

Board of Directors Cook County Land Bank Authority Executive Director's Report

Robert Rose, Executive Director
March 30, 2017



This report covers:

- Announcements
- Recognition
- Core Business Activities
- Community Engagement
- Current Commercial Projects
- Scavenger Sale
- Financial Report
- Line of Credit

- The Cook County Land Bank Authority will be hosting an appreciation luncheon
 - June 1, 2017: 11:30am –1:00, Venue to be announced
- The Cook County Land Bank Authority and US Bank will be hosting a series of Community Developers workshop:
 - Times and dates to be announced
- Register for all events are through our website,
<http://www.cookcountylandbank.org/>

- The Cook County Land Bank Authority was featured on December 23, 2016 in the Chicago Tribune Editorial Board as an “organization to watch in 2017”.
- The Cook County Land Bank Authority received extensive coverage on the release of 4,437 vacant lots from the 2015 Scavenger Sale
- The Cook County Land Bank Authority received the 2017 NHS Community Impact Award
- Executive Director Rob Rose received the 2017 Dearborn Realtist President’s Award

Core Business Activities

2017 Core Business Activities (December 1, 2016 – February 28, 2017)

	Prospects	In Progress	Completed	2017 Goals	% Goal
Acquisition	7,537	211	90 (+33)	1,400	6%
Disposition	308	40	26 (+11)	900	3%
Demolition	265	26	10 (+6)	50	20%
Rehab	146	237	32 (+11)	140	23%

Cumulative Core Business Outcomes (as of 2/28/17)

Market Capitalization Value Created	\$8,087,562	\$15,000,000	54%
Incremental Tax Benefit	n/a	\$500,000	---

Cumulative Core Business Activities (as of 2/28/17)

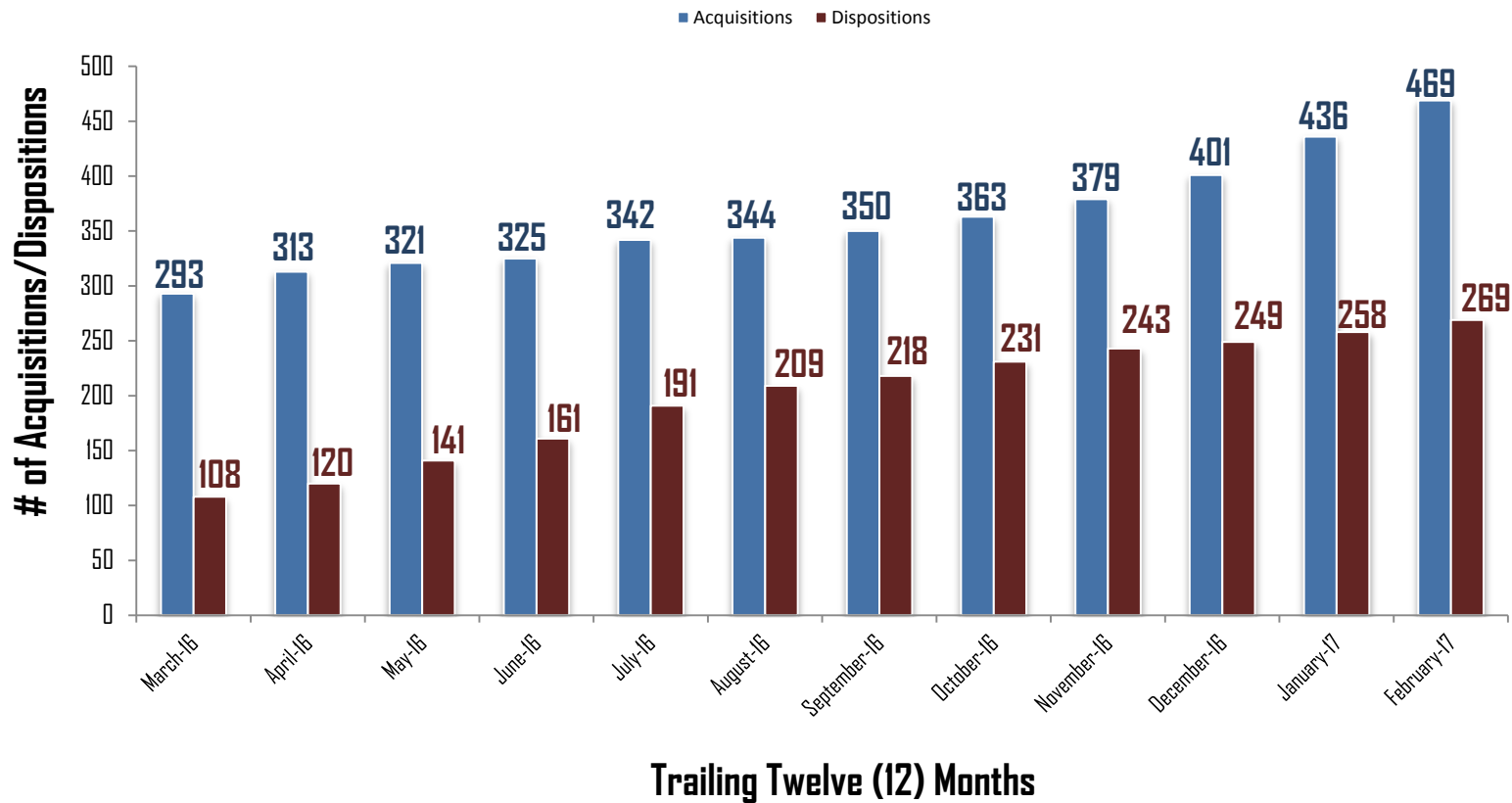
Acquisition	469	Demolition	58
Disposition	269	Rehab	107
Inventory	200	Reoccupied	76

