



Board of Commissioners of Cook County

118 North Clark Street
Chicago, IL

Legislation Text

File #: 17-4347, **Version:** 1

PROPOSED PREVIOUSLY APPROVED ITEM AMENDMENT

Department: Department of Planning and Development

Request: Amend a Previously Approved Item

Item Number: 16-1343

Fiscal Impact: N/A

Account(s): N/A

Original Text of Item: PROPOSED ORDINANCE

AUTHORIZING THE INITIATION AND ADMINISTRATION OF A DOWNPAYMENT ASSISTANCE PROGRAM FOR HOME BUYERS COOK COUNTY MARKET RATE DOWN PAYMENT ASSISTANCE PROGRAM

WHEREAS, the Board of Commissioners of Cook County (“the Board”) hereby determines it to be advisable and in the best interests of the County, its residents, and its taxpayers that the County continue the promotion of economic development, affordable housing, and home ownership within the County; and

WHEREAS, the Board further determines it to be advisable and in the best interests of the County, its residents, and its taxpayers that the County initiate and administer a program through which qualified ~~first-time home~~ buyers of residences in the County might more easily obtain competitive fixed-rate 30-year mortgage loans coupled with assistance for down payments and closing costs, herein referred to as a Market Rate Down Payment Assistance Program (Market Rate DPA Program); and

WHEREAS, the Board is further desirous that to launch and administer a Market Rate DPA Program, the Bureau of Economic Development’s Department of Planning and Development and the Bureau of Finance retain George K. Baum and Associates and other Program Administrators to administer a Market Rate DPA Program in accord with relevant federal, state, and local law, County policies, and established best practices, said administration to include assisting said Bureaus in the promulgation of Program policies and procedures, if any; satisfying requests for assistance, support, and information made by said Bureaus; packaging and circulating the loans into the secondary market; and taking such other action as is necessary, advisable, or incidental to the administration of a Market Rate DPA; and

WHEREAS, the Board is further desirous that to launch and administer a Market Rate DPA, the Bureau of Economic Development’s Department of Planning and Development and the Bureau of Finance, to gain better access to capital and lower interest rates for the Program, retain 360 Mortgage Group and other Mortgage Servicing Companies to identify and contract with mortgage originators; set rates for the loans and the arbitraging of said loans to ensure that relevant loan

rates remain competitive in the market; and service the Market Rate DPA loans; and

WHEREAS, the Board finds and determines that a Market Rate DPA Program as described herein will assist eligible, qualified borrowers in obtaining affordable mortgage loans and other assistance to aid in their purchase of affordable single family residences in the County;

NOW, THEREFORE, BE IT ORDAINED by the Cook County Board of Commissioners, that: **Authorization of Program.** The Bureau of Economic Development's Department of Planning and Development and the Bureau of Finance are hereby authorized to jointly initiate a Market Rate DPA Program by (a) retaining one or more Program Administrators to (1) administer the Program in accord with relevant federal, state, and local law, County policies (including the Market Rate DPA Program Guidelines which are attached hereto and hereby approved by the Board), and established best practices; (2) assist in the Bureaus' joint promulgation of Program policies and procedures, if any; and (3) satisfy requests for further assistance, support, and information made by the Bureaus; (b) entering into such agreements with George K. Baum as the Program Administrators and 360 Mortgage Group as the Mortgage Servicers in such forms as are attached hereto; (c) entering into such agreements with other Program Administrators and Mortgage Servicers work with the Office of the Comptroller and/or Department of Budget and Management Services to establish an account or fund to deposit fees collected as a result of said Program; and (d) updating and revising from time to time, as necessary, advisable, or prudent, the Program Guidelines to ensure the Market Rate DBPA Program's compliance with applicable law, policy, and best practice, and to ensure that competitive mortgage loans continue to be made available to eligible borrowers

BE IT FURTHER ORDAINED, the Bureau of Economic Development's Department of Planning and Development shall report quarterly to the Cook County Board of Commissioners regarding the overall performance of the Market Rate DPA Program to include but not limited to, outreach efforts, number of loans originated, communities served, fees received and additional Program Administrators or Mortgage Servicers retained.

BE IT FURTHER ORDAINED, that the Bureau of Economic Development's Department of Planning and Development be authorized to terminate said Market Rate DPA Program should the Department of Planning and Development determine that the Market Rate DPA Program is no longer in the best interests of the County.

Effective date: This ordinance shall be in effect immediately upon passage.