

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

September 9, 2016

Land Transactions Committee of the Cook County Land Bank Authority met pursuant to notice on September 9, 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

Director Ostenburg called the meeting of the Land Transactions Committee to order.

Present: Directors Ostenburg, Helmer, Planey (3)

Absent: Directors Friedman, Jasso, Porras (3)

Also Present: **Darlene Dugo** (*CCLBA Senior Acquisitions Manager*)

Others Present: **Alissa Bolz** (*Lansing Resident*), **Eric Brown**, **Denis Dankin** (*Kellogg School of Management*), **Dominic Diorio** (*Cook County Land Bank Authority*), **Derrick Earls** (*Earls Property Preservation*), **Dion Earls** (*Earls Property Preservation*) **Adam Rogers** (*The Private Bank*), **Mustafaa Saleh** (*Cook County Land Bank Authority*), **Elisha Sanders** (*Cook County Land Bank Authority*), **Claudette Shivers** (*Cook County Land Bank Authority*), **Ronnie Smith** (*Ugamar Community Land Trust*) **Paul Suder** (*Developer*), **Charles Stevenson** (*Stevenson 37W*), **Vincent Walker** (*CCDEC*)

II. Public Speakers

Director Ostenburg noted there were public speakers registered.

Charles Stevenson with 37W spoke first. Mr. Stevenson has been working on a project with the CCLBA since 2014. The project is a six unit condominium building at 7240 S. Wentworth, Chicago. The building fell into disrepair, and Mr. Stevenson negotiated a written agreement with former Director Brian White to purchase the property if Mr. Stevenson could rescue the property from demolition court. Mr. Stevenson had previously negotiated a nominal sum to purchase the building, and the CCLBA is now looking for an increased price for the building. The original purchase was \$10,000, and the CCLBA would like the appraised value of \$98,000. Mr. Stevenson would like the board to honor the commitment made to him for the property. He has fixed the roof and fence and has kept the property resecured.

Director Ostenburg notes that there is a memo in the packet regarding the property from Director Rob Rose, and the issue is not on the agenda.

Leonard Becker and Paul Suder were registered as public speakers to discuss 7240 S. Wentworth Ave., Chicago. At Mr. Stevenson's request, both were asked not to speak since the board would not be discussing the property. Leonard Becker is the attorney for the former lien holder and Mr. Suder is the former owner of 7240 S. Wentworth Ave., Chicago.

Alissia Bolz spoke next. Ms. Bolz is a resident of Lansing, Illinois. Ms. Bolz lives at 2535 183rd St., Lansing and is interested in purchasing the property next door from the CCLBA. Ms. Bolz and her husband grew up in the community. Her husband is on the school board and want to make an investment in the community. Ms. Bolz thanked the board for their consideration.

III. Land Transactions Report

Darlene Dugo's report gave an update of CCLBA's Core Business Activities, Community Engagements, Feature Project, Current Commercial Projects, Scavenger Sale, and Fiscal Year 2016.

Core Business Activities

In August, one home has been added to inventor, 18 homes have been sold, 3 homes have been demolished, and 15 homes previously purchased have been rehabbed. In total, there were 23 transactions (acquisition, disposition, demolition). Developers have sold 22 properties to homebuyers. The number is expected to increase as the rehabs continue to be completed.

Director Ostenburg asked if any of the demolitions were deconstruction. Darlene Dugo said no, but the CCLBA is exploring the cost of deconstruction and continuing to look at options.

Acquisitions Breakdown

This chart reflects a breakdown of acquisition numbers in process and prospects, as well as, the avenues in which CCLBA is acquiring properties. There will be an increase in the number of in process and prospects for the forfeiture program. CCLBA has been meeting with City of Chicago attorneys on the forfeiture process. CCLBA is receiving a high volume of calls regarding the Scavenger Sale pins and the CCLBA is maintaining a database of all interested parties. There have been 17 accepted offers in the Riverside Lawn Program and 1 property has closed. 34 units have been acquired through the IHDA BRP program. The CCLBA continues to work with the City of Chicago's attorneys and judges to streamline the forfeiture process. The CCLBA, along with the City, is hoping to conduct a tour for the judges of focus communities and explain the impact of getting the properties back into productive use.

