

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

Robert Rose, Executive Director  
June 29, 2017



This report covers:

- Welcome
- Core Business Activities
- Current Commercial Projects
- Scavenger Sale
- Financial Report

# **Welcome New Board Members!**

**Diane Limas,  
Communities United**

**Tony Smith,  
PNC Bank**

# Core Business Activities

## 2017 Core Business Activities (December 1, 2016 – May 31, 2017)

	Prospects	In Progress	Completed	2017 Goals	% Goal
Acquisition	7,592	162	187	500	37%
Disposition	219	44	84	300	28%
Demolition	196	35	12	50	24%
Rehab	268	166	58	140	41%

## Cumulative Core Business Outcomes (as of 5/31/17)

Market Capitalization Value Created	\$11,654,046	\$15,000,000	78%
Incremental Tax Benefit	n/a	\$500,000	---
Scavenger Sale – County Redemptions	\$1,955,957	223	---

## Cumulative Core Business Activities (as of 5/31/17)

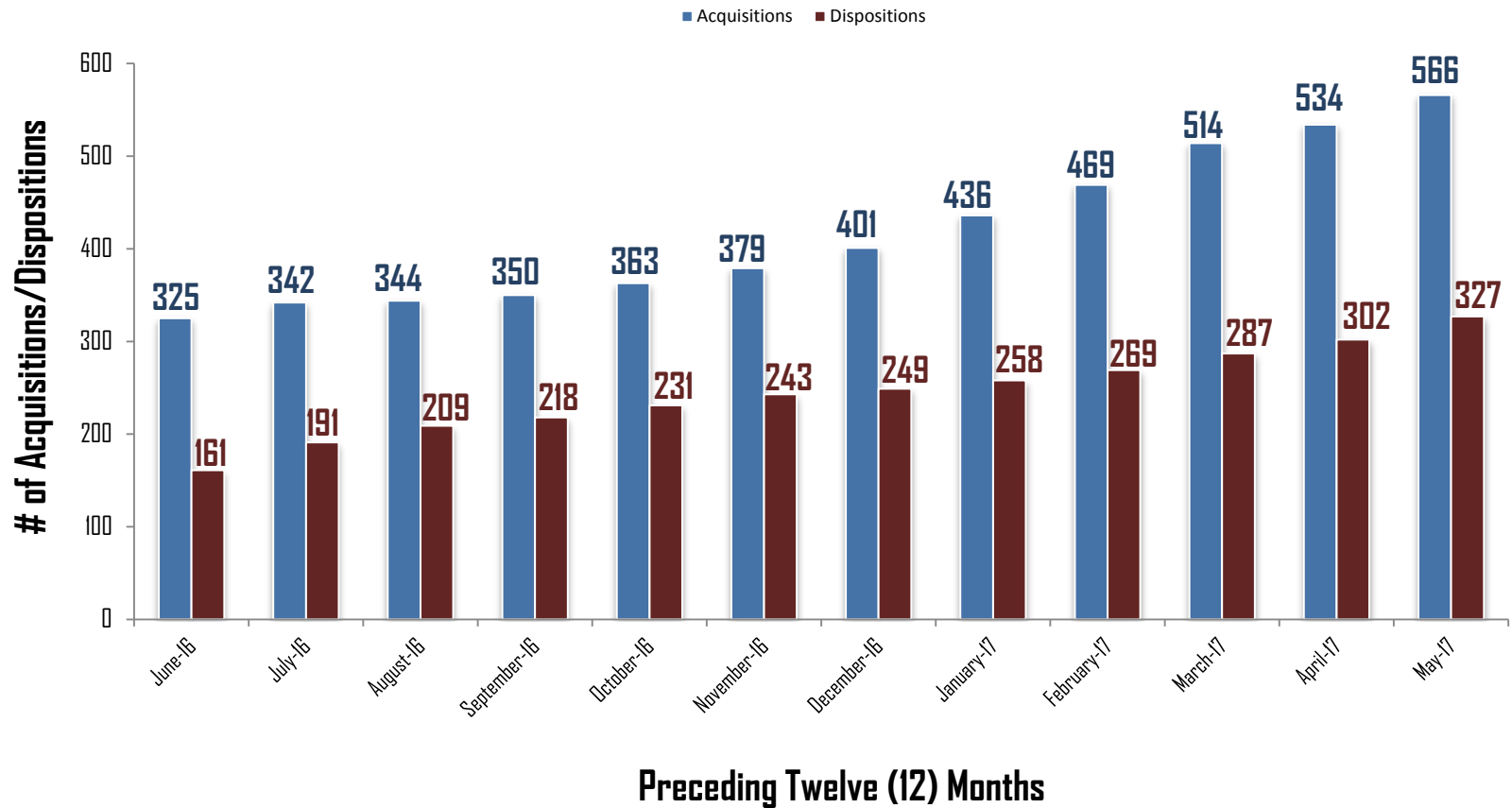
Acquisition	<b>566</b>	Demolition	<b>60</b>
Disposition	<b>327</b>	Rehab	<b>133</b>
Inventory	<b>239</b>	Reoccupied	<b>101</b>

