

ORDINANCE NO. _____

AN ORDINANCE AMENDING TITLE 5, CHAPTER 5.74 (REGISTRATION OF VACANT AND DEFAULTED MORTGAGE PROPERTY), SECTION 5.74.020 DEFINITIONS, AND ADDING SECTION 5.74.055 INSPECTION AND REGISTRATION OF REAL PROPERTY THAT IS NOT SUBJECT TO A MORTGAGE FORECLOSURE OF THE CITY OF CREST HILL CODE OF ORDINANCES.

WHEREAS, the City Council (“Council”) of the City of Crest Hill (“City”) desires to protect the public health, safety, and welfare of the citizens of the incorporated area of the City and maintain a high quality of life for the citizens of the City through the maintenance of structures and properties in the City limits; and

WHEREAS, the Council recognizes properties with defaulted mortgages and subject to foreclosure action or foreclosed upon (hereinafter referred to as “Registrable Properties”) located throughout the City lead to a decline in community and property value; create nuisances; lead to a general decrease in neighborhood and community aesthetic; create conditions that invite criminal activity; and foster an unsafe and unhealthy environment; and

WHEREAS, the Council has already adopted property maintenance codes to regulate building standards for the exterior of structures and the condition of the property as a whole; and

WHEREAS, the City has statutory power to define, prohibit, and abate public nuisances pursuant to 65 ILCS 5/11-60-2 of the Illinois Municipal Code; and

WHEREAS, various state statutes authorize the City to provide for the removal of certain nuisances from private properties within the City, including cutting and removal of neglected weeds, grass, trees, and bushes, 65 ILCS 5/11-20-7, pest control activities, 65 ILCS 5/11-20-8, removal of infested trees, 65 ILCS 5/11/20-12, removal of garbage, debris, and graffiti, 65 ILCS 5/11-20-13, and removal, securing, and enclosing abandoned residential properties, 65 ILCS 5/11-20-15-1, and demolition, 65 ILCS 5/11-31-1; and

WHEREAS, the City incurs costs in abating these nuisances by performing property maintenance activities on these properties; and

WHEREAS, such costs are not always recoverable and said expenditures become a loss to the City’s finances and other resources; and

WHEREAS, the Council on March 18, 2019 approved Ordinance 1802 which created a Defaulted Mortgage Property Registration Program; and

WHEREAS, in passing Ordinance 1802 the Council recognized that it was necessary and in the best interests of the City’s residents’ health, safety, and welfare to have a more regulated method to discourage Registrable Property Mortgagees from allowing their properties to be

abandoned, neglected or left unsupervised, thereby creating nuisances and a drain on the City's resources; and

WHEREAS, The Council determined that Ordinance 1802 would assist Crest Hill in protecting neighborhoods from the negative impact and conditions that occur as a result of vacancy, absentee ownership, and lack of compliance with existing Crest Hill regulations and laws; and

WHEREAS, the Council has determined that vacant and/or abandoned property which is not subject to Mortgage Foreclosure is likewise a blight and nuisance and should be regulated in a similar manner as property which is subject to a Mortgage Foreclosure; and

WHEREAS, the Council has determined to amend Title 5, Chapter 5.74 of the Crest Hill Code of Ordinances to include additional definitions and to add a section for the Registration of vacant and/or abandoned property which is not subject to Mortgage Foreclosure.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Crest Hill, Will County, Illinois, as follows:

SECTION 1: The City Council hereby finds that all of the recitals contained in the preamble to this Ordinance are true, correct and complete and hereby incorporates it into this Ordinance by this reference.

SECTION 2: Title 5 of the City of Crest Hill Code of Ordinances shall be modified by repealing and replacing Section 5.74.020 and adding a new Section 5.74.055, with all other sections of Chapter 5.74 remaining the same, as follows:

**CHAPTER 5.74: REGISTRATION OF VACANT AND DEFAULTED MORTGAGE
PROPERTY**

Section

- 5.74.010 Purpose and Intent
- 5.74.020 Definitions
- 5.74.030 Applicability and Jurisdiction
- 5.74.040 Establishment of a Registry
- 5.74.050 Inspection and Registration of Defaulted Mortgage
- 5.74.055 Inspection and Registration of Vacant Property
- 5.74.060 Maintenance Requirements
- 5.74.070 Security Requirements
- 5.74.080 Provisions Supplemental
- 5.74.090 Public Nuisance
- 5.74.100 Additional Authority
- 5.74.110 Opposing, Obstructing Enforcement Officer; Penalty
- 5.74.120 Penalties
- 5.74.130 Amendments

§ 5.74.020 DEFINITIONS

The following words, terms, and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning.

