

## **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 1110 S. AUSTIN BOULEVARD (SRP-039)**

**WHEREAS**, the Village of Oak Park's ("Village") Small Rental Property Rehabilitation Program ("Program") 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 which was established on November 1, 2010; 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 1110 S. Austin Boulevard ("Premises") consists of a four-unit multi-use, multi-family dwelling owned by Carol Melville, Kelly Taylor, and Michelle Taylor ("Owners") and said Premises are in a substandard condition and in need of rehabilitation; and

**WHEREAS**, the Owners have requested a loan to perform work in accordance with their Application and Scope of Work ("Project"), 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 Owners' Project is not expected to exceed a cost of \$26,666, which includes the loan amount of \$20,000 and exceeds the Owners' 3:1 match required under the Program with any additional costs to be paid by the Owners; and

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

**WHEREAS**, the Owners agree 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, in substantially the form attached hereto as Exhibit I.

**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 \$20,000 to the Owners contingent upon the Owners' execution of a Note, in substantially the form attached as Exhibit II, a Mortgage, in substantially the form attached as Exhibit III, and the 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 Owners have paid at least twenty-five percent (25%) of the total amount of the draw for work within the Scope of Work.

**Section 3. Loan Security.** The \$20,000 loan shall be secured by a junior mortgage recorded against the Property, and evidenced by the Note and Mortgage.

**Section 4. Authorization to Executive Loan Documents.** The Village Manager is hereby authorized and directed to execute the Loan Commitment and Agreement.

**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 Owners' matching funds. Prior to obtaining a permit, the Owners are 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.

**Section 6. Effective Date.** This Resolution shall be in full force and effect from and after its passage and adoption as provided by law.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**ADOPTED** this 16<sup>th</sup> day of September, 2019 pursuant to a roll call vote as follows:

Voting	Aye	Nay	Abstain	Absent
President Abu-Taleb				
Trustee Andrews				
Trustee Boutet				
Trustee Buchanan				
Trustee Moroney				
Trustee Taglia				
Trustee Walker-Peddakotla				

**APPROVED** this 16<sup>th</sup> day of September, 2019.

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Anan Abu-Taleb, Village President

**ATTEST**

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Vicki Scaman, Village Clerk