



Bureau of Economic Development (BED) FY2014 Budget Presentation

October 18, 2013



Bureau of Economic Development

FY2014 Budget Presentation

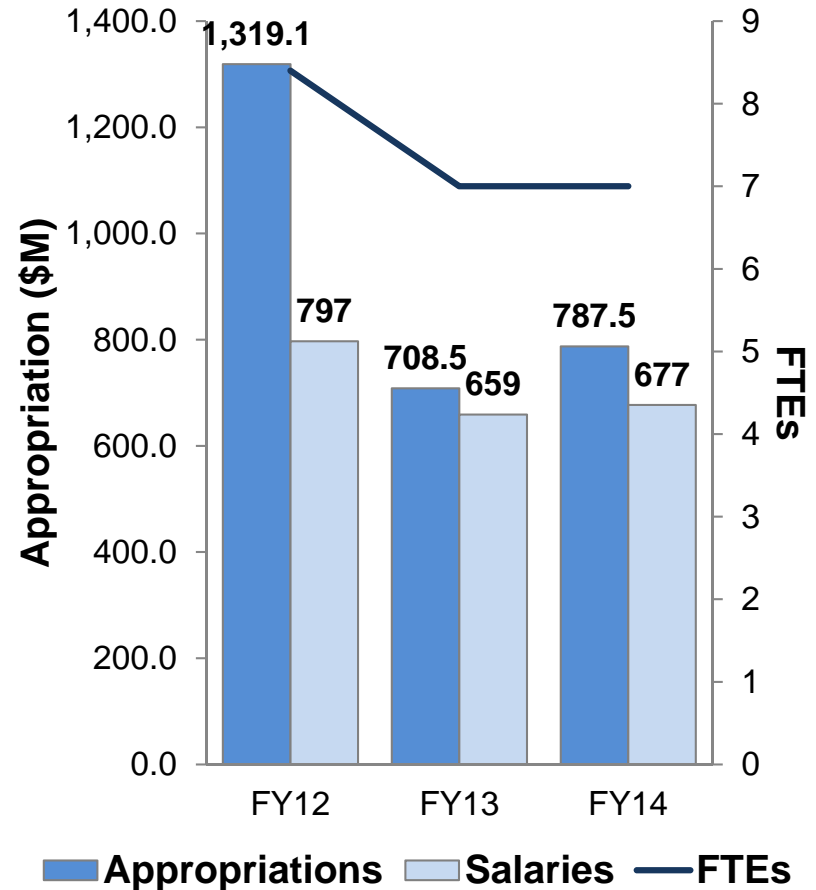


Mission

The Cook County Bureau of Economic Development (BED):

- Stimulates Job and Economic Growth
- Plans and Invests Strategically in Communities
- Builds Partnerships to Leverage Resources
- Streamlines Operations to Improve Services and Efficiencies

