

ORDINANCE NO. 2795

AN ORDINANCE ESTABLISHING A FIRST TIME HOME BUYERS PROGRAM FOR THE PURPOSE OF INCREASING OWNER OCCUPANCY IN THE CITY OF WOOD RIVER, ILLINOIS.

WHEREAS, the City is committed to developing affordable housing and expanding opportunities for homeownership; and

WHEREAS, the City encourages growth of owner occupied houses in Wood River;

WHEREAS, the City Council of the City of Wood River in an effort to increase owner occupied homes has established other incentives to encourage home ownership, a First Time Home Buyers program will have a positive effect on increasing the likelihood of homes being purchased; and

WHEREAS, the City Council of the City of Wood River wishes to establish a First Time Home Buyers Program, wherein the City would provide matching funds up to \$5,000, the homeowner's required match proportionate to the their income levels based upon the Median Area Income (MAI) Levels for the most current year available at the time of the application; and

WHEREAS, the homeowner would be required to record a restrictive covenant on the property which will require the home to remain owner-occupied for a period of five (5) years with the First Time Home Buyers assistance being recaptured if the property ceases to be owner occupied at a prorated rate of 1/60th of the original amount for each month the home is owner-occupied during the five (5) years; and

WHEREAS, the City Council of the City of Wood River, Illinois, finds it in the best interest of the City of Wood River to establish a First Time Home Buyers Program with matching funds of up to \$5,000 based on MAI Levels for the most current year at the time of the application, with a restrictive covenant being recorded on the property in which the home will remain owner-occupied for a period of five (5) years with First Time Home Buyers assistance being recaptured if the property ceases to be owner occupied at a prorated rate of 1/60th of the original amount for each month the home is owner-occupied during the five (5) years; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WOOD RIVER, ILLINOIS, as follows:

Section 1: The City of Wood River hereby establishes a First Time Home Buyers Programs with matching funds of up to \$5,000 for first-time home buyers who can provide matching down-payment funds. The buyer's contribution will be determined from the most current Median Area Income (MAI) at the time of application as established by the Department of Housing and Urban Development. Home buyers with an income of up to 30% of the MAI will be responsible for thirty percent of the City's contribution, of \$1,500. Home buyers earning up to 50% or up to 80%

of the MAI would be responsible for 50% or 80% of the city's contribution. Home buyers with incomes at or above 80% of the MAI would be required to fully match the city's \$5,000 contribution. Homes purchased funds from the program must remain occupied by the owner who received the funds for at least five years or face a repayment penalty.

Section 2: That the City Manager of the City of Wood River is hereby authorized to and shall take any and all reasonable, necessary and proper actions to carry out the intent and purposes of this Ordinance, including but not limited to, establishing terms and conditions for eligibility under the Single Family Housing Conversion Program and entering into agreements with eligible residents for funding under the Single Family Housing Program.

Section 3: That the Finance Director is hereby authorized to disperse the funds necessary to accomplish the intent of this Ordinance.

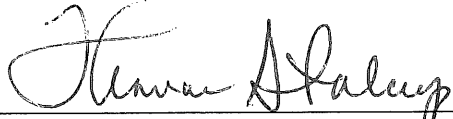
Section 4: That all ordinances and parts thereof in conflict herewith are expressly repealed and are of no other force and effect.

Section 5: That it is the intention of the City Council of the City of Wood River that this Ordinance and every provision thereof shall be considered separable and the invalidity of any section, clause, or provision of this Ordinance shall not affect the validity of any other portion of this Ordinance.

Section 6: That the City Council of the City of Wood River finds that the subject matter of this Ordinance pertains to the government and affairs of the City and is passed pursuant to authorities granted by State statutes.

Section 7: This Ordinance shall be in full force and effect from and after its passage, approval, publication, if necessary, as provided by law.

PASSED and APPROVED this 1st day of August, 2022.



MAYOR OF THE CITY OF WOODRIVER, IL

ATTEST:



CLERK OF THE CITY OF WOOD RIVER, IL