the Borrower acknowledges and agrees that in the event of a violation of this Regulatory Agreement, the City’s remedies at law would be inadequate to assure the City’s public purpose under the HOME Act.

6. Waiver. The City’s remedies are cumulative, and the exercise of one remedy shall not be deemed an election of remedies, nor foreclose the exercise of any other remedy by the City. No waiver of any breach of this Regulatory Agreement by the City shall be deemed to be a waiver of any other breach or a subsequent breach. If the City fails to exercise, or delays in exercising, any

right under this Regulatory Agreement, such failure or delay shall not be deemed a waiver of such right or any other right.

7. Termination of Liabilities.

- A. In the event the City consents to a sale or other transfer of the Project, or in the event of a permitted sale or other transfer, if any, pursuant to the Loan Documents, all of the duties, obligations, undertakings and liabilities of the transferor under the terms of this Regulatory Agreement will thereafter cease and terminate as to such transferor; provided, however, as a condition precedent to the termination of the liability of the transferor hereunder, the transferee of the Project (“New Borrower”) shall assume in writing, on the same terms and conditions as apply hereunder to the transferor, all of the duties of such transferor arising under this Regulatory Agreement from and after such sale or transfer. Such assumption will be in form and substance acceptable to the City in its sole discretion.
- B. Any New Borrower shall be bound by the terms of this Regulatory Agreement to the same extent and on the same terms as the present Borrower is bound hereunder and shall execute an assumption of such duties in form and substance acceptable to City as a condition precedent to such transferee’s admission as a New Borrower.

8. Term of Agreement; Covenants Run with the Land.

- A. The covenants, conditions, restrictions and agreements set forth in this Regulatory Agreement (collectively, the “Obligations”) will be deemed to run with, bind, and burden the Real Estate and the Project and will be deemed to bind any New Borrower and any other future owners of the Real Estate or the Project and the holder of any legal, equitable or beneficial interest therein for the Affordability Period; provided, moreover, that if the date of the cancellation of the Note is prior to the expiration date of the Affordability Period, the Obligations shall remain in effect until the last day of the Affordability Period, irrespective of whether the proceeds of the Loan are repaid voluntarily by the Borrower or tendered by any party following an acceleration by the City of the Note or enforcement by the City of its remedies in connection with the Loan. The Borrower shall, if so requested by the City, execute a written memorandum, prepared by the City, which memorandum shall memorialize said date of Project completion and the foregoing Affordability Period. Any waiver by the City of its right to prepare or record any such memorandum and any failure by the Borrower to execute and deliver the same will not affect the validity or enforceability of the Obligations. In the event of a foreclosure or deed in lieu of foreclosure relating to any other loan encumbering the Project, the City or its designee will have the right, but not the obligation, to acquire the Project prior to such foreclosure or deed in lieu of foreclosure to preserve the foregoing affordability provisions as provided in Section 92.252 of the Regulations, as amended, provided that any such acquisition will be subject to existing mortgages between the Borrower and Senior Lender.

- B. Notwithstanding that the Loan may be repaid prior to the expiration of the Affordability Period, the Borrower's undertaking to perform the Obligations for the full Affordability Period set forth in the previous paragraph is a condition precedent to the willingness of City to make the Loan.

9. Indemnification. The Borrower shall indemnify and defend the City, its officers, agents, employees, or agents against any and all liabilities, claims, damages, losses and expenses, including, but not limited to, legal defense costs, reasonable attorneys' fees, settlements or judgments, whether by direct suit or from third parties, arising from or in any way related to the Borrower's performance or failure to perform the provisions of this Regulatory Agreement or the work performed by a contractor in connection with the Project, in any claim or suit brought by a person or third party against the City, or its respective officers, agents, employees or servants, except to the extent caused by the gross negligence or willful misconduct of the City, or its officers, employees, or agents.

10. Amendment. This Regulatory Agreement shall not be altered or amended except in a writing signed by the parties hereto.

11. Conflicts and Partial Invalidity. Borrower warrants that it has not executed, and shall not execute, any other agreement with provisions contradictory, or in opposition to, the provisions hereof and that, in any event, the requirements of this Regulatory Agreement are paramount and controlling as to the rights and duties set forth in such other agreement and supersede any other requirements in conflict therewith; provided, however, that to the extent this Regulatory Agreement conflicts with any provision or requirement set forth in the Loan Documents, as the case may be, the more restrictive provision and requirement shall prevail and control. If any term, covenant, condition or provision of this Regulatory Agreement, or the application thereof to any circumstance, shall, at any time or to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Regulatory Agreement, or the application thereof to circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant, condition and provision of this Regulatory Agreement shall be valid and enforceable to the fullest extent permitted by law. The provisions of this paragraph 11 shall not be deemed to be violated by, or violate, the Senior Loan Documents, as defined in the Mortgage.

12. Successors. Subject to the provision of paragraph 7 hereof, this Regulatory Agreement will bind, and the benefits will inure to, the respective parties hereto, their legal representatives, executors, administrators, successors in office or interest and assigns; provided, however, that the Borrower shall not assign this Regulatory Agreement or any of its Obligations hereunder, without the prior written approval of the City.

13. Capitalized terms, Plurals, Gender and Captions. Capitalized terms used in this Regulatory Agreement and not otherwise defined shall have the meanings established in the Project Agreement, and, if not defined therein, then in the HOME Act, and if not defined therein, in the Regulations. The use of the plural herein shall include the singular; the singular shall include the plural; and the use of any gender shall be deemed to include all genders. The captions used in this

Regulatory Agreement are used only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of this Regulatory Agreement.

14. Notices. Except where the terms of this agreement expressly provide otherwise, the parties shall give all notices required or permitted by this agreement in writing. All notices will be deemed given when personally delivered; deposited in the U.S. mail, postage prepaid, first class; or delivered to a commercial courier service (e.g., FedEx or UPS). A notice delivered by email will be deemed given when the recipient acknowledges having received the email by an email sent to the sender's email address, as stated in this section, or by a notice delivered by another method in accordance with this section. An automatic "read receipt" will not constitute acknowledgment of an email for purposes of this section. Each party's address is stated below and may be changed to such other address as the party may hereafter designate by notice.

Habitat for Humanity of Champaign County

Chad Hoffman
Executive Director
1914 Glenn Park Dr
Champaign, IL 61821
Director@cuhabitat.org

City of Urbana:

Breaden Belcher
Grants Division Manager
400 S Vine St
Urbana, IL 61801
Breaden.Belcher@urbanaIL.gov

15. Survival of Obligations. The Borrower's Obligations, as set forth in this Regulatory Agreement, shall survive the disbursement of the Loan, and the Borrower shall continue to cooperate with the City and furnish any documents, exhibits, or records reasonably requested pursuant to paragraph 4(F) of this Regulatory Agreement.

16. Construction. This Regulatory Agreement will be construed and interpreted in accordance with the laws of the State of Illinois.

17. Counterparts. The parties may sign this Regulatory Agreement in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Signatures delivered by email in Adobe Portable Document Format (PDF) or by facsimile will be deemed original signatures for all purposes.

18. Limited Non-Recourse Obligation. Notwithstanding anything herein to the contrary, the indebtedness evidenced by the Note shall be a non-recourse obligation of the Borrower and neither

the Borrower nor any general or limited partner of the Borrower or their respective successors or assigns, nor any related or unrelated party, shall have any personal liability for repayment of said indebtedness or any other amounts evidence or secured by the Loan Documents, the sole recourse of the City or any subsequent holder of the Note being the exercise of its rights against the Project and any other collateral under the Loan Documents, including without limitation (a) the Project and the rents issues, profits and income therefrom, (b) any funds or property held pursuant to any of the Loan Documents, and (c) insurance proceeds and condemnation awards paid or payable relative to the Project.

19. Waiver of Jury Trial. The parties waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matter whatsoever arising out of or in any way connected with any of the Loan Documents and agree that any such action or proceeding will be tried before a court and not before a jury.

20. Subordination. This Regulatory Agreement is and shall be subject and subordinate in all respects to the Senior Loans and the Senior Loan Documents, both as defined in the Mortgage.

[Signature pages follow]

The parties are signing this agreement on the dates indicated beside their signatures. HABITAT FOR HUMANITY OF CHAMPAIGN COUNTY

By: _____ Dated _____
Name: _____
Title: _____

CITY OF URBANA, ILLINOIS

By: _____ Dated _____
Breaden Belcher
Grants Division Manager

[ADD NOTARY]

**Exhibit G
Urbana HOME Consortium
CHDO Quarterly Reporting Form**

Quarter: _____

Completed by: _____ Date: _____

I. Property & Planning

Site Preparation Status:
IN PROGRESS Date: _____

COMPLETE Date: _____

If not complete, explain how this goal is being accomplished:

II. Design Documents:

Development Completion Date: _____

Review Completion Date: _____

Approved By Building Safety Date: _____

Permit Issued Date: _____

Have there been changes to the design documents?

III. Homebuyer Outreach

Outreach: List the agencies and/or activities which you have undertaken this month toward the goal of identifying homebuyers:

| | |
|--|--|
| | |
|--|--|

Potential Homebuyers Identified: _____

Income Verification Process for Potential Homebuyer

In Progress: _____

Not Approved: _____ Reason: _____

Approved: _____ Income at _____ %MFI

Approval by Financial Institution Lender

In Progress: _____

Not Approved: _____ Reason: _____

Approved: _____

IV. Contractor/Construction

Bidding Process:

| Trade | BID ANNOUNCED | # BIDS RECEIVED | BIDS OPENED/ REVIEWED | BID ACCEPTED | CONTRACT SIGNED |
|-------|---------------|-----------------|-----------------------|--------------|-----------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

| CONTRACTOR | Name Address Phone # | Permit Issued | Start Date | Schedule # days to complete | Status In Progress / Delayed, etc. | Final Inspection | Complete |
|-------------------------|----------------------------|------------------|---------------|-----------------------------------|--|---------------------|----------|
| General | | | | | | | |
| Foundation/ Concrete | | | | | | | |
| Structural | | | | | | | |
| Plumbing | | | | | | | |
| Electrical | | | | | | | |
| Mechanical | | | | | | | |
| Insulation | | | | | | | |
| Drywall | | | | | | | |
| | | | | | | | |

| | | | | | | | |
|--|--|--|--|--|--|--|--|
| | | | | | | | |
| | | | | | | | |

V. Overall Project Progress

Is the project proceeding according to the Projected Schedule of Activities submitted? _____

If not, please explain.

Is the project staying within the budget established?

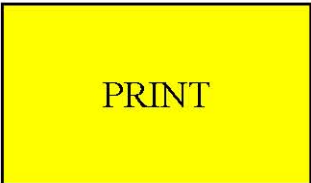
VI. NOTES MISC

Exhibit H
Sample Standard Form –LLL, Disclosure Form to Report Lobbying

Item c.