Budget and Staffing Office of Economic Development

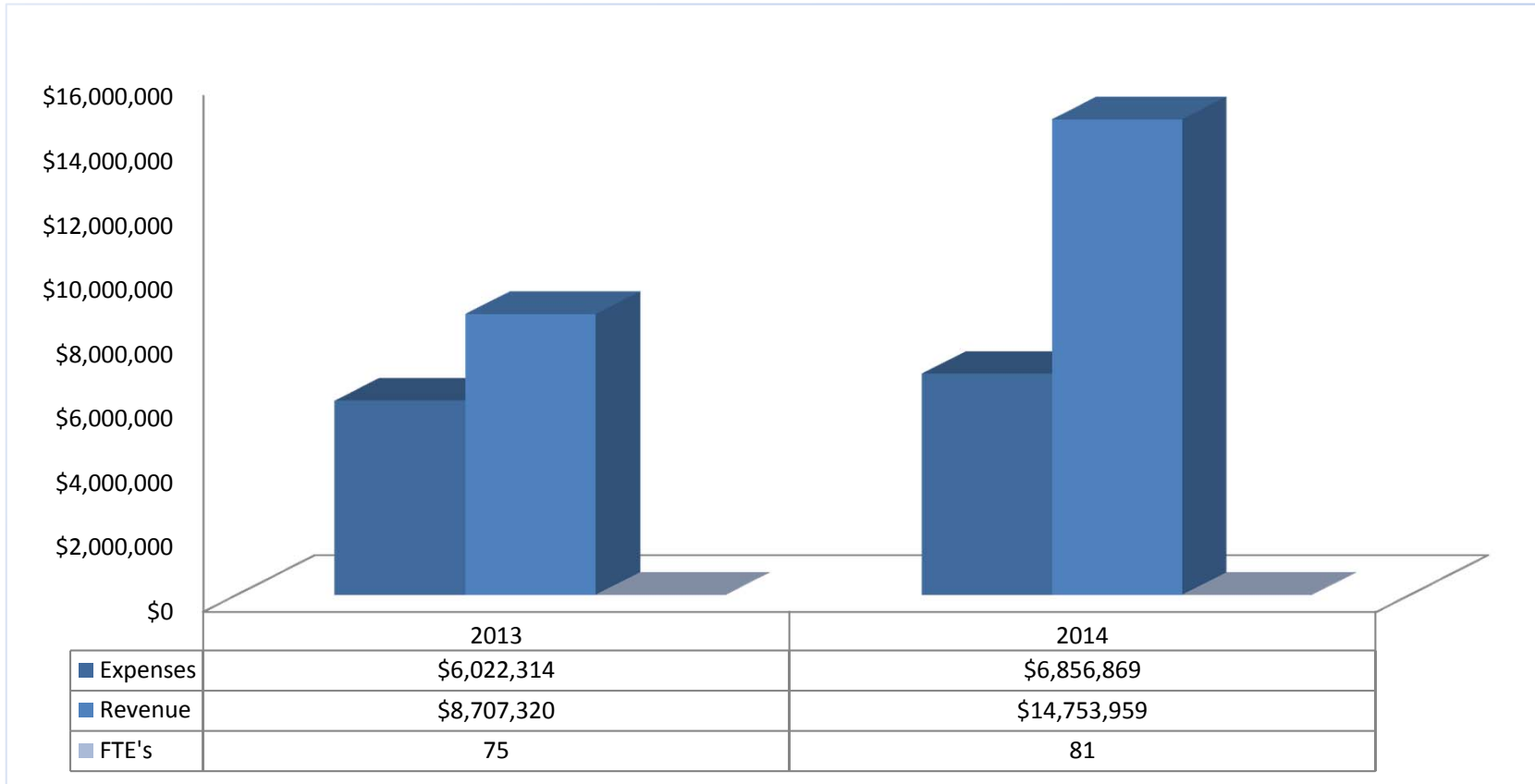


Bureau of Economic Development

FY2014 Budget Presentation



Bureau of Economic Development Corporate Fund Budget and Staffing

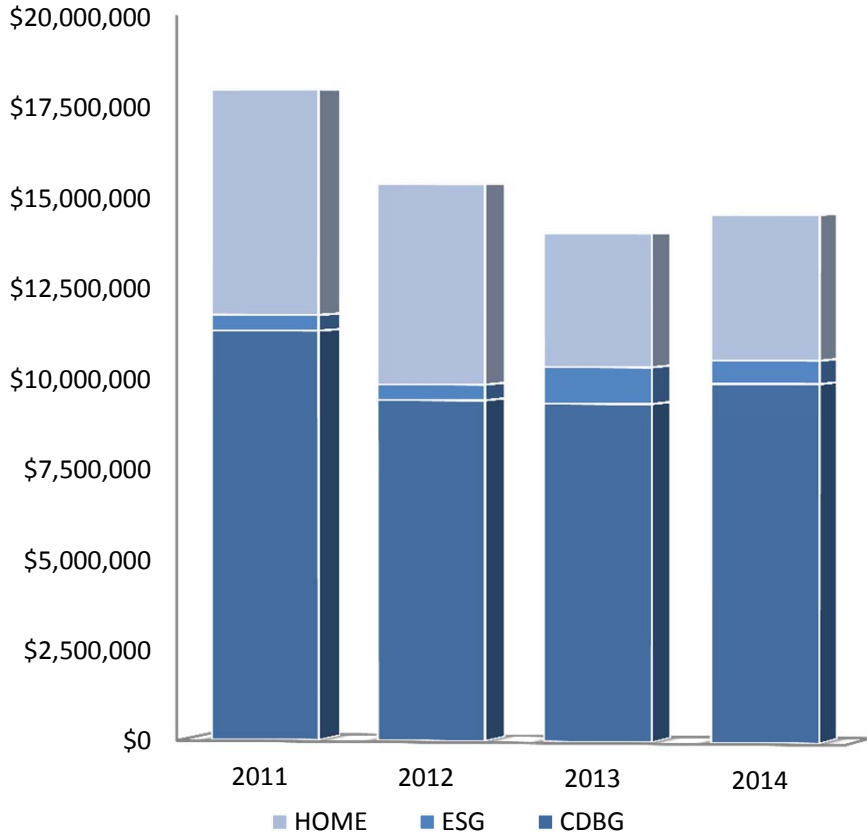




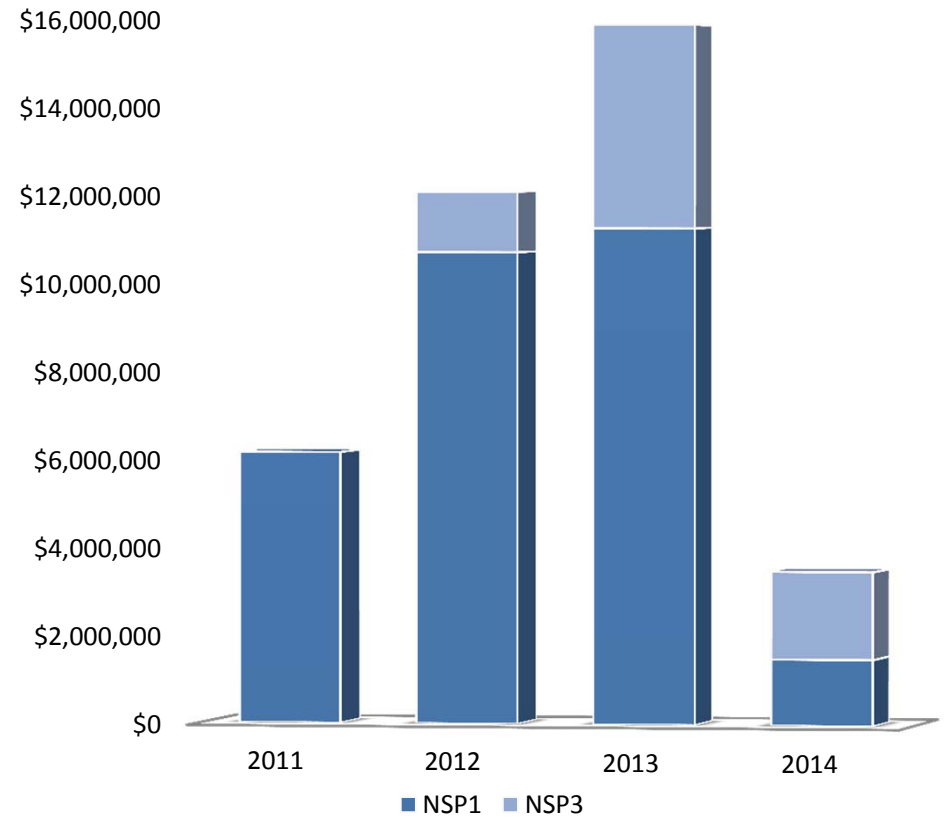
Bureau of Economic Development

FY2014 Budget Presentation

**Department of Planning and Development
Annual Formula Grants Funding**



**Department of Planning and Development
Neighborhood Stabilization Program (NSP) Spending**



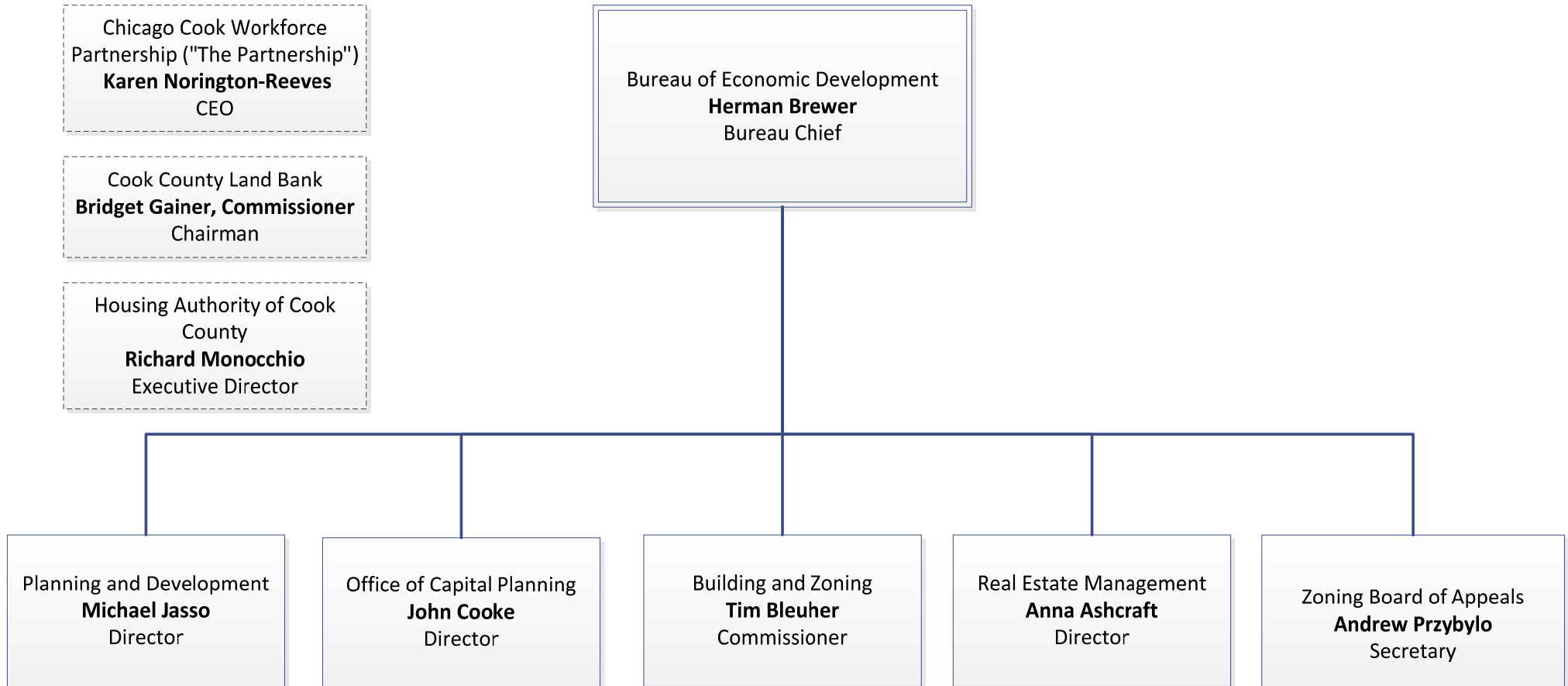
DPD FTEs - Grants

2012	2013	2014
34	27	19



Bureau of Economic Development Management Team

FY2014 Budget Presentation





Economic Development – FY2013 Accomplishments

FY2014 Budget Presentation

Stimulate Job and Economic Growth

- Issued County's first data based economic action agenda, *Partnering for Prosperity*.
- Established \$30 million BUILT in Cook Loan Program.
- Revised tax incentives to spur the retention of businesses in distressed communities.

Plan and Invest Strategically in Communities

- Created Cook County Land Bank Authority, nation's largest with \$4.5 million in external funding.
- Generated approximately \$150 million in private investment and created an estimated 1,900 jobs, retained 600 jobs, and assisted 48 businesses in 22 municipalities through tax incentives.
- Produced 321 rental and/or for sale housing units.

Build Partnerships to Leverage Resources

- Secured technical assistance from CMAP to create 5 year housing and economic plan.
- Revitalized EDAC to provide guidance on BED's programs and activities.
- Expanded the HOME Consortium to increase funding for affordable housing.

Streamline Operations to Improve Services and Efficiencies

- Recognized as Top 100 Chicago Innovation Nominees for reduced energy costs.
- Created comprehensive inventory, assessment and strategy for real estate assets.
- Implemented new software programs to manage all capital projects, real estate assets and online permitting systems.
- Will have adopted the International Building Codes by end of 2013.

Economic Development – FY2014 Budget Highlights

FY2014 Budget Presentation



Stimulate Job and Economic Growth

- *Partnering for Prosperity* recommendations will be implemented to support key industry clusters.
- \$30 million BUILT in Cook Loan Program and tax incentives will expand and retain businesses.
- Chicago Cook Workforce Partnership engaged to align with BED job creation efforts.

Plan and Invest Strategically in Communities

- Cook County Land Bank Authority will facilitate the return of foreclosed properties to productive use.
- For the first time, the Bureau will combine two federal plans into one innovative five year housing and economic development plan with the support of the Chicago Metropolitan Agency for Planning.
