

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

November 13, 2015

Land Transactions Committee of the Cook County Land Bank Authority met pursuant to notice on November 13, 2015 at 10:00 AM at the Cook County Building, 118 North Clark Street, 4th Floor, Chicago, Illinois.

I. Call to Order and Roll Call

Committee Chair Friedman called the meeting of the Land Transactions Committee to order.

Present: Directors Brawley, Friedman, Gainer, Grisham, Helmer, Jenkins, Ostenburg, Planey (8)

Absent: Director Ware (1)

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

Chairman Friedman asked for a motion to allow Director Porras to participate in the meeting via conference call. Director Brawley moved approval, seconded by Director Ostenburg. **The motion carried unanimously.**

Others Present: **Bob Benjamin** (*Cook County Treasurer's Office*), **Natasha Cornog** (*Cook County Land Bank Authority*), **Roxanna Daniel** (*Taj Development*), **Dominic Diorio** (*Cook County Land Bank Authority*), **Chet Jackson** (*West Humboldt Park Development Council*), **Jesse Jones** (*Lake Park Group*), **Jared Kott** (*Marble Stone Property Group*), **Florence Nussbaum** (*Concerned Citizen*), **Mustafaa Saleh** (*Cook County Land Bank Authority*), **Michael Thomas** (*Securebio International, Inc.*), **Vincent Waller** (*Cook County Environmental Control*), **Eric Williams** (*Cook County Land Bank Authority*), **Teresa Winfrey** (*WTL Foundation*),

II. Public Speakers

Committee Chair Friedman noted there was one (1) public speakers registered.

Michael Thomas (Securebio)

III. Land Transactions Report

Robert Rose, Executive Director presented the Transactions Report, giving an inventory update of Acquisitions, Dispositions, Demolitions, Rehabs and Current Projects.

Core Business Activities

As of Oct. 31, 2015, CCLBA has purchased 102 properties. Net change from last month report to get a since of activity. Completed goals for acquisitions 130 homes, Dispositions 30 properties, demolitions 10, and rehab 10. CCLBA is tracking very well to the goals. Rehabs might escalate.

All around activities levels for CCLBA have increased. Staffing has increased, receiving more applications for properties, engaging more interest parties to purchase (building more partnerships to see how different organizations can partner with CCLBA). CCLBA current inventory is 120 homes with 63 homes under contract. Anticipating 30 homes to be sold within the next 30 days.

Acquisition

NSI continues to be our #1 challenge, since inception through October, 2015 CCLBA has been presented with 1900 properties. CCLBA continues to be the #1 purchaser through this channel. NCST just announced the expansion to 18 other market based on the pilot of this program, CCLBA being the pilot. Pricing continues to be the number one pain point.

Director Grisham questioned with CCLBA being the biggest bulk buyer can NSI/NCST provide portfolio discounts with regards to CCLBA taking more properties off of Fannie Mae/Freddie Mac hands. Director Rose responded that this program is structured on individual transaction.

Director Helmer suggested negotiations on packaging number of units purchased ex: 40 units ask for 10% discount, 80 units a 15% discount.

Director Rose stated that is Fannie does packaging/portfolio purchasing they would like to do a note sale, CCLBA Board would have to decide if CCLBA would want to deal with occupied homes. This is what comes with bulk purchases, whereas, the individual transactions is vacant/boarded up. Fannie is not packaging any First-Look properties. CCLBA is tracking to properties that have not sold and when CCLBA re-applies discount pricing is requested.

Director Porras – regarding note sale idea, understanding the hesitancy to take on occupied properties. Mercy Porfolio was engaging in ideas to buy notes. Any ability to connect with Mercy to purchase notes and figure out a way to add to both organizations productivity? Director Rose will follow up with Darlene Dugal.

Acquisitions Breakdown

Breakdown acquisitions channel of the 146 pending properties more than half have come through NCST/NSI. CCLBA has increased it's number of properties through the City of Chicago forfeiture program. Blight Reduction Program is driving this increase.

Regarding the original 25 Over-the-Counter Tax Sales. 19 qualified and are in the process of being taken to deed, of the 19 CCLBA should have 13 deeds in the next couple of weeks. The next six (6) have been delayed to February, 2016.

Couple of deed in lieu opportunities – Cooperative owner makes a donation to CCLBA, but has some encumbrances or have a tri-party agreement; where CCLBA can assist to free up property.

Director Rose mentioned seeing an increase of activity in the City of Chicago, CCLBA has been meeting with the City's Department of Law, Planning and Development, Buildings Departments to streamline a process for getting property through forfeiture/abandonment process.

