

CITY OF ROCK FALLS

ORDINANCE NO. 2020-2476

**ORDINANCE AMENDING CHAPTER 6
OF THE ROCK FALLS MUNICIPAL CODE
FOR THE ESTABLISHMENT OF A HOMESTEAD PROGRAM**

ADOPTED BY THE

CITY COUNCIL

OF THE

CITY OF ROCK FALLS

THIS 21st DAY OF April, 2020

Published in pamphlet form by authority of the City Council of the City of Rock Falls, Illinois,
this 21st day of April, 2020.

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**ORDINANCE AMENDING CHAPTER 6
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FOR THE ESTABLISHMENT OF A HOMESTEAD PROGRAM**

WHEREAS, Section 11-11-1.1 of the Illinois Municipal Code (65 ILCS 5/1-1.1 et. seq.) authorizes the corporate authorities of each municipality to establish and operate a homestead program designed to rehabilitate or construct dwellings in presently blighted areas; and

WHEREAS, pursuant to Section 11-11-1.1, the corporate authorities are further empowered to designate a homestead area, to enter into agreements with the federal government to received repossessed homes, to establish guidelines for determining qualified recipients, to dispose of property by lottery or conveyance for nominal or no consideration, and to appoint a homestead board or designate a not-for-profit corporation as its agent to administer the program and establish standards of rehabilitation and construction; and

WHEREAS, there are blighted areas located within the residential districts of the City of Rock Falls (the “City”) within the meaning of Section 11-11-1.1 containing a significant number of vacant properties and dwellings in need of rehabilitation, and such condition is anticipated to persist without intervention from the City; and

WHEREAS, the Mayor and City Council (collectively, the “Corporate Authorities”) believe that the presence of vacant properties and dwellings in need of rehabilitation is a contributing factor of blight and that the development or rehabilitation of the same will assist with the elimination of blighted areas within the City; and

WHEREAS, the Corporate Authorities, after discussion and review of the same, believe that the establishment and implementation of the homestead program provided for herein will reduce the presence of vacant properties and dwellings in need of rehabilitation, therefore facilitating the elimination of blighted areas in the City, and otherwise serving the best interest interests of the City and the health, safety and welfare of its residents.

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and City Council of the City of Rock Falls, Whiteside County, Illinois as follows:

SECTION 1: The recitals contained in the preambles to this Ordinance are true and correct and do incorporate them into this Ordinance by this reference.

SECTION 2: Chapter 6 of the Rock Falls Municipal Code, as amended, shall be further amended by the addition of a new Article XX entitled “Homestead Program” to read as follows:

“ARTICLE XX. – HOMESTEAD PROGRAM

DIVISION 1. – ESTABLISHMENT OF HOMESTEAD PROGRAM

Sec. 6-820. – Definitions.

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

Applicant means any qualified person who makes an application under the terms of this article.

Blight means the presence of vacant properties or unoccupied dwellings in need of rehabilitation due to neglect or disrepair and which are detrimental to the public health and safety.

Eligible property means any parcel of real property owned by the city that is located in the homestead area, either vacant or improved with an unoccupied dwelling that is in need of rehabilitation, and designated by the city as surplus real estate.

Homestead area means all areas of the city zoned as residential under the city's zoning ordinance and determined from time to time by the homestead board to contain blight.

Homestead board means the building code committee of the city.

Program owner means any qualified person who has been issued a deed to eligible property pursuant to this article.

Qualified person means any person who is a head of household and is eighteen (18) years of age or older.

Sec. 6-821. – Establishment of homestead program.

There is hereby established a homestead program in the city. All eligible properties shall be subject to the homestead program in accordance with the terms of this article.

Sec. 6-822. – Administration of homestead program.

The administration of the homestead program shall be assigned to the homestead board which shall have the responsibilities of carrying out the provisions of this article.

DIVISION 2. – IN GENERAL

Sec. 6-823. – Application.

