

## LOCAL GOVERNMENT AFFAIRS DIRECTOR

The Illinois Association of REALTORS® has assigned local staff to cover real estate related issues at the local government level. They monitor developments locally and weigh in on proposed ordinances and regulations that affect the industry. Shown below is the local Government Affairs Director (GAD) and some of the areas to which she is assigned.



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## GOVERNOR QUINN ANNOUNCES ILLINOIS FORECLOSURE PREVENTION NETWORK



**In February, Governor Pat Quinn announced the launch of the statewide Illinois Foreclosure Prevention Network (IFPN) in his State of the State address. A multi-agency effort coordinated by the Illinois Housing Development Authority (IHDA), the IFPN connects struggling homeowners with all available assistance, resources and knowledge to help them keep their homes.**

The IFPN gathers all assistance and resources available to homeowners to ensure that families facing foreclosure can access the assistance they need in one stop. The IFPN provides access to counseling services, legal advice, mortgage payment assistance programs, foreclosure prevention events and tips on how to avoid mortgage fraud.

The IFPN's resources are available 24-hours a day online at [KeepYourHomeIllinois.org](http://KeepYourHomeIllinois.org), and from 8 a.m. to 8 p.m. weekdays and 9 a.m. to 1 p.m. on Saturdays at the IFPN's free hotline 1-855-446-6300.

The Illinois Foreclosure Prevention Network bundles together key foreclosure assistance resources in a centralized location to make it easier for people to find the help they need more quickly, including:

- Qualified, HUD-certified housing counselors, free of charge, throughout the state.
- Legal clinics that offer foreclosure prevention legal services free of charge.
- Financial assistance from the Illinois Hardest Hit program,

which provides up to \$25,000 in mortgage assistance to qualified homeowners having trouble making mortgage payments due to unemployment or under-employment.

- Targeted foreclosure mitigation events, including the Mortgage Relief Project, with one-on-one counseling, and access to loan servicers who can discuss loan modifications and work out agreements on the spot.
- Additional information on refinancing options, loan modification options, federal and state resources, including Home Affordable Refinance Program, Home Affordable Modification Program and other programs.
- Advice on how to avoid mortgage fraud, job search opportunities, financial planning and other counseling services.
- Additional information on refinancing options, loan modification options, federal and state resources.



## HOMEBUYER DATA AND MARKET STATS

In 2011, the Illinois Association of REALTORS® introduced its members to a new website which is one-of-a kind. The site aims to understand the motivations and opinions of Illinois homebuyers based on telephone interviews with those who purchased a home in the last 12 months. Survey questions regard the use of resources in a home search as well as other facts about the buyers' income, age, family makeup, number of homes previously owned.

The results of these surveys are shown in various regions in Illinois. Go to [www.WhyIBuy.org](http://www.WhyIBuy.org)

The Association also compiles information on home sales in Illinois. With this, you can see monthly reports, quarterly reports and other research. In addition to market stats, you can also read reports by Dr. Geoffrey J.D. Hewings, of the University of Illinois, who provides IAR with economic analysis and housing market forecasts. Hewings is the director of the University of Illinois Regional Economics Applications Laboratory. Go to [www.illinoisrealtor.org/marketstats](http://www.illinoisrealtor.org/marketstats)

This publication is not affiliated with *On Common Ground*, the smart growth magazine of the National Association of REALTORS® (NAR). NAR has granted permission to use the *On Common Ground* name.

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## IN PEORIA

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### Dear Illinois Elected Officials:

We had you - the local government official - in mind when we designed this new newsletter providing research, local ordinance and state law updates, and economic data related to the Illinois real estate industry.

The Peoria Area Association of REALTORS® (PAAR) works to protect the rights of private property owners and advocate for a healthy business environment.

We want to be a resource for you regarding real estate issues and look forward to an ongoing dialogue among Illinois REALTORS®, our elected officials, the IAR Governmental Affairs staff and interested citizens.