City shall mean the City of Crest Hill, Will County, Illinois.

Default shall mean that the mortgagor has not complied with the terms of the mortgage on the property, or the promissory note, or other evidence of the debt, referred to in the mortgage as evidenced by the filing of a *lis pendens*, or otherwise commencing a foreclosure action.

Enforcement Officer shall mean any law enforcement officer, building officer, zoning inspector, code enforcement officer, fire inspector, building inspector, or other person authorized by the City to enforce the applicable code(s).

Evidence of Vacancy shall mean any condition that on its own, or combined with other conditions present, would lead a reasonable person to believe that the property is vacant. Such conditions may include, but are not limited to: overgrown and/or dead vegetation; past due Utility notices and/or disconnected Utilities; accommodation of trash junk or debris; abandoned vehicles, auto parts and/or materials; the absence of furnishings and/or personal items consistent with habitation or occupancy; the presence of an unsanitary, stagnant swimming pool; the accumulation of newspapers, circulars, flyers and/or mail; statements by neighbors, passers-by, delivery agents or government agents; and/or the presence of boards over doors, windows or other openings in violation of applicable code.

Foreclosure or Foreclosure Action shall mean the legal process by which a Mortgagee, or other lien holder, terminates or attempts to terminate a property Owner's equitable right of redemption to obtain legal and equitable title to the Real Property pledged as security for a debt or the Real Property subject to the lien. The legal process is not concluded until the property obtained by the Mortgagee, lien holder, or their designee, by certificate of title, or any other means, is sold to a non-related bona fide purchaser in an arm's length transaction to satisfy the debt or lien.

Mortgagee shall mean the creditor, including but not limited to, trustees; mortgage servicing companies; lenders in a mortgage agreement; any agent, servant, or employee of the creditor; any successor in interest; or any assignee of the creditor's rights, interests or obligations under the mortgage agreement; or any other person or entity with the legal right to foreclose on the Real Property, excluding governmental entities.

Owner shall mean every person, entity, or Mortgagee, who alone or severally with others, has legal or equitable title or any Real Property as defined by this Chapter; has legal care, charge, or control of any such property; is in possession or control of any such property. The Property Manager shall not be considered the Owner.

Property Manager shall mean any party designated by the Owner as responsible for inspecting, maintaining and securing the property as required in this Chapter.

Real Property shall mean any residential or commercial land and/or buildings, leasehold improvements and anything affixed to the land, or portion thereof identified by a property parcel identification number, located in the City limits.

Registrable Property shall mean:

- (a) Any Real Property located in the City, whether Vacant or occupied, that is (i) subject of a Foreclosure Action; (ii) has been the subject of a Foreclosure Action and a judgment has been entered but the property has not yet been sold; (iii) has been the subject of a Foreclosure sale and title was transferred to the Mortgagee or an affiliate entity of the Mortgagee; or (iv) transferred to the Mortgagee or an affiliated entity of the Mortgagee under a deed in lieu of Foreclosure or Foreclosure sale. The designation of a Real Property as a Registrable Property pursuant to this subsection shall remain in place until such time as the property is sold to a non-related bona fide purchaser in an arm's length transaction or the Foreclosure Action has been dismissed; or
- (b) Any property that is vacant for more than thirty (30) days or any cancellation of Utility or Service, whichever occurs first.

Registry shall mean a web-based electronic database of searchable real property records, used by the City to allow Mortgagees the opportunity to register properties and pay applicable fees as required in this Chapter.

Semi-Annual Registration shall mean six (6) months from the date of the first action that requires registration, as determined by the City, or its designee, and every subsequent six (6) months the property in Registrable. The date of the initial registration may be different than the date of the first action that required registration.

Utilities and Services shall mean any utility and/or service that is essential for a building to be habitable and/or perform a service necessary to comply with all City codes. This includes, but is not limited to, electrical, gas, water, sewer, lawn maintenance, pool maintenance, and snow removal.

Vacant shall mean any parcel of land in the City that contains any building or structure to be used as a residence or for commercial or industrial purposes that is not lawfully occupied or used for its accustomed and ordinary purpose, as evidenced by conditions set forth in the definition of "Evidence of Vacancy". In the case of the use of residential property, "used for its accustomed and ordinary purpose" means as a place of abode or dwelling.

