

Palatine assists town house development

Village to buy common area, turn it over to homeowners association

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The Palatine Village Board discuss the Cornell Commons townhouse development. (Bob Chiarito, Special to the Tribune)

By Bob Chiarito, Special to the Tribune

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To help facilitate completion of a town house development after the builder went bankrupt, the village will acquire title to a common area and then immediately turn it over to a newly formed homeowners association.

The land is part of Cornell Commons, a 17-unit town house development at Cornell Street and Eric Drive that was approved in 2005 but saw only 12 units completed before the bankruptcy. In June, State Bank of Countryside took over and contracted with KF Walter Homes to finish the project.

As work progressed, officials realized that the original developer never created a required homeowners association to which the common area should have been conveyed, according to Palatine Village Manager Reid Ottesen.

The village, having incurred expenses for cutting grass in the common area, put a lien on

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the property. The lender and existing homeowners agree that Palatine will foreclose on the lien, which puts the title into its hands. The village plans to immediately convey the property to the new homeowners association, Ottesen said. He estimated the lien at about \$200.

"We'll have one minute of ownership," Ottesen told the Village Council at a recent meeting.

District 2 Councilman Scott Lamerand raised the only question: Was there any chance the village will still own the land "after two or three minutes"? Ottesen said "no."

The closing is expected to happen within the next 30 days, Ottesen said.

Also at the meeting, the village received the "Homes for a Changing Region" report, which concluded that Palatine is substantially built out and may have to consider changing some municipal codes to accommodate future growth. It also found that 80 percent of foreclosures in the village are for condominiums, and that a growing number of residents spend more than 30 percent of their income on housing.

The report was issued by the Northwest Suburban Housing Collaborative, comprising the Chicago Metropolitan Agency for Planning, the Metropolitan Mayors Caucus and the Metropolitan Planning Council. It looked at housing issues in Palatine, Arlington Heights, Buffalo Grove, Mount Prospect and Rolling Meadows.

Jonathan Burch, associate planner from the Chicago Metropolitan Agency for Planning, presented a short outline of the findings and said foreclosures have hit many communities. He added that 46 percent of renters are spending about 30 percent of their income on housing.

The report recommended the village look into rehab programs for the homes of senior residents, review growth opportunities in downtown Palatine and in the Rand-Hicks-Dundee roads triangle; and research and identify energy efficiency programs to assist residents.