<b>FY 2017 ACQUISITION PIPELINE</b> (as of 5/31/17)			
<b>IN PROCESS</b>	<b>PROSPECTS</b>	<b>SOURCE</b>	<b>NOTES</b>
36	74	NCST/NSI	Neighborhood Community Stabilization Trust/National Stabilization Initiative
0	37	HUD	Housing & Urban Development (HUD) - Direct Purchase
9	6	Private Donations	Individual, Corporate
0	0	Bank REO Properties	Bank-owned properties
3	0	City of Chicago - Forfeiture	Demolition, Nuisance Abatement, Troubled Buildings
2	2	Deed-in-Lieu	Properties deeded over to Land Bank as an alternate to forfeiture.
2	0	OTC Tax Sale	Tax Delinquent Properties acquired via Cook County Clerk ( <b>9</b> Acquired)
<b>PROJECTS</b>			
96	7,412	Scavenger Sale	2015 Tax Scavenger Sale ( <b>35,457</b> Properties Offered)
11	4	CNI	Community Neighborhood Initiatives (CNI) – Pullman Revitalization ( <b>9</b> Acquired)
0	24	Access West Cook	IFF – Home First Acquisition Strategy
1	13	Riverside Lawn	Riverside Lawn Flood Mitigation Buyout Program ( <b>22</b> Accepted; <b>21</b> Closed)
2	20	IHDA BRP	IHDA Blight Reduction Program - Rounds One & Two ( <b>33</b> Acquired; <b>33</b> Demolished)
<b>162</b>	<b>7,592</b>	<b>TOTAL</b>	

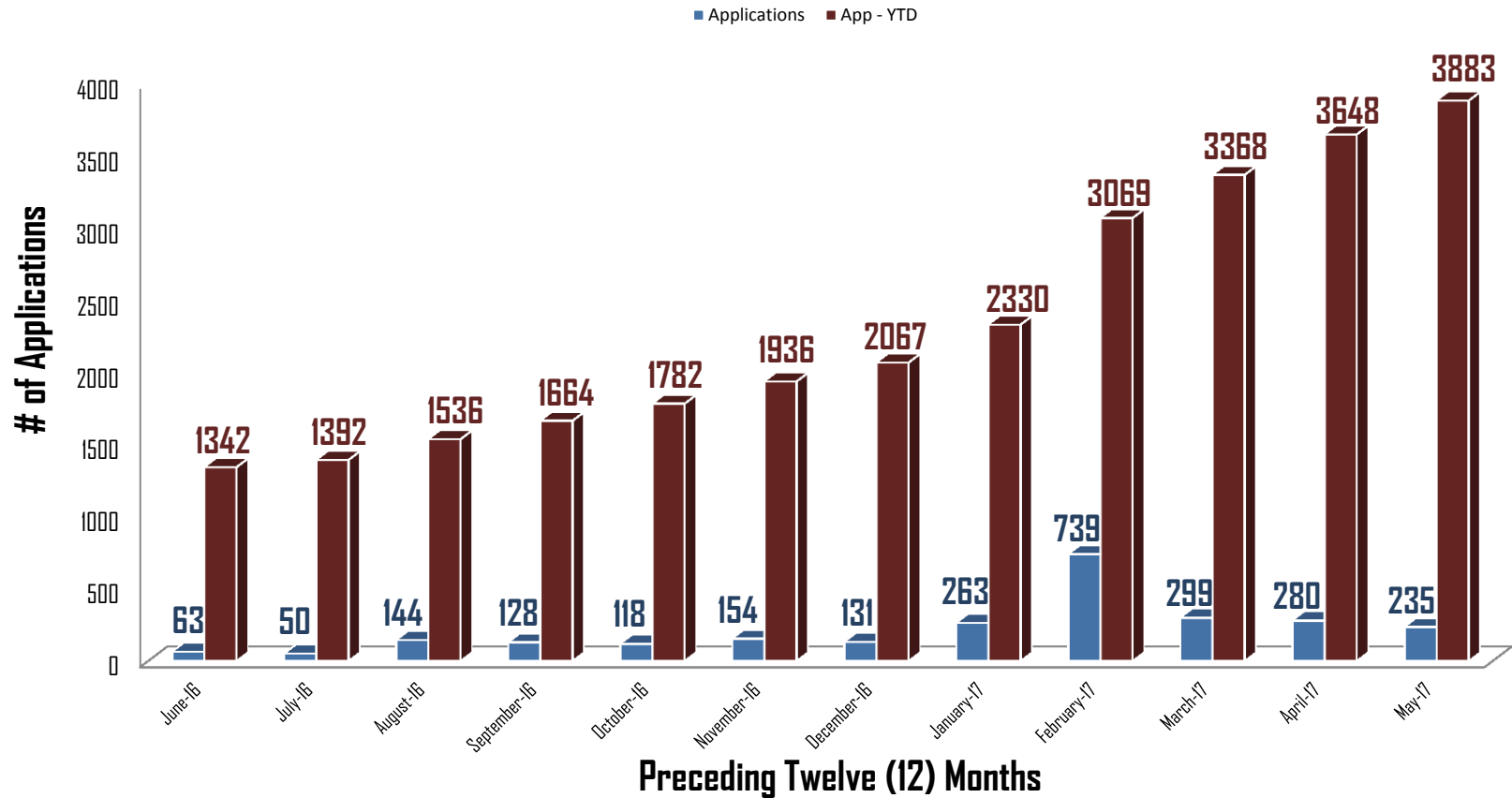
<b>FY 2017 DISPOSITION PIPELINE</b> (as of 5/31/17)		
<b>IN PROCESS</b>	<b>COMPLETED</b>	<b>END USER CLASSIFICATION</b>
1	3	Not-for-Profit (NFP) Organizations
38	76	Community Developers
0	1	Faith-Based Organizations
5	3	Homebuyers
0	1	Municipality
<b>44</b>	<b>84</b>	