- Expanded municipal partnerships will increase affordable housing and community services.

Build Partnerships to Leverage Resources

- Master plan for redevelopment of Illinois Medical District will continue.
- Expand Vacant Building Ordinance and Building Code through new intergovernmental agreements.
- Revitalized Economic Development Advisory Council (EDAC) will actively guide strategies and programs.
- Economic development summit will build collaboration in the seven county region.

Streamline Operations to Improve Services and Efficiencies

- County's real estate footprint is gradually reduced while increasing revenue and accommodating space needs of agencies and elected officials.
- Increased utilization of technology will advance the management of real estate and capital projects.
- Transition from paper to online permit applications and monitoring will improve access for taxpayers.

Real Estate Management

FY2014 Budget Presentation



Mission

The Real Estate Management (REM) Division, officially housed under the Office of Economic Development, manages use and occupancy of all real estate owned and leased by Cook County.

It ensures that the County and elected officials have appropriate facilities to efficiently provide public services and carry out the operations of Cook County government.





Real Estate Management - FY2013 Accomplishments

FY2014 Budget Presentation

- **REASRP.** Identified four priorities for implementation that will lead to long-term cost savings. Identified current space use.
- **Revenues/Leasing.** Increased revenues from \$5.9 million in 2012 to almost \$6.3 million in 2013, through increased leasing at Dunne Office Building, enhanced collection efforts, and scheduled increases negotiated in prior years.
- **Space Allocation Committee.** Enhanced processes of SAC by use of REASRP data and standards, increasing efficiency in space allocation.
- **REPortfolio.** Began implementation and use of new software program for tracking leases and owned properties, with full implementation to be complete in 2014.
 - Provides critical use information necessary to begin to reduce the uses identified as 2.7 million square feet in 45 buildings for corporate uses; 4.9 million square feet in almost 100 buildings for CCHHS; and 11.5 million square feet in over 100 buildings for Public Safety uses.
 - Will make available data on leased and owned space, utilization factors, costs, and other information to enhance accountability and assist in reducing costs.
- **City/County Collaboration.** Formalized uses of real estate between the two parties, and identified cost savings through utilizing space of the other government.