DISCLOSURE OF LOBBYING ACTIVITIES Approved by OMB Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352 0348-0046 (See reverse for public burden disclosure.)

| | | |
|--|---|--|
| 1. Type of Federal Action: <input type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance | 2. Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award | 3. Report Type: <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change For Material Change Only: year _____ quarter _____ date of last report _____ |
| 4. Name and Address of Reporting Entity: <input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: Congressional District, if known: 4c | 5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime: Congressional District, if known: | |
| 6. Federal Department/Agency: | 7. Federal Program Name/Description: CFDA Number, if applicable: _____ | |
| 8. Federal Action Number, if known: | 9. Award Amount, if known: \$ _____ | |
| 10. a. Name and Address of Lobbying Registrant (if individual, last name, first name, MI): | b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI): | |
| 11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. | Signature: _____ Print Name: _____ Title: _____ Telephone No.: _____ Date: _____ | |
| Federal Use Only: | | Authorized for Local Reproduction Standard Form LLL (Rev. 7-97) |



INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
 - (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.
 - (b) Enter the full names of the individual(s) performing services and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503

| | | | |
|---|--|---|---|
| <p>CPD:</p> <p>1=New Construction 2=Education/Training 3=Other</p> | <p>7c: Type of Trade Codes: Housing/Public Housing:</p> <p>1 = New Construction 6 = Professional 2 = Substantial Rehab. 7 = Tenant Services 3 = Repair 8 = Education/Training 4 = Service 9 = Arch./Engrg. Appraisal 5 = Project Management 0 = Other</p> | <p>7d: Racial/Ethnic Codes:</p> <p>1 = White Americans 2 = Black Americans 3 = Native Americans 4 = Hispanic Americans 5 = Asian/Pacific Americans 6 = Hasidic Jews</p> | <p>5: Program Codes (Complete for Housing and Public and Indian Housing programs only):</p> <p>1 = All insured, including Section 8 5 = Section 202 2 = Flexible Subsidy 6 = HUD-Held (Management) 3 = Section 8 Noninsured, Non-HFDA 7 = Public/Indian Housing 4 = Insured (Management)</p> |
|---|--|---|---|

Public reporting burden for this collection of information is estimated to average .50 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is voluntary. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB Control Number. Executive order 12421 dated July 14, 1983, directs the Minority Business Development Plans shall be developed by each Federal Agency and that these annual plans shall establish minority business development objectives. The information is used by HUD to monitor and evaluate MBE activities against the total program activity and the designated minority business enterprise (MBE) goals. The department requires the information to provide guidance and oversight for programs for the development of minority business enterprise concerning Minority Business Development. If the information is not collected HUD would not be able to establish meaningful MBE goals nor evaluate MBE performance against these goals. While no assurances of confidentiality is pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information request.

Privacy Act Notice – The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in this form by virtue of Title 12, United States Code, Section 1701 et seq. and regulations promulgated thereunder at Title 12, Code of Federal Regulations. It will not be disclosed or released outside the United States Department of Housing and Urban Development without your consent, except as required or permitted by law.

Exhibit J
Statement of Special Conditions and Compliance
with Uniform Administrative Requirements

The DEVELOPER understands and agrees that it is eligible to receive funds for Project No. **DEVELOPER CHDO Developer PY 2025** pursuant to this agreement.

The following conditions, in addition to those established in the agreement itself, and other attachments thereto, and federal, state, county and city laws, regulations, and procedures pertinent to this PROJECT, have been set forth and must also be complied with in order for DEVELOPER to receive HOME Program Assistance for Project No. **DEVELOPER CHDO Developer PY 2025**.

1. The DEVELOPER agrees that funds received from the City pursuant to this agreement shall be used to cover project costs. The DEVELOPER shall report semi-annually for periods ending December 31st and June 30th all program income generated by activities carried out with HOME funds made available under this agreement. The DEVELOPER shall manage program income generated during activities permitted under this agreement as per Article XIII of the DEVELOPER CHDO Developer Agreement FY 2022-2023. The DEVELOPER shall follow the program income requirements as outlined in Section 200.307 of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule ("Omni Circular").
6. The DEVELOPER agrees to submit semi-annual Progress Reports to the City in an agreed upon format. Progress Reports shall be due December 31st and June 30th. The City shall not process final billing requests for payment until a final Progress Report upon project completion is submitted.
7. The DEVELOPER agrees to maintain financial records in accordance with the applicable federal guidelines outlined in 2 CFR Part 200 and to separately and accurately identify use of HOME Program funds pursuant to this agreement.
8. The DEVELOPER acknowledges and affirms that it has the organizational capacity to adhere to collection and reporting requirements, regarding performance measures, as required by Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule Subpart D, Sections 200.300-200.303. Such performance measures will be decided upon by the DEVELOPER and the City's Housing and Grants Administrator. The DEVELOPER is permitted to demonstrate organizational capacity by various methods, including but not limited to:
 - Use of HUD-approved standard information collections when providing financial and performance information as outlined in 2 CFR Part 200;
 - Providing financial data showing performance accomplishments of the Grant award;
 - Cost information shall be distributed to the City to demonstrate cost effective practices;
 - DEVELOPER shall provide the City with the same information required by the Federal awarding agency under sections 200.301 and 200.210; and
 - All expenditures shall be accounted for, in compliance with requirements under section 200.302, as interpreted by the City.
9. The DEVELOPER agrees to follow either the procurement guidelines set forth in Section 200.320 of the Omni Circular, or the procurement guidelines/standards which the DEVELOPER uses during its normal course of business; whichever of the two guidelines is more restrictive. If the

procurement methods that the DEVELOPER uses during its normal course of business are more restrictive, those guidelines shall be used, and a copy of those guidelines will be attached to this agreement as Attachment D and will be incorporated into this agreement by reference. If the procurement guidelines set forth in Section 200.320 of the Omni Circular are more restrictive, then the program procurement methods shall be limited to procurement by (a) small purchase procedures; (b) sealed bids; (c) competitive proposals; or (d) noncompetitive proposals, as directed by and outlined in Section 200.320.

10. The DEVELOPER agrees to provide the City's Community Development Services Department with regular reports, and any other reports which the Department may require for compliance under this agreement, including reports on performance measures, as outlined in Section 200.301 of the Omni Circular. The DEVELOPER and the City shall decide upon such performance measures based on the requirements outlined by HUD for the category of eligible activities that the DEVELOPER'S program engages in. The DEVELOPER shall use HUD-approved information collection standards, when providing financial and performance information. The DEVELOPER shall provide financial data, and its relation to performance accomplishments, of the federal award. The DEVELOPER agrees to provide the City with (a) documents pertaining to procedures; (b) copies of all contracts and subcontracts for work financed in whole or in part with assistance provided under this agreement; and (c) (if applicable) regularly updated schedules of program activities.
11. The DEVELOPER shall obtain written permission from the Grants Management Division Manager or Community Development Director prior to any change in the approved budget or program plans following Omni Circular Section 200.308(C) (increase or decrease) of ten percent (10%) of the line item's budget or \$500, whichever is less, to any account under the DEVELOPER'S line item budget. In order for the City to approve such a request, the DEVELOPER'S written request must contain, at a minimum: (a) the reason and justification for the change; (b) the amounts to be changed; and (c) a description of which line items are affected. Changes made without the City's prior approval may result in no reimbursement of expenditures from those affected line items.
12. The DEVELOPER shall carry sufficient insurance coverage to protect agreement assets from loss due to theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to any HOME cash advances. The DEVELOPER shall comply with the bonding and insurance requirements of the Omni Circular 200.310 and 200.325, Insurance and Bonding requirements.
13. The DEVELOPER further agrees to maintain written standards of conduct covering conflicts of interest, as outlined in the Omni Circular Sections 200.318(c)(1) & (2). These standards of conduct will include language stating that no employee, officer, or agent will participate in the selection, award or administration of a contract supported by HOME funds, if that employee, officer or agent has a real or apparent conflict of interest. Conflicts of interest arise if the employee, officer, agent, the immediate family member of such a person, the partner of such a person, or an organization which employs such a person or is about to employ such a person, has any financial or other interest in or may gain a tangible personal benefit from a firm considered for a contract. Such officers, employees or agents of the DEVELOPER may not solicit or accept anything of monetary value from contractors or subcontractors, unless it is an unsolicited gift of nominal value which would in no way influence the recipient to engage in conduct which would amount to a conflict of interests. The written standards must also include standards of conduct covering organizational conflicts of interest, in which the DEVELOPER may be unable or appears to be unable to be impartial in conducting procurement actions due to relationships between the DEVELOPER and relationships with a parent company, affiliate, or subsidiary organization. The written standards provided by the DEVELOPER will include disciplinary actions to be applied for violations of such standards.

14. As a non-governmental entity, the DEVELOPER shall comply with the regulations, policies, guidelines, requirements and standards of federal guidelines outlined in 2 CFR Chapter I, Chapter II, Part 200, *et al*, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule" Omni Circular, as specified in this paragraph:
- Subpart B - "General Provisions";
 - Subpart C - "Pre-Federal Award Requirements and Contents of Federal Awards," except for Section 200.203, "Notices of funding opportunities," 200.204, "Federal awarding agency review of merit of proposals," 200.205, "Federal awarding agency review of risk posed by applicants," and 200.207, "Specific conditions," which are required only for competitive federal awards;
 - Subpart D - "Post Federal Award Requirements Standards for Financial and Program Management," except for:
 - A. Section 200.305, "Payment." The City shall follow the standards contained in 24 CFR 85.20(b)(7) and 85.21 in making payments to the DEVELOPER;
 - B. Section 200.306, "Cost Sharing or Matching";
 - C. Section 200.307, "Program Income." In lieu of paragraph 200.307, the DEVELOPER shall follow HOME program regulations;
 - D. Section 200.308, "Revision of Budget and Program Plans";
 - E. Section 200.311, "Real property." In lieu of 200.311, the DEVELOPER shall follow HOME program regulations;
 - F. 24 CFR 84.34(g) "Equipment." In lieu of the disposition provisions of paragraph 84.34(g), the following applies:
 - i. In all cases in which equipment is sold, the proceeds shall be program income (prorated to reflect the extent to which HOME funds were used to acquire the equipment); and
 - ii. Equipment not needed by the DEVELOPER for HOME activities shall be transferred to the City for the HOME program or shall be retained after compensating the recipient;
 - G. 24 CFR 84.51(b), (c), (d), (e), (f), (g), and (h), "Monitoring the Reporting Program Performance";
 - H. 24 CFR 84.52, "Financial Reporting";
 - I. 24 CFR 84.53(b), "Retention and Access Requirements for Records," applies with the following exceptions:
 - i. The retention period referenced in paragraph 84.53(b) pertaining to individual HOME activities shall be eleven years following grant close out; and
 - ii. The retention period starts from the date of submission of the annual performance and evaluation report, as prescribed in 24 CFR 91.520 in which the specific activity is reported on for the final time rather than from the date of submission of the final expenditure report for the award;
 - J. 24 CFR 84.61 "Termination".
 - Subpart D - "After-the Award Requirements," except for 24 CFR 84.71, "Closeout Procedures."

15. Records maintained by the DEVELOPER pursuant to this agreement shall be available for inspection upon request by the City and HUD.