# Acquisitions & Dispositions: Monthly Breakdown

## Acquisitions & Dispositions | Cumulative Total



## Number of Applications Received | Cumulative Total





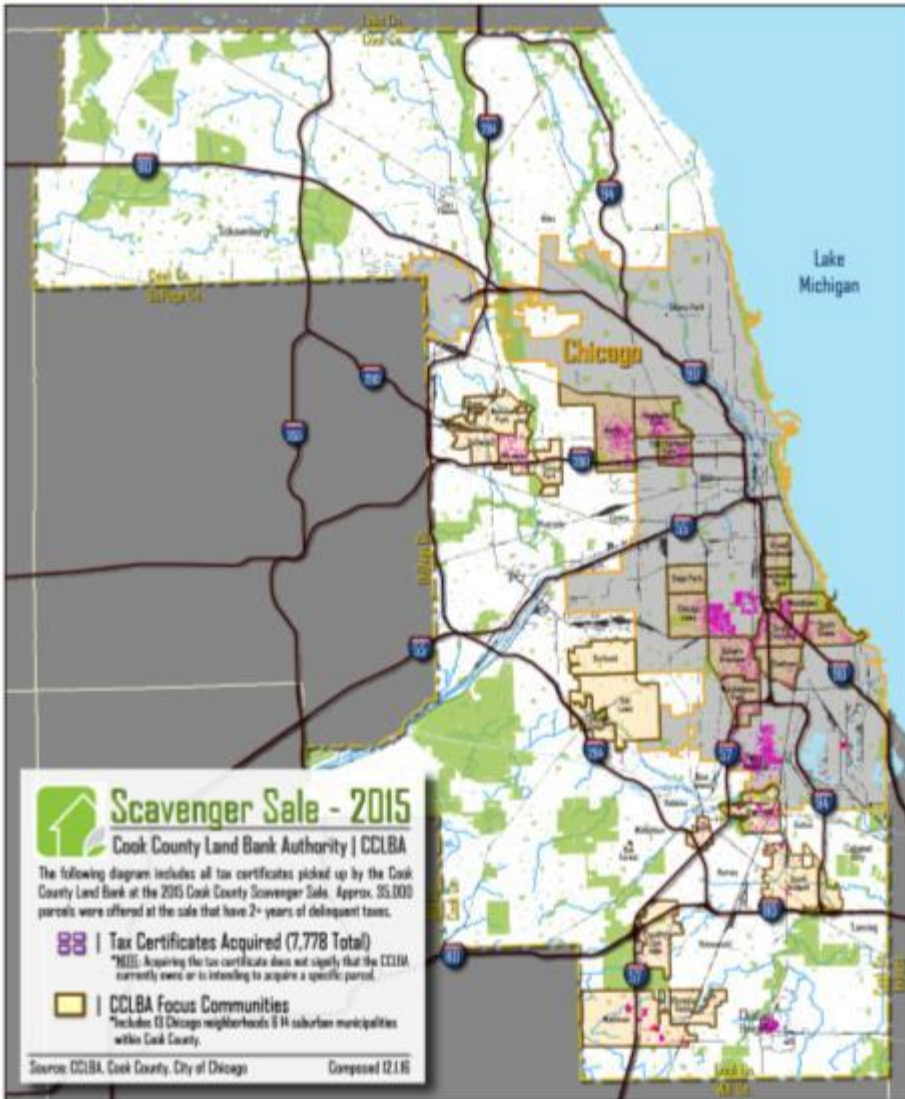
## Current Commercial Projects Status Report

