

MEETING MINUTES OF THE COOK COUNTY LAND BANK AUTHORITY LAND TRANSACTIONS COMMITTEE

August 12, 2016

Land Transactions Committee of the Cook County Land Bank Authority met pursuant to notice on August 12, 2016 at 10:00 AM at the Cook County Building, 118 North Clark Street, 4th Floor, Chicago, Illinois.

I. Call to Order and Roll Call

Chairman Porras called the meeting of the Land Transactions Committee to order.

Present: Directors Brawley, Jasso, Ostenburg, Planey (4)

Absent: Directors Friedman, Helmer (2)

Also Present: **Robert Rose** (*CCLBA Executive Director*)

Others Present: **Dena Bell** (*IFF*), **James Cannon** (*C&A*), **J. Casanova** (*IFF*), **Natasha Cornog** (*Cook County Land Bank Authority*), **Darlene Dugo** (*Cook County Land Bank Authority*), **Dominic Diorio** (*Cook County Land Bank Authority*), **Wendell Harris** (*CCLF*), **Michelle James** (*Concerned Citizen*), **Maia Lavilie** (*Concerned Citizen*), **Henry Lipscomb** (*All Time Wrecking & Hauling, Inc.*), **Adrienne Martin** (*WGP Community Stakeholders*), **Melvin Muhammed** (*Concerned Citizen*), **Coy Pugh** (*WSBDC*), **Felicia Roberts** (*Concerned Citizen*), **Emily Robinson** (*Elevated Energy*), **Mustafaa Saleh** (*Cook County Land Bank Authority*), **Elisha Sanders** (*Cook County Land Bank Authority*), **Peter Saunders** (*Cook County Clerk's Office*), **Claudette Shivers** (*Cook County Land Bank Authority*), **Alex Simmons** (*Cook County Land Bank Authority*), **Kevin Slaton** (*All Time Wrecking & Hauling, Inc.*), **Ronnie Smith** (*Ujamaa Community Land Trust*), **Arlene Willa** (*PF Solutions.*), **Lisa Williams** (*IFF*), **Tammy Winchester** (*Concerned Citizen*)

II. Public Speakers

Director Friedman noted there was no public speakers registered.

III. Land Transactions Report

Director Rose and Darlene Dugo gave an updated report of CCLBA's Core Business Activities, Community Engagements, Current Commercial Projects, Scavenger Sales, and Fiscal Year 2016.

Core Business Activities

CCLBA acquired 18 homes, demolished 5 properties (via BRP program) and have had 4 homes completely rehabbed. This brings a total of 59 transactions conducted by CCLBA for the month of July.

Cumulative Core Business Outcomes

The market capitalization rate is the difference of the price CCLBA sales the property to the developer and the price that the developer sales to the homeowner on the open market. This represents added home value to the neighborhood.

Cumulative Core Business Activities

As of July 31, 2016, CCLBA has engaged in 525 real estate transaction, which combines all acquisitions and dispositions. Currently there are 145 properties in inventory. 70 of which are considered aged inventory; these properties will undergo a price reduction to be marketed to developers. Several of these properties are slotted for demolition and will be put into rotation mid-September/October. 37 transactions are pending under and contract.

Director Rose encouraged everyone who is interested in working with CCLBA to take advantage of the price reduction sale by visiting CCLBA's and to sign up for CCLBA's newsletter; included in the newsletter is a link that will open into a spreadsheet detailing a list of all CCLBA properties in inventory. CCLBA looks forward to doing business with all.

CCLBA also has vacant land in inventory. A letter has been distributed to adjacent property owners informing individuals that the parcel is available for sale.

CCLBA is working to streamline current policies and procedures as it relates to acquiring and disposing properties. CCLBA has been able to work with other sources to reduce title fees. CCLBA has trained current vendors to upload pictures and reports of individual properties by utilizing E-property Plus which is CCLBA's official asset management software. CCLBA is looking to bring some of the legal processes that are now provided by Ancel Glink in-house to reduce costs.

Acquisitions Pipeline

This chart provides a breakdown of properties that are being acquired or have the potential of being acquired by CCLBA. In regards to the City of Chicago's forfeiture program, CCLBA is gaining momentum and learning more about the process and working with the City of Chicago's Legal Team.

CCLBA continues to acquire properties through various channels. CCLBA is casting a wide net to work with as many agencies as possible.

Disposition Pipeline

This chart reflects the number of properties that are sold to a developer and eventually sold for homeownership.

Application breakdown

The number of applications CCLBA is receiving is continuing to grow.

Community Engagements

This chart references the different organizations, community groups, elected officials, municipalities and events attended by CCLBA staff. CCLBA has increased its outreach efforts with Darlene Dugo being on board.

Current Commercial Projects

Riverside Lawn – 46 offers were made, 16 offers been accepted, 12 declined, awaiting 18 responses. First closing took place on July 29, 2016.

Bellwood MiniMoves – 6B tax incentive is taking a little longer than anticipated; this project should be coming before Economic Development Advisory Committee (EDAC) soon. The property has been purchased and rehab is underway.

3323 W. Grand Avenue – Joe Chang is ready to proceed, unfortunately the attorneys have misplaced the file; waiting for case to be motioned up in court.

3525 West Chicago Avenue – The day before the final court date, West Humboldt Park Development Council Board of Directors decided not to move forward with the acquisition. CCLBA has invoiced WHPDC for legal fees, appraisal, and carrying expenses.

CHMDC - 17 units located in Albany Park closed on July 22, 2016. CCLBA was the conduit buyer used to activate donation tax credits. The objective of this project was to preserve affordable housing in Albany Park.