MEMORANDUM TO THE MAYOR AND CITY COUNCIL

Meeting: March 3, 2025, Committee of the Whole
Subject: An Ordinance Revising the Annual Budget Ordinance (Budget Amendment #6 – Omnibus)

Summary

Action Requested

Forward the budget amendment authorizing these adjustments for approval at the March 10, 2025, City Council meeting. This budget amendment requires six affirmative votes, including the Mayor, in order to pass.

Brief Background

This ordinance seeks Council approval to amend the FY2025 Annual Budget. The proposed adjustments include small scheduled equipment rebudgets, budget transfers, and capital improvement expenditures.

Relationship to City Services and Priorities

Impact on Core Services

The requested items are intended to enable City staff to better serve Urbana residents.

Strategic Goals & Plans

The proposed changes align with the Mayor and Council 2024-2025 Goals, specifically **Strategic Area #1: Public Safety & Well-Being** and **Strategic Area #3: Infrastructure**.

Previous Council Actions

The City Council approved [FY2025 Annual Budget](#) on June 24, 2024; Budget Amendment #1 on September 30, 2024; Budget Amendment #2 on November 25, 2024; Budget Amendment #4 on December 9, 2024; and Budget Amendment #5 on February 3, 2025.

Discussion

Additional Background Information

Professional Services – Legal Division: The Legal Division has been utilizing outside counsel to support the City Attorney due to staffing shortages. With the Assistant City Attorney position vacant, a budget transfer of \$77,000 from salaries is necessary to maintain this support through the end of the fiscal year.

Rebudgets: Certain equipment line items (54111) are budgeted at a consistent annual amount and routinely rebudgeted to reflect the uneven timing of purchases. This includes multiple equipment line items across various departments, totaling \$109,024.

Fire Overtime Funding: The Fire Department is experiencing an unusually high number of absences due to employees on duty injury and military leave, which significantly limits staffing flexibility. As a result, overtime costs have increased beyond the current budget. To ensure adequate coverage and maintain operational efficiency, an additional \$330,000 in overtime funding is needed.

Capital Improvement & Replacement Fund (200): Staff initially budgeted \$15,000 for bond counsel and other professional services for the Fire Station Bonds. The actual total is now \$30,000—\$15,000 more than planned. This total includes \$20,000 for Bond Counsel, \$5,000 for a placement agent, and another \$5,000 for other fees. A budget amendment is needed to cover this shortfall.

Local Motor Fuel Tax Fund (202): During the construction of the Philo-Colorado Resurfacing Project (40133), an unexpected expense for pavement fabric came up. This cost was necessary to complete the paving work as planned before the winter shutdown, but it was not eligible for State MFT funds. To cover this expense, a budget transfer is needed to utilize surplus funds from the Bituminous Surface Treatment LMFT account (40114). Maintaining a clear separation between LMFT and State MFT funds is essential for proper documentation and compliance with IDOT requirements.

Vehicle & Equipment Replacement Fund (300): The purchase of a chipper truck (PW29) was included in the FY2024 budget but was not completed. As a result, those funds will be rebudgeted to FY2025. Additionally, to address increased costs, \$20,000 will be transferred from the Urban Forestry budget in the General Fund.

Central TIF Fund (344):

- Boneyard Creek Crossing: A budget adjustment is needed to fund landscape maintenance and path cleaning at Boneyard Creek Crossing. The existing maintenance contract expired at the end of 2024, requiring a second contract. However, the original budget in the Capital Improvement Plan (CIP) did not account for this additional contract. To address this, additional funding from the fund balance is required.
- Boneyard Creek Lighting: The lowest bid for these improvements came in at \$181,000, exceeding the original budget. To accommodate the bid and include approximately a 10% construction contingency, staff propose increasing the project budget from \$150,000 to \$200,000, reflecting a \$50,000 increase.

Information Technology Fund (610): The current IT ticket system is outdated and no longer receiving vendor upgrades as the company moves users to a cloud-based model. Meanwhile, annual maintenance costs are increasing. IT staff have found a suitable replacement that meets the City's preference for an on-site software purchase instead of a cloud subscription. While the new system's

annual maintenance costs are slightly lower, the one-time purchase cost is about \$7,800. To cover this cost, a budget transfer of \$7,800 from vacancy savings in the unfilled Computer Systems Technician position is needed.

Operations Impact

Amending the budget will enable staff to initiate new capital projects, continue existing projects, and purchase necessary equipment.

Fiscal and Budget Impact

The estimated ending fund balance in the General Operating Fund, not including amounts reserved for future expenditures, would be \$14,331,288, which is 31.95% of recurring expenditures. This does not include \$5,016,294 reserved for planned transfers for capital improvements in future years, and funding for the second and third years of the Community Engagement Team pilot program. None of the new General Fund expenditures are recurring, so there is no impact on funds available for new, recurring expenses. This does include adjusting the FY24 ending cash balance, based on year-end results.

Community Impact

Starting and maintaining capital projects will improve roads and public spaces for Urbana residents.

Recommendation

Forward the ordinance authorizing these amendments to the FY2025 budget with a recommendation for approval at the March 10, 2025 City Council meeting.

Next Steps

If the proposed adjustments mentioned above are approved, the revisions detailed in the exhibit will be incorporated into the FY2025 Annual Budget.

Attachment

An Ordinance Revising the Annual Budget Ordinance (Budget Amendment #6 – Omnibus)

Originated: Don Ho, Senior Financial Analyst / Budget Coordinator

Reviewed: Elizabeth Hannan, HR & Finance Director / CFO

Approved: Carol Mitten, City Administrator

ORDINANCE NO. _____

AN ORDINANCE REVISING THE ANNUAL BUDGET ORDINANCE

(Budget Amendment #6 – Omnibus)

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

WHEREAS, the corporate authorities of the City heretofore did approve the annual budget ordinance of and for the City of Urbana for the fiscal year beginning July 1, 2024 and ending June 30, 2025; and

WHEREAS, the said corporate authorities find that revising the annual budget ordinance by deleting, adding to, changing, or creating sub-classes within object classes and object classes themselves is in the best interests of the residents of the City and is desirable for the welfare of the City’s government and affairs; and

WHEREAS, funds are available to effectuate the purpose of such revision; and

WHEREAS, the Budget Director may not make such revision under the authority so delegated to the Budget Director pursuant to 65 ILCS 5/8-2-9.6 or Urbana City Code Section 2-133.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL AND THE MAYOR, BEING THE CORPORATE AUTHORITIES OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1.

The annual budget ordinance shall be and the same is hereby revised as set forth in the exhibit appended hereto and made a part hereof as if fully set forth herein.

Section 2.

This Ordinance shall be in full force and effect from and after its passage and publication in accordance with Section 1-2-4 of the Illinois Municipal Code (65 ILCS 5/1-2-4).

This Ordinance is hereby passed by the affirmative vote, the “ayes” and “nays” being called, of two-thirds of the corporate authorities then holding office (6 of 8 votes) of the City of Urbana, Illinois, at a duly noticed and convened meeting of the said corporate authorities.

PASSED BY THE CORPORATE AUTHORITIES this __ Day of _____, 20__.

AYES: _____

NAYS: _____

ABSTENTIONS: _____

Darcy E. Sandefur, City Clerk

APPROVED BY THE MAYOR this __ Day of _____, 20__.

Diane Wolfe Marlin, Mayor

Budget Amendment 2024/25 - 06 - Exhibit A

| General Ledger Code | Project String | Description | Current Budget | Revised Budget | Difference | Reason |
|---|------------------|--|-------------------|-------------------|------------------|--------------------------------------|
| GENERAL OPERATING FUND (100) | | | | | | |
| <u>Expenditures</u> | | | | | | |
| 10010103-50110 | | LEGAL: SALARY - REGULAR EMPLOYEES | 373,766 | 296,766 | (77,000) | BUDGET TRANSFER FOR OUTSIDE COUNSEL |
| 10010103-52101 | | LEGAL: LEGAL SERVICES | 87,209 | 164,209 | 77,000 | BUDGET TRANSFER FOR OUTSIDE COUNSEL |
| 10015150-51411 | | HUMAN RESOURCES & FINANCE ADM: SMALL SCHEDULED EQUIPMENT | 1,674 | 6,335 | 4,661 | REBUDGET - SMALL SCHEDULED EQUIPMENT |
| 10030300-51411 | | FIRE OPERATIONS: SMALL SCHEDULED EQUIPMENT | 8,992 | 23,163 | 14,170 | REBUDGET - SMALL SCHEDULED EQUIPMENT |
| 10040400-51411 | | PUBLIC WORKS ADMINISTRATION: SMALL SCHEDULED EQUIPMENT | 500 | 2,345 | 1,845 | REBUDGET - SMALL SCHEDULED EQUIPMENT |
| 10040402-51411 | | LANDSCAPE MANAGEMENT: SMALL SCHEDULED EQUIPMENT | 7,066 | 25,952 | 18,886 | REBUDGET - SMALL SCHEDULED EQUIPMENT |
| 10040420-51411 | | TOOL ROOM: SMALL SCHEDULED EQUIPMENT | 13,368 | 82,830 | 69,462 | REBUDGET - SMALL SCHEDULED EQUIPMENT |
| 10030300-50131 | | FIRE OPERATIONS: REGULAR OVERTIME | 343,504 | 673,504 | 330,000 | ADDITIONAL OVERTIME FUNDING - FIRE |
| 10040401-51410 | | URBAN FORESTRY: SMALL TOOLS & EQUIPMENT | 37,323 | 17,323 | (20,000) | PW CHIPPER TRUCK ADDITIONAL COSTS |
| 10040401-59300 | | URBAN FORESTRY: TFR TO VERF FUND | 64,062 | 84,062 | 20,000 | PW CHIPPER TRUCK ADDITIONAL COSTS |
| Total Expenditures | | | 57,411,201 | 57,850,225 | 439,024 | |
| Ending Fund Balance (estimated) | | | 16,892,838 | 16,562,838 | (330,000) | |
| CAPITAL IMPROVEMENT & REPLACEMENT FUND (200) | | | | | | |
| <u>Expenditures</u> | | | | | | |
| 20040470-52199-40805 | 40805-SERVICES | CITY FACILITY IMPROVEMENT: OTHER PROFESSIONAL SERVICES | 7,500 | 15,000 | 7,500 | 2025 BONDS - FIRE STATIONS |
| 20040470-52199-40806 | 40806-SERVICES | CITY FACILITY IMPROVEMENT: OTHER PROFESSIONAL SERVICES | 7,500 | 15,000 | 7,500 | 2025 BONDS - FIRE STATIONS |
| Total Expenditures | | | 22,930,958 | 22,945,958 | 15,000 | |
| Ending Fund Balance (estimated) | | | 566,502 | 551,502 | (15,000) | |
| LOCAL MOTOR FUEL TAX FUND (202) | | | | | | |
| <u>Expenditures</u> | | | | | | |
| 20240470-53301-40114 | | LMFT CAPITAL PROJECTS: HIGHWAY AND STREETS | 320,000 | 248,000 | (72,000) | PHILO ROAD RESURFACING |
| 20240470-53301-40133 | | LMFT CAPITAL PROJECTS: PHILO ROAD RESURFACING | - | 72,000 | 72,000 | PHILO ROAD RESURFACING |
| Total Expenditures | | | 1,526,699 | 1,526,699 | - | |
| Ending Fund Balance (estimated) | | | 2,420,771 | 2,420,771 | - | |
| VEHICLE & EQUIPM REPLCMNT FUND (300) | | | | | | |
| <u>Revenues</u> | | | | | | |
| 300-49100 | | VEHICLE & EQUIPM REPLCMNT FUND: TFR FROM GENERAL FUND | 4,055,687 | 4,075,687 | 20,000 | PW CHIPPER TRUCK ADDITIONAL COSTS |
| Total Revenues | | | 4,547,046 | 4,567,046 | 20,000 | |
| <u>Expenditures</u> | | | | | | |
| 30060600-53420 | VERF-PW-065 | VERF: VEHICLES | 1,333,379 | 1,578,379 | 245,000 | PW CHIPPER TRUCK & ADDITIONAL COSTS |
| Total Expenditures | | | 3,226,920 | 3,471,920 | 245,000 | |
| Ending Fund Balance (estimated) | | | 7,253,504 | 7,253,504 | - | |
| CENTRAL TIF FUND (344) | | | | | | |
| <u>Expenditures</u> | | | | | | |
| 34450501-52906-40405 | 40405-CONST | BONEYARD CREEK PARK MAINTENANCE: LANDSCAPING SERVICES | 40,000 | 65,000 | 25,000 | BONEYARD CREEK PARK MAINTENANCE |
| 34450501-53304-40169 | 40619-CONST-TIFC | BONEYARD CREEK LIGHTING: SANITARY SEWER | 150,000 | 200,000 | 50,000 | BONEYARD CREEK LIGHTING |
| Total Expenditures | | | 3,428,568 | 3,453,568 | 25,000 | |
| Ending Fund Balance (estimated) | | | 462,287 | 437,287 | (25,000) | |
| INFORMATION TECHNOLOGY FUND (610) | | | | | | |
| <u>Expenditures</u> | | | | | | |
| 61010106-50110 | | IT: SALARY - REGULAR EMPLOYEES | 532,080 | 522,632 | (9,448) | NEW IT TICKET SYSTEM |
| 61010106-51900 | | IT: OTHER SUPPLIES | 11,816 | 19,607 | 7,791 | NEW IT TICKET SYSTEM |
| 61010106-52205 | | IT: H/W & S/W MAINTENANCE | 329,986 | 331,643 | 1,657 | NEW IT TICKET SYSTEM |
| Total Expenditures | | | 1,431,988 | 1,431,988 | - | |
| Ending Fund Balance (estimated) | | | 294,334 | 294,334 | - | |