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. 21 homes have been purchased to date.
Humboldt Park	3323-3369 W. Grand Ave. Chicago, IL	Project approved by full Board. ICON Real Estate withdrew offer March 2017. Developer Bob Purcell, presented proposal which was approved by Land Transactions Committee on May 12, 2017.
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. Received Board approval 3/30/2017 to move forward with the disposition of the warehouses. 2715 Grant Street – Disposed April, 21, 2017. 2821 Grant Street – Disposed May 24, 2017. The buyer at 2801 Grant Street is scheduled to close June 2017.

## Current Land Bank Agreements Status Report

Project Name	Target Area & Timelines	Action Item
Chicago Neighborhood Initiatives (CNI)	<ul style="list-style-type: none"> <li>• North Pullman</li> <li>• Hold Properties for up to 36 Months</li> </ul>	<ul style="list-style-type: none"> <li>• Reviewing alternate strategy to acquire 7 properties that were previously forfeiture cases.</li> <li>• 9 properties acquired and holding.</li> </ul>
IFF	<ul style="list-style-type: none"> <li>• Bellwood, Berwyn, Forest Park, and Maywood</li> <li>• 2-4- Flats up to 12 Buildings</li> <li>• Vacant Lots up to 12 Sites</li> <li>• Begin Identifying and Acquiring Properties November 2016</li> <li>• Hold Properties for up to 36 Months</li> </ul>	<ul style="list-style-type: none"> <li>• IFF executed LBA on November 30, 2016. IFF identified 6 Tax Certificate PINs located in target area.</li> </ul>

# Scavenger Sale – 7,777 total bids



## Tax Certificate Program

Total # of Applications (As of 6/1)	<b>584</b>
Total # of Properties Applied (As of 6/1)	<b>339</b>
Total # of Agreements (As of 6/1)	<b>96</b>
Total # of Redemption (As of 5/25)	<b>223</b>
Total Redemption Amount (As of 5/25)	<b>~\$1.96 mm</b>



# Tax Certificate Program – 4,437 PINs

## City of Chicago (3,625 PINs)

Neighborhoods	PINs/Applications	Neighborhoods	PINs/Applications
Auburn Gresham	<b>231   20</b>	Austin	<b>362   24</b>
Belmont Cragin	<b>3   2</b>	Brighton Park	<b>2   2</b>
Chatham	<b>95   9</b>	Chicago Lawn	<b>85   7</b>
East Garfield Park	<b>228   66</b>	Englewood	<b>1,020   17</b>
Gage Park	<b>14</b>	Grand Boulevard	<b>30   60</b>
Greater Grand Crossing	<b>293   32</b>	Hermosa	<b>1   14</b>
Humboldt Park	<b>228   28</b>	Morgan Park	<b>65   4</b>
Pilsen	<b>1   1</b>	Roseland	<b>206   6</b>
South Shore	<b>144   67</b>	Washington Heights	<b>88   23</b>
Washington Park	<b>24   29</b>	West Pullman	<b>502   11</b>
Woodlawn	<b>152   109</b>	Misc Neighborhoods	<b>8   29</b>

# Tax Certificate Program – 4,437 PINs

<b>County Towns (812 PINs)</b>			
<b>Focus Municipalities</b>	<b>PIN/Applications</b>	<b>Focus Municipalities</b>	<b>PIN/Applications</b>
Bellwood	<b>15   1</b>	Chicago Heights	<b>444   2</b>
Country Club Hills	<b>20</b>	Dixmoor	<b>2</b>
Forest Park	<b>0</b>	Hazel Crest	<b>1   4</b>
Homewood	<b>3   1</b>	Matteson	<b>116   7</b>
Maywood	<b>65   2</b>	Melrose Park	<b>3   2</b>
Midlothian	<b>7   1</b>	Olympia Fields	<b>11   1</b>
Orland Hills	<b>1   1</b>	Posen	<b>36   1</b>
Riverdale	<b>43</b>	South Holland	<b>89   2</b>
Stone Park	<b>1</b>		

## Tax Certificates– 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)** | CCLBA legal counsel orders a title commitment, files the case in court, and extends the redemption date. CCLBA is supplied with new redemption date and original trial date.

