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AN ORDINANCE

Authorizing the City to Cede Its  
1994 Volume Cap to the  
Illinois Housing Development Authority  
to be Used for a Mortgage Credit Certificate Program

WHEREAS, the City of Evanston ("City") adopted Resolution no. 33-R-94 on April 25, 1994 allocating the City's 1994 Volume Cap for a single-family bond or mortgage credit certificate program; and

WHEREAS, the City desires to implement a mortgage credit certificate program ("MCC Program") using its 1994 Volume Cap; and

WHEREAS, the Illinois Housing Development Authority is willing to conduct an MCC Program on behalf of the City for the benefit of residents of the City,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EVANSTON, COOK COUNTY, ILLINOIS:

SECTION 1: That the City's 1994 Bond Volume Cap of \$3,661,650.00 (three million, six hundred sixty-one thousand, six hundred fifty thousand and no/100 dollars) is hereby ceded to the Illinois Housing Development Authority for purposes of implementing an MCC Program in accordance with the Agreement attached hereto as Exhibit A.

SECTION 2: That the City Manager be, and is hereby authorized, to execute, and the City Clerk be, and is hereby authorized to attest, an agreement for implementation

of an MCC Program in substantial conformity with the Agreement attached hereto as Exhibit  
A.

SECTION 3: All ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 4: This ordinance shall be in full force and effect from and after its passage, approval, and publication in the manner provided by law.

Introduced February 13, 1995

Adopted: February 21, 1995

Approved: March 1, 1995

Lorraine H. Morton  
Mayor

ATTEST:

Kristen Davis  
City Clerk

Approved as to form:

[Signature]  
Corporation Counsel

## AGREEMENT

**THIS AGREEMENT** (this "Agreement") is made and entered into this \_\_\_ day of \_\_\_\_\_, 1995 by and between the **CITY OF EVANSTON**, an Illinois municipal corporation (the "City"), and the **ILLINOIS HOUSING DEVELOPMENT AUTHORITY**, a body politic and corporate of the State of Illinois, created by and existing pursuant to the Illinois Housing Development Act, 20 ILCS 3805/1 et seq. (1992), as amended.

### RECITALS

**A.** Pursuant to Section 146 of the Internal Revenue Code of 1986 (the "Code"), the City has the authority to issue qualified mortgage revenue bonds for the calendar year 1994 in the aggregate amount of Three Million Six Hundred Sixty-One Thousand Six Hundred Fifty and No/100 Dollars (\$3,661,650.00) (the "1994 Volume Cap"). The City desires to have a mortgage credit certificate program ("MCC Program") pursuant to which individuals and families purchasing single family residences in the City would receive mortgage credit certificates ("MCC's"), as provided under Section 25 of the Code and the regulations promulgated thereunder (collectively, "Section 25").

**B.** The City has determined to cede to its 1994 Volume Cap to the Authority on the condition that the Authority use the 1994 Volume Cap to establish and operate an MCC Program on behalf of the City for the benefit of residents of the City.

**NOW, THEREFORE**, in consideration of the Recitals set forth above and the mutual agreements set forth below, the parties agree as follows:

1. **Recitals.** The Recitals set forth above are incorporated in this Agreement and made part of it.

2. **Ceding of 1994 Volume Cap.** The City agrees to cede the 1994 Volume Cap to the Authority to allow the Authority to establish and conduct an MCC Program in accordance with the provisions of this Agreement.

3. **Authority Obligations.** Upon receipt of a copy of an ordinance, duly adopted by the City Council, and certified by the City Clerk, of the City, ceding the 1994 Volume Cap to the Authority, the Authority shall establish an MCC Program on behalf of the City for the benefit of the residents of the City. In connection with such MCC Program, the Authority shall perform the following:

(a) Publish a Notice of Issuance of MCC's and submit to the Internal Revenue Service an MCC Election, both as required by Section 25;

(b) Take all necessary steps to adequately market the

MCC Program to lenders, realtors, homebuilders and the City's residents;

(c) Create and distribute to participating lenders in connection with the MCC Program a lender participation agreement and procedural manuals;

(d) Develop and maintain a first-come, first-served reservation system for applicants for MCC's;

(e) Prepare forms and affidavits in connection with certifying eligibility of applicants for MCC's and compliance with the requirements of Section 25;

(f) Review all applications for MCC's for eligibility and compliance with the requirements of Section 25;

(g) Maintain records and prepare and submit to the Internal Revenue Service the quarterly and annual reports, both in connection with the issuance of MCC's, as required under Section 25;

(h) Furnish such information to participating lenders as may be necessary to enable them to file the annual report required of each participating lender under Section 25;

(i) Maintain such demographic information as is required under Section 25;

(j) Otherwise comply with all of the requirements of Section 25; and

(k) Prepare such reports as may be required by the Governor of Illinois in connection with the use of the 1994 Volume Cap for the Program.