FY 2017 ACQUISITION PIPELINE (as of 2/28/17)			
IN PROCESS	PROSPECTS	SOURCE	NOTES
50	60	NCST/NSI	Neighborhood Community Stabilization Trust/National Stabilization Initiative
4	0	HUD	Housing & Urban Development (HUD) - Direct Purchase
19	4	Private Donations	Individual, Corporate
0	0	Bank REO Properties	Bank-owned properties
5	18	City of Chicago - Forfeiture	Demolition, Nuisance Abatement, Troubled Buildings
0	1	Deed-in-Lieu	Properties deeded over to Land Bank as an alternate to forfeiture.
3	0	OTC Tax Sale	Tax Delinquent Properties acquired via Cook County Clerk (8 Acquired)
PROJECTS			
104	7,387	Scavenger Sale	2015 Tax Scavenger Sale (35,457 Properties Offered)
16	0	CNI	Community Neighborhood Initiatives (CNI) – Pullman Revitalization (5 Acquired)
0	24	Access West Cook	IFF – Home First Acquisition Strategy
3	23	Riverside Lawn	Riverside Lawn Flood Mitigation Buyout Program (22 Accepted; 19 Closed)
7	20	IHDA BRP	IHDA Blight Reduction Program - Rounds One & Two (33 Acquired; 30 Demolished)
211	7,537	TOTAL	