For more information on our role as the Voice of Real Estate in Illinois, see page 4 to learn about the Local Governmental Affairs Director.

**The Peoria Area Association of REALTORS® requested IAR RVoice dollars to assist the EDC of Central Illinois/Hearland Partnership in conducting a survey to assess what individuals in the 20-39 age bracket are looking for when deciding where to live and work. The proposed poll will gather the data needed to better understand and create solutions to grow our communities. In other words, the poll will enhance the Livability findings from the EDC's Scorecard. There will be a specific and unique use of this data to cater to this demographic segment (the 20-39 age bracket).**



### PAAR Awarded IAR RVoice Funds to Conduct Poll

The Peoria Area Association of REALTORS® has an established track record of collaboration with its economic development community, including representation on several Peoria Area EDC committees like the CEO Roundtable. The IAR has enabled the PAAR to add significant value

to that relationship by helping it to partner in two projects considered important to the growth and nurturing of the Greater Peoria economy. Those projects included the Comparative Property Tax Market Study and sponsorship in the economic development handbook, "Open!" How to Make and Keep Jobs in Your Community."

Earlier this year, the EDC unveiled its first annual Greater Peoria Economic Scorecard which was designed to measure the economic progress of the five-county Greater Peoria MSA against 11 peer and aspirational cities. The Scorecard measured multiple indicators across five broad categories: Economic Performance, People, Innovation, Entrepreneurship and Business, and Livability. The Greater





## MUNICIPAL ISSUES

### Dealing with Vacant Homes in Your Municipality

Municipalities in Illinois are increasingly concerned about the high number of vacant properties in their jurisdictions. The Illinois Association of REALTORS® has been dealing with this issue in the Illinois General Assembly and at the local level. In March, 2012, the General Assembly passed Senate Bill 16. The main provision will enable all municipalities to place greater responsibility on mortgagees as it relates to the maintenance of vacant and foreclosed homes. To read the entire bill go to [www.ilga.gov](http://www.ilga.gov).

The biggest trend has been for municipalities to pass a vacant property registry ordinance. Local officials have asserted their need to know where these properties are, and to have point of contact on each.

The Illinois Association of REALTORS® recognizes that some vacant properties can cause serious problems for the community. However, not every vacant property is a nuisance property.

If a municipality is contemplating the enactment of a vacant property registry, the REALTORS® urge that the following points be considered in the drafting of the language for such an ordinance.

- The definition of "vacant property" and the other provisions of a registry ordinance should acknowledge that if a property is code-compliant

and secure, it does not need to be registered. Also, if the vacant property is actively being marketed for sale, the registration requirement should not apply.

- The registration fee should be reasonable. A registration fee should not be punitive nor an attempt to recover the costs that the municipality may have had to incur to secure or provide exterior maintenance on the property. Those costs can be collected with a "superior lien" pursuant to a 2009 amendment to the Illinois Municipal Code. That amendment enables municipalities to secure or enclose property without going through a court proceeding and have a superior lien for the costs if the property is "abandoned."

#### "Abandoned" is defined as:

- Residential property that has been unoccupied by any lawful occupant for 90 days, and the municipality has made a good faith effort to contact the owners or their agents and no contact was made.

The 2009 law also gives municipalities additional powers regarding the standard types of nuisance clean-up activities they have the power to perform under Division 20 of the Municipal Code: cutting and removal of neglected weeds, grass, trees, and bushes; pest extermination; removal of infected trees; removal of garbage, debris, and graffiti. The 2009 law gives municipalities a superior lien for all of these costs if the property is deemed "abandoned" as described above.



### Dealing with Vacant Commercial Properties

One of the many unfortunate results of a tough economic recession is the sight of empty real estate, where there once was a business or shop. In 2009, the Illinois General Assembly passed a new law that could prove to be helpful in addressing the problem of vacant storefronts and buildings.