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

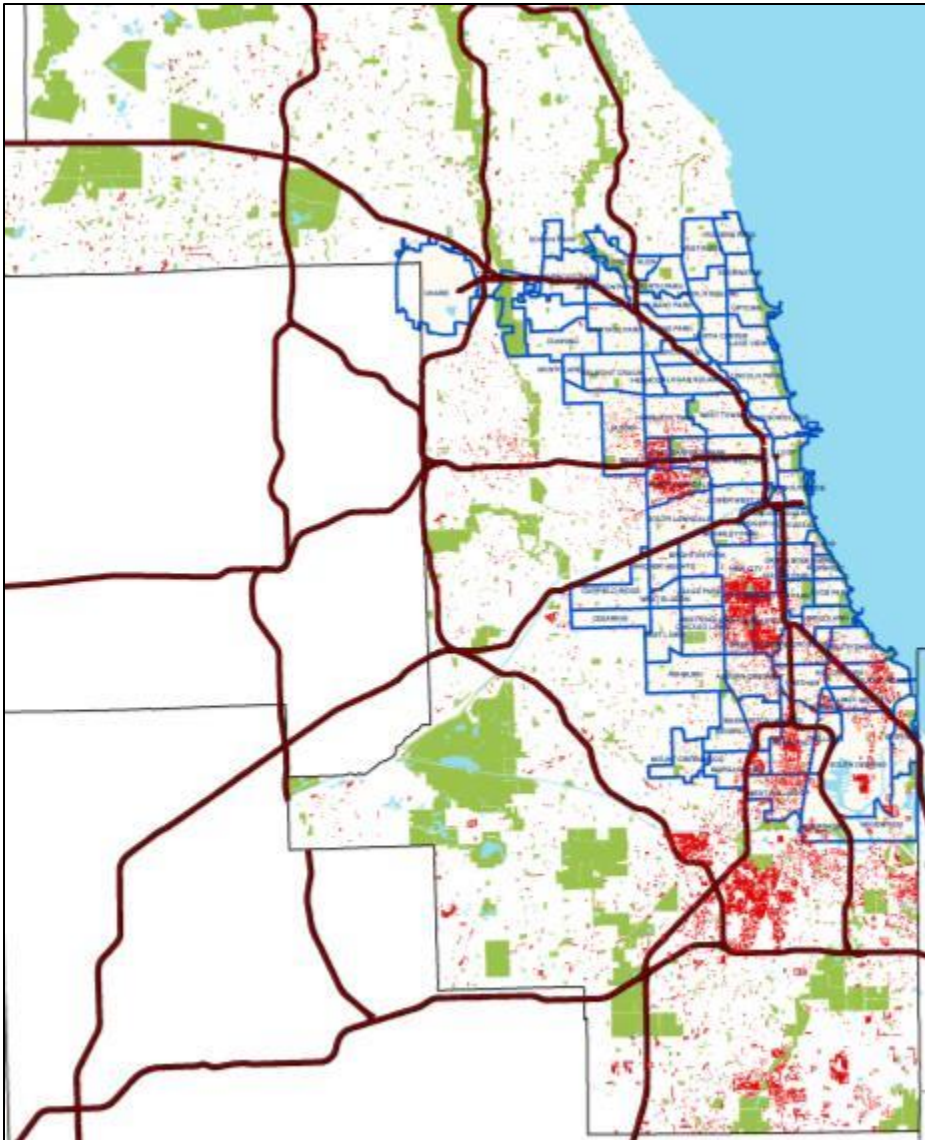
**Day One** | CCLBA comes to an agreed price and fully executes a terms sheet with the prospective buyer.