City of Urbana
400 S. Vine Street, Urbana, IL 61801
www.urbanaininois.us

MEMORANDUM TO THE MAYOR AND CITY COUNCIL

Meeting: March 3, 2025 Committee of the Whole
Subject: An Ordinance Providing for the Issuance of Not to Exceed \$9,000,000 General Obligation Bonds, Series 2025

Summary

Action Requested

Forward the Ordinance providing for issuance of general obligation bonds for fire station construction for approval at the March 10, 2025 City Council meeting.

Brief Background

This Ordinance seeks City Council approval to issue bonds for fire station construction. The \$9,000,000 amount is consistent with the approved Annual Budget and Capital Improvement Plan.

Relationship to City Services and Priorities

Impact on Core Services

The new fire stations will enable staff to better serve Urbana residents.

Strategic Goals & Plans

This action is consistent with the City Council strategic goal to [Enhance and Expand Public Safety Resources](#).

Previous Council Actions

The City Council has discussed fire station construction at various points throughout planning, design, and construction. On September 11, 2023, the City Council approved [Resolution No. 2023-09-080R](#) establishing their intent to reimburse expenditures for fire station construction with bond proceeds.

Discussion

Additional Background Information

Staff has been working with Chapman as bond counsel and Baird as placement agent for this bond issue. Bond counsel provides specialized legal services in relation to bond issuance, including providing a legal opinion on the tax-exempt status of the bonds. The placement agent markets the City's bonds to financial institutions that may purchase the bonds as an investment.

City staff invited financial institutions to participate in the City’s EEO certification process, which is a prerequisite to bid on the City’s bonds. These institutions were identified based on previous contacts with City staff and Baird’s expertise in the market for this type of debt. In addition to three likely bidders who are already certified, more than 20 other institutions were provided information on the certification process. Because of the lead time required for certification, which is approximately one month, it would not be possible for bidders to certify after successfully bidding on the bonds. While this process may limit competition, it ensures compliance with the City’s requirements.

Institutions that successfully complete the certification process will be invited to bid on the City’s bonds. That process requires a quick turnaround to lock in interest rates due to potential changes in the market. This Ordinance gives authority to the Mayor and the Treasurer (Finance Director) to authorize the issuance of the bonds within certain parameters including a term of 10 years and an interest rate of not more than 5.5 percent. It also establishes debt service levies, which will be abated in future years, since the City plans to pay the debt service on these bonds from the Capital Replacement and Improvement Fund.

Fiscal and Budget Impact

Adjustments to future budgets, including creation of a Debt Service Fund, will be made with the FY2026 proposed budget, based upon the final debt service schedule. Costs of issuance will be approximately \$30,000 in fees for bond counsel and placement agent, as well as additional fees that may be required by the successful bidder. These costs are budgeted in the Capital Replacement and Improvement Fund and included in a budget amendment on this agenda.

Community Impact

The new fire stations are intended to allow staff to better serve the community.

Recommendation

Forward the Ordinance providing for issuance of general obligation bonds for fire station construction for approval at the March 10, 2025 City Council meeting.

Next Steps

The following is the anticipated schedule for the remainder of the process.

| | |
|----------|---|
| March 18 | Human Rights Commission meets and certifies financial institutions |
| March 24 | Baird distributes preliminary term sheet to certified institutions |
| March 31 | Baird holds due diligence sessions with investors and City, if needed |
| April 9 | Best and final offers submitted; Award bonds and execute final term sheet |
| April 14 | City Council notified of outcome |
| April 29 | Bond closing |

Attachments

1. An Ordinance Providing for the Issuance of Not to Exceed \$9,000,000 General Obligation Bonds, Series 2025, of the City of Urbana, Champaign County, Illinois, for the Purpose of Financing Various Capital Improvements, Providing for the Levy and Collection of a Direct Annual Tax Sufficient to Pay the Principal and Interest on Said Bonds, and Authorizing the Sale of Said Bonds to the Purchaser Thereof.
2. Preliminary Term Sheet.

Originated by: Elizabeth Hannan, HR & Finance Director / CFO

Reviewed: Matt Roeschley, City Attorney

Approved: Carol Mitten, City Administrator

ORDINANCE NO. _____

AN ORDINANCE PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$9,000,000 GENERAL OBLIGATION BONDS, SERIES 2025, OF THE CITY OF URBANA, CHAMPAIGN COUNTY, ILLINOIS, FOR THE PURPOSE OF FINANCING VARIOUS CAPITAL IMPROVEMENTS, PROVIDING FOR THE LEVY AND COLLECTION OF A DIRECT ANNUAL TAX SUFFICIENT TO PAY THE PRINCIPAL AND INTEREST ON SAID BONDS, AND AUTHORIZING THE SALE OF SAID BONDS TO THE PURCHASER THEREOF.

WHEREAS, by virtue of its population and pursuant to the provisions of Section 6 of Article VII of the Constitution of the State of Illinois (the "*Constitution*"), the City of Urbana, Champaign County, Illinois (the "*City*"), is a home rule unit and may exercise any power or perform any function pertaining to its government and affairs including, but not limited to, the power to tax and to incur debt; and

WHEREAS, pursuant to the provisions of said Section 6, the City has the power to incur debt payable from ad valorem property tax receipts or from any other lawful source and maturing within 40 years from the time it is incurred without prior referendum approval; and

WHEREAS, the Council of the City (the "*Council*") has considered the needs of the City and has determined and does hereby determine that it is necessary, desirable, and in the best interests of the City to borrow at this time the sum of not to exceed \$9,000,000 for the purpose of financing expenditures for acquisition, construction, improvement, renovation, and equipping of two new City fire stations and ancillary costs related thereto (collectively, the "*Project*"); and

WHEREAS, it is in the best interests of the City to issue bonds of the City in the aggregate principal amount of not to exceed \$9,000,000 to evidence said borrowing and for the purpose of paying costs of the Project:

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Urbana, Champaign County, Illinois, in the exercise of its home rule powers, as follows:

Section 1. Incorporation of Preambles; Determination to Issue Bonds. The Council hereby finds that all the recitals contained in the preambles to this Ordinance are true, correct, and complete and does incorporate them into this Ordinance by this reference. It is necessary and in the best interests of the City to finance the Project, to pay all related costs and expenses incidental thereto, and to borrow money and issue bonds for such purpose. It is hereby found and determined that such borrowing of money is necessary for the welfare of the government and affairs of the City, is for a proper public purpose or purposes and is in the public interest, and is authorized pursuant to

the applicable provisions of the Illinois Municipal Code, as amended (the “*Municipal Code*”), as further supplemented and, where necessary, superseded, by the powers of the City as a home rule unit under the provisions of Section 6 of Article VII of the Constitution, and as further supplemented by the Local Government Debt Reform Act, as amended (the “*Reform Act*”) (collectively, the Municipal Code, constitutional home rule powers, and Reform Act being the “*Act*”).

Section 2. Authorization. It is hereby found and determined that the Council has been authorized by law to borrow an amount not to exceed \$9,000,000 upon the credit of the City and as evidence of such indebtedness to issue bonds of the City to said amount, the proceeds of said bonds to be used for the Project, and that it is necessary and for the best interests of the City that there be issued not to exceed \$9,000,000 of the bonds so authorized, and the findings and determinations in this Section, together with those set forth in the preambles to this Ordinance, shall be deemed conclusive.

Section 3. Bond Details. There be borrowed by for and on behalf of the City an amount not to exceed \$9,000,000 for the purpose aforesaid, and that bonds of the City shall be issued to said amount and shall be designated “General Obligation Bonds, Series 2025” (the “*Bonds*”), with any further series designation as shall be set forth in the Bond Notification (as hereinafter defined). The Bonds shall be dated such date (as set forth in the Bond Notification), and shall also bear the date of authentication, shall be in fully registered form, shall be in minimum denominations of \$100,000 each and integral multiples of \$5,000 in excess thereof unless otherwise set forth in the Bond Notification (but no single Bond shall represent installments of principal maturing on more than one date), and shall be numbered 1 and upward.

The Bonds shall become due and payable serially or be subject to mandatory redemption (subject to prior redemption as hereinafter described) on February 1 (unless otherwise set forth in the Bond Notification) of each of the years (not later than 2035), in the amounts (not exceeding \$1,200,000 per year) and bearing interest at the rates (not exceeding 5.50% per annum) as set forth in the Bond Notification.

The Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of such Bonds is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable semi-annually commencing with the first interest payment date as set forth in the Bond Notification, and on February 1st and August 1st of each year thereafter to maturity.

