

Receivership Program

The City's Receivership program provides a way to deal with particularly egregious properties that have long been a neighborhood problem. A typical Receiver property is usually one which has received no attention for several years and has deteriorated to the extent that it is the worst one on the block. The house and property now present a hazard to the neighborhood, has received numerous complaints from the neighbors and is typically vacant. Usually the property has reached this state of disrepair for a variety of reasons. Perhaps the owner has died and the estate is in a difficult probate. Maybe the owner is having difficult personal problems. It could be that the owner is out of state, disappeared or has simply neglected the property.

In 1989 the City adopted the State's Receivership Statute in order to have the tools available to remedy these type of properties. In essence the City will petition the court to appoint a non-profit Housing Developer to take control of the property and renovate it for use by low income families.

Once this property has been referred to the program, specific steps are taken in order that the owner is protected from loss and yet the property progresses toward a positive contribution to the neighborhood. First the owner is contacted (if we can find them) to determine what problems might exist in order to reach an amicable solution. Secondly, a letter is sent to the property owner and anyone with an interest in the property. The letter states that the property must be repaired or well on the way to renovation within 60 days. If no, or inadequate response is received within the 60 days, the City will then file a lawsuit with Circuit Court asking that a Receiver be appointed. The process in its entirety, including notification, filing and response times typically will take at least 4 months.

In practice, very few properties have Receivers appointed. Usually through conversations, agreements or problem solving ideas, the property owner will eventually come through with a resolution. Primarily the Receivership program provides enough incentive to remedy 95% of the problem properties we encounter.