**150 Days (5 Months)** | Legal counsel 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.



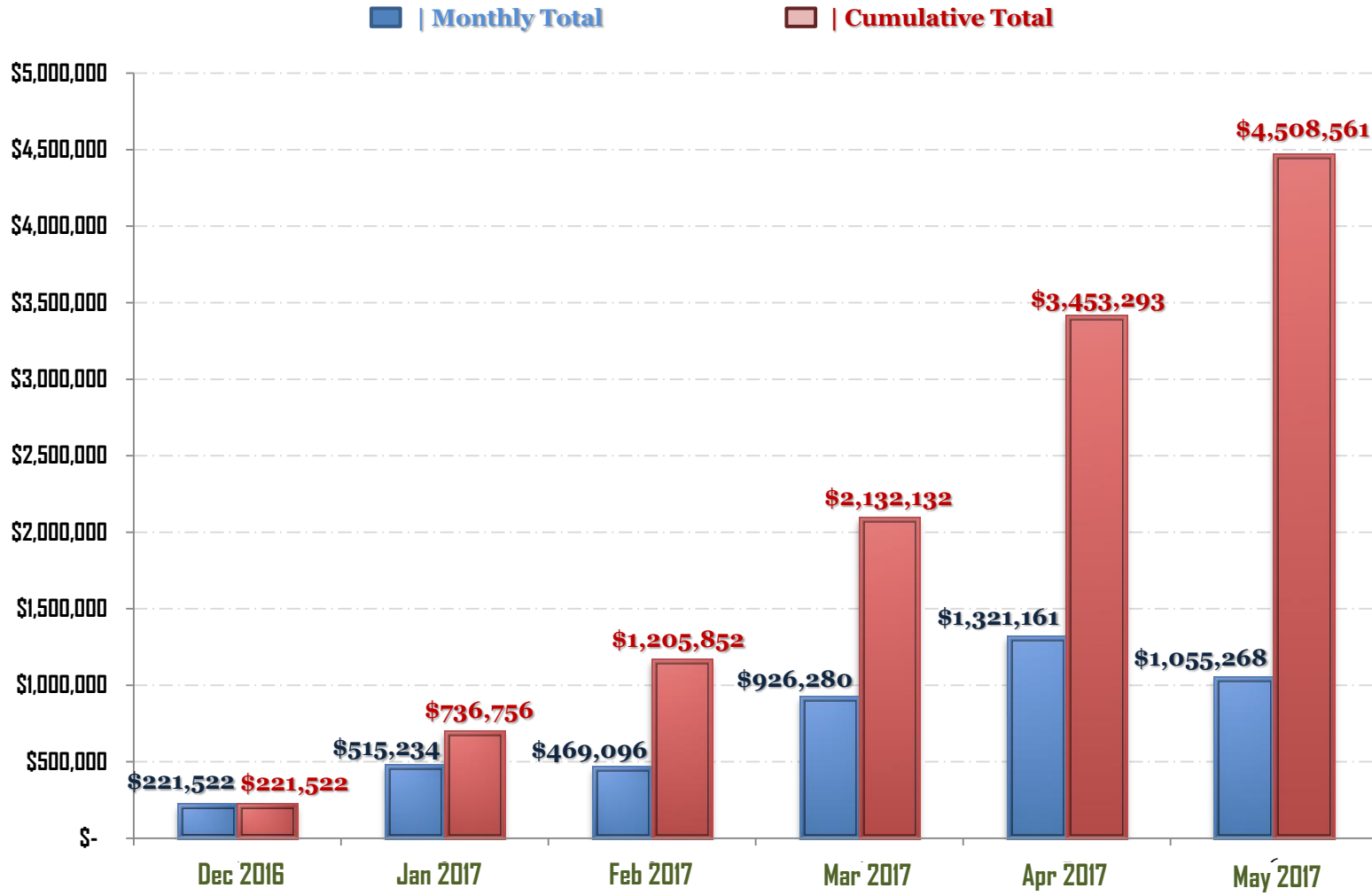
# Upcoming 2017 Scavenger Sale



## 2017 Scavenger Sale

Total # of PINs	<b>30,167</b>
Total # of Residential Parcels (Minus Condos)	<b>10,749</b>
Total # of Industrial Parcels	<b>454</b>
Total # of Commercial Parcels	<b>1,683</b>
Total # of Vacant Land Parcels	<b>16,333</b>
Total \$ Amount Delinquent	<b>~\$940 mm</b>

