

An ordinance regarding the disposition of in rem "neighborhood" real estate to minimize demolitions and insure the preservation of housing stock.

Applicability: Improved neighborhood properties acquired by the city through in rem foreclosure process.

The plan would require DCD to evaluate and categorize properties into three basic categories for each aldermanic district. The plan would be prepared in consultation with the local alderman and the local alderman must provide his/her consent before any action is taken with respect to the disposition of improved properties acquired by in rem foreclosure.

Categories:

1. Properties that are habitable "as is" or can be rendered habitable with reasonable effort and funds proportionate to the assessed value of the property. These properties should be marketed to private purchasers for owner-occupancy. Where rehabilitation and/or restoration is required, a restoration plan should be executed with DNS and the DCD must certify that the prospective purchaser has the skills and/or financial resources to complete the project.
2. Properties that are not habitable "as is" and cannot be reasonably restored or rehabilitated. These properties should be designated for demolition/deconstruction.
3. Properties that are not habitable "as is" but are unlikely to be restored/rehabilitated by a private purchaser because the scope of work exceeds the level of work that a private purchaser would reasonably be able to complete. However, the property is worthy of restoration and/or rehabilitation based on such factors as neighborhood context, characteristics/qualities of the structure, historic status or location in an historic district, or other relevant factors.

In the case of properties in category #3, the properties would be further divided into two categories:

1. Properties suitable for immediate restoration/rehabilitation by the city, the housing authority or a community based development organization.
2. Properties not suitable for immediate restoration/rehabilitation in which case these properties shall be mothballed/land banked. Mothballing shall include boarding (with lexan), securing, emergency repairs required to prevent further deterioration such as roof repairs, basic landscaping and exterior site clean-up. Properties that are mothballed/land banked shall be evaluated annually to assess any change in circumstances.