Real Estate Management - FY2014 Budget Highlights

FY2014 Budget Presentation

- **REASRP Implementation.** Begin the implementation of four top priority recommendations of the Real Estate Strategic Realignment Plan (REASRP), in collaboration with OCPP:
 - Begin consolidating downtown office campus in accordance with recommended space standards, and continue leasing initiatives for vacated space.
 - Plan for consolidation of warehouse space.
 - Develop plan to consolidate uses at Oak Forest Health Center Campus and reduce footprint.
 - Consolidate Transportation and other vehicle facilities, disposing of excess land.
- **Space Allocation Committee.** Continue to evaluate and process space requests using the REASRP data and office standards to reduce the County's real estate footprint, and improve space allocation process and procedures.
- **Leasing/Dispositions.** Continue initiatives to identify and lease vacant or underutilized areas.
- **REPortfolio.** Complete the implementation of REPortfolio software to consolidate data on full costs of leasing, access utilization data more readily, and inform the space allocation process.

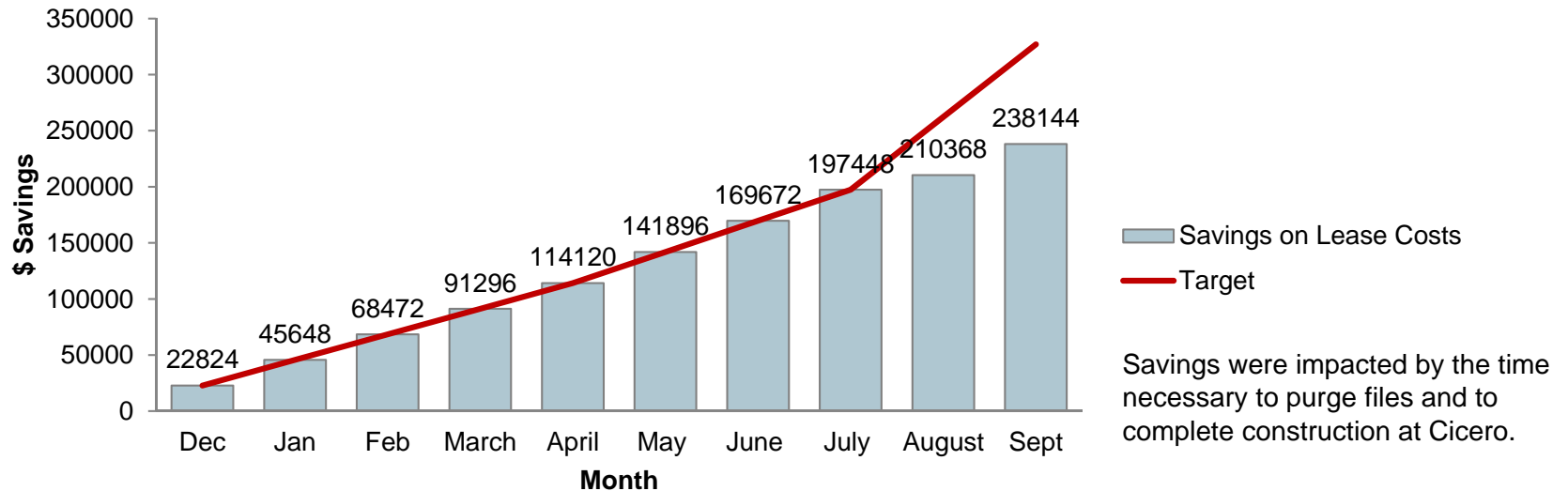
Real Estate Management – 2014 STAR Goals and Targets

FY2014 Budget Presentation



Performance Metric	FY2012 Actual	FY2013 Projected YE	FY2014 Target
Savings through reduction of leased space	\$120,922	\$294,000	\$500,000
On-time collection of monthly payments	NA	85%	90%
Increase revenues from leasing, other dispositions	\$5,921,717	\$6,278,814	\$8,096,000

Savings in Lease Costs
2013 Actuals





Department of Planning and Development FY2014 Budget Presentation





Planning and Development

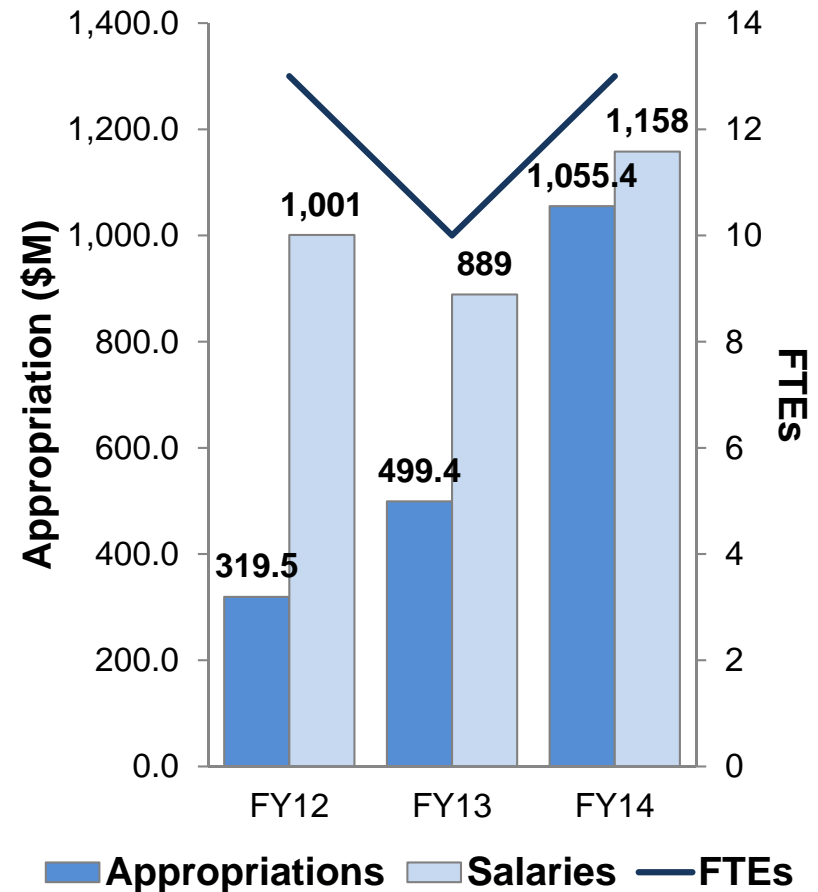
FY2014 Budget Presentation

Mission

The Department of Planning and Development is committed to developing sustainable communities by:

- Fostering economic opportunities and business development;
- Preserving and expanding the supply of safe, decent, and affordable housing;
- Facilitating infrastructure improvements;
- Promoting fair housing;
- Supporting social services and programs that address the problems of homelessness; and
- Leveraging local resources while reflecting local priorities.

