

MEETING MINUTES OF THE COOK COUNTY LAND BANK AUTHORITY BOARD OF DIRECTORS

June 29, 2017

Board of Directors of the Cook County Land Bank Authority met pursuant to notice on June 29, 2017 at 10:00 AM in the offices of Holland and Knight located 131 South Dearborn, Suite 3000, Chicago, Illinois.

I. Call to Order and Roll Call

Chairwoman Gainer called the meeting of the Board of Directors to order.

Present: Directors Brawley, Friedman, Gainer, Holmes, Limas, Ostenburg, Planey, Sherwin, Smith (9)

Absent: Directors Jasso, Helmer, Porras, Reifman, Richardson, Ware (6)

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

Others Present: **Matt Cooper** (*Inner-City Underwriting*), **Natasha M. Cornog** (*Cook County Land Bank Authority*), **Dominic Diorio** (*Cook County Land Bank Authority*), **Darlene Dugo** (*Cook County Land Bank Authority*), **Cassidy Harper** (*Cook County Land Bank Authority*), **Anthony Ivy** (*A.C. Builders*), **Nora Mahlberg** (*BPI*), **Morris Reed** (*WHA*), **Mustafaa Saleh** (*Cook County Land Bank Authority*), **Elisha Sanders** (*Cook County Land Bank Authority*), **Claudette Shivers** (*Cook County Land Bank Authority*), **Alex Simmons** (*Cook County Land Bank Authority*), **Charles Stevenson** (*Stevenson 37*)

II. Public Speakers

Chairwoman Gainer noted there was no registered public speaker:

III. Executive Director's Report (Robert Rose)

Announcements

Executive Director Rose welcomed CCLBA's two newest Board members: Diane Limas (*Communities United*) and Tony Smith (*PNC Bank*), and introduced CCLBA's most recent hires to the operations team: Anthony Blakely (*Acquisitions Specialist*), Gene Kelly (*Asset Manager*), and Cindy Williams (*Administrative Assistant*).

Core Business Activities

CCLBA's 2017 goals have been revised downward; the opportunities that CCLBA projected through Fannie are no longer obtainable. CCLBA will continue to have a banner year, compared to last year, CCLBA will still have a 60-80% increase in acquisitions. CCLBA is on target as it relates to the number of completed acquisitions (187) and dispositions (84). CCLBA should be closer to 75% of goal attainment by the next board meeting.

Cumulative Core Business Outcomes

By the end of the fiscal year CCLBA will meet or exceed the marketing capitalization goal. 75% of the rehabs completed are benefiting homeownership in neighborhoods where the narrative has always been that the market didn't exist; CCLBA is pushing to prove that theory wrong. As it relates to Scavenger Sale-County Redemptions, CCLBA has seen almost \$2 million in redemptions. This is 223 properties that have been returned to the tax rolls.

Cumulative Core Business Activities

The current rehab number is 133. The magic number is 200. There were two goals established with the Attorney General Mortgage Settlement Grant. One was to establish CCLBA's staff and two was to facilitate the rehab of 200 homes. CCLBA anticipates accomplishing this goal before the end of the year and having an event to commemorate the 200th home.

Acquisition/Disposition Breakdown

These charts details avenues of opportunity and demand for CCLBA.

Application Breakdown

The application process is the first step to enter-act with CCLBA to purchase properties. The number of applications received serves as a proxy for the demand of activities. CCLBA saw an increase in applications after the vacant lot program was announced.

Current Commercial Projects

Riverside Lawn Voluntary Buyout Program – effects homeowners near the Des Plaines Rivers these homeowners have opted to sell their homes because of the flood issues in this area. These homes will be demolished, converted to open space, and deeded over to Cook County Forest Preserve. Out of 46 offers 21 homes have been purchased and one home maybe eligible for historic registry. Demolition is expected to take place next month on some of the homes

Humboldt Park property located at 3323-3369 West Grand, Chicago, IL – This property had over \$1 million in back taxes outstanding. CCLBA took this property through forfeiture. This property will have 26 units and one commercial space. CCLBA looking to have a ribbon cutting within the next 24-months.

Grant Street Warehouses – Three warehouses located in Bellwood, Illinois. Two of the warehouses have been sold to end buyers and the third warehouse is scheduled to close on July 5, 2017. These three different businesses will create over 100 jobs and are being put back on the tax roll.

Land Bank Agreements

CCLBA has a Land banking agreement with CNI to hold 20 properties and 1 deed-in-lieu of foreclosure property for 36 month. CCLBA continues to move forward with acquisitions on CNI's behalf. CCLBA had some holdup on the forfeiture cases, and is looking at alternative strategies to acquire properties more quickly.