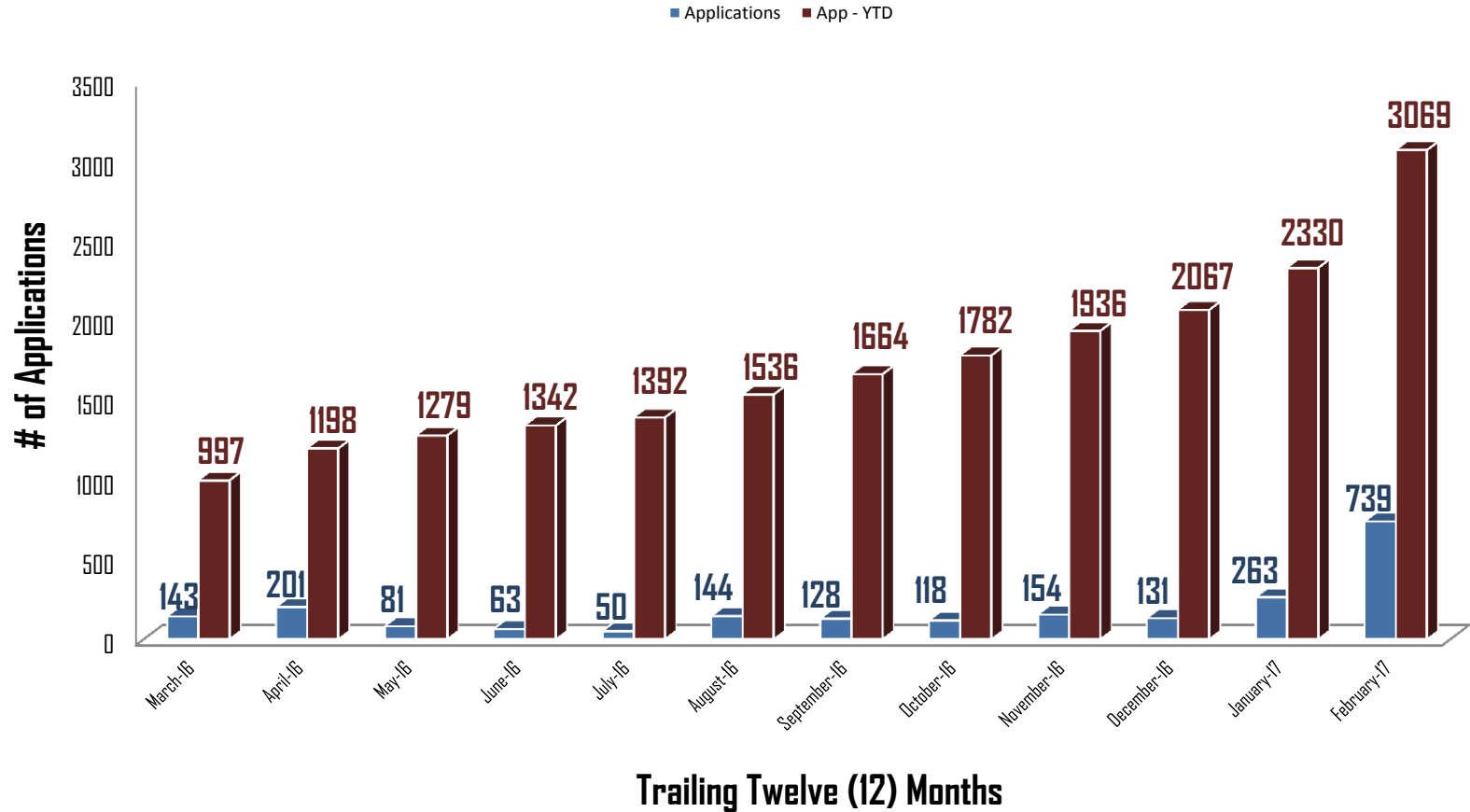
FY 2017 DISPOSITION PIPELINE <i>(as of 2/28/17)</i>		
IN PROCESS	COMPLETED	END USER CLASSIFICATION
2	2	Not-for-Profit (NFP) Organizations
35	23	Community Developers
1	0	Faith-Based Organizations
2	1	Homebuyers
0	0	Municipality
40	26	

Acquisitions & Dispositions: Monthly Breakdown

Acquisitions & Dispositions | Cumulative Total



Number of Applications Received | Cumulative Total



December 2016 Meetings

Event/Meeting	Description	Date	Attended
Metropolitan Planning Council	Met with Nancy Firfer to discuss housing segregation study	12/6/16	R. Rose
Village of Franklin Park/MWRD	Met with City officials regarding strategic buyout program in flood-prone areas	12/12/16	R. Rose
Representative La Shawn Ford	Met regarding how to engage with CCLBA and opportunities for collaboration in the 8 th District.	12/12/16	R. Rose
LISC Chicago	Met with Meghan Harte regarding how to engage with CCLBA and opportunities for collaboration	12/14/16	R. Rose
Microsoft	Met with Adam Hecktman regarding technology solutions for CCLBA	12/16/16	R. Rose
Pastor Constance Shorter	Met regarding community facility and veteran housing in Ford Heights	12/22/16	R. Rose

January 2017 Meetings

Event/Meeting	Description	Date	Attended
Metropolitan Planning Council	Attended the Annual Luncheon	1/9/17	R. Rose
Village of Robbins	Met with City officials regarding acquisitions to assist with flood mitigation	1/10/17	R. Rose, D. Dugo
Planning for Growth & Jobs in Cook County's South Suburbs	Met with several stakeholders regarding economic development plans for the South Suburbs	1/11/17	R. Rose
Dr. Donald Clark	Met regarding how to engage with CCLBA and opportunities for collaboration in Englewood	1/18/17	R. Rose
Maywood Community Developers Meeting	Met regarding how to engage with CCLBA and opportunities for collaboration in Maywood	1/18/17	R. Rose
Greenlined Realty	Met regarding how to engage with CCLBA and opportunities for collaboration in Woodlawn	1/19/17	R. Rose
Asian American Hotel Owners Association	Met with several stakeholders regarding opportunities in the South Suburbs	1/24/17	R. Rose
Ocwen		1/24/17	R. Rose
Village of Franklin Park	Met with City officials regarding strategic buyout program in flood-prone areas	1/26/17	R. Rose
Dearborn Realist		1/26/17	R. Rose
CSEDC Winter Forum	Attended quarterly update on economic development activity in the South Suburbs	1/27/17	R. Rose
City Club of Chicago	Attended Commissioner Gainer talk on CCLBA	1/30/17	R. Rose
Woodlawn Chamber of Commerce	Attended the inaugural event	1/31/17	R. Rose

