

RESOLUTION

A RESOLUTION AWARDING A SMALL RENTAL PROPERTY REHABILITATION LOAN AND AUTHORIZING THE EXECUTION OF A LOAN COMMITMENT AND AGREEMENT FOR THE PROPERTY LOCATED AT 501-505 MADISON STREET (SRP-035)

WHEREAS, the Village of Oak Park's ("Village") Small Rental Property Rehabilitation Program ("Program"), established on November 2, 2010, authorizes the Village to make loans to owners of small rental properties for the purpose of rehabilitation properties; and

WHEREAS, the Village has allocated funds in the current program year for loans under the Program; and

WHEREAS, the Program is open to rental buildings with fewer than eight units; and

WHEREAS, the Program has two major purposes: (1) to upgrade the physical condition of small rental buildings; and (2) to expand the housing choices of renters to encourage economic and racial diversity; and

WHEREAS, the premises at 501-505 Madison Street, Oak Park, Illinois ("Premises") consists of a three-unit multi-use, multi-family dwelling owned by 501-505 W. Madison L.L.C. ("Owner") and in April 2018, said Premises were in a substandard condition and in need of rehabilitation; and

WHEREAS, the Owner has requested a loan to perform work in accordance with an Application and Scope of Work, copies of which are on file in the Neighborhood Services Division of the Department of Development Customer Services; and

WHEREAS, the Housing Programs Advisory Committee ("HPAC") has reviewed the Application and Scope of work and recommends awarding a loan for the purposes stated therein and the Neighborhood Services Division concurs; and

WHEREAS, the total cost of the Owner's project is not expected to exceed a cost of \$15,000, which includes the loan amount and exceeds the Owner's 3:1 match requirement with any additional costs to be paid by the owner; and

WHEREAS, the application and Property meet all of the guidelines of the Program, including eligible repairs; and

WHEREAS, the Owner agrees as a condition of the forgivable loan to rent 51% of the units to households earning below 80% of the Area Median Income (AMI) and to enter into a Marketing Services Agreement, the terms of which are set forth in the Loan Commitment and Agreement, attached hereto as Exhibit III.

NOW THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Oak Park, Cook County, Illinois, in the exercise of their home rule powers, as follows:

Section 1. Findings. The foregoing recitals are adopted as findings of fact and are incorporated herein as though fully set forth.

Section 2. Award of Loan. The Village awards a loan in the amount of \$15,000 to the Owner contingent upon the Owner's execution of a Note, Mortgage and Loan Commitment and Agreement, which loan funds shall be distributed only: 1) upon evidence that work within the approved Scope of Work has been performed on the premises to the extent of the draw; 2) upon receipt of mechanics' lien waivers for labor and materials on the premises in the amount of the draw; and 3) upon receipt of proof that the Owner has paid at least twenty-five percent of the total amount of the draw for work within the Scope of Work.

Section 3. Loan Security. The \$15,000 loan shall be secured by a junior mortgage recorded against the Property, and evidenced by a Note, which Note and Mortgage shall substantially conform to those attached hereto and made a part hereof as Exhibits I and II.

Section 4. Authorization to Executive Loan Documents. The Village Manager is hereby authorized and directed to execute a Loan Commitment and Agreement SRP-035 with the Owner of the Property conforming substantially to the Loan Commitment and Agreement attached hereto and made a part hereof as Exhibit III.

Section 5. Waiver of Permit Fees. The President and the Board of Trustees authorize the waiver of any and all permit fees related to work paid for using Village funds, up to the maximum amount of the loan and the Owner's matching funds. Prior to obtaining a permit, the Owner is required to obtain certification from the Neighborhood Services Division that the work requested under the permit is in accordance with the approved Scope of Work.

THIS RESOLUTION shall be in full force and effect from and after its adoption and approval as provided by law.

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ADOPTED this 7th day of May, 2018 pursuant to a roll call vote as follows:

Voting	Aye	Nay	Abstain	Absent
President Abu-Taleb				
Trustee Andrews				
Trustee Boutet				
Trustee Button				
Trustee Moroney				
Trustee Taglia				
Trustee Tucker				

APPROVED this 7th day of May, 2018.

Anan Abu-Taleb, Village President

ATTEST

Vicki Scaman, Village Clerk