- (a) The homestead board shall maintain a list of all eligible properties in the city. The list shall be available for public inspection during regular business hours of the city and shall be periodically updated to reflect the eligible properties of the city currently available pursuant to this article. The list may be published from time to time on the city's website, social media or some other effective method for purposes of soliciting applications hereunder.
- (b) All applications must be submitted to the homestead board in writing, on the form or forms as may be maintained by it from time to time, and shall be signed by the applicant.
- (c) Applications shall contain the following minimum information:
 1. the name, age, address and contact information of the applicant;
 2. a statement indicating that the applicant is a qualified person as such term is defined in section 6-820 of this article; and
 3. at the homestead board's discretion, a statement accompanied by supporting documentation which indicates that the applicant has the financial ability to provide for, as applicable, the rehabilitation, repair and/or remodel of the dwelling located on the eligible property, or for the demolition of said dwelling and subsequent construction of a new dwelling thereon, all in accordance with the requirements set forth in this article.
- (e) The homestead board will review applications on a first come, first served basis. Upon examination of an application, if the homestead board is satisfied that the applicant complies with the requirements of this article and will fulfill his or her obligations hereunder, it will notify the applicant and make a recommendation to the city council for the execution of a deed to the eligible property to such applicant subject to the terms and conditions set forth in section 6-824.
- (f) In the event there are no eligible properties available, the homestead board shall not refuse an application, but shall maintain a list of such applications submitted until an eligible property becomes available. The homestead board will use reasonable efforts to notify the applicant once an eligible property is available.

Sec. 6-824. – Requirements for a deed; conditions of homestead program.

- (a) No deed shall be issued under this article until a contract between the city and the applicant is executed in which the applicant, at a minimum, agrees:

1. to accept title to the eligible property and any dwelling thereon in an “as-is” condition with no representations or warranties, whether express or implied, from the city as to the same;
 2. to commence the rehabilitation, repair and/or remodel of the dwelling located on the eligible property, or demolition and subsequent construction of a new dwelling thereon, within sixty (60) days of conveyance. A description of the proposed work shall be included in the contract;
 3. to complete the work as described in the contract and to otherwise bring the eligible property and the dwelling thereon, if any, into compliance with all applicable health and safety standards of the city, including but not limited to the city’s adopted building, plumbing and electrical codes, within 1 year or a date determined by the homestead board from the date of conveyance;
 4. to reside at the eligible property as his or her principal residence as soon as the eligible property is fit for such occupancy, even if the construction, remodel, repair or rehabilitation of the same is ongoing during such time, for a continuous period of at least three (3) years;
 5. not to sell or transfer title to the eligible property, or any interest therein, to any person or entity until the requirements of this section have been satisfied;
 6. to pay any and all taxes and assessments levied against the eligible property as the same become due;
 7. at the option of and in the sole and absolute discretion of the city council, to surrender and vacate possession of the eligible property, and quit claim the same back to the city, following the homestead board’s determination of non-compliance with any of the provisions of this article and written notification of the same has been provided to the city council; and
 8. to pay the court costs and legal fees of city incurred in enforcing the provisions of the contract, including, but not limited to, costs and fees of the city in regaining possession of and title to the eligible property from the applicant.
- (b) The applicant shall, at all times, be in full compliance with the terms and conditions of the contract herein provided.