February 2017 Meetings

Event/Meeting	Description	Date	Attended
Home Depot	Explored opportunities for collaboration with District Manager	2/2/17	R. Rose
Mothers Against Senseless Killings	Met regarding lot at 7500 S. Stewart	2/2/17	R. Rose
SSMMA	Attended the Meet-and-Greet with the new Executive Director	2/2/17	R. Rose
Commissioner Luis Arroyo	Met with two neighborhood groups regarding how to engage with CCLBA and opportunities for collaboration in 8 th District	2/7/17	R. Rose
Village of Ford Heights	Met with City officials to establish conveyance process in support of the intergovernmental agreement executed earlier this year.	2/8/17	R. Rose
Elevate Energy	Explored opportunities for collaboration regarding community solar projects	2/9/17	R. Rose
City of Chicago	Met regarding REBUILD project to rehab 50 homes in Police Districts 7, 10 and 11	2/9/17	R. Rose
Home Depot	Follow-up meeting with regional VP	2/10/17	R. Rose
Alderman David Moore	Follow-up meeting regarding projects in the 17 th Ward	2/10/17	E Sanders
Metropolitan Mayors Caucus	Panel discussion on Land Banks	2/14/17	R. Rose
NHS Chicago	Explored opportunities for collaboration with Homebuyer Direct	2/15/17	R. Rose
Byline Bank	Follow-up meeting regarding REO donations and discounted property sales	2/16/17	R. Rose, D. Dugo, D. Diorio, E. Sanders
28 th Ward Meeting	Met regarding how to engage with CCLBA and opportunities for collaboration in the 28 th Ward	2/21/17	R. Rose
InnerCity/Renovo Financial	Met regarding how to engage with CCLBA and opportunities for collaboration	2/23/17	R. Rose, D. Dugo, D. Diorio, E. Sanders

Current Commercial Projects Status Report

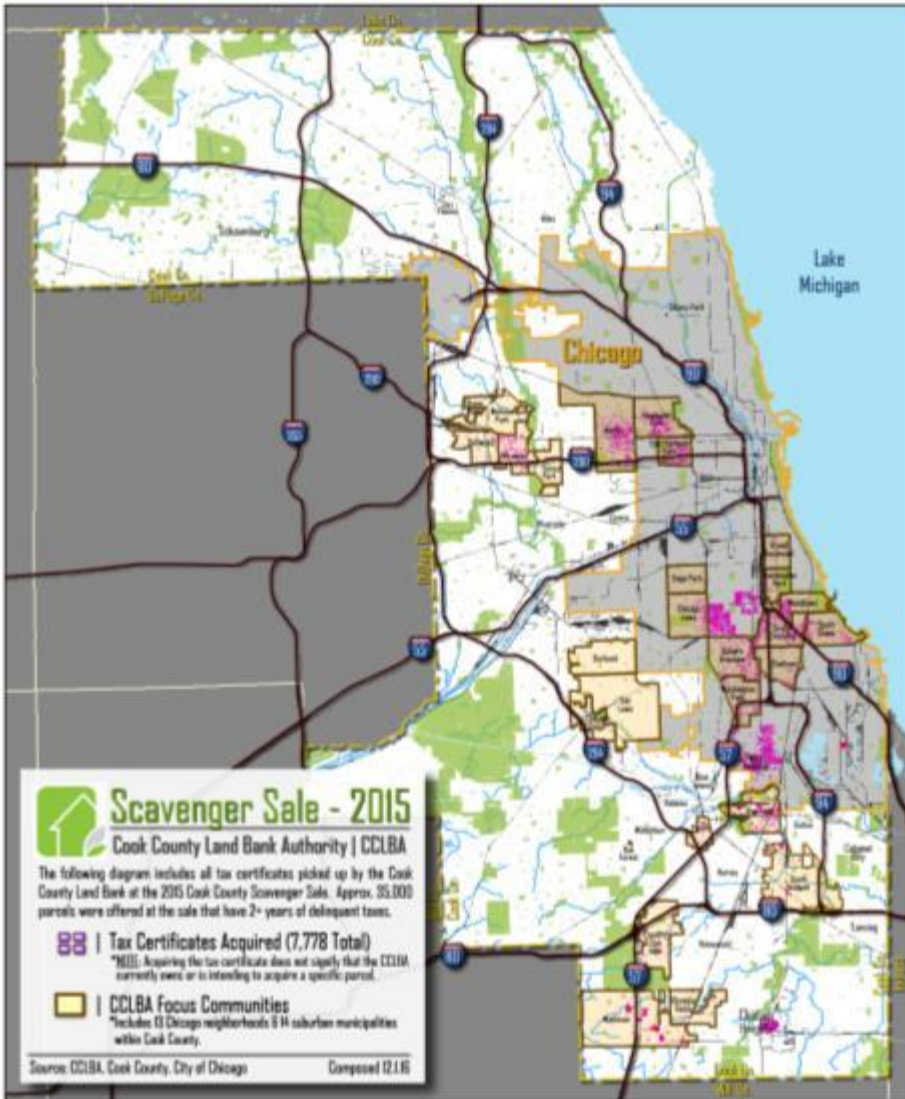
Project Name	Address	Action Item
Riverside Lawn (Voluntary buyout of homes in flood-prone area)	Various address in unincorporated Cook County	46 offers have been made. 22 offers have been accepted, 11 offers have been declined and waiting for 13 responses to the offer. 19 homes have been purchased to date.
Humboldt Park	3323-3369 W. Grand Ave. Chicago, IL	Project approved by full Board. ICON Real Estate is not able to close the deal. There are several interested buyers, working with Department of Buildings to identify the most suitable.
Grant Street Warehouses	2715, 2801, 2821 Grant St Bellwood, IL	Acquired 3 warehouses totaling 83,000 sf via Deed-In-Lieu transaction. Environmental assessment completed. Three contracts under negotiation, pending Board of Directors approval.

