

**International City/County Management Association  
2005 Annual Awards Program  
777 North Capitol Street, N.E., Suite 500  
Washington, DC 20002-4201  
Home Acquisition and  
Rehabilitation Program**

**A. Organization Contact Information**

**Village of Round Lake Beach, Economic Development Department, 1937 N. Municipal Way, Round Lake Beach, Illinois 60073, (847) 546-2351 x 353 office, (847) 201-7229 fax, [jsunderwood@rlbeach.org](mailto:jsunderwood@rlbeach.org), Jeneen Smith-Underwood, Neighborhood Services Coordinator**

**List of partners:**

<b>Village of Round Lake Beach</b>	<b>Program originator &amp; facilitator</b>
<b>Lake County</b>	<b>Grant administrator</b>
<b>First State Bank of Round Lake</b>	<b>Line of credit</b>
<b>New Century Realty</b>	<b>Realtor</b>
<b>E &amp; E Construction</b>	<b>General contractor</b>

**B. Goals**

Information on program: The Village of Round Lake Beach is experiencing a problem with the number abandoned properties increasing. The village is not required to develop a plan for The Affordable Housing Planning and Appeal Act (Public Act 93-0595) which requires them to develop a plan when a municipality has less than 10% affordable housing however, this project could be a model for others looking for a sufficient solution to decrease abandoned houses.

The Village of Round Lake Beach conducted a survey in 2001 that revealed over 100 vacant homes located within its boundaries. It was then determined by the Economic Development Department that the neighborhood south of Rollins Road contained the greatest number of abandoned homes, and was therefore targeted for the initiation of the program. Within this area, homes that were vacant for at least one year, or in foreclosure will be selected for the program

### **C. Strategy**

Basic Planning Process: The Board of Trustees created the development of partnerships with an attorney, realtor, and banker during several Board meetings to pass Board resolutions to support the endeavor to create affordable housing. The village manager meets with the Trustees to carry out their vision and collaborate with the partners to meet their goals.

In 2001, the Board of Trustees created the Economic Development Department to assist both existing and prospective industrial or commercial firms to expand, locate, and relocate within the village. Additionally, the Economic Development Department maximized the quality of the residential housing stock within the village by hiring a full time Neighborhood Services Coordinator to coordinate housing maintenance and improvement programs.

### **D. Brief description of how your project was implemented and what was achieved**

The village has secured a line of credit with the First State Bank of Round Lake that is used for the purchase of abandoned homes. The village also hires local contractors to collaborate with them to receive general labor in the various trades. When the rehabilitation has been completed, the homes are placed on the market to be sold at a fair market price according to HUD. Any profit that is made from the sales of these homes is returned to a fund to finance the continued rehabilitation of homes in the Village of Round Lake Beach.

### **E. Results-A brief explanation of cost savings and/or service quality improvements**

Effectiveness/Results: The program has won three awards for the HARP program in 2004 (Illinois Chapter of the American Planning Association, the LocalGovNews.org, Illinois Municipal League). An article has been published in the AACE Perspective. Also, numerous newspaper articles written have been written about the program. An article was written in the November issue of the Illinois Municipal Review, and in the December issue of the Smallcities publications regarding the work being done in Round Lake Beach.

The village has been extremely successful with economic development efforts and through

active housing initiatives in 2002. This program is very successful at maintaining affordable housing through the use of a deed restriction placed on the homes. We have purchased six homes and all will remain affordable. We have rehabilitated and sold four of the six homes. The process is slow but designed to complete one house at a time. The process is slow but designed to complete one of the housing issues.

**F. An estimate of the total project cost:**

Funding: First State Bank supplies the village with a \$500,00.00 line of credit for acquisition.

Also, in 2002, the village secured a grant for \$15,000 from the Lake County Affordable Housing Commission and in 2003, a grant for \$75,000 from the Lake County Home Program. The grants fund the cost of the rehabilitation of the abandoned homes.

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**G. Information or lessons you learned from your project:**

Transferability: The program will support the provision of The Affordable Housing Planning and Appeal housing law that require municipalities to develop 10% of its inventory that is affordable, diversified in dwelling unit type, size, and design, and supports the local population, creating a high-quality residential environment. The program will also support the provision of engaging in efforts that may potentially be replicated. The village's program can easily be applied to any municipality in the nation.

Community Acceptance/Support.

The longevity of this effort has increased the community's appetite for planning and the pursuit of similar initiatives since the program's inception. Other communities have contacted our office requesting copies of the plan. The efforts have sustained success achieved beyond its general audience, including communities from all over the nation.

**H. Any other information that would aid in an overview**

Rational for Recognition: The village is taking a proactive approach to housing issues. The Home Acquisition and Rehabilitation Program is a ground breaking planning process that was introduced in 2001. The purpose of rehabilitating abandoned properties is to eliminate lack of affordable housing and promote an overall upgrade of property and neighborhood conditions. No other municipality in the country has attempted and successfully developed the method of rehabilitating properties independent of a not-for-profit agency. This program provides a more effective method of improving the housing stock and stabilizing the property values than the traditional methods such as developing a 501 (3) (c) to purchase and rehabilitate vacant properties.

Originality/Innovation

The village is recognized for playing an innovative role in transforming and revitalizing its neighborhoods with the Home Acquisition and Rehabilitation Program. The Illinois State Representative for the 5<sup>th</sup> District, Rahm Emmanuel's office contacted us to gather information regarding the program, with the intent of using it as a model for the nation. The village's program is not a duplicate of any other program in the nation. Furthermore, The Village of Round Lake Beach has received positive national attention from the Christian Science Monitor. We are the first municipality in the country to develop a program to acquire, rehabilitate and sell vacant homes independent of an existing partnership with a not-profit organization.