Interest on each Bond shall be paid by check or draft of the bond registrar and paying agent (which shall be the Purchaser (as hereinafter defined), a bank or trust company authorized to do business in the State of Illinois or the Treasurer of the City (the “*Treasurer*”) as set forth in the Bond Notification, the “*Bond Registrar*”), payable upon presentation thereof in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the 15th day of the month next preceding the interest payment date. The principal of the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the designated office of the Bond Registrar.

Section 4. Execution; Authentication. The Bonds shall be executed on behalf of the City by the manual or facsimile signature of its Mayor (the “*Mayor*”) and attested by the manual or facsimile signature of its City Clerk (the “*City Clerk*”), as they shall determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the City. In case any such officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. All Bonds shall have thereon a certificate of authentication, substantially in the form hereinafter set forth, duly executed by the Bond Registrar as authenticating agent of the City and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 5. Registration of Bonds; Persons Treated as Owners. (a) *General.* The City shall cause books (the “*Bond Register*”) for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the designated office of the Bond Registrar, which is hereby constituted and appointed the registrar of the City. The City is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds. Upon surrender for transfer of any Bond at the designated office of the Bond Registrar, duly endorsed by or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by the registered owner or his or her

attorney duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Bond or Bonds may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of Bond or Bonds of the same maturity of authorized denominations. The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; *provided, however*, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less previous retirements.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 15th day of the month next preceding any interest payment date on such Bond and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bond shall be made only to or upon the order of the registered owner thereof or his or her legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the City or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

(b) *Global Book-Entry System.* The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds determined as described in Section 3 hereof. If so requested by the Purchaser, upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in the name of Cede & Co., or any successor thereto ("*Cede*"), as nominee of The Depository Trust Company, New York, New York, and its successors and assigns ("*DTC*"). All of the outstanding Bonds shall be registered in the Bond Register in the name of Cede, as nominee of DTC, except as hereinafter provided. Any officer of the City who is a

signatory on the Bonds, along with the Treasurer, is authorized to execute and deliver, on behalf of the City, such letters to or agreements with DTC as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the "*Representation Letter*"), which Representation Letter may provide for the payment of principal of or interest on the Bonds by wire transfer.

With respect to Bonds registered in the Bond Register in the name of Cede, as nominee of DTC, the City and the Bond Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a "*DTC Participant*") or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Bond Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to the principal of or interest on the Bonds. The City and the Bond Registrar may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Bond Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the respective registered owners of the Bonds, as shown in the Bond Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of a Bond as shown in the Bond Register, shall receive a Bond evidencing the obligation of the City to make payments of principal and interest with respect to any Bond. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the provisions in Section 3 hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the 15th day of the month next preceding the

applicable interest payment date, the name “Cede” in this Ordinance shall refer to such new nominee of DTC.

In the event that (i) the City determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the City, the Bond Registrar and DTC evidenced by the Representation Letter shall be terminated for any reason, or (iii) the City determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City shall notify DTC and DTC Participants of the availability through DTC of certificated Bonds and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede, as nominee of DTC. At that time, the City may determine that the Bonds shall be registered in the name of and deposited with such other depository operating a universal book-entry system, as may be acceptable to the City, or such depository’s agent or designee, and if the City does not select such alternate universal book-entry system, then the Bonds may be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of Section 5(a) hereof.

Notwithstanding any other provisions of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the name provided in the Representation Letter.

Section 6. Redemption. (a) *Optional Redemption.* All or a portion of the Bonds due on and after the date, if any, specified in the Bond Notification shall be subject to redemption prior to maturity at the option of the City from any available funds, as a whole or in part, and if in part in integral multiples of \$5,000 in any order of their maturity as determined by the City (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on the date specified in the Bond Notification, and on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption.

(b) *Mandatory Redemption.* The Bonds maturing on the date or dates, if any, indicated in the Bond Notification shall be subject to mandatory redemption, in integral multiples of \$5,000 selected by lot by the Bond Registrar, at a redemption price of par plus accrued interest to the redemption date, on February 1 of the years, if any, and in the principal amounts, if any, as indicated in said Bond Notification.

The principal amounts of Bonds to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Bonds credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the City may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date, the Bond Registrar may, and if directed by the Council shall, purchase Bonds required to be retired on such mandatory redemption date. Any such Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on such next mandatory redemption date.

(c) *General.* The Bonds shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof. The City shall, at least forty-five (45) days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar) notify the Bond Registrar of such redemption date and of the principal amount, maturity or maturities of Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar from the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided* that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall make such selection upon the earlier of the irrevocable deposit of funds with an escrow agent sufficient to pay the redemption price of the Bonds to be redeemed or the time of the giving of official notice of redemption.

The Bond Registrar shall promptly notify the City in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

Section 7. Redemption Procedure. Unless waived by any holder of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the City by mailing the redemption notice by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,
- (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,
- (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the designated office of the Bond Registrar, and
- (6) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed at the option of the City shall have been received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the City, state that said redemption shall be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption shall have been given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the City shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as aforesaid, and notwithstanding the failure to receive such notice, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender

for any partial redemption of any Bond, there shall be prepared for the registered holder a new Bond or Bonds of the same maturity in the amount of the unpaid principal.

If any Bond or portion of Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

Section 8. Form of Bond. The Bonds shall be in substantially the following form; *provided, however,* that if the text of the Bond is to be printed in its entirety on the front side of the Bond, then paragraph [2] and the legend, “See Reverse Side for Additional Provisions”, shall be omitted and paragraph [6] and the paragraphs thereafter as shall be appropriate shall be inserted immediately after paragraph [1]:

[FORM OF BOND - FRONT SIDE]

REGISTERED
NO. _____

REGISTERED
\$ _____

**UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF CHAMPAIGN
CITY OF URBANA**

GENERAL OBLIGATION BOND, SERIES 2025

See Reverse Side for
Additional Provisions.

Interest Maturity Dated
Rate: _____% Date: February 1, 20__ Date: _____, 2025 CUSIP: _____

Registered Owner:

Principal Amount:

[1] KNOW ALL PERSONS BY THESE PRESENTS that the City of Urbana, Champaign County, Illinois, a municipality, home rule unit, and political subdivision of the State of Illinois (the “City”), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above (subject to the right of prior redemption as hereinafter stated), the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent interest payment date to which interest has been paid or duly provided for, at the Interest Rate per annum identified above, such interest to be payable on February 1st and August 1st of each year, commencing August 1, 2025, until said Principal Amount is paid or duly provided for. The principal of this Bond is payable in lawful money of the United States of America upon presentation hereof at the designated office of _____, as bond registrar and paying agent (the “Bond Registrar”). Payment of interest shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Bond Registrar, at the close of business on the 15th day of the month next preceding the interest payment date. Interest shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books, or at such other address furnished in writing by such Registered

Owner to the Bond Registrar. For the prompt payment of this Bond both principal and interest at maturity, the full faith, credit and resources of the City are hereby irrevocably pledged.

[2] Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as if set forth at this place.

[3] It is hereby certified and recited that all conditions, acts and things required by the Constitution and Laws of the State of Illinois to exist or to be done precedent to and in the issuance of this Bond, including the hereinafter defined Act, have existed and have been properly done, happened and been performed in regular and due form and time as required by law; that the indebtedness of the City, represented by the Bonds, and including all other indebtedness of the City, howsoever evidenced or incurred, does not exceed any constitutional or statutory or other lawful limitation; and that provision has been made for the collection of a direct annual tax, in addition to all other taxes, on all of the taxable property in the City sufficient to pay the interest hereon as the same falls due and also to pay and discharge the principal hereof at maturity.

[4] This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

[5] IN WITNESS WHEREOF, the City of Urbana, Champaign County, Illinois, by its Council, has caused this Bond to be executed by the manual or duly authorized facsimile signature of its Mayor and attested by the manual or duly authorized facsimile signature of its City Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.

SPECIMEN

Mayor, City of Urbana
Champaign County, Illinois

ATTEST:

SPECIMEN

City Clerk, City of Urbana
Champaign County, Illinois

[SEAL]

Date of Authentication: _____, 2025

CERTIFICATE
OF
AUTHENTICATION

Bond Registrar and Paying Agent:
_____,
_____, Illinois

This Bond is one of the Bonds described in the within mentioned ordinance and is one of the General Obligation Bonds, Series 2025 of the City of Urbana, Champaign County, Illinois.

_____,
as Bond Registrar

By _____
SPECIMEN
Authorized Officer

[FORM OF BOND - REVERSE SIDE]

CITY OF URBANA

CHAMPAIGN COUNTY, ILLINOIS

GENERAL OBLIGATION BOND, SERIES 2025

[6] This Bond is one of a series of bonds (the “*Bonds*”) issued by the City for the purpose of financing expenditures for acquisition, construction, improvement, renovation, and equipping of two new City fire stations and ancillary costs related thereto, and paying expenses incidental thereto, all as described in the ordinance of the City, adopted by the Council of the City on the 10th day of March, 2025, authorizing the Bonds, as supplemented by a notification of sale (the “*Ordinance*”), pursuant to and in all respects in compliance with the applicable provisions of the Illinois Municipal Code, as amended (the “*Municipal Code*”); as further supplemented and, where necessary, superseded, by the powers of the City as a home rule unit under the provisions of Section 6 of Article VII of the Illinois Constitution of 1970; and as further supplemented by the Local Government Debt Reform Act of the State of Illinois, as amended (the “*Reform Act*”) (collectively, the Municipal Code, constitutional home rule powers and Reform Act being the “*Act*”), and with the Ordinance, which has been duly approved by the Mayor, and published, in all respects as by law required.

[7] Bonds of the issue of which this Bond is one maturing on and after February 1, 20__, are subject to redemption prior to maturity at the option of the City as a whole, or in part in integral multiples of \$5,000 in any order of their maturity as determined by the City (less than all the Bonds of a single maturity to be selected by lot by the Bond Registrar), on February 1, 20__, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

[8] [Mandatory Redemption provisions, as applicable, will be inserted here.]

[9] Notice of any such redemption shall be sent by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books of the City maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar. When so called for redemption, this Bond will cease to bear interest on the specified redemption date, provided funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

[10] This Bond is transferable by the Registered Owner hereof in person or by his or her attorney duly authorized in writing at the designated office of the Bond Registrar in _____, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the Ordinance, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor.

[11] The Bonds are issued in fully registered form in minimum denominations of \$100,000 each and integral multiples of \$5,000 in excess thereof. This Bond may be exchanged at the designated office of the Bond Registrar for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations, upon the terms set forth in the Ordinance. The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 15th day of the month next preceding any interest payment date on such Bond and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

[12] The City and the Bond Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and neither the City nor the Bond Registrar shall be affected by any notice to the contrary.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assign, and transfers unto _____

Here insert Social Security Number, Employer Identification Number or other Identifying Number

(Name and Address of Assignee)
the within Bond and does hereby irrevocably constitute and appoint _____

as attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed: _____

NOTICE: The signature to this transfer and assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Section 9. Sale of Bonds. The Mayor and the Treasurer (the “*Designated Representatives*”) are hereby authorized to proceed not later than September 10, 2025, without any further authorization or direction from the Council, to sell the Bonds upon the terms as prescribed in this Ordinance. The Bonds hereby authorized shall be executed as in this Ordinance provided as soon after the delivery of the Bond Notification as may be, and thereupon be deposited with the Treasurer, and, after authentication thereof by the Bond Registrar, be by the Treasurer delivered to the purchaser thereof (the “*Purchaser*”), upon receipt of the purchase price therefor, the same being not less than 98.00% of the principal amount of the Bonds (exclusive of original issue premium or original issue discount), plus accrued interest to the date of delivery, if any.