Land Banking Agreements

Current Land Bank Agreements Status Report

Project Name	Target Area & Timelines	Action Item
Chicago Neighborhood Initiatives (CNI)	<ul style="list-style-type: none"> • North Pullman • Hold Properties for up to 36 Months 	<ul style="list-style-type: none"> • Reviewing alternate strategy to acquire 17 properties that were previously forfeiture cases. • 3 properties acquired and holding.
IFF	<ul style="list-style-type: none"> • Bellwood, Berwyn, Forest Park, and Maywood • 2-4- Flats up to 12 Buildings • Vacant Lots up to 12 Sites • Begin Identifying and Acquiring Properties November 2016 • Hold Properties for up to 36 Months 	<ul style="list-style-type: none"> • IFF executed LBA on November 30, 2016. IFF identified 6 Tax Certificate PINs located in target area.

Scavenger Sale – 7,777 total bids



Vacant Lot Program Launched on February 1st!

Website Avg Daily Traffic Before Launch	103
Website Avg Daily Traffic Week of 2/1/17	992
Website Avg Daily Traffic After Launch	214
# of Applications	361
# of Properties Applied	183
# of Agreements	34
# of Redemptions/Value	180/\$1.8MM

Vacant Lot Program – 4,437 PINs

County Towns (812 PINs)			
Focus Municipalities	Bids/Applications	Focus Municipalities	Bids/Applications
Bellwood	15	Chicago Heights	444 2
Country Club Hills	20	Dixmoor	2
Forest Park	0	Hazel Crest	1 1
Homewood	3	Matteson	116
Maywood	65 1	Melrose Park	3 2
Midlothian	7 1	Olympia Fields	11 1
Orland Hills	1 1	Posen	36
Riverdale	43	South Holland	89
Stone Park	1		

Vacant Lot Program – 4,437 PINs

City of Chicago (3,625 PINs)

Neighborhoods	Bids/Applications	Neighborhoods	Bids/Applications
Auburn Gresham	231 6	Austin	362 12
Belmont Cragin	3 2	Brighton Park	2 1
Chatham	95 2	Chicago Lawn	85 1
East Garfield Park	228 33	Englewood	1,020 2
Gage Park	14	Grand Boulevard	30 15
Greater Grand Crossing	293 23	Hermosa	1 1
Humboldt Park	228 11	Morgan Park	65 1
Pilsen	1 1	Roseland	206 3
South Shore	144 30	Washington Heights	88 2
Washington Park	24 6	West Pullman	502 5
Woodlawn	152 16	Misc Neighborhoods	8 4

Vacant Lot Program – 4,437 PINs

Vacant Lots – Average Timeline

Average # of Days to Convey Deed to Buyer

225 Days (7.5 Months)

10 Days (2 Weeks) | Average time frame for the CCLBA to convey the deed to the prospective buyer.

10 Days (2 Weeks) | CC State Attorney's Office special appointee, Carter Legal Services, conducts a tract search and extends the redemption date. CCLBA is supplied with new redemption date and original trial date.