4. **Eligible Applicants.** For a period of one (1) year from the date on which MCC's first become available under the MCC Program, the Authority shall accept applications for, and issue, MCC's only in connection with, single-family residences located within the city limits of the City. After the termination of that one (1) year period, the Authority may use any remaining MCC authority attributable to the 1994 Volume Cap to issue MCC's to eligible applicants purchasing single-family residences in any locality in the State of Illinois.

5. **MCC Rate.** The MCC rate for each MCC issued under the MCC Program shall be twenty-five percent (25%) of the certified indebtedness amount on the MCC. The sum of the products determined by multiplying the certified indebtedness amount of each MCC times the MCC rate for that MCC shall not exceed twenty-five percent (25%) of the amount of the 1994 Volume Cap.

6. **Fees.** Each applicant for an MCC shall pay a fee in the

amount of Three Hundred Fifty and NO/100 Dollars (\$350.00). Of that amount, the participating lender making the mortgage loan to the applicant shall retain One Hundred and No/100 Dollars (\$100.00) and shall remit Two Hundred Fifty and No/100 Dollars (\$250.00) to the Authority.

7. Amendment of Agreement. This Agreement shall not be altered or amended without the prior written approval of all of the parties hereto.

8. No Personal Liability. No member, officer, agent or employee of the Authority or the City, their successors and assigns, shall be liable personally concerning any matters arising out of or in relation to the undertakings or obligations set forth in this Letter.

9. Partial Invalidity. If a court of competent jurisdiction determines that any term, covenant, condition or provision of this Agreement, or its application to any circumstance, at any time or to any extent, is invalid or unenforceable, the remainder of this Agreement, or the application of it to circumstances other than those as to which it is held invalid or unenforceable, shall not be affected by such determination and each term, covenant, condition and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

10. Successors. This Agreement shall bind, and the benefits shall inure to, the respective parties hereto, their legal representatives, successors in office or interest and assigns; however, this Agreement may not be assigned without the prior written approval of the non-assigning party.

11. Gender. The use of the plural in this Agreement shall include the singular; the singular shall include the plural; and the use of any gender shall be deemed to include all genders.

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

13. Notices. Any notice, demand, request or other communication which any party may desire or may be required to give to any other party under this Agreement shall be given in writing, at the addresses set forth below, by any of the following means: (a) personal service; (b) overnight courier; or (c) registered or certified United States mail, postage prepaid, return receipt requested.

If to the City:

City of Evanston Civic Center  
2100 Ridge Ave.  
Evanston, Illinois 60201  
Attention: Director of Community

Development

with a copy to;

City of Evanston Civic Center  
2100 Ridge Ave.  
Evanston, Illinois 60201  
Attention: Law Department

If to Authority:


Illinois Housing Development  
Authority  
401 N. Michigan Avenue, Suite 900  
Chicago, Illinois 60611  
Attention: Legal Department

Such addresses may be changed by notice to the other party given in the same manner as provided in this Agreement. Any notice, demand, request or other communication sent pursuant to subsection (a) shall be served and effective upon such personal service. Any notice, demand, request or other communication sent pursuant to subsection (b) 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 (c) shall be served and effective three (3) business days after proper deposit with the United States Postal Service.

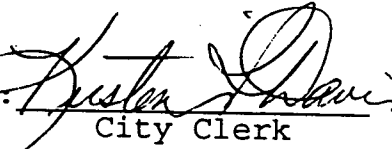
14. Counterparts. This Agreement may be executed in counterparts, and each counterpart shall, for all purposes for which an original of this Agreement must be produced or exhibited, be the Agreement, but all such counterparts shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and attested by their duly authorized representatives.

CITY:  
CITY OF EVANSTON

By:   
Its: CITY MANAGER

ATTEST:

By:   
City Clerk

AUTHORITY:  
ILLINOIS HOUSING  
DEVELOPMENT AUTHORITY

By: \_\_\_\_\_  
Its: \_\_\_\_\_