

Foreclosure Mitigation

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Executive Summary

As the foreclosure crisis has grown, the Village has tackled the problem head on. We began with a study of the local trends in housing and by tracking and mapping all the foreclosed properties in town. Armed with this information and clearer picture of the scope of the problem, the Village developed a two-pronged foreclosure strategy.



Special points of interest:

- Information and help is available for homeowners facing foreclosure.
- The Village is aggressively enforcing codes on vacant homes to mitigate the impacts on the neighborhood.
- A Village inspection is required prior to the sale of a vacant home when water has been shut off.
- A mold inspection test report is needed prior to the inspection.
- In March and April, 60 vacant homes were inspected and sold to new homeowners.

The first part of the strategy is focused on those people who are still in their homes. The goal is to keep them there! The Village has partnered with the Community Service Council and other organizations to get as much information as possible out to our residents. Together, we have had several meetings to offer counseling and foreclosure prevention information. The Village has given the CSC office space so are easily accessible to residents.

The second part of the strategy focuses on what happens after a home is vacant. Broken and boarded up windows, overgrown yards, and unsecured homes can seriously affect the surrounding properties and indeed the whole neighborhood.

- The Village has conducted inspections on all vacant foreclosed homes.
- All violations for tall grass, broken windows, accumulation of rubbish, or building maintenance have been recorded. The village has retained a landscaper to address lawn maintenance on properties where the owner is not reachable.
- Further, on buildings where the water has been shut off, the Building Department will conduct an inspection before it is turned back on to make sure the building meets code. (Please note that a mold inspection test report certifying that the property is free of mold must be provided prior to scheduling the building inspection.)

These efforts, combined with those of Will County and the Neighborhood Stabilization program, should blunt the worst effects of the foreclosure crisis. We urge all residents to take advantage of the resources available, and to contact us should they you see a problem with the property.

Romeoville's Program

The national foreclosure crisis has not spared Romeoville. As we saw the potential for this crisis to spread, the Village Board and staff wanted to tackle it head on. In the spring of 2008, the Board commissioned a study by Gruen Gruen + Associates. Completed in July 2008, this study gave a detailed account of local housing trends and outlined the foreclosure problem. Using the study as a starting point, the Village began homeowner outreach programs and started tracking foreclosures in the Village. The Village has taken an interdepartmental approach to tracking, mapping, and mitigating the impacts from these properties.

The Gruen, Gruen + Associates study was a starting point for homeowner outreach and foreclosure mitigation programs.

Our process begins with identifying the foreclosure filing. The information is then immediately recorded in the Village's foreclosure database and mapped on a GIS system. The Village Staff continually updates and monitors the database to stay on top of foreclosures.

The next steps are largely dependent on whether the home is occupied or whether the residents have moved out.



The Village reaches out to residents who would like more information on the foreclosure process and their options.

If the home is occupied, the Village's goal is to reach out to those residents who would like more information on the foreclosure process and their options. The Village has hosted several Homeowner Outreach Days which consisted of a series of workshops and counseling sessions designed to help residents in foreclosure or at risk of foreclosure. The Village has provided space free of charge to the Community Service Council which meets with homeowners at their Romeoville office for counseling and information. Additionally, an extensive package of information is sent to the residents informing them of the community resources available.

If the resident has moved out, the Village begins an aggressive foreclosure mitigation program. The primary goal of this program is to mitigate the impact on the neighboring properties and to preserve the condition of the home.

As part of this program, the Building Department visits all vacant foreclosed homes to inspect the exterior for compliance with the Village's building and property maintenance codes. If violations exist, they process the violations and letters are sent out to the current homeowner, the bank foreclosing on the property, and the attorney for the bank. The Village's goal is to have violations, such as tall grass, broken windows, accumulation of rubbish, and buildings in poor repair, addressed as quickly as possible.

The aggressive enforcement helps mitigate the impact on neighborhoods.

The Police Department inspects the properties for criminal activity and continues to patrol the area at an increased frequency. Police officers may also meet with neighbors to discuss how they can help by keeping an eye on the property and by contacting the Police Department if there is any unusual activity.

The number of foreclosures in Romeoville has grown sharply to the present day figure of 680 homes. Of these 680 homes, approximately 35 percent are vacant. In general, northern Will County has some of the highest foreclosure rates in the region. Approximately 6.5 percent of the housing stock in Romeoville is currently in foreclosure proceedings. We are not the only community facing these challenges. According to Will County data, in December of 2008, Crest Hill's average foreclosure rate was close to 6.5 percent and Joliet's was approximately 8 percent.

In February of 2009, the Village passed an ordinance requiring that all foreclosed properties that have been disconnected from water utilities and have become vacant have an inspection before water service can be reinstated. The inspection is performed by a team of building inspectors and focuses on identifying readily-visible code violations in the home and on the property.

Village inspections are required prior to the sale of vacant homes where the water has been shut off. A mold inspection test report certifying that the property is free of mold must be provided prior to scheduling the building inspection.

If violations exist, the property owner must address the violations before the building can be sold or the water turned on. Alternatively, the identified issues can be recorded in an affidavit signed by both the buyer and seller agreeing on an abatement date soon after the sale. Once the sale has gone through and the Certificate of Occupancy has been issued, the home will be ready for habitation. The new resident will move in and Village records updated.

By the end of April, nearly 60 vacant homes will have been inspected and sold to new homeowners. Accord-

ing to data from the Chicago Tribune, Romeoville has not seen a significant slow down in home sales as compared to this time last year. Comparatively, in the City of Chicago, sales fell 42 percent in March 2009 as compared to March 2008.

Romeoville's Program (continued)



In the last two months, nearly 60 vacant homes have been inspected and sold to new homeowners.

The Village continues to patrol the properties on a regular basis and to take immediate action if issues exist. One of the largest concerns expressed by neighbors is the likelihood that some of the vacant houses will become overgrown with tall grass and weeds. In order to avoid this potential, on March 1st, the Village put out a Request for Proposal (RFP) to hire a vendor to mow lawns at vacant properties not being serviced on a regular basis. The Village awarded one vendor the contract and will employ their services from May 1st to October 31st, 2009.

The Village is also pursuing CDBG and Neighborhood Stabilization Program funds to purchase the most distressed properties in the community. Will County's approved Neighborhood Stabilization Program identified geographic areas of greatest need within the Village we are collaborating with the County to further catalog eligible properties.

The Village is pursuing funds to purchase the most distressed properties in the community.



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Romeoville's Model Program