# FY2017 Revenue by Month



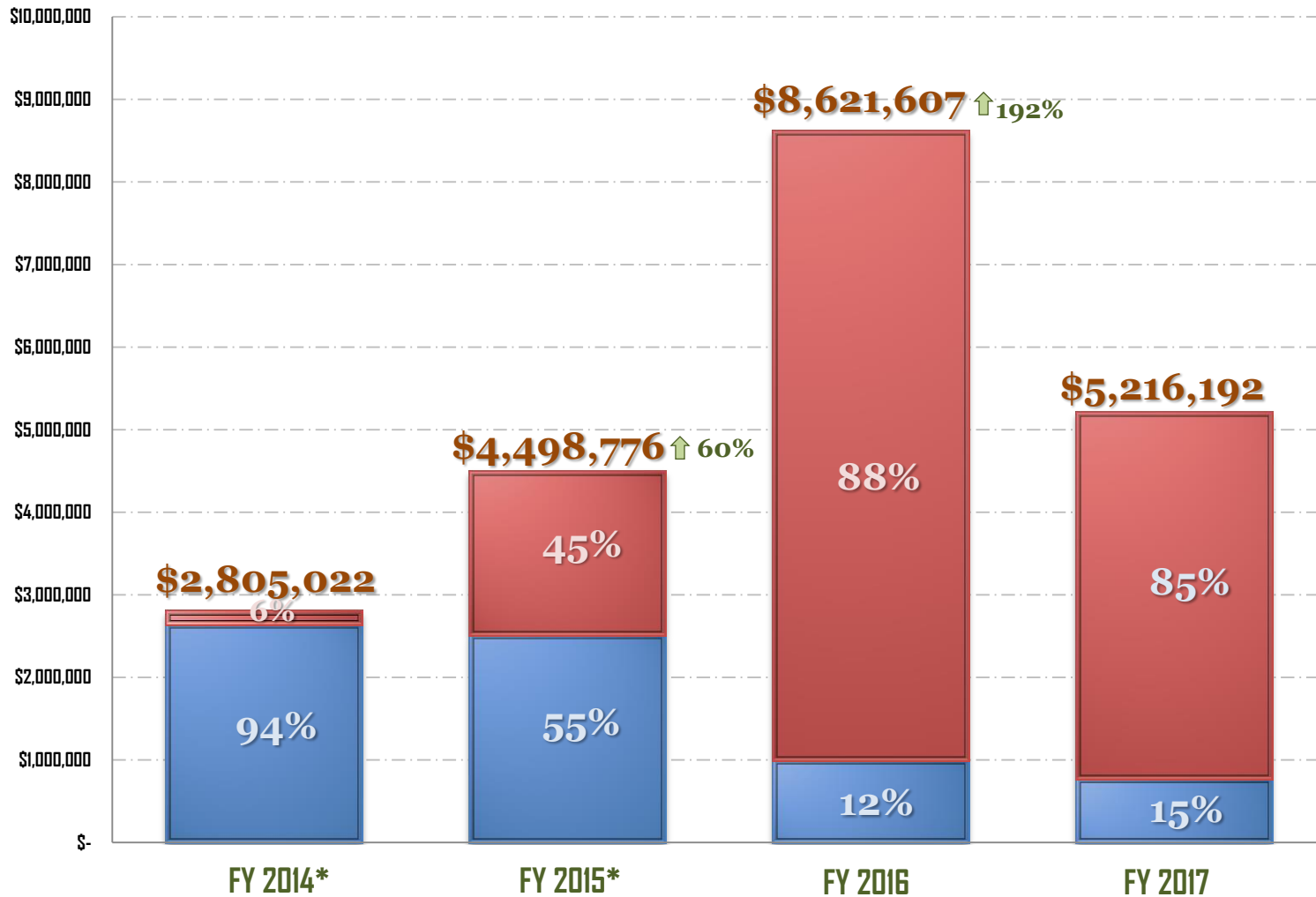
Avg/Month: **\$751,426**



# Multi-Year Comparison

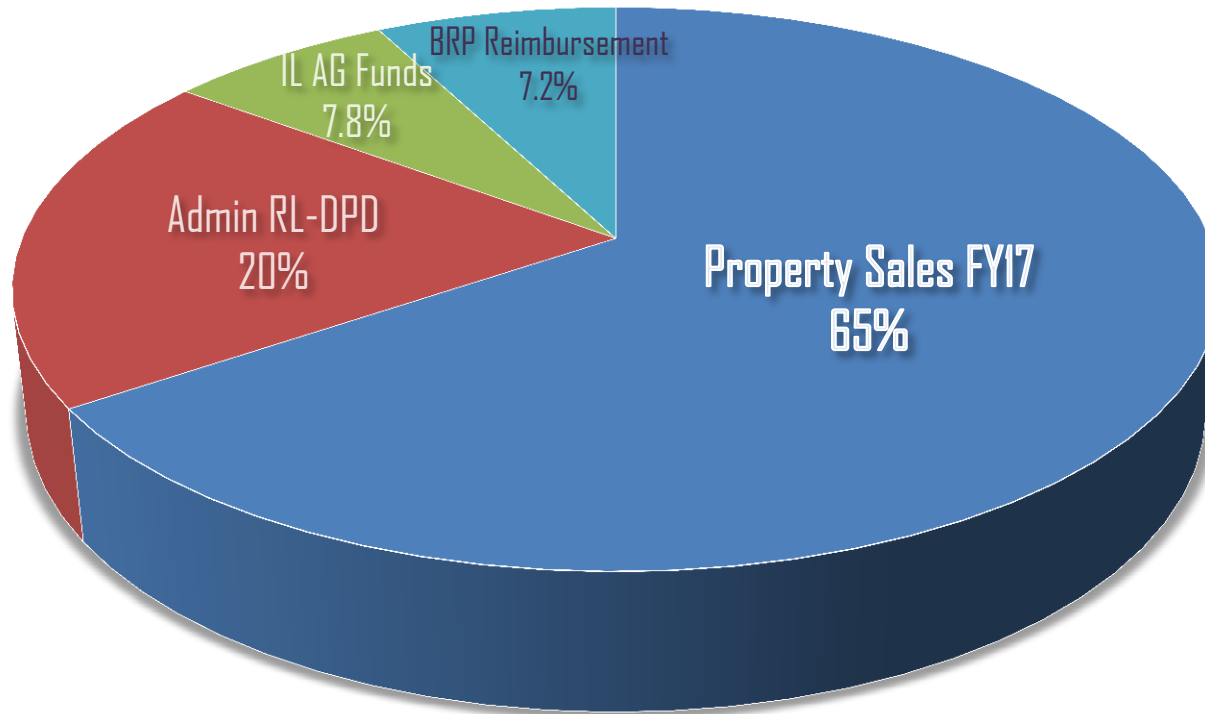
\*Based on Independent Audit Conducted by Washington, Pittman, & McKeever