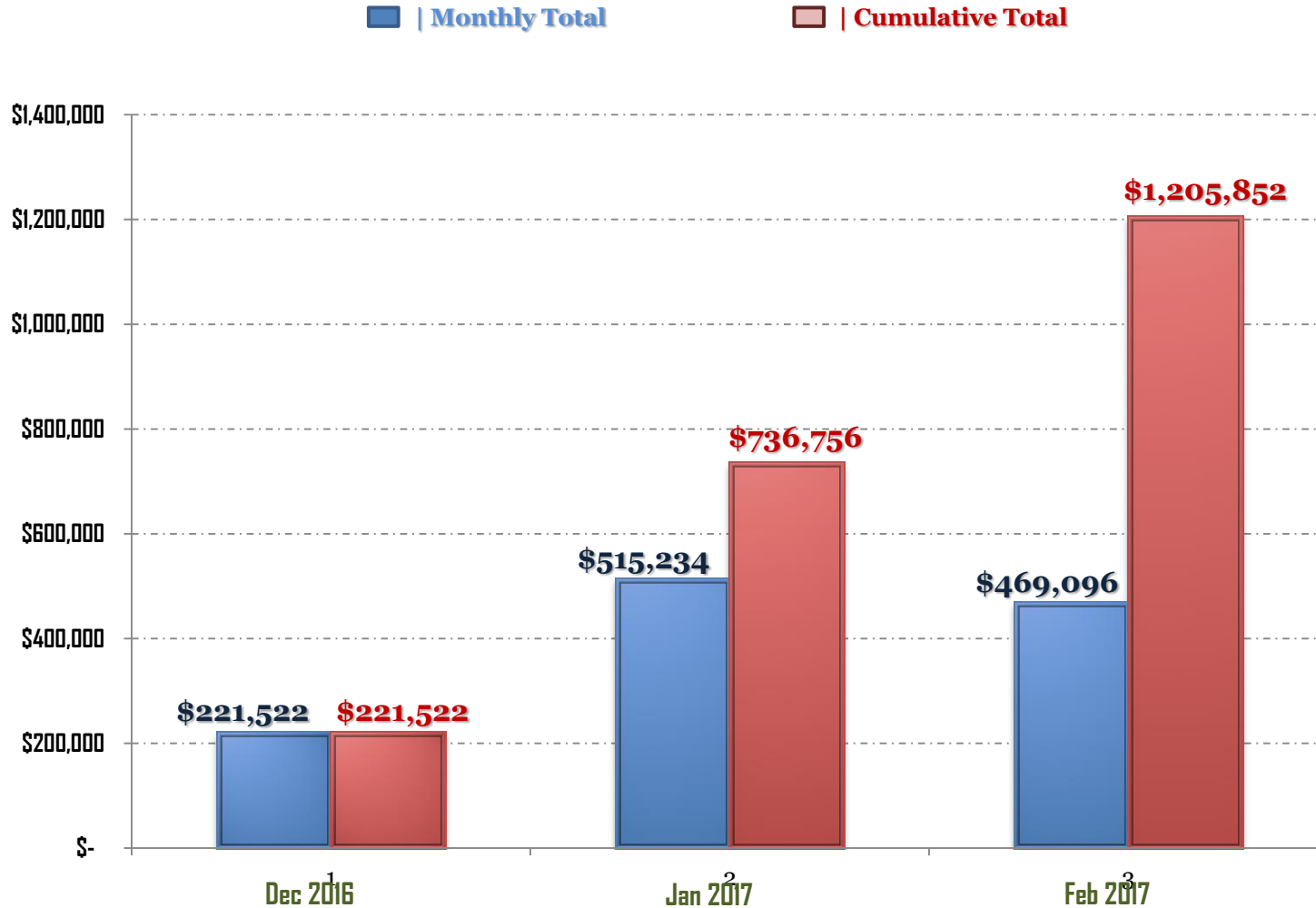
45 Days | Average time frame for our legal counsel to take title to the property after the redemption date. Accounts for court appearances.

Day One | CCLBA comes to an agreed price and fully executes a terms sheet with the prospective buyer.

150 Days (5 Months) | CC State Attorney's Office sets a new redemption date to serve notice as per regulations set forth in ILCS 21-95.

10 Days (2 Weeks) | Legal Counsel clears the back taxes/other encumbrances and takes deed to the property with clear title.