The Purchaser of the Bonds shall be: (a) pursuant to a competitive sale conducted by Robert W. Baird & Co., Naperville, Illinois (“*Placement Agent*”), the best bidder for the respective Bonds; (b) in a negotiated underwriting, a bank or financial institution listed in the Dealers & Underwriters or Municipal Derivatives sections of the most recent edition of The Bond Buyer’s Municipal Marketplace; or (c) in a private placement, (i) a bank or financial institution authorized to do business in the State of Illinois, (ii) a governmental unit as defined in the Debt Reform Act or (iii) an “accredited investor” as defined in Rule 501 of Regulation D as promulgated under the Securities Act of 1933, as amended; provided, however, that a Purchaser as set forth in either (b) or (c) shall be selected only upon the recommendation of the Placement Agent that the sale of the respective Bonds on a negotiated or private placement basis to such Purchaser is in the best interest of the City because of (i) the pricing of such Bonds by such Purchaser, (ii) then current market conditions or (iii) the timing of the sale of such Bonds; and further provided, that a Purchaser as set forth in (c) may be selected through the utilization of a placement agent selected by the Designated Representatives after consultation with the Placement Agent if the use of such placement agent is determined by the Designated Representatives to be in the best interest of the City.

Prior to the sale of the Bonds, the Designated Representatives are each hereby authorized to approve and execute a commitment for the purchase of a Municipal Bond Insurance Policy (as hereinafter defined), to further secure the Bonds, as long as the present value of the fee to be paid for the Municipal Bond Insurance Policy (using as a discount rate the expected yield on the Bonds treating the fee paid as interest on the Bonds) is less than the present value of the interest reasonably expected to be saved on the Bonds over the term of the Bonds as a result of the Municipal Bond Insurance Policy.

Upon the sale of the Bonds, the Designated Representatives shall prepare a Notification of Sale of the Bonds, which shall include the pertinent details of sale as provided herein (the “*Bond Notification*”). In the Bond Notification, the Designated Representatives shall find and determine that the Bonds have been sold at such price and bear interest at such rates that either the true interest cost (yield) or the net interest rate received upon the sale of such Bonds does not exceed the maximum rate otherwise authorized by applicable law. The Bond Notification shall be entered into the records of the City and made available to the Council at the next regular meeting thereof; but such action shall be for information purposes only, and the Council shall have no right or authority at such time to approve or reject such sale as evidenced in the Bond Notification.

Upon the sale of the Bonds, as evidenced by the execution and delivery of a Bond Notification by the Designated Representatives, the Mayor, City Clerk and Treasurer and any other officers of the City, as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Bonds as may be necessary, including, without limitation, the contract for the sale of the Bonds between the City and the Purchaser (which may be evidenced by an executed bid form) (the “*Purchase Contract*”). Prior to the execution and delivery of the Purchase Contract, the Designated Representatives shall find and determine that to the best of the knowledge and belief of the Council, after due inquiry, no person holding any office of the City, either by election or appointment, is in any manner financially interested, either directly in his or her own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Contract.

The use by the City and the Purchaser of any Preliminary Official Statement and any final Official Statement relating to the Bonds (collectively, the “*Official Statement*”) is hereby ratified, approved and authorized; the execution and delivery of the Official Statement is hereby authorized; and the officers of the City are hereby authorized to take any action as may be required on the part of the City to consummate the transactions contemplated by any Purchase Contract, this Ordinance, any Preliminary Official Statement, and the Official Statement and the Bonds.

Section 10. Tax Levy; Abatement. For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity, there is hereby levied upon all of the taxable property within the City, in the years for which any of the Bonds are outstanding, a direct annual tax sufficient for that purpose; and there is hereby levied on all of the taxable property in the City, in addition to all other taxes, the following direct annual tax (the “*Pledged Taxes*”), to wit:

FOR THE YEAR A TAX SUFFICIENT TO PRODUCE THE SUM OF:

| | | |
|------|----------------|----------------------------|
| 2025 | \$1,250,000.00 | for interest and principal |
| 2026 | \$1,250,000.00 | for interest and principal |
| 2027 | \$1,250,000.00 | for interest and principal |
| 2028 | \$1,250,000.00 | for interest and principal |
| 2029 | \$1,250,000.00 | for interest and principal |
| 2030 | \$1,250,000.00 | for interest and principal |
| 2031 | \$1,250,000.00 | for interest and principal |
| 2032 | \$1,250,000.00 | for interest and principal |
| 2033 | \$1,250,000.00 | for interest and principal |

The Pledged Taxes and other moneys (excepting proceeds of the Bonds) on deposit (collectively, the “Bond Moneys”) in the Bond Fund (as hereinafter defined) shall be applied to pay principal of and interest on the Bonds as follows:

Bond Moneys shall be applied to the payment of interest when due and principal or redemption price when due at maturity.

Interest or principal coming due at any time when there are insufficient funds on hand from the Pledged Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Pledged Taxes; and when the Pledged Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced. The City covenants and agrees with the purchasers and registered owners of the Bonds that so long as any of the Bonds remain outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to levy and collect the foregoing tax levy. The City and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes may be levied, extended and collected as provided herein and deposited into the Bond Fund.

Whenever other funds from any other lawful source are made available for the purpose of paying any principal of or interest on the Bonds so as to enable the abatement of the Pledged Taxes, the Council shall, by proper proceedings, direct the deposit of such funds into the Bond Fund and further shall direct the abatement of the taxes by the amount so deposited. A certified copy or other notification of any such proceedings abating taxes may then be filed with the County Clerk of the County of Champaign, Illinois (the “County Clerk”), in a timely manner to effect such abatement.

To the extent that the taxes levied above exceed the amount necessary to pay debt service on the Bonds as set forth in the Bond Notification, the Mayor, City Clerk and Treasurer are hereby

authorized to direct the abatement of such taxes to the extent of the excess of such levy in each year over the amount necessary to pay debt service on the Bonds in the following bond year. Proper notice of such abatement shall be filed with the County Clerk in a timely manner to effect such abatement.

Section 11. Filing with County Clerk. Forthwith upon the passage of this Ordinance, the City Clerk is hereby directed to file a certified copy of this Ordinance with the County Clerk; and the County Clerk shall in and for each of the years 2025 to 2033, inclusive, ascertain the rate necessary to produce the tax herein levied; and the County Clerk shall extend the same for collection on the tax books in connection with other taxes levied in said years in and by the City for general corporate purposes of the City; and, subject to abatement as stated hereinabove, in said years such annual tax shall be levied and collected by and for and on behalf of the City in like manner as taxes for general corporate purposes for said years are levied and collected, and in addition to and in excess of all other taxes, and when collected, the taxes hereby levied shall be placed to the credit of a special fund to be designated “Bond and Interest Fund Account of 2025” (the “*Bond Fund*”), which taxes are hereby irrevocably pledged to and shall be used only for the purpose of paying the principal of and interest on the Bonds.

Section 12. Use of Bond Proceeds. The principal proceeds of the Bonds are hereby appropriated to pay the costs of issuance of the Bonds and for the purpose of paying the cost of the Project, and that portion thereof not needed to pay such costs of issuance is hereby ordered deposited into the Capital Improvement Account of the City (the “*Project Fund*”). Alternatively, the Treasurer may allocate such proceeds to one or more related project funds of the City already in existence; *provided, however*, that this shall not relieve the Treasurer of the duty to account for the proceeds as herein provided. (Any such one or more funds shall also be referred to hereinafter, collectively, as the “*Project Fund*”). At the time of the issuance of the Bonds, the costs of issuance of the Bonds may be paid by the Purchaser or the Bond Registrar on behalf of the City from the proceeds of the Bonds.

Section 13. Non-Arbitrage and Tax-Exemption. The City hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Internal Revenue Code of 1986, as amended (the “*Code*”), or would otherwise cause the interest on the Bonds to be included in the

gross income of the recipients thereof for federal income tax purposes. The City acknowledges that, in the event of an examination by the Internal Revenue Service (the “IRS”) of the exemption from federal income taxation for interest paid on the Bonds, under present rules, the City may be treated as a “taxpayer” in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the IRS in connection with such an examination.

The City also agrees and covenants with the purchasers and holders of the Bonds from time to time outstanding that, to the extent possible under Illinois law, it will comply with whatever federal tax law is adopted in the future which applies to the Bonds and affects the tax-exempt status of the Bonds.

The Council hereby authorizes the officials of the City responsible for issuing the Bonds, the same being the Mayor, City Clerk and Treasurer, to make such further covenants and certifications regarding the specific use of the proceeds of the Bonds as approved by the Council and as may be necessary to assure that the use thereof will not cause the Bonds to be arbitrage bonds and to assure that the interest on the Bonds will be exempt from federal income taxation. In connection therewith, the City and the Council further agree: (a) through their officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Bonds and to comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by their officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the City in such compliance.

Section 14. Reimbursement. With respect to expenditures for the Project paid within the 60-day period ending on this date and with respect to which no declaration of intent was previously made, the City hereby declares its intent to reimburse such expenditures and hereby allocates proceeds of the Bonds in the amount indicated in the Tax Exemption Certificate and Agreement to be delivered in connection with the issuance of the Bonds to reimburse said expenditures.

Section 15. Designation of Issue. The City may designate the Bonds in the Bond Notification as “qualified tax-exempt obligations” for the purposes and within the meaning of Section 265(b)(3) of the Code.

Section 16. List of Bondholders. The Bond Registrar shall maintain a list of the names and addresses of the holders of all Bonds and upon any transfer shall add the name and address of the new Bondholder and eliminate the name and address of the transferor Bondholder.

Section 17. Defeasance. Any Bond or Bonds which (a) are paid and cancelled, (b) which have matured and for which sufficient sums have been deposited with the Bond Registrar to pay all principal and interest due thereon, or (c) for which sufficient U.S. funds and direct U.S. Treasury obligations have been deposited with the Bond Registrar or similar institution to pay, taking into account investment earnings on such obligations, all principal of and interest on such Bond or Bonds when due at maturity or as called for redemption, pursuant to an irrevocable escrow or trust agreement, shall cease to have any lien on or right to receive or be paid from the Bond Moneys or Pledged Taxes and shall no longer have the benefits of any covenant for the registered owners of outstanding Bonds as set forth herein as such relates to lien and security of the outstanding Bonds. All covenants relative to the tax-exempt status of the Bonds; and payment, registration, transfer, and exchange; are expressly continued for all Bonds whether outstanding Bonds or not.