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



# FY2017 Revenue by Type

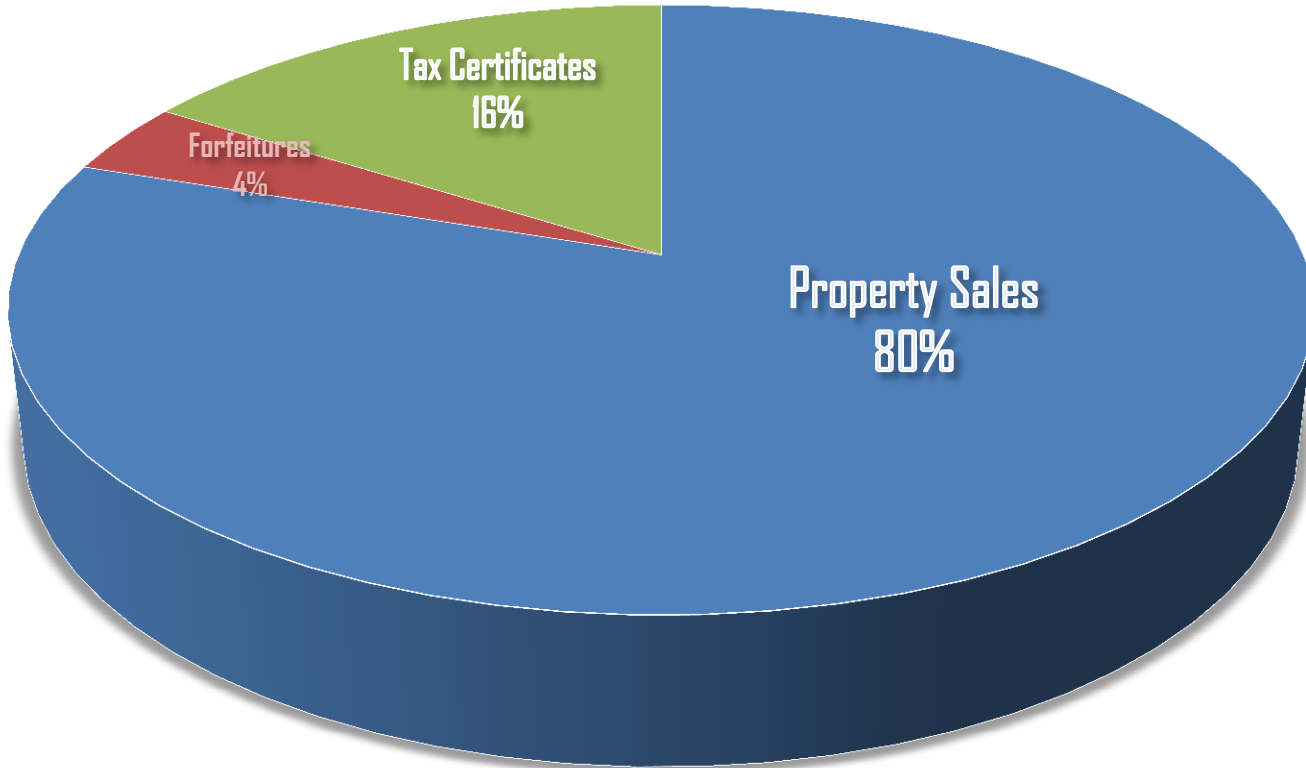
For the Period December 1, 2016 – May 31, 2017



<b>Property Sales FY17</b>	=	\$3,416,753
<b>Admin RL-DPD</b>	=	\$1,025,588
<b>BRP Reimbursement</b>	=	\$373,850
<b>Program Income FY17</b>		<b>\$4,816,192</b>
<b>IL AG Funds</b>	=	\$400,000
<b>Total Revenue FY17</b>		<b>\$5,216,192</b>

# FY2017 Dispositions In Process

Anticipated Revenues – Properties Under Contract



<b>Property Sales</b>	=	<b>\$3,644,884</b>
<b>Tax Certificates</b>	=	<b>\$730,827</b>
<b>Forfeitures</b>	=	<b>\$175,000</b>
<hr/>		
<b>Anticipated Revenue</b>	=	<b>\$4,550,711</b>

## **Acquire 400 - 500 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