Disposition Breakdown

The CCLBA's goal is to increase the number of sales to homeowners. The CCLBA has a program with US Bank and is having conversations with Neighborhood Lending Services. Darlene Dugo has experience working with Neighborhood Lending Services, the purchase rehab program, and the technical assistance they offer. CCLBA's "Summer Sale" produced 48 offers on 18 parcels. Those properties will be offered over the next few weeks and sold over the next few months. CCLBA continues to work with numerous community developers, small for-profit developers, non-profit developers, and faith base organizations.

Applications

The CCLBA saw a significant increase in applications due to the recent price changes of properties in inventory.

Featured Property

The CCLBA highlighted a property that was recently completed by Evolution Properties. The property at 10430 S. Whipple Street, Chicago was acquired from Fannie Mae for \$104,200. Before and after photos show the extensive rehab that was completed. This developer is currently working on seven CCLBA properties. The properties are in various stages of rehab and/or disposition. The property shows the impact of CCLBA redeveloped properties.

Community Engagement

Darlene Dugo shared the various meetings and engagements that were attended throughout the month of August. CCLBA has been working with IFF, the Dearborn Realist Group, Maywood, and other groups. CCLBA expects to have MAPSCorps data in the next few weeks. Rob Rose spoke at the 34th Ward Town Hall Meeting and spoke about opportunities with the Land Bank. CCLBA continues to engage with various groups and raise awareness about the program and opportunities.

Commercial Projects

Riverside Lawn Voluntary Buyout Program – 46 offers have gone out to the homeowners, 16 have been accepted, 12 have been declined, and the CCLBA is waiting on 18 responses. The remaining contracts will close in October and November.

Director Ostenburg asks what happens to the homes that do not participate in the program. Ms. Dugo responded by indicating the goal is to try and work with everyone that benefits all parties, but some may choose not to participate.

Humboldt Park/3323-3369 W. Grand Ave, Chicago – Last month the CCLBA reported that the City could not find the file. CCLBA's outside council has ordered new documents and is moving the file towards forfeiture/acquisition.

Chicago Metropolitan Housing Development Corporation- The transactions were closed on July 22, 2016, and Rob attended a press conference with Fannie Mae and CMHDA. CMHDC may be working on another round of properties.

Grant Street Warehouses – CCLBA received an offer on the buildings. The offer was under market value. The buildings continue to be marketed by Steve Kohn.

Scavenger Sale

A map shows all 7,777 certificates that were awarded to the CCLBA at the 2015 Scavenger Tax Sale. The subsequent pages show the total certificates in the suburban municipalities and the total certificates in the City of Chicago neighborhoods. Ms. Dugo reiterated that the CCLBA continues to receive calls on a variety of certificates awarded to the CCLBA at the sale and is recording all information.

The CCLBA is also holding vacant lots and has reached out to neighbors on the respective blocks and met with Alderman to make them aware the lots are available.

FY2016

CCLBA is on track to meet or exceed goals put forth for the year, CCLBA has completed the staffing plan, increased activities and efficiencies, and is working on strategies to target more open and industrial space.

CCLBA supports Cook County projects and initiatives, and is diligently working on developing a very robust pipeline to avoid being dependent on one avenue in which to acquire properties. Executive Director Rose will discuss the 2017 strategy at the next full CCLBA board meeting.

CCLBA is focused on streamlining the forfeiture process.

Director Ostenburg recalls that Executive Director Rose indicated he would be moving the forfeiture process to the suburbs. Darlene Dugo confirmed we are looking at abandonment.

Director Ostenburg asks if there are any questions from the Board. Director Planey asks if there is a price for the vacant lots that have been presented to the community. Darlene Dugo indicates all starting prices for the properties are on the website.

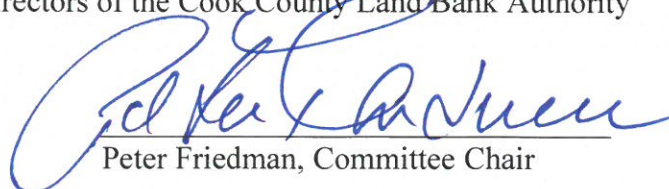
Director Helmer notes it's interesting to see what you miss when you can't make a meeting. It's a dream what this is turning into and the report indicates things are going well. He believes this will continue as we get more people interested and believes it will be a tremendous success. He is pleased to be part of it and hopes to continue to be part of the CCLBA.

Director Ostenburg allows an individual to ask a questions and notes that the CCLBA's Land Transactions Committee does not typically take questions. Denis Dankin asks how to engage with the Land Bank and establish a relationship with the CCLBA. Director Ostenburg suggests speaking with a member of the staff off-line.

VI. Adjournment

Director Helmer, 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