- (c) The homestead board, in its sole discretion, may require such additional terms and conditions to the issuance of a deed as it may deem necessary or reasonable.
- (d) The execution of such contract and the issuance of a deed to any eligible property shall be subject to the final consent and approval of the city council.
- (e) The deed conveying title to the eligible property to the applicant shall be recorded in the Recorder's Office of Whiteside County, Illinois, by the city. The conditions to title as specified in this section shall be referenced in the deed or otherwise separately recorded by a memorandum setting forth the city's interest in the same.
- (f) After issuance of a deed conveying title to the eligible property to the applicant, the applicant shall be deemed a program owner and thereafter assume ownership, control and responsibility of the eligible property subject to the provisions of this article.
- (g) The applicant shall further execute and deliver to the homestead board a quit claim deed which, upon recording, will have the effect of conveying title to the eligible property back to the city. The homestead board shall hold such quit claim deed in escrow until its release is authorized upon the first to occur of the following:
 - 1. the city council's decision, in its sole and absolute discretion, to record such quit claim deed following a determination by the homestead board of the applicant's non-compliance with any of the provisions of this article and written notification of the same to the city council. The quit claim deed shall not be recorded until the program owner has been provided notice and an opportunity for a hearing pursuant to section 6-831; or
 - 2. the homestead board's determination that the program owner has satisfied both the final inspection requirement as set forth in section 6-831 and the three (3) year residency requirement as set forth in section 6-826. After confirmation by the homestead board that the foregoing conditions have been satisfied, the quit claim deed shall be destroyed.

Sec. 6-825. – Consideration to the city.

The restoration of the eligible property to the tax rolls, the demolition, construction, remodel, repair or rehabilitation of the buildings thereon, and bringing the

eligible property into compliance with the ordinances of the city shall constitute consideration to the city for the deed issued hereunder.

DIVISION 3. – REHABILITATION OF ELIGIBLE PROPERTIES

Sec. 6-826. – Occupation of eligible property as principal residence.

All eligible properties shall be occupied as single-family dwellings. After issuance of a deed conveying title to the eligible property to the applicant, the program owner shall move into and occupy the eligible property as soon as it is fit for such occupancy, even if the construction, remodel, repair or rehabilitation of the same is ongoing during such time. At such time, the program owner shall reside at the eligible property as his or her principal residence for a continuous period of no less than three (3) years.

Sec. 6-827. – Utility bills and taxes.

After issuance of a deed conveying title to the eligible property to the applicant, it shall be the obligation of the program owner to pay when due all taxes and assessments levied on the eligible property and all charges for utility services.

Sec. 6-828. – Work to comply with contract and ordinances; required permits.

All work to the eligible property shall be done in a workmanlike manner and shall comply in all respects with the contract between the city and the applicant and with the city's adopted building, plumbing and electrical codes. No demolition, construction, remodel, repair or rehabilitation of the eligible property, or any structure thereon, shall be performed unless the program owner shall have first obtained and paid for the applicable permits from the city for the same.

Sec. 6-829. – Periodic inspection by homestead board.

The homestead board and its agents and designees are authorized to enter upon and inspect the eligible property from time to time, and after reasonable notice to the program owner, to determine the progress of the demolition, construction, remodel, repair or rehabilitation of the same and whether such work is in compliance with the provisions of this article.

Sec. 6-830. – Satisfaction of conditions; final inspection.

- (a) A program owner shall submit a request for final inspection to the homestead board upon the completion of the demolition, construction, remodel, repair and/or rehabilitation of the eligible property.
- (b) The request for final inspection shall contain a statement from the program owner certifying that all work has been completed in compliance with the

contract between the city and the applicant, this article, and all ordinances of the city, and that all bills and obligations for labor and material have been satisfied and paid.

- (c) The homestead board shall investigate and perform a final inspection of the eligible property to determine whether the statements made in subsection (b) of this section are true and correct. Upon completion of a satisfactory final inspection, the homestead board shall notify the city council and the program owner of the same.

Sec. 6-831. – Failure to comply; hearing.