Budget and staffing¹



1. Budget and Staffing reflect Corporate-funded staff within department. Salaries for some positions are offset by grant funding.

Planning and Development – FY2013 Accomplishments

FY2014 Budget Presentation



- Department was awarded a \$30 million Section 108 Loan Guarantee by HUD, which is allowing the creation of a new economic development resource and increasing the County's direct impact on regional growth.
- To date, the Department has successfully expended approximately \$35 million in Federal Neighborhood Stabilization Program (NSP) affordable housing funds in advance of HUD deadlines to support development activities including 81 ownership units, 168 rental units, 42 unit demolitions, and 1 public facility across 20 suburban communities. Note - some projects remain in progress but will be completed by early 2014 in accordance with HUD deadlines.
- Additionally, the Department successfully expended over \$15 million in Federal Community Development Block Grant (CDBG) funds to far exceed HUD timeliness ratio standards and fulfill requirements of an expenditure workout strategy. Almost \$6 million was potentially at risk from past performance problems if these spending targets were not met. This CDBG spending supported over 100 critical capital improvement projects and varying social services for low- and moderate-income residents.
- Lastly, in 2013 the Department successfully finished committing \$27.1 million of previously undeployed Federal HOME Investment Partnerships Program (HOME) funds dating to 2008 for affordable housing, thus funding 10 eligible projects across 10 communities based upon a reconstituted and more robust project pipeline.

Planning and Development – FY2013 Accomplishments

FY2014 Budget Presentation



- To date, the Department has recruited 3 Northwest municipalities to join the HOME Consortium whose additions are slated to result in an increase of \$536,000 in future HOME funding for the County (based upon current HUD formula calculations).
- Through the use of various tax incentive programs, the Department generated approximately \$150 million in private investment, created an estimated 1,900 jobs, retained 600 jobs and provided assistance to 48 businesses in 22 municipalities.
- The Department continued to improve its capacity to administer Federal funds including enhanced compliance with related requirements and resolution of outstanding audit issues.
- The Economic Development Advisory Committee (EDAC) has been reconstituted to advise on Class 7b tax incentives, policies, strategies, and plans to improve the business environment, encourage productivity, and support regional economic growth.

Planning and Development – FY2014 Budget Highlights

FY2014 Budget Presentation



- The Department is largely funded by federal dollars through the U.S. Department of Housing and Urban Development (HUD) via the following ongoing programs:
 - Community Development Block Grant (CDBG) Program - principally provides grants for social services and infrastructure improvements.
 - Emergency Solutions Grant (ESG) program - principally provides grants for shelter and services for the homeless and those at-risk of homelessness.
 - HOME Investment Partnerships Program (HOME) - principally provides loans for affordable housing development.
- Between 2010 and 2013, CDBG and HOME funding allocations from HUD have declined significantly by 13% and 36% respectively. Notwithstanding these steadily declining resources, HUD remains the primary funding source for the department.
- The Department was awarded \$14.5 million in combined federal CDBG, ESG, and HOME funds to support 29 capital improvement projects, more than 50 social service and homeless service agencies, demolition needs, and 6 affordable housing projects consisting of 485 units.

Planning and Development – FY2014 Budget Highlights

FY2014 Budget Presentation



- The Department continues to partner and pursue additional resources including competitive applications for public and private funding such as HUD Choice Neighborhoods Planning Grants.
- Efforts are ongoing to expand HOME Consortium and/or CDBG Urban County jurisdictions to include current non-member municipalities. These member additions would result in increased HUD funding formula allocations, more efficient inter-jurisdictional coordination, and expanded impact of resources.
- The Department is launching the HUD Section 108 funded \$30 million BUILT in Cook Loan Program to support job-creating economic development activities.
- Continued collaboration in the implementation of the Cook County Land Bank Authority (including \$4.5 million in start-up funds) as well as integration with existing No Cash Bid and tax incentive initiatives is ongoing.

Planning and Development – FY2014 Budget Highlights

FY2014 Budget Presentation



- The Department has renewed the use of the County's allocation of Private Activity Bonds for the first time in a decade to support an 84-unit affordable housing project with \$4.8 million in bond financing. Utilization of this bond authority will enable access for private entities to tax-exempt financing through the County. In 2014, the Department will explore options for expanded use of this financing mechanism to support other affordable housing and industrial development projects across suburban municipalities for a broadened economic development impact.
- In 2014, implementation of streamlining and organizational efficiency improvements based upon HUD-funded technical assistance will continue. Towards this end, there will be continued programmatic and staff restructuring around three functional areas: economic development, housing, and community development for improved coordination and strategic targeting of limited resources.
- The Department is launching a major strategic planning process to develop a new five-year Consolidated Plan and Comprehensive Economic Development Strategy (CEDS) for submittal in 2015 with technical assistance from the Chicago Metropolitan Agency for Planning (CMAP). These two plans will form the framework for future investments by the County of Federal resources to further stimulate private investments and economic growth.

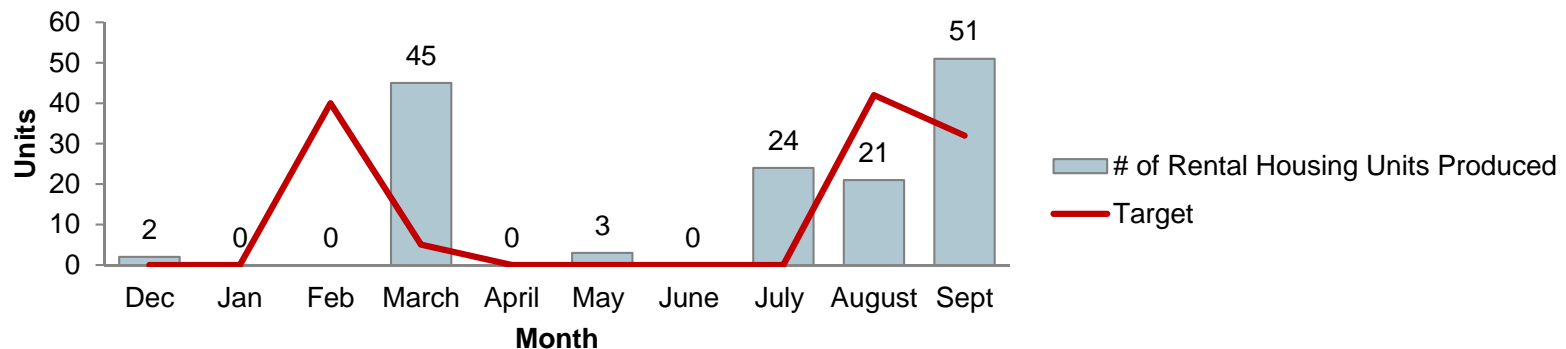
Planning and Development – 2014 STAR Goals and Targets