Section 18. Duties of Bond Registrar. If requested by the Bond Registrar, the Mayor and City Clerk are authorized to execute the Bond Registrar's standard form of agreement between the City and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder which may include the following:

- (a) to act as bond registrar, authenticating agent, paying agent and transfer agent as provided herein;
- (b) to maintain a list of Bondholders as set forth herein and to furnish such list to the City upon request, but otherwise to keep such list confidential;
- (c) to give notice of redemption of the Bonds as provided herein;
- (d) to cancel and/or destroy Bonds which have been paid at maturity or submitted for exchange or transfer;
- (e) to furnish the City at least annually a certificate with respect to Bonds cancelled and/or destroyed; and
- (f) to furnish the City at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

Section 19. Continuing Disclosure Undertaking. If applicable, the Mayor or Treasurer is hereby authorized, empowered and directed to execute and deliver a Continuing Disclosure

Undertaking (the “*Continuing Disclosure Undertaking*”) in connection with the issuance of the Bonds, with such provisions therein as he or she shall approve, his or her execution thereof to constitute conclusive evidence of his or her approval of such provisions. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the City as herein provided, the Continuing Disclosure Undertaking will be binding on the City and the officers, employees and agents of the City, and the officers, employees and agents of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Ordinance, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause the City to comply with its obligations under the Continuing Disclosure Undertaking.

Section 20. Municipal Bond Insurance. In the event the payment of principal and interest on any series of the Bonds is insured pursuant to a municipal bond insurance policy (the “*Municipal Bond Insurance Policy*”) issued by a bond insurer (the “*Bond Insurer*”), and as long as such Municipal Bond Insurance Policy shall be in full force and effect, the City and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of said Bonds, subrogation of the rights of said Bondholders to the Bond Insurer upon payment of said Bonds by the Bond Insurer, amendment hereof, or other terms, as approved by a Designated Representative on advice of counsel, his or her approval to constitute full and complete acceptance by the City of such terms and provisions under authority of this Section.

Section 21. Record-Keeping Policy and Post-Issuance Compliance Matters. The Council has previously adopted a record-keeping policy (the “*Policy*”) to maintain sufficient records to demonstrate compliance with its covenants and expectations to ensure the appropriate federal tax status for the Bonds and other debt obligations of the City, the interest on which is excludable from “gross income” for federal income tax purposes or which enable the City or the holder to receive federal tax benefits, including, but not limited to, qualified tax credit bonds and other specified tax credit bonds (including the Bonds). The Council and the City hereby reaffirm the Policy.

Section 22. Publication of Ordinance. A full, true, and complete copy of this Ordinance shall be published within ten days after passage in pamphlet form by authority of the Council.

Section 23. This Ordinance a Contract. The provisions of this Ordinance shall constitute a contract between the City and the registered owners of the Bonds, and no changes, additions or alterations of any kind shall be made hereto, except as herein provided.

Section 24. Severability. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

Section 25. Superseder and Effective Date. All ordinances, resolutions, and orders, or parts thereof, in conflict herewith, are to the extent of such conflict hereby superseded; and this Ordinance shall be in full force and effect immediately upon its passage, approval, and publication.

PASSED BY THE CITY COUNCIL this 10th day of March, 2025.

AYES:

NAYS:

ABSTENTIONS:

Darcy E. Sandefur, City Clerk

APPROVED BY THE MAYOR this this 10th day of March, 2025.

Diane Wolfe Marlin, Mayor

Recorded in the City Records on March ____, 2025.

STATE OF ILLINOIS)
) SS
COUNTY OF CHAMPAIGN)

CERTIFICATION OF ORDINANCE AND MINUTES

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Urbana, Champaign County, Illinois (the “City”), and as such official I am the keeper of the records and files of the Council of the City (the “Council”).

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the meeting of the Council held on the 10th day of March, 2025, insofar as same relates to the adoption of Ordinance No. ____ titled:

AN ORDINANCE providing for the issuance of not to exceed \$9,000,000 General Obligation Bonds, Series 2025, of the City of Urbana, Champaign County, Illinois, for the purpose of financing various capital improvements, providing for the levy and collection of a direct annual tax sufficient to pay the principal and interest on said bonds, and authorizing the sale of said bonds to the purchaser thereof.

a true, correct and complete copy of which said ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Council on the adoption of said ordinance were conducted openly, that the vote on the adoption of said ordinance was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the Council at least 72 hours in advance of the holding of said meeting, that at least one copy of said agenda was continuously available for public review during the entire 72-hour period preceding said meeting, that said agenda contained a separate specific item concerning the proposed adoption of said ordinance, a true, correct and complete copy of the agenda as so posted being attached hereto as *Exhibit A*, that said meeting was called and held in strict compliance with the provisions the Open Meetings Act of the State of Illinois, as amended, and with the provisions of the Illinois Municipal Code, as amended, and that the Council has complied with all of the applicable provisions of said Act and said Code and its procedural rules in the adoption of said ordinance.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the City, this 10th day of March, 2025.

City Clerk

[SEAL]

STATE OF ILLINOIS)
) SS
COUNTY OF CHAMPAIGN)

FILING CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Champaign, Illinois, and as such official I do further certify that on the ____ day of March, 2025, there was filed in my office a duly certified copy of Ordinance No. ____ titled:

AN ORDINANCE providing for the issuance of not to exceed \$9,000,000 General Obligation Bonds, Series 2025, of the City of Urbana, Champaign County, Illinois, for the purpose of financing various capital improvements, providing for the levy and collection of a direct annual tax sufficient to pay the principal and interest on said bonds, and authorizing the sale of said bonds to the purchaser thereof.

duly adopted by the Council of the City of Urbana, Champaign County, Illinois, on the 10th day of March, 2025, and approved by the Mayor, and that the same has been deposited in (and all as appearing from) the official files and records of my office.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of said County, this ____ day of March, 2025.

County Clerk of The County of Champaign,
Illinois

[SEAL]

STATE OF ILLINOIS)
) SS
COUNTY OF CHAMPAIGN)

CERTIFICATE OF PUBLICATION IN PAMPHLET FORM

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Urbana, Champaign County, Illinois (the “City”), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the City and of the Council (the “Council”) of the City.

I do further certify that on the 10th day of March, 2025 there was published in pamphlet form, by authority of the Council, a true, correct, and complete copy of Ordinance No. ____ of the City titled:

AN ORDINANCE providing for the issuance of not to exceed \$9,000,000 General Obligation Bonds, Series 2025, of the City of Urbana, Champaign County, Illinois, for the purpose of financing various capital improvements, providing for the levy and collection of a direct annual tax sufficient to pay the principal and interest on said bonds, and authorizing the sale of said bonds to the purchaser thereof.

and providing for the issuance of said bonds, and that the ordinance as so published was on that date readily available for public inspection and distribution, in sufficient number so as to meet the needs of the general public, at my office as City Clerk located in the City.

IN WITNESS WHEREOF, I have affixed hereto my official signature and the seal of the City this 10th day of March, 2025.

City Clerk

[SEAL]

No Official Statement will be prepared for the Bonds. By the Purchaser’s acceptance of the Bonds, the Purchaser shall be deemed to have had access to such financial and other information concerning the City and the Bonds as the Purchaser deemed necessary to make an independent decision to purchase the Bonds, including the opportunity, at a reasonable time prior to the purchase of the Bonds, to ask questions and receive answers concerning the City and the terms and conditions of the Bonds.

Preliminary Term Sheet

City of Urbana,
Champaign County, Illinois (the “City”)

\$9,000,000* General Obligation Bonds, Series 2025 (the “Bonds”)



Bid Due Date/Time: April 9, 2025 @ 11:00 AM Central. Rates must not be subject to change through the closing of April 29, 2025.

Award Date: April 9, 2025 (anticipated)

Dated/Delivery Date: April 29, 2025 (anticipated)

| Amortization: | February 1 | Amount* |
|----------------------|------------|------------|
| | 2026 | \$ 820,000 |
| | 2027 | 760,000 |
| | 2028 | 790,000 |
| | 2029 | 825,000 |
| | 2030 | 865,000 |
| | 2031 | 905,000 |
| | 2032 | 945,000 |
| | 2033 | 985,000 |
| | 2034 | 1,030,000 |
| | 2035 | 1,075,000 |

Average Life*: 5.564 years

Purchaser: To Be Determined

Purchase Price: At Par

Interest Due: Interest shall be payable commencing on August 1, 2025 and semi-annually thereafter on February 1 and August 1 of each year. Interest on the Bonds will be computed on the basis of a 360-day year of twelve 30-day months.

Denomination: The Bonds will be issued in minimum denominations of \$100,000 and integral multiples of \$5,000 thereof.

Optional Redemption Provision: Please provide your proposed interest rates for each of the following optional redemption provisions:

1. The Bonds maturing on and after February 1, 2033 shall be subject to redemption prior to maturity at the option of the City from any available funds on February 1, 2032 or on any date thereafter at par plus accrued interest.
2. The Bonds are not subject to redemption prior to maturity.

If you would like to propose an alternative optional redemption provision, please so state in your offer along with any change in interest rate(s). The City will evaluate the cost/benefit of each offer and its corresponding optional redemption provision before making a selection.

Mandatory Redemption: All or a portion of the Bonds may be subject to mandatory redemption on February 1 of the years, if any, and in the principal amounts, if any, as shown above.

Purpose: Proceeds from the sale of the Bonds will be used for the purpose of (i) financing expenditures for acquisition, construction, improvement, renovation, and equipping of two new City fire stations and ancillary costs related thereto, and (ii) paying costs related to the issuance of the Bonds.

*Preliminary, subject to change.

- Authorization:** The Bonds are being issued pursuant to the powers of the City as a home rule unit of government under Section 6 of Article VII of the Constitution of the State of Illinois, the Illinois Municipal Code and the Local Government Debt Reform Act of the State of Illinois, each as supplemented and amended, and a bond ordinance adopted by the City Council of the City on March 10, 2025, as supplemented by a notification of sale.
- Security:** In the opinion of Bond Counsel, Chapman and Cutler LLP, Chicago, Illinois, the Bonds are valid and legally binding upon the City and are payable from any funds of the City legally available for such purpose, and all taxable property in the City is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.
- The City will pay debt service on the Bonds through February 1, 2026 from lawfully available funds.
- Tax Exemption:** Subject to compliance by the City with certain covenants, in the opinion of Bond Counsel, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended (the "Code"). Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. Interest on the Bonds is not exempt from present State of Illinois income taxes.
- Legal Opinion:** Bond Counsel will provide an opinion as to the validity of, and federal tax exemption of the interest on, the Bonds. See "Exhibit B—Form of Bond Counsel Opinion."
- Bank-Qualified:** The Bonds are "qualified tax-exempt obligations" under Section 265(b)(3) of the Code.
- Credit Rating:** No rating will be applied for in connection with the Bonds.
- No Secondary Market:** The Bonds must be purchased with the intent to hold to maturity as no secondary market is expected.
- Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"), exempts from certain requirements of the Rule offerings of municipal securities (such as the Bonds) that are (i) in authorized denominations of \$100,000 or more and (ii) are sold to no more than thirty-five persons each of whom has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the prospective investment and is not purchasing for more than one account or with a view to distributing the Bonds. Because the offering of the Bonds is exempt under the Rule, the City is not required to enter into a continuing disclosure undertaking with respect to the Bonds and is also not required to deliver an official statement to a purchaser nor to provide statements concerning noncompliance, in all material respects, with the City's prior continuing disclosure undertakings. Finally, the Purchaser should note that the disclosure contained herein is limited in scope and does not include information customarily contained in official statements subject to the Rule.
- Record Date:** The fifteenth day of the calendar month next preceding the interest payment date.
- Registered or Book-Entry:** The Bonds will be registered in the name of the Purchaser unless otherwise requested by the Purchaser.
- Bond Counsel:** Chapman and Cutler LLP, Chicago, Illinois.
- Placement Agent:** Robert W. Baird & Co. Incorporated, Naperville, Illinois.
- Bond Registrar/Paying Agent:** Please state your willingness to serve as bond registrar and paying agent on the Bonds at no additional cost to the City.
- Representations of the Purchaser:** The Purchaser will be required to execute an investor letter in substantially the form attached hereto as Exhibit C in which they will be expected to certify to the City that it (i) is acquiring the Bonds for its own account solely for investment purposes and not with a view to any distribution of any Bond or any interest therein or portion thereof or with any present intention of distributing or selling any Bond or any interest therein or portion thereof and (ii) has knowledge and experience in financial and business matters, including the acquisition and holding of tax-exempt obligations, that it is capable of evaluating the merits and risks of purchasing the Bonds and is able to bear such risks.