The Land Banking agreement with IFF is completed. CCLBA is working with IFF in west Cook; Bellwood, Berwyn, Forest Park, and Maywood to acquire vacant lots and two flats to retrofit and/or build living for the handicap or mobility-challenged.

Scavenger Sale

Regarding the 2015 Scavenger Sale, CCLBA has received 584 Applications, 339 properties have been applied for, 96 agreements received, 223 property taxes have been redeemed, total redemption amount \$1.96 million.

Tax Certificate Program

CCLBA Vacant Lot Programs consists of 4,437 PINs. The charts reflected the different City of Chicago neighborhoods and Suburban Municipalities, the number of PINS that are available versus the number of applications received for the different areas.

City of Chicago Neighborhoods (3,625): Auburn Gresham, Austin, Belmont Cragin, Brighton Park, Chatham, Chicago Lawn, East Garfield Park, Englewood, Gage Park, Grand Boulevard, Greater Grand Crossing, Hermosa, Humboldt Park, Morgan Park, Pilsen, Roseland, South Shore, Washington Heights, Washington Park, West Pullman, Woodlawn, and Miscellaneous Neighborhoods.

Suburban Municipalities (812): Bellwood, Chicago Heights, Country Club Hills, Dixmoor, Forest Park, Hazel Crest, Homewood, Matteson, Maywood, Melrose Park, Midlothian, Olympia Fields, Orland Hills, Posen, Riverdale, South Holland, and Stone Park.

City of Chicago Neighborhoods (3,625): Auburn Gresham, Austin, Belmont Cragin, Brighton Park, Chatham, Chicago Lawn, East Garfield Park, Englewood, Gage Park, Grand Boulevard, Greater Grand Crossing, Hermosa, Humboldt Park, Morgan Park, Pilsen, Roseland, South Shore, Washington Heights, Washington Park, West Pullman, Woodlawn, and Miscellaneous Neighborhoods.

CCLBA is look to be quite aggressive in the 2017 Scavenger Sales taking place on July 12, 2017.

Finance Report

Executive Director Rose gave an overview of CCLBA's mid-year financials. Revenue by month reflects what CCLBA have collected. Mid-year CCLBA have collected \$4.5 million in revenue with an average of \$750,000 a month. Multi-year comparison CCLBA is trending above last year revenue of \$4,498,776 currently at \$8.6 million revenue projected. Revenue by Type – Revenue comes in via property sales, Riverside Lawn project, Attorney General Grant (CCLBA have received \$400,000 with \$100,000 to be collected upon rehab of 200th home), and the Blight Reduction Program. These are funds that are reimbursed through IHDA for demolitions. Via the various revenue types, CCLBA has a total revenue of 5.216,192 for FY17. Dispositions in Process translates to revenue of about \$4.5 million.

The full audit will be brought before CCLBA Board at the September 28, 2017 meeting.

FY2017 Focus

Executive Director Rose gave a recap CCLBA's FY 2017 goals.

IV. Approval to Enter into a Purchase Sales Agreement with Chicago China Gateway Developments LLC

Director Friedman seconded by Director Ostenburg moved to approve a Purchase Sales Agreement with Chicago China Gateway Developments LLC for 17040 South Halsted Street, Harvey, Illinois. **The motion carried unanimously**

V. Line of Credit

CCLBA has been approved for a \$3 million line of credit through Chicago Community Loan Fund. The line of credit will be introduced to the Cook County Board of Commissioners in July or August, 2017.

VI. Consent Agenda

Director Planey, seconded by Director Ostenburg, moved to approve the consent agenda which includes March 30, 2017 Cook County Land Bank Board of Directors meeting minutes. **The motion carried unanimously.**

VII. Chairman Report (Commissioner Bridget Gainer)

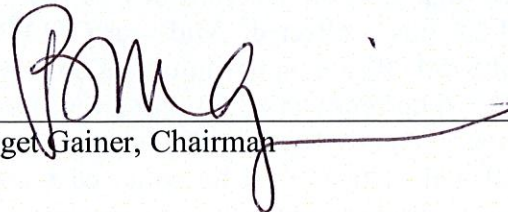
Chairman Gainer mentioned the upcoming tax sale, Emerson Collective and CCLBA's involvement with expanding the workforce portion, and the great role that CCLBA can play regarding industrial demolition; clearing the land for green/brown fields and allowing for new development.

CCLBA's luncheon went well. Chairman Gainer took the time to thank everyone including ULI and the advisory board; reinstating the fact that CCLBA is a grass root collective effort.

VIII. Adjournment

Director Ostenburg, seconded by Director Brawley moved to adjourn. **The motion carried unanimously and the meeting was adjourned.**

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


Bridget Gainer, Chairman

Attest.


Director Ostenburg, Secretary