Public Act 96-0755, which went into effect in August, 2009, allows any taxing district, upon a majority vote of its governing body, to abate any portion of property taxes if a new business first occupies a facility located on the property during the taxable year and the facility had been vacant for a period of at least 24 continuous months prior to being occupied by the business. The legislation states that the abatement period cannot exceed two years and the aggregate amount of abated taxes for all taxing districts cannot exceed \$4 million.

The legislation was deliberately limited but it could help spur some redevelopment and re-occupancy of properties. If more than one taxing district, say a school district and a municipality, agree to do an abatement, it could be a good incentive and just what is needed to help a business expand or start up in a new site.

Those who serve on local economic development

councils or on planning commissions should keep this mind in mind and "talk it up." Some municipalities are starting to make use of it.

### Sales Tax for Non Home Rule Units

Nearly all Illinois municipalities are dealing with dwindling local revenues. Municipalities which are not home rule have a significant option to raise revenue and allow some property tax relief at the same time.

Pursuant to legislation which passed in 2010, non home rule units can impose a sales tax if approved by the voters in a referendum, and the proceeds of the tax can be used for municipal operations until December 31, 2015. The proceeds can also be used for public infrastructure costs or for property tax relief. Using the revenue for these items—public infrastructure and property tax relief—does not expire in 2015.

Several local REALTOR® Associations have supported these referenda when the sales tax proposal is coupled with property tax relief. Some Associations have advocated for the measures with voters. In the March, 2012 Primary Election, REALTORS® supported these referenda in Jacksonville, Machesney Park and Crest Hill.

## WHITE HOUSE FORUM DISCUSSES STATE OF THE HOUSING INDUSTRY

by Kara Kienzler on June 12, 2012



IAR President Loretta Alonzo listening to HUD and Treasury officials as they update housing industry leaders at the White House Forum on Housing in Washington, D.C.

Illinois REALTOR® representatives were invited to share their perspective on the Illinois housing market at the White House Forum on Housing yesterday in Washington, D.C.

Illinois Association of REALTORS® (IAR) President Loretta Alonzo, CRB, GRI, and IAR Housing Policy Advisor Sharon Gorrell were there to discuss the Illinois real estate market and receive updates on programs such as Home Affordable Modification Program (HAMP®), Home Affordable Foreclosure Alternatives (HAFA) program, the Federal Housing Finance Agency bulk purchase program and the recent robo-signing settlement with the nation's five largest mortgage servicers.

## PAAR IS AWARDED IAR RVOICE FUNDS TO CONDUCT POLL

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Peoria Area ranked 5th in overall Livability, and the scorecard identified the following concerns about the Greater Peoria MSA with regard to Livability.



1. The percentage of the population in the 20-39 age range is lower in Greater Peoria than in its leading peer cities, while the population in the 65+ age range is higher...and the trend is moving in the wrong direction. Thriving communities tend to have a higher percentage of young professionals among their population. Greater Peoria falls short in this area and needs to work on strategies to attract and retain the 20-39 age group.
2. The Greater Peoria Area labor pool is aging at a faster rate than its peer cities, and it must begin to implement strategies to expand the labor pool to attract workers in the 20-39 age range.
3. Attractiveness of a region goes beyond economic benefits. Cost of living, public safety, volunteerism, culture, healthcare access and even commute time are important.
4. The EDC and its partners need to learn more about what young professionals are looking for when deciding where to locate. What makes a community an attractive place to live and work?

Greater Peoria is competing for jobs, resources and talented people. Without an accurate picture of its regional strengths and challenges, planning for a successful future can be difficult.

The poll will be conducted by Victory Enterprises out of the Quad Cities.

## ECONOMIC INDICATORS

The Illinois Association of REALTORS® collects data on economic indicators that are indicative of housing market characteristics. You can see this information at [www.sgsanalytics.com/IAREcon](http://www.sgsanalytics.com/IAREcon).

Some of this information is presented by region. The data also includes such information as unemployment information and vacancy rates.



[yourhometools.com](http://yourhometools.com)

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