- (a) For the purposes of this chapter, exceptions to the definition of vacant shall be made for properties that are (i) actively listed for sale with a licensed realtor and for those properties which are under active, ongoing rehabilitation or reconstruction and have a current building permit issued by the appropriate jurisdiction, if required; and (ii) single family, owner occupied residences where the owners are temporarily absent because the owner temporarily

resides at an alternative address for a portion of the year, but the property is secured and in full compliance with all other City ordinances and regulations.

5.74.055 INSPECTION AND REGISTRATION OF VACANT REAL PROPERTY

- (a) Any Owner of Vacant property, as defined in this chapter, located within the City shall within ten (10) days after the property becomes Vacant, register the Real Property with the City Registry. Structures that are vacant property at the time of the adoption of this ordinance must register within fifteen (15) days of the date this ordinance takes effect.
- (b) Initial registration pursuant to this section shall contain at minimum the name of the Owner, the mailing address of the Owner, e-mail address, and telephone number of the Owner, and if applicable, the name and telephone number of the Property Manager and said person's address, e-mail address, and telephone number.
- (c) At the time of initial registration each registrant shall pay a non-refundable Semi-Annual Registration fee of \$300.00 for each Vacant property. Subsequent non-refundable Semi-Annual renewal registrations of Vacant properties and fees in the amount of \$300.00 are due within ten (10) days of the expiration of the previous registration. Said fees shall be used to offset the costs of: (1) registration and registration enforcement, (2) code enforcement and mitigation related to Vacant properties, and (3) for any related purposes as may be adopted in the policy set forth in this Chapter. Said fees shall be deposited to a special account in the City's Department dedicated to the cost of implementation and enforcement of this Ordinance and fulfilling the purpose of intent of this Chapter.
- (d) If the property is sold or transferred, the new Owner is subject to all the terms of this Chapter. Within ten (10) days of the transfer, the new Owner shall register the Vacant property, if not already registered, or update the existing registration. The previous Owner(s) will not be released from the responsibility of paying all previous unpaid fees, fines, and penalties accrued during that Owner's involvement with the Vacant property.
- (e) If the Vacant property is not registered, or either the registration fee or the Semi-Annual Registration fee is not paid within thirty (30) days of when the registration or Semi-Annual Registration is required pursuant to this section, a late fee shall be equivalent to ten percent (10%) of the Semi-Annual Registration fee shall be charged for every thirty (30) day period, or portion thereof, the property is not registered and shall be due and payable with the registration. This section shall apply to the initial registration and registration required by subsequent Owners of the Vacant property.
- (f) Properties subject to this section shall remain subject to the Semi-Annual Registration requirement, and the inspection, security, and maintenance standards of this section as long as the property is Vacant.
- (g) Failure of the Owner to properly register or to modify the registration to reflect a change of circumstances as required by this ordinance is a violation of this Chapter

and shall be subject to enforcement by any of the enforcement means available to the City.

(h) If any property is in violation of this Chapter the City may take the necessary action to ensure compliance with and place a lien on the property for the cost of the outstanding obligation and any additional cost incurred to the property into compliance.

(i) Properties registered pursuant to this section are not required to be registered again pursuant to Section 5.74.050.

SECTION 3: In the event that any provision or provisions, portion or portions, or clause or clauses of this Ordinance shall be declared to be invalid or unenforceable by a Court of competent jurisdiction, such adjudication shall in no way affect or impair the validity or enforceability of any of the remaining provisions, portions, or clauses of this Ordinance that may be given effect without such invalid or unenforceable provision or provisions, portion or portions, or clause or clauses.

SECTION 4: That all ordinances, resolutions, motions, or parts thereof, conflicting with any of the provisions of this Ordinance, are hereby repealed to the extent of the conflict.

SECTION 5: That the City Clerk is hereby directed to publish this Ordinance in pamphlet form.

SECTION 6: That this Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

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PASSED THIS _____ DAY OF _____, 2024.

	Aye	Nay	Absent	Abstain
Alderman John Vershay	_____	_____	_____	_____
Alderman Scott Dyke	_____	_____	_____	_____
Alderwoman Claudia Gazal	_____	_____	_____	_____
Alderman Darrell Jefferson	_____	_____	_____	_____
Alderperson Tina Oberlin	_____	_____	_____	_____
Alderman Mark Cipiti	_____	_____	_____	_____
Alderman Nate Albert	_____	_____	_____	_____
Alderman Joe Kubal	_____	_____	_____	_____
Mayor Raymond R. Soliman	_____	_____	_____	_____

Christine Vershay-Hall, City Clerk

APPROVED THIS _____ DAY OF _____, 2024.

Raymond R. Soliman, Mayor

ATTEST:

Christine Vershay-Hall, City Clerk