Demolition

CCLBA has completed eight (8) demolitions out of 10. Two properties that were on the original demolition list are now under contract. At this time there are no other properties to replace the two. Falling short of the demo goal is great, because two of the homes did not have to be demolished and were brought back on line.

Rehab

Three (3) of CCLBA homes are between 90-95% complete. For the ones that are 95% completed final inspections, but final finished need to be installed to be able to move forward with the sale. 8556 S. Saginaw was purchased by Iesha Cross and will be owner occupied she is working on completing electrical/plumbing issues. 11741 S. Racine was purchased by Roxanna Daniel. Anticipating this property to be completed by the end of the year. Ms. Daniels is looking to obtain two more CCLBA properties.

Current Projects

Grandville Condominiums, Riverside Lawn, Bellwood Minimoves, Martin Memorial LLC, and Humboldt Park

Riverside Lawn – Town Hall meeting was held the first week of November, Midwest Appraisals are working directly with homeowners complete appraisals. IGA is still underway to determine how many appraisals are needed and who pays for appraisals.

IGA should be presented to CCLBA Board of Directors at the December 17, 2015 meeting. Once IGA have been finalized, then offers can be made to homeowners. Once agreements are signed CCLBA can make offers immediately and execute on the buyouts.

Bellwood Minimoves – 50,000 sq. ft. warehouse building in Bellwood. Buyer is in a 30 day due diligence period and has requested an additional two weeks to evaluate the sprinkler system; last stickler point to negotiate price. Anticipate closing at the end of the calendar year or beginning of 2016. Buyer is going to Village to obtain a resolution in support of the 6B tax incentive this is a condition of CCLBA's contract.

Martin Memorial LLC closing should be taking place on Monday, November 16, 2015. This was the previous Jackson Memorial Funeral Home on 73rd & Cottage Grove. Mr. Martin requested a 90 day due diligence period, which has been completed, financing is in place, and is set to close.

Humboldt Park

Joe Chang of Icon Real Estate. CCLBA is requesting to approve a motion carry to the CCLBA Board of Directors a Purchase Sales Agreement for the property located: 3323-3369 West Grand Avenue.

Director Rose is having conversation with National Community Reinvestment Coalition (NCRC) and NHS Chicago to determine the role CCLBA will play in a 200 homes project. All 200 homes are located in Humboldt Park. NCRC and NHS received funding from Citibank.

IV. Chet Jackson of West Humboldt Park Development Council Presentation

Chet Jackson of West Humboldt Park Development Council present; WHP has three (3) lines of business: Community Development, Economic Development, and Affordable Housing Development. Mr. Jackson gave an overview of the business activities of WHP the impact WHP have contributed to the community, and how WHP have sustained. Mr. Jackson is looking to acquire the commercial property located at 3525 West Chicago Avenue and shared his vision or purpose for the property:

Prospective Tenants

- Retail Unit 1 – **Brown Sugar Bakery Express** – retail presence on westside, up to ten employment opportunities for returning citizens.
- Retail Unit 2 – **Otis Fresh Market** – healthy corner store initiative, up to five employment opportunities for community residents, increase access to healthy organic food options, development of an organic garden, healthy cooking/packaging
- Retail Unit 3 – **Non Violent Offender Entrepreneur Program** – start up entrepreneurship program for returning citizens
- Retail Unit 4 – currently prospecting for tenant

The projected time line for this project from acquisition, construction start, to lease up is April 2016 – April 2017.

V. Consent Agenda

Approval October 9, 2015 Land Transactions Committee Meeting minutes was put on hold for further review.

VI. Approval of the Purchase Sales Agreement

Director Jenkins seconded by Director Planey moved to approve the Purchase Sales Agreement with West Humboldt Park Development. **The motion carried unanimously.**

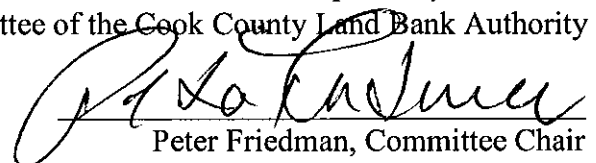
VII. Report from Committee Chair

Committee Chair Friedman reminded everyone of the Cook County Land Banks next Land Transactions Committee meeting, scheduled for Friday, December 11, 2015 at 10:00 am location Cook County Building. Informed meeting participants that all documents from the meeting are available on the CCLBA website – www.CookCountyLandBank.org. **No action taken.**

VIII. Adjournment

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

Respectfully submitted,
Land Transactions Committee of the Cook County Land Bank Authority



Peter Friedman, Committee Chair