FY2014 Budget Presentation

Performance Metric	FY2012 Actual	FY2013 Projected YE	FY2014 Target
# of Jobs Created through Tax Incentives	1,866	1,959	2,000
# of Capital Projects Impacting Residents in Need	70	100	35
# of Beneficiaries Receiving Social and Housing Services	N/A – New Metric	22,707	25,000
# of Affordable Rental Housing Units Produced	83	265	345
# of Affordable For Sale Housing Units Produced	30	56	6

Metric Highlight – Rental Housing Production Actuals 2013





Office of Capital Planning and Policy

FY2014 Budget Presentation



Office of Capital Planning and Policy

FY2014 Budget Presentation

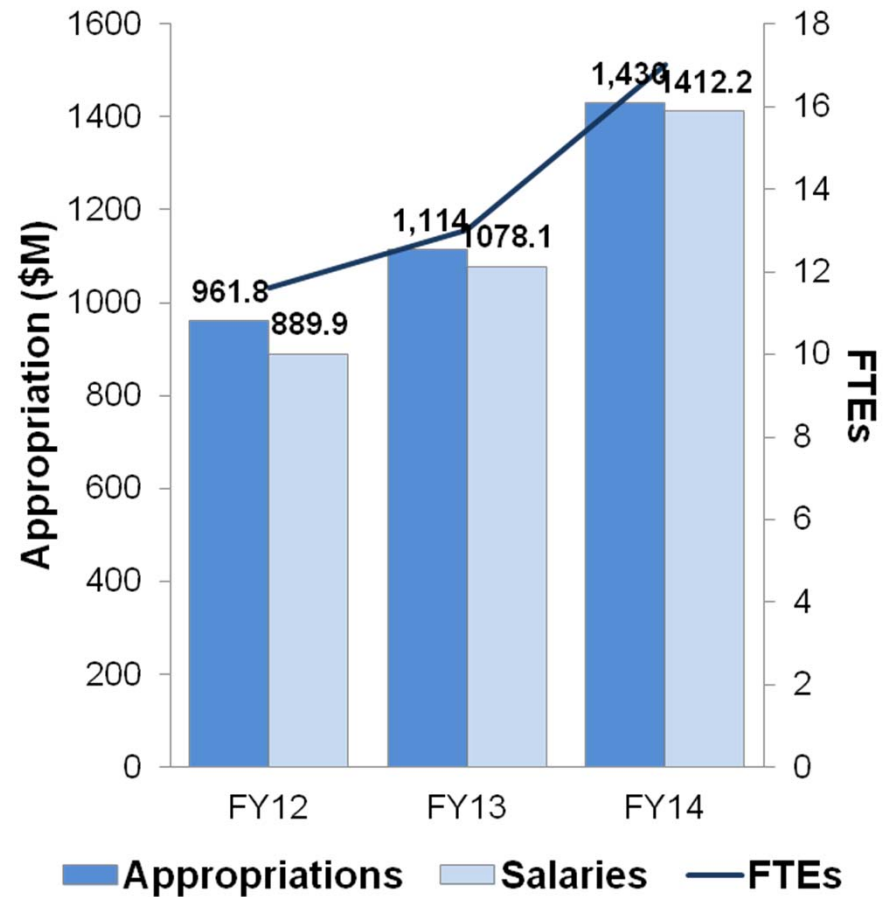


Mission

The Office of Capital Planning and Policy (OCPP) provides safe, secure and accessible facilities through capital construction projects for all County departments and elected officials in order that they may serve the public and perform their duties in an environment that fosters efficient, convenient and cost effective delivery of public services.



Budget and staffing





Office of Capital Planning – FY2013 Accomplishments

FY2014 Budget Presentation

- **Cloud Based Software:** Facility Wizard, a web based project management tool, was implemented by the OCPP team to assist in managing projects efficiently, while improving financial oversight and cost forecasting.
- **Dashboard:** User agencies were offered access to a web based dashboard linked to Facility Wizard which enabled them to track their project statuses and make online Capital Requests for FY 2014. The dashboard has streamlined and improved communication between all departments and agencies
- **Master Planning:** In 2013, the Office of Capital Planning and Policy (OCPP) began to create the conceptual design of the Stroger Hospital campus redevelopment.
- **GEPC:** The County's Guaranteed Energy Performance Contracting (GEPC) initiative will fund over \$60 million in facility upgrades to Stroger Hospital and the Cook County Corrections Complex. These projects are funded with capital dollars upfront and the energy savings pay for the improvements over a 20 year period. In addition, these projects reduce operating costs and greenhouse gas emissions.
- **Awards:** GEPC received recognition as a Top 100 Chicago Innovations Awards nominee.



Office of Capital Planning – FY2014 Budget Highlights

FY2014 Budget Presentation

- **Energy Manager:** Hire an Energy Manager to oversee all energy related capital projects including construction, budget management and utility performance. This position will result in projected savings of \$4.1M annually in alignment with the County's Sustainability Plan.
- **ADA:** Recruit an ADA Compliance Project Director to insure full compliance throughout 17M square feet of county-operated space over the next 48 months. Previous ADA initiatives focused solely on public space.
- **Redevelopment:** Launch a redevelopment process for the Stroger Campus with the Illinois Medical District that assess the potential range of uses for the property and recommends a development strategy.
- **Demolition:** Design and implement Department of Justice directives at the corrections campus while moving forward on demolishing vacant and obsolete buildings on the campus, making space available for development of more operationally efficient and cost effective buildings.
- **Master Planning:** Working with Health and Hospitals on the planning the redevelopment of Oak Forest Hospital campus. This includes an initiative to reduce operating costs at Oak Forest by demolishing vacant and under utilized buildings. The master planning of the campus redevelopment will begin in 2014 and take 3-5 years to complete.