Grant Street Warehouses - CCLBA acquired three Grant street warehouse located in Bellwood via deed-in-lieu. CCLBA will sell to qualified buyers, the preference is to stimulate local job creation along with local manufactures.

CCLBA is looking forward to supporting the work of Cook County's Enterprise Growth Zones; Growth Zones will undertake activation of long neglected industrial assets in the Southern portion of Cook County.

Scavenger Sales – Properties that CCLBA acquired via the scavenger sale are currently in the middle of the redemption period. For vacant land and commercial/industrial properties, the redemption period ends December 2016. The mapping process with MAPSCorps has been completed. Once all of the data has been received, CCLBA will be able to publish a list of vacant land and commercial/industrial properties available for sale. CCLBA has no intention/desire to take occupied properties. CCLBA does not currently own any of the properties and will not have access until properties have been taken to deed early 2017.

Director Porras: Will CCLBA collaborate with SSLBA in the Riverdale and Chicago Heights?
Director Rose: CCLBA will not be partnering with SSLBA in Riverdale and Chicago Heights. CCLBA and SSLBA will be working together in other municipalities; where SSLBA will be the recipient of the property on the behalf of the village. CCLBA is working with City of Chicago Heights and the Housing Authority of Cook County around a possible choice neighborhood grant

the land that CCLBA have via scavenger sale will be CCLBA contribution (preliminary stages). Riverdale is currently a partner with CCLBA with the Blight Reduction Program. CCLBA is looking for an opportunity to acquire industrial properties. Riverdale is working with a not-for-profit, that is not South Suburban Land Bank Authority (SSLBA), that may be able to receive properties on the behalf of the village.

Director Ostenburg: Please keep in mind, not all south suburban communities are a part of South Suburban Land Bank Authority (SSLBA). Nineteen communities have an intergovernmental agreement with South Suburban Land Bank Authority; this allows opportunity for CCLBA to work with the other communities.

Where warranted if CCLBA has properties in a community where SSLBA is a member the property can be conveyed from CCLBA directly to SSLBA.

Director Jasso: Does CCLBA have standard construction in place for security purposes? Director Rose: Not VPS, CCLBA utilizes three vendors: A & D, Cleanslate, CSG Property Solutions, and DAWGS supply steel doors for the properties; providing security monitoring/preservations/and cleanup services.

FY2016

CCLBA has been effective on all measures. The staffing plan has been completed. Every hire has allowed CCLBA to increase capacity and handle requested opportunities.

CCLBA has broaden the focus community strategy. Last year CCLBA focused on single family dwellings; CCLBA has now included open and industrial space.

CCLBA is expanding the Homebuyers Program with a pilot program with US Bank. CCLBA would like to partner with other organizations that will offer a purchase rehab product that works well with homebuyers.

CCLBA continues to support Cook County projects and initiatives, along with Cook County inter-departmental initiatives.

Acquisition Strategies

Last year CCLBA acquisition strategy was focused on NSI to increase inventory. CCLBA has expanded ways to acquire property via: scavenger sale, portfolio acquisitions, abandonment/foreclosure cases (City of Chicago/Circuit Court) and CCLBA is receiving great traction with donations.

IV. Presentation by IFF – Dena Bell

IFF is a Community Development Financial Institution (CDFI) that receives full funds from larger banks and donations from foundations. IFF uses the funding to create low market loans for developers and non-profit organizations.

IFF provides financing for groups that offer consulting services, health care, child care, fresh food funds, and affordable housing. IFF works in Public Policy, Real Estate Development and Consulting, Lending and Finance, Community Development Initiatives, and Research.

Home First is a division of IFF that builds affordable housing for individuals with disabilities, using a scatter site model. IFF's typical model is 25 sites within 2 to 4 flat buildings.

IFF is interested in working with CCLBA to create the West Cook scatter site model allowing IFF to move people from institutional facilities back into the community in a true integrated setting in the following communities: Bellwood, Berwyn, Forest Park, and Maywood. This project would consist of 12 units of new construction on vacant land and 13 units of rehabbed space of vacant/foreclosed 2 to 4 flats. IFF is looking to enter into an agreement with CCLBA to acquire vacant parcel and hold the parcels through the holding acquisition period. IFF has some committed financing already. IFF's plan is to have CCLBA acquire all the parcels and at closing IFF will reimburse CCLBA for all acquisitions, carrying cost, and CCLBA fee.

V. Consent Agenda

Director Ostenburg, seconded by Director Planey, moved to approve the Consent Agenda which includes July 8, 2016 CCLBA Land Transactions Committee meeting minutes. **The motion carried unanimously.**

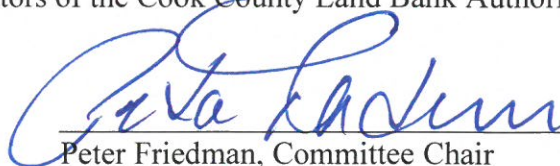
VI. Report from Committee Chair

Chairman Friedman reminded everyone of Cook County Land Banks next Land Transactions Committee meeting, scheduled for September 9, 2016 at 10 am location Cook County Building. Informed meeting participants that all documents from the meeting are available on CCLBA website – www.CookCountyLandBank.org. **No action taken.**

VII. Adjournment

Director Ostenburg, seconded by Director Planey, moved to adjourn. **THE MOTION CARRIED AND THE MEETING WAS ADJOURNED.**

Respectfully submitted,
Board of Directors of the Cook County Land Bank Authority


Peter Friedman, Committee Chair