- (a) The homestead board shall provide written notice to a program owner of any violation or failure to comply with the provisions of this article. Such written notice shall state the nature and substance of the violation, and shall further provide that unless the same is cured within twenty-one (21) days from the date of the notice, then title to the eligible property may be conveyed back to the city, at the option of the city council in its sole and absolute discretion, by recording of the escrowed quit claim deed.
- (b) The program owner may, within such twenty-one (21) day period, request a hearing before the homestead board for an opportunity to appear and defend. All such hearings shall be open to the public and shall be conducted at the next regularly scheduled homestead board meeting. The homestead board shall reduce all evidence to writing and shall maintain an official record of the proceedings.
- (c) The homestead board shall, within seven (7) days after such hearing, provide a written determination to the program owner stating whether or not the program owner is in violation of this article, and the reason or reasons for such determination.
- (d) If any program owner, after failing to request a hearing as provided herein, or upon a written determination by the homestead board, is found to be in violation of any of the provisions of this article, the homestead board shall inform the city council in writing of the same. The city council may thereafter, but is not required to, convey title to the eligible property back to the city by recording of the escrowed quit claim deed. The city council's decision as to whether to do so shall be made in its sole and absolute discretion. Upon conveyance of title to the eligible property back to the city, the program owner shall vacate and surrender possession of the eligible property to the city.

DIVISION 3. – ADMINISTRATION OF HOMESTEAD PROGRAM.

Sec. 6-832. – Rules and regulations.

The homestead board may establish and promulgate such rules and regulations as it deems necessary or desirable to effectuate the provisions of this article.

Sec. 6-833. – General powers and duties.

The homestead board is empowered and has the duty and responsibility to do the following in accordance, and not inconsistent, with the provisions of this article:

- (a) review and publicize by the city’s website, social media or some other effective method, the availability of eligible properties;
- (b) accept and review applications and determine the qualifications of applicants within the criteria established by this article;
- (c) establish the terms and conditions with respect to the conveyance of any eligible property;
- (d) approve successful applications and recommend to the city council the execution of a deed and all other documents required to convey title to an eligible property to an applicant;
- (e) inspect eligible properties conveyed to a program owner for compliance with the provisions of this article and the ordinances of the city;
- (f) promptly inform the city council in writing of any violations of this article by the program owner; and
- (g) any and all other acts that may be necessary or desirable for the administration of the homestead program herein created or as may be further directed by the city council.”

SECTION 3: In all other respects, Chapter 6 of the Rock Falls Municipal Code, as amended, shall remain in full force and effect as previously adopted and/or amended.

SECTION 4: The provisions and sections of this Ordinance shall be deemed to be separable and the invalidity of any portion of this ordinance shall not affect the validity of the remainder.

SECTION 5: The City Clerk is directed to publish this Ordinance in pamphlet form.

SECTION 6: This Ordinance shall be in full force and effect from and after its passage and approval and publication as required by law.

Approved this 21st day of April, 2020.

Ann B. Nescott

Mayor

ATTEST:

Michelle K Conkli
City Clerk



AYE

Palmer

None

Wangelin

Snow

Schuneman

Kleckler

Sobottka

ABSENT

Kuhlemier

Folsom

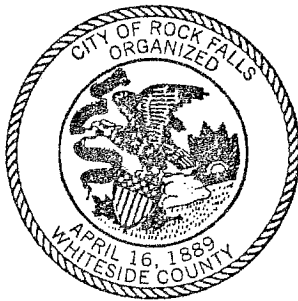
STATE OF ILLINOIS)
)ss
COUNTY OF WHITESIDE)

I, Michelle K. Conklin, certify that I am the duly appointed and acting Deputy City Clerk of the City of Rock Falls, Whiteside County, Illinois.

I further certify that on April 21, 2020, the Corporate Authorities of such municipality passed and approved Ordinance No. 2020-2476, entitled Ordinance Amending Chapter 6 of the Rock Falls Municipal Code for the Establishment of a Homestead Program which provided by its terms that it should be published in pamphlet form.

The pamphlet form of Ordinance No. 2020-2476, including the Ordinance and a cover sheet thereof, was prepared, and a copy of such Ordinance was posted in the municipal building, commencing on April 21, 2020 and continuing for at least 10 days thereafter. Copies of such Ordinance were also available for public inspection upon request in the Office of the Municipal Clerk.

Dated at Rock Falls, Illinois this 7th day of May, 2020.



Michelle K Conkli
Michelle K. Conklin, Deputy City Clerk