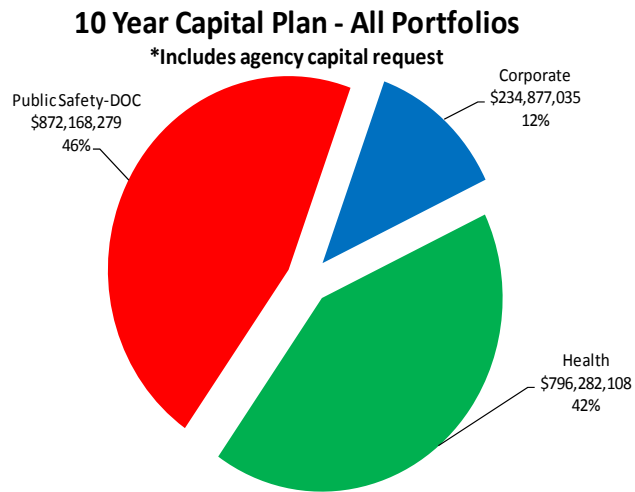


Office of Capital Planning – Capital Improvement Plan

FY2014 Budget Presentation

- The comprehensive facility assessment of the County's 17M square feet of real estate identified deferred maintenance, necessary repairs, and capital renewals over the next ten years.

Portfolio	GSF	CRV	FCI	Forecasted Capital Renewals (2014-2023)	CIP 2014
Corporate (CF) Facilities	2,685,772	\$695,929,921	37.93%	\$94,994,835	\$58,259,553
Health (HH) Facilities	4,616,811	\$2,203,803,449	36.17%	\$485,764,909	\$65,439,551
Public Safety - DOC	3,960,823	\$1,884,305,016	41.69%	\$364,355,892	\$57,947,881
Public Safety - Courts	5,473,880	\$1,644,161,105	45.76%	\$352,010,870	\$23,946,113
Totals	16,737,286	\$6,428,199,491	40.40%	\$1,297,126,506	\$205,593,098



$$FCI^* = \frac{\text{Maintenance, repairs, deficiencies of facility(ies)}}{\text{Current Replacement value of facility(ies)}}$$

*Facility Condition Index

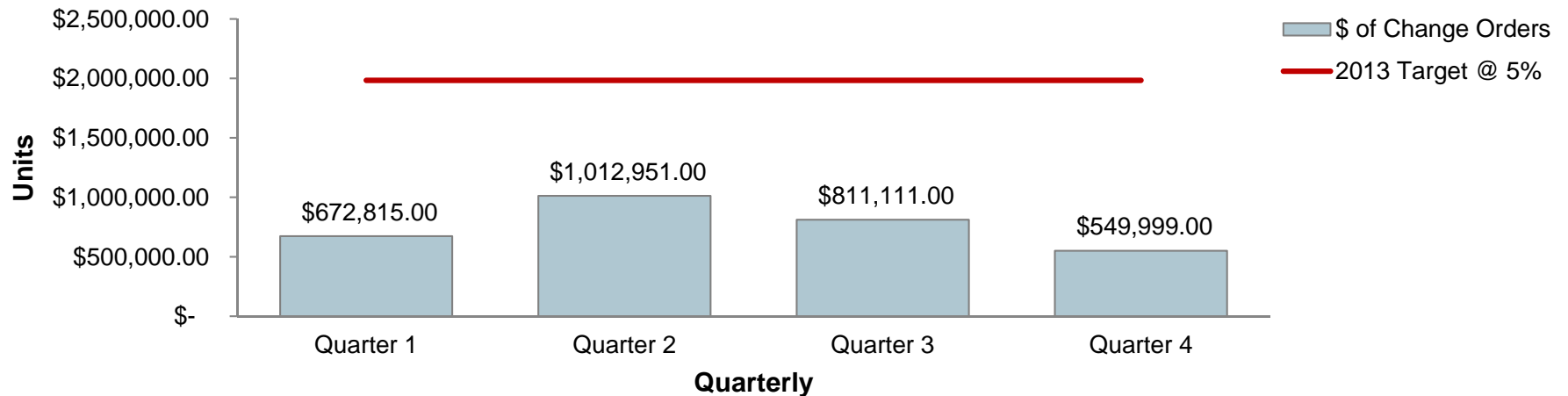
Office of Capital Planning – 2014 STAR Goals and Targets

FY2014 Budget Presentation



Performance Metric	FY2012 Actual	FY2013 Projected YE	FY2014 Target
% of professional services completed within 10% of original budget	86%	95%	95%
% of construction contracts completed within 10% of the budget	86%	95%	95%
Average Cost change for all construction projects (%)	N/A	3%	3%
\$ value of change orders (2014 target is based on 3% of the 10 year budget)	N/A	\$3,046,880	\$5,700,000

