

ORDINANCE 00-21

TO AMEND ORDINANCE 95-75 ENTITLED "ESTABLISHING THE HOUSING TRUST FUND AND ITS BOARD OF DIRECTORS AND APPROVING THE HOUSING TRUST FUND ENDOWMENT AGREEMENT," AS AMENDED BY ORDINANCE 97-12 (Changing the Initial Instructions to the Board)

WHEREAS, on December 6, 1995 the Common Council adopted Ordinance 95-75, which approved the Housing Trust Endowment Fund Agreement between the Bloomington Community Foundation and the City of Bloomington, Indiana, and established the Board of Directors of the Housing Trust Fund; and

WHEREAS, said ordinance declared that "Projects that do not assure permanent affordability are not a priority at this time," and gave the Board of Directors of the Housing Trust Fund the flexibility to adopt minimum standards that served the targeted population and assured permanent affordability; and

WHEREAS, on March 19, 1997 the Common Council adopted Ordinance 97-12, which amended Ordinance 95-75 by authorizing funding for projects that were affordable for at least ten years and by requiring that incentives and disincentives be used to ensure compliance with the ten-year period of affordability; and

WHEREAS, in particular said ordinance set forth the following funding criteria for housing projects:

- (1) 50% of the Fund allocations are to be made to projects providing housing/service to residents earning 50% or less of area median income;
- (2) At least 50% of the funds available per funding round will be set-aside for not-for-profit organizations; and
- (3) At least 50% of the allocations from the Fund shall be for housing proposals where the units will be affordable in perpetuity;

WHEREAS, the Board of Directors of the Housing Trust Fund believes that in order for the Housing Trust Fund to continue to remain viable as an economic development tool in the development of affordable housing, the above criteria need to be amended;

NOW THEREFORE, BE IT HEREBY ORDAINED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION I. Section 7 of Ordinance 95-75 as amended by Ordinance 97-12 shall be amended to replace the wording in part A with the following:

- A. All Fund allocations are to be made to projects providing housing/services to residents earning no more than 80% median income;

SECTION II. Section 7 of Ordinance 95-75 as amended by Ordinance 97-12 shall be further amended by striking parts B and C and inserting a new part B, which shall read as follows:

- B. At least 25% of the original fund (\$125,000) shall remain invested with the Community Foundation. At least 25% of the total fund shall be for housing proposals where units will be affordable in perpetuity. And, no more than 50% of the total fund shall be used for housing proposals where the units have a limited period of affordability. However, no units supported by the Fund shall have a period of affordability for less than ten (10) years. Penalties and disincentives shall be employed to assure compliance with the specified period of affordability. All the units supported by the Fund shall have covenants running with the land, which assure the specified period of affordability.

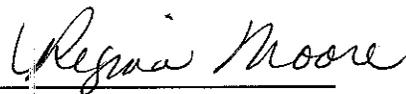
SECTION III. Severability. If any section, sentence, or provision of this ordinance, or the application thereof to any person or circumstances shall be declared invalid, such invalidity shall not affect any of the other sections, sentences, provisions, or applications of this ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

SECTION IV. This ordinance shall be in full force and effect from and after its passage by the Common Council of the City of Bloomington and approval of the Mayor.

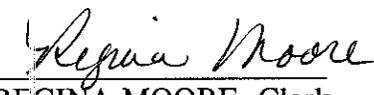
PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 17th day of May, 2000.


TIMOTHY MAYER, President
Bloomington Common Council

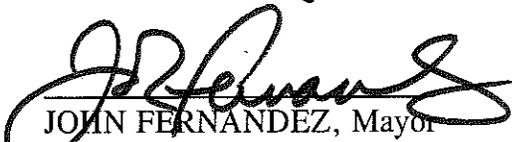
ATTEST:


REGINA MOORE, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this 18th day of May, 2000.


REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this 18th day of May, 2000.


JOHN FERNANDEZ, Mayor
City of Bloomington

SYNOPSIS

In December of 1995 the Common Council adopted Ordinance 95-75, which established the Housing Trust Fund and its Board of Directors and approved the Housing Trust Fund Endowment Agreement. The Common Council subsequently adopted Ordinance 97-12 which amended previous ordinance. Now the Common Council is considering an ordinance that makes three amendments to the above legislation. The first amendment changes the resident earnings requirement from 50% of median income to 80% of median income. The second amendment deletes a set-aside requirement for not-for-profits. And, the third amendment makes more of the original fund available for loans.

Signed Copies to:

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Housing Trust Fund - Hand
CONTROLLER