FY2017 Revenue by Month

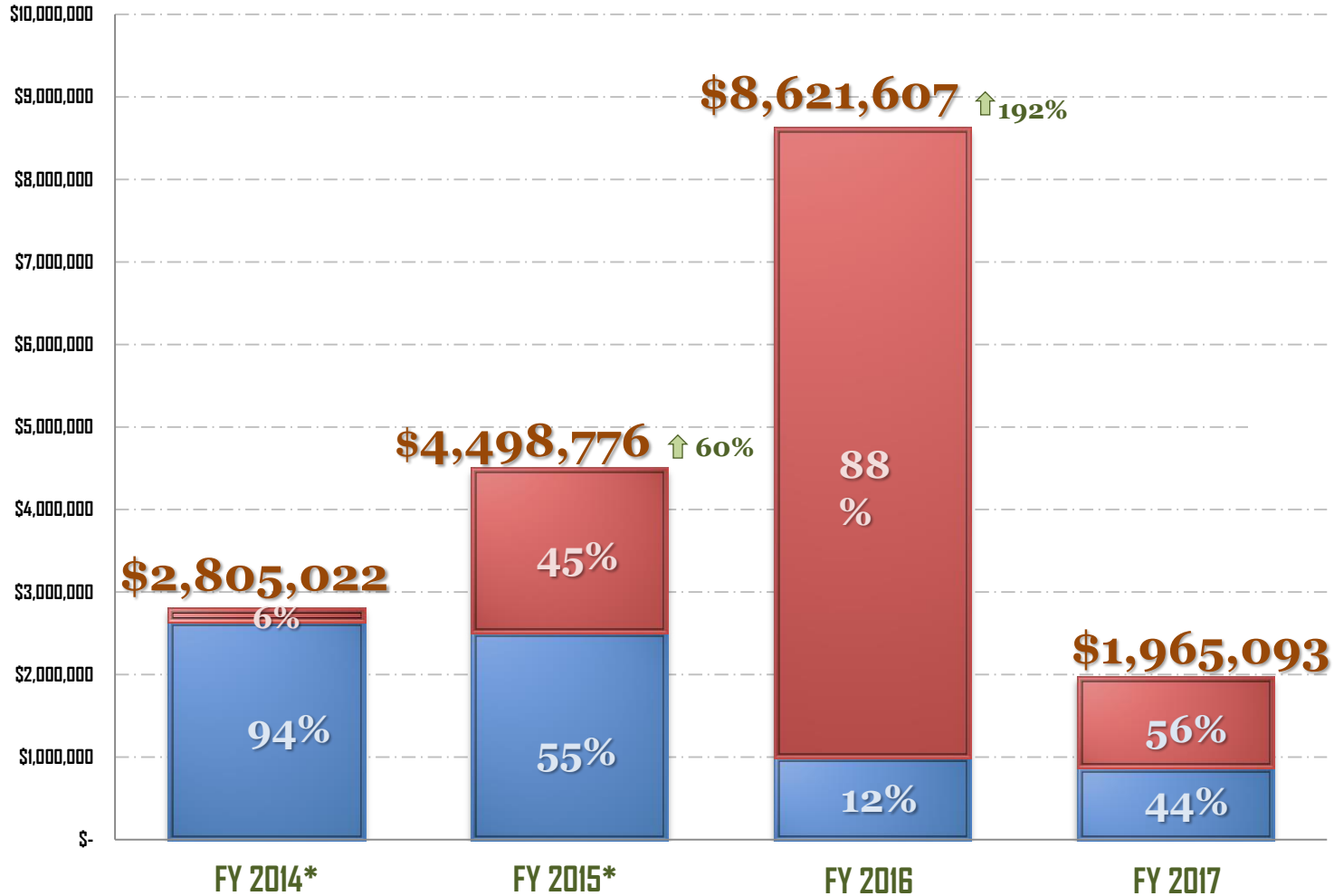


Avg/Month: **\$401,951**

Multi-Year Comparison

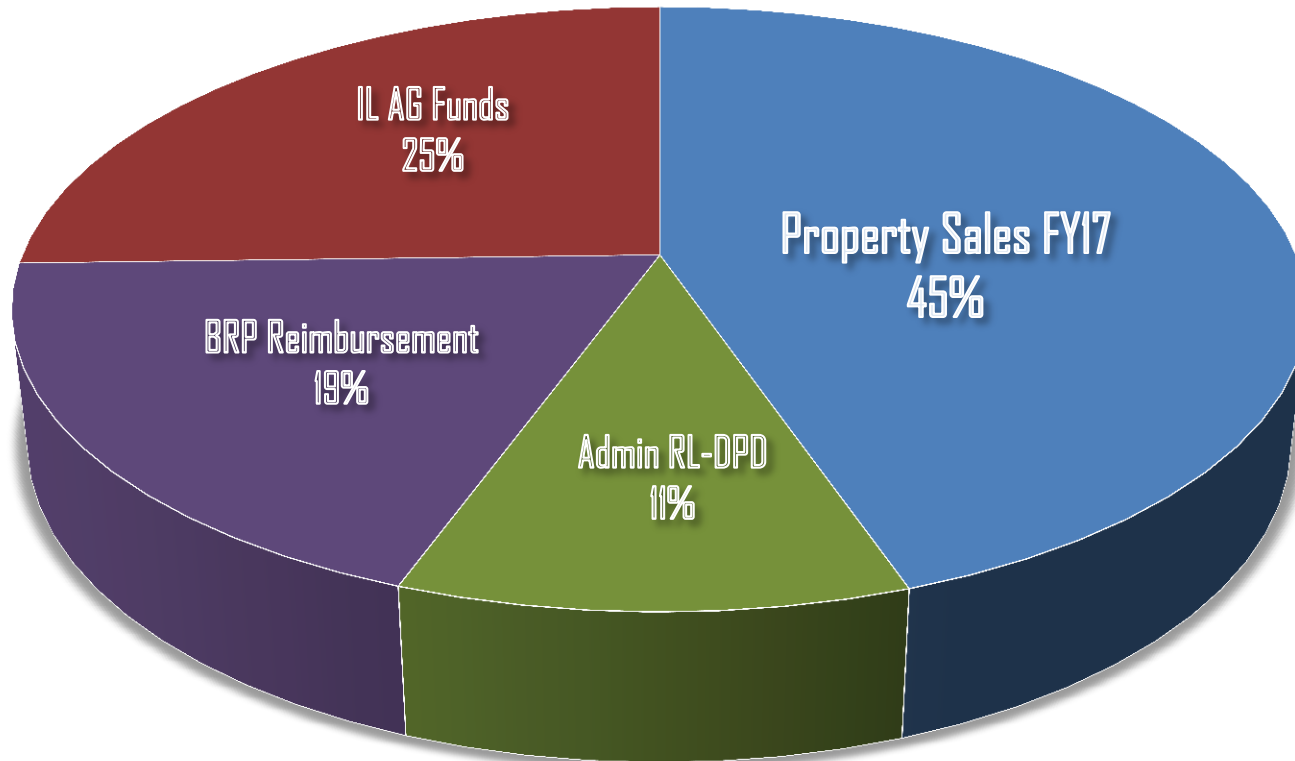
*Based on Independent Audit Conducted by Washington, Pittman, & McKeever

■ | Total Revenue ■ | Earned Income ■ | Grant Funding



FY2017 Revenue by Type

For the Period December 1, 2016 – February 28, 2017



Property Sales FY16	=	\$879,302
Admin RL-DPD	=	\$211,941
BRP Reimbursement	=	\$373,850
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Program Income FY16		\$1,465,095
IL AG Funds	=	\$500,000
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Total Revenue FY16		\$1,965,095

Key Issue: Current process not designed for high-volume or our priority developers/homebuyers

- Must overestimate costs to eliminate additional funding, creates tremendous float
- Wire request has 1-2 week wait time
- Delays in funding have resulted in:
 - Higher closing costs and penalties;
 - Increased pressure on small developer/homeowner cash flow
 - Reputational damage
 - For first-time homeowners, missed work and increased stress

Option 1: CCLBA Bank Account

- Will be fully audited and reconciled per County Policies
- One day wire capabilities will eliminate wasteful float and delays

Option 2: CCLBA Line of Credit

- Dedicated funds for acquisition as per pre-approved focus communities & strategic plan
- Does not draw against County funds
- Speed of execution

Key Features:

- \$3 million revolving line of credit
- 24-month term, 6% interest rate, interest-only monthly payments
- Used for acquisitions only; 100% costs
- 1% origination fee
- Blanket UCC on CCLBA-owned assets
- \$250,000 cash Loan Loss Reserve
- 180 day principal repayment
- Final 3 months, clean-up provision

Acquire 1000 homes from Fannie Mae and Freddie Mac

- Portfolio acquisitions based on location and community impact
- Create strategic partnership to use deconstruction as an economic and community development tool

Execute Scavenger Sale Acquisitions

- Vacant Lots/Commercial/Industrial/Multifamily

Launch Homebuyer Direct Program

- Direct partnerships with banking partners and housing counseling agencies
- Further neighborhood revitalization

Complete Staffing Plan to Increase Capacity and Organizational Efficiency

- Add the following positions: Attorney, Acquisition Specialist, Asset Manager, Administrative Assistant, Business Manager, Marketing Specialist, Deputy Director

Proactively Acquire Properties via Abandonment/Forfeiture Cases

- Partner with the City of Chicago's Department of Planning and Development, Department of Law and Department of Buildings