Acknowledgment that the Purchaser is not a Fiduciary, etc.:

The City acknowledges and agrees that the: (i) Purchaser has financial and other interests that differ from those of the City, (ii) Purchaser is not acting as a municipal advisor, financial advisor or fiduciary to the City and has not assumed any advisory or fiduciary responsibility to the City with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Purchaser has provided other services or is currently providing other services to the City on other matters), and (iii) City has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein.

Expenses:

The City will pay for all necessary expenses in connection with the issuance of the Bonds, including legal and placement agent fees. **If there will be a Purchaser’s Counsel fee, please state the amount in your offer.** This will be considered when evaluating the bids received.

Additional Provisions:

Please note any proposed additional provisions.

Financial Characteristics of the City:

See “Exhibit A—Information on the City of Urbana” for information on the City’s overlapping taxing entities, outstanding debt, overlapping debt, selected financial information, largest taxpayers, equalized assessed valuation, and tax rates by purpose.

City Financial Information:

Historical Audited Financial Statements for the City can be found here on the City’s website: <https://www.urbanail.gov/hr-and-finance-department/page/annual-comprehensive-financial-report>

Attachments:

- Exhibit A – Information on the City of Urbana
- Exhibit B – Form of Bond Counsel Opinion
- Exhibit C – Form of Investor Letter
- Exhibit D – Annual Comprehensive Financial Report for Fiscal Year June 30, 2024

Exhibit A

Information on the City of Urbana

Summary of Outstanding Debt

The City will have the following outstanding general obligation debt after the issuance of the Bonds.

Amortization of Outstanding General Obligation Debt ⁽¹⁾

| Bond Year February 1 | The Bonds* | Cumulative Retirement* | |
|-------------------------|--------------------|------------------------|----------|
| | | Amount* | Percent* |
| 2026 | \$820,000 | \$820,000 | 9.1% |
| 2027 | 760,000 | 760,000 | 17.6% |
| 2028 | 790,000 | 790,000 | 26.3% |
| 2029 | 825,000 | 825,000 | 35.5% |
| 2030 | 865,000 | 865,000 | 45.1% |
| 2031 | 905,000 | 905,000 | 55.2% |
| 2032 | 945,000 | 945,000 | 65.7% |
| 2033 | 985,000 | 985,000 | 76.6% |
| 2034 | 1,030,000 | 1,030,000 | 88.1% |
| 2035 | 1,075,000 | 1,075,000 | 100.0% |
| Total | \$9,000,000 | \$9,000,000 | |

⁽¹⁾ As of the dated date of the Bonds.

* Preliminary, subject to change.

Source: The City.

Legal Debt Margin

The City is a home rule municipality under Article VII, Section 6(k) of the 1970 Illinois Constitution and has no general obligation debt limitation.

Overlapping Debt

(As of June 30, 2024)

| Taxing Body | Outstanding Bonds | Applicable to City | |
|--|----------------------|--------------------|---------------------|
| | | Percent | Amount |
| Champaign County | \$43,555,000 | 14.018% | \$ 6,105,540 |
| Forest Preserve District | - | 13.898% | - |
| School District | 26,695,000 | 86.046% | 22,969,980 |
| Parkland College | 35,015,349 | 10.216% | 3,577,168 |
| Urbana Park District | 13,801,525 | 99.464% | 13,727,549 |
| Champaign-Urbana Health District | - | 24.726% | - |
| Champaign-Urbana Mass Transit District | 185,604 | 22.023% | 40,876 |
| Total Overlapping Bonded Debt | \$119,252,478 | | \$46,421,112 |

Source: City's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024.

EAV by Use

The following table sets forth the City's EAV by class of property for the last five levy years.

Equalized Assessed Valuation by Class of Property⁽¹⁾

| Classification | 2019 | 2020 | 2021 | 2022 | 2023 |
|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Residential..... | \$339,451,579 | \$340,021,344 | \$359,714,649 | \$394,979,368 | \$435,798,762 |
| Farm..... | 532,281 | 710,151 | 882,971 | 949,435 | 953,822 |
| Commercial..... | 246,840,401 | 253,079,340 | 251,687,884 | 283,763,751 | 300,078,053 |
| Industrial..... | 9,947,060 | 11,363,990 | 11,861,384 | 13,533,406 | 14,591,774 |
| Railroad..... | 183,458 | 190,995 | 214,325 | 246,294 | 255,199 |
| Total..... | <u>\$596,954,779</u> | <u>\$605,365,820</u> | <u>\$624,361,213</u> | <u>\$693,472,254</u> | <u>\$751,677,610</u> |
| Percent Change +(-) | 2.31% ⁽²⁾ | 1.41% | 3.14% | 11.07% | 8.39% |

⁽¹⁾ Excludes TIF increment.

⁽²⁾ Based on the City's 2018 EAV of \$583,475,063.

Source: Champaign County Clerk's Office.

Breakdown of City's Tax Rates

The following table shows the tax rates levied by the City per \$100 of Equalized Assessed Valuation on property located in the City for the past five levy years.

City Tax Rates by Purpose Per \$100 of Equalized Assessed Valuation

| | 2019 | 2020 | 2021 | 2022 | 2023 |
|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| General | \$0.2885 | \$0.2301 | \$0.1696 | \$0.2990 | \$0.2876 |
| Bonds | 0.0005 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Fire Pension | 0.1941 | 0.2130 | 0.2179 | 0.1360 | 0.1760 |
| Police Pension | 0.2833 | 0.3261 | 0.3691 | 0.3497 | 0.3403 |
| Library | <u>0.5835</u> | <u>0.5807</u> | <u>0.5933</u> | <u>0.5652</u> | <u>0.5460</u> |
| Total City Tax Rate | <u>\$1.3499</u> | <u>\$1.3499</u> | <u>\$1.3499</u> | <u>\$1.3499</u> | <u>\$1.3499</u> |

Source: Champaign County Clerk's Office.

Representative Tax Rates

A representative property owner living in the City had combined tax rates per \$100 of Equalized Assessed Valuation for the past five tax levy years as set forth below.

Representative Tax Rates per \$100 Equalized Assessed Valuation

| | Levy Years | | | | |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| | 2019 | 2020 | 2021 | 2022 | 2023 |
| City of Urbana..... | \$ 1.3499 | \$ 1.3499 | \$ 1.3499 | \$ 1.3499 | \$ 1.3499 |
| School District..... | 5.7188 | 5.8771 | 5.9026 | 5.9204 | 5.7959 |
| Champaign County..... | 0.8189 | 0.8327 | 0.8342 | 0.8355 | 0.8189 |
| Park District..... | 1.2407 | 1.2705 | 1.2784 | 1.2877 | 1.2630 |
| Parkland College..... | 0.5355 | 0.5405 | 0.5378 | 0.5353 | 0.5284 |
| Mass Transit..... | 0.3343 | 0.3428 | 0.3466 | 0.3504 | 0.3450 |
| Cunningham Town..... | 0.2056 | 0.3015 | 0.3043 | 0.3037 | 0.2995 |
| Public Health..... | 0.1533 | 0.1327 | 0.1338 | 0.1340 | 0.1317 |
| Forest Preserve..... | <u>0.0930</u> | <u>0.1089</u> | <u>0.1073</u> | <u>0.1071</u> | <u>0.1047</u> |
| Total Rate..... | <u>\$10.4495</u> | <u>\$10.7566</u> | <u>\$10.7949</u> | <u>\$10.8240</u> | <u>\$10.6370</u> |

Source: City's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024.

Tax Extensions and Collections

The following table sets forth the City's tax levy and collections for the last five fiscal years and collections to date for the most recent fiscal year.

Tax Levy and Collections

| Levy Year | Fiscal Year | Taxes Extended | Taxes Collected to Date | Percent Collected |
|-----------|---------------------|----------------|-------------------------|-------------------|
| 2018 | 2020 | \$7,876,330 | \$7,646,282 | 97.1% |
| 2019 | 2021 | 8,058,293 | 7,991,850 | 99.2% |
| 2020 | 2022 | 8,171,833 | 8,073,628 | 98.8% |
| 2021 | 2023 | 8,428,251 | 8,348,114 | 99.0% |
| 2022 | 2024 | 9,361,181 | 9,273,849 | 99.1% |
| 2023 | 2025 ⁽¹⁾ | 10,146,896 | 10,032,134 | 98.9% |

⁽¹⁾ Collections are through February 17, 2025.
Source: The City.

Top Taxpayers

The top ten taxpayers of the City and 2023 EAV are as follows:

Principal Taxpayers

| Taxpayer | 2023 EAV | Percent of City's Total EAV |
|-----------------------------|------------------|-----------------------------|
| Urbana Illinois Propco LLC | \$20,253,060 | 2.60% |
| Clark-Lindsey Holdings, LLC | 10,622,150 | 1.37% |
| Bainbridge CC Urbana APTS | 10,263,320 | 1.32% |
| Retreat at Urbana LLC | 9,469,310 | 1.22% |
| Deancurt Urbana LLC | 8,997,810 | 1.16% |
| MIMG XLV Town & Country | 7,491,910 | 0.96% |
| Urbana Parc II LLC | 7,432,960 | 0.96% |
| Green Street Realty | 6,375,000 | 0.82% |
| Supervalu INC | 5,874,660 | 0.76% |
| Amber Apartments LLC | <u>4,734,680</u> | <u>0.61%</u> |
| Total | \$91,514,860 | 11.76% |

⁽¹⁾ Based on the City's 2023 EAV of \$777,945,044, which includes TIF EAV of \$26,267,434.
Source: Champaign County Clerk's Office.

Exhibit B

Form of Bond Counsel Opinion

Exhibit C

Form of Investor Letter

Exhibit D

Annual Comprehensive Financial Report for Fiscal Year June 30, 2024