Change Orders





Building & Zoning

FY2014 Budget Presentation





Building & Zoning

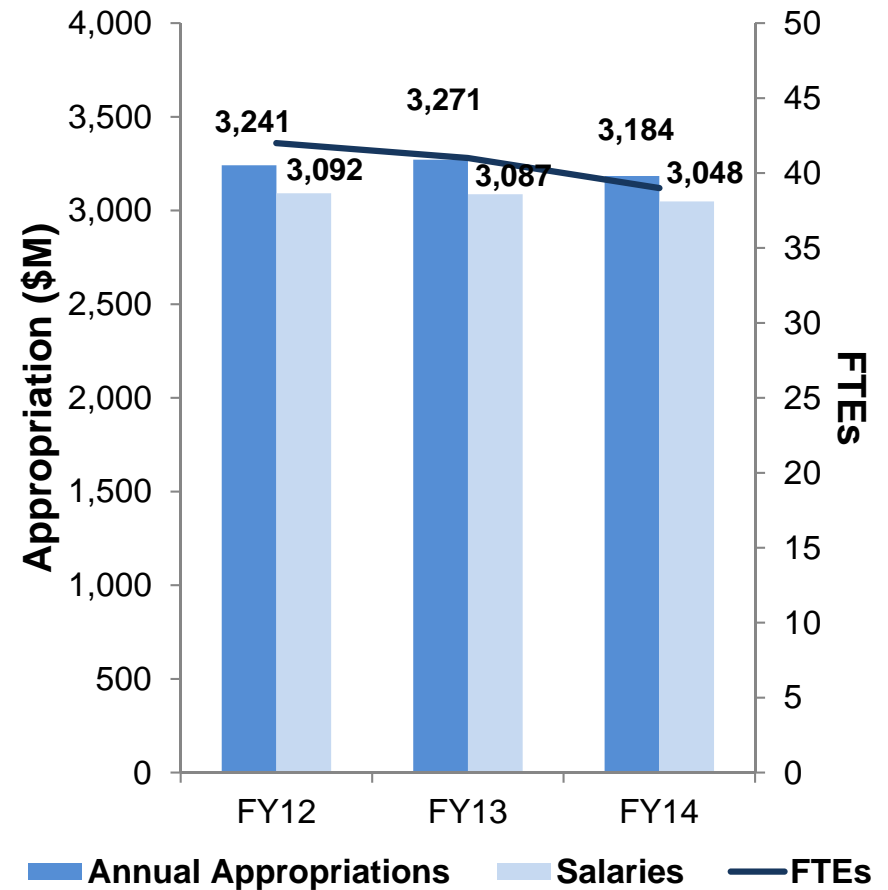
FY2014 Budget Presentation

Mission

To promote the health, safety and welfare of unincorporated Cook County residents and businesses by performing responsible and timely inspections of buildings and properties and enforcing all related codes and ordinances.



Budget and staffing





Building & Zoning – FY2013 Accomplishments

FY2014 Budget Presentation

- **Increased revenue from permits and inspections** - A new strategic and systematic approach generated a 25% increase in permit revenue and a 39% increase in annual inspection revenue. This includes the gradual elimination of the full and partial waiver of permit fees for all governmental entities and not-for-profit organizations in unincorporated Cook County.
- **Adoption of International Building Codes (IBC) is expected by close of 2013** - Use of these codes will provide regulations to ensure the construction of safe, sustainable, affordable and resilient structures and further the attractiveness of these areas as a location for private investment and job growth.
- **Transition from a paper to an electronic permitting system** will provide a controlled, coordinated, transparent and cost efficient approach and contributes to improving the attractiveness of Cook County as a location for economic development.
- **Negotiated intergovernmental agreements** with the Villages of Oak Lawn, Robbins, Hoffman Estates, Hanover Township and Leyden Township for the enforcement of the Vacant Building Ordinance, code enforcement and permitting.



Building & Zoning – FY2014 Budget Highlights

FY2014 Budget Presentation

- **Complete transition to an electronic online permitting system** – Allow monitoring and tracking, as well as fee payments for violations and inspections.
- **Introduce use of the International Building Code** – Educate constituents on the IBC which will allow the unincorporated areas of the County to utilize a standard and uniform set of codes that are considered “best practices” within the industry. This will lead to increased compliance and an improved environment for development.
- **Continuation of Strategic Building Inspection Program** – Ensures compliance with codes and regulations, allows for a more efficient use of staff, increases customer satisfaction and offers a consistent and predictable schedule for the recipients.
- **Expansion of intergovernmental collaboration** – Expand use of the Vacant Building Ordinance and Building Code enforcement through new intergovernmental agreements with suburban municipalities.



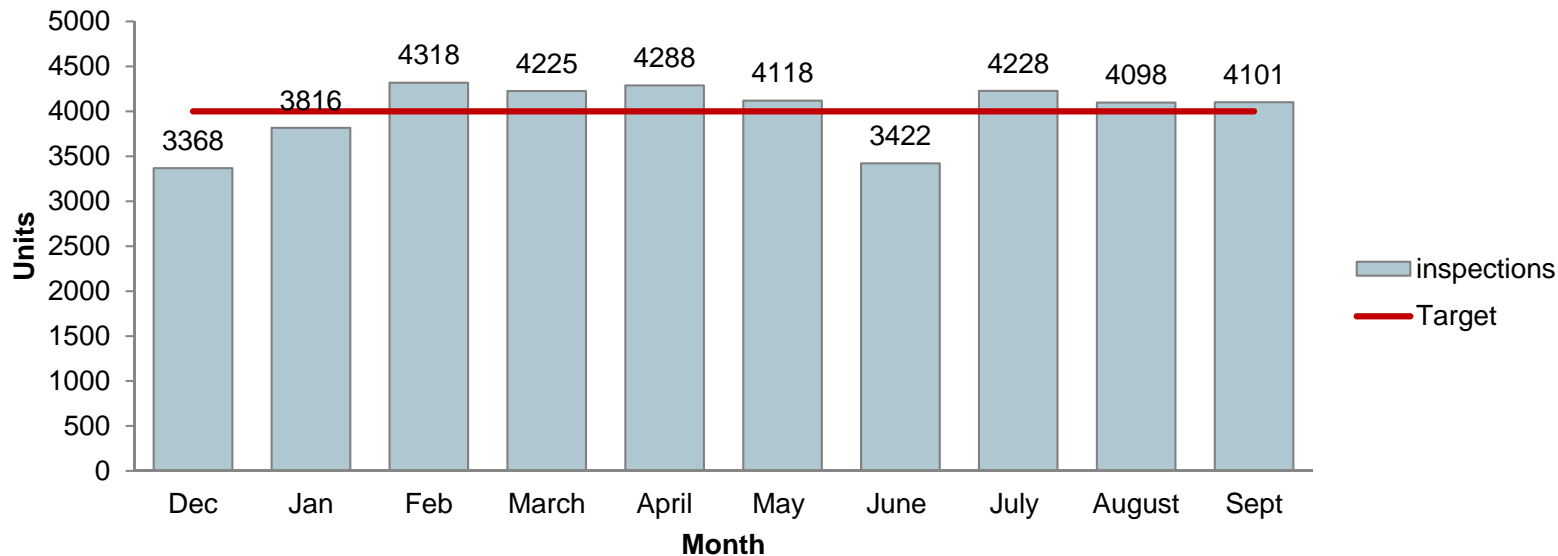
Building and Zoning– 2014 STAR Goals and Targets

FY2014 Budget Presentation

Performance Metric	FY2012 Actual	FY2013 Projected YE	FY2014 Target
Number of annual inspections	1177	1958	2000
Permit Revenue	\$1,340,035	\$1,676,042	\$1,850,000
Contractor Registration	\$289,765	\$325,094	\$380,000

Inspections per month

(Actuals-2013)





Zoning Board of Appeals (ZBA)

FY2014 Budget Presentation

Friday, October 18, 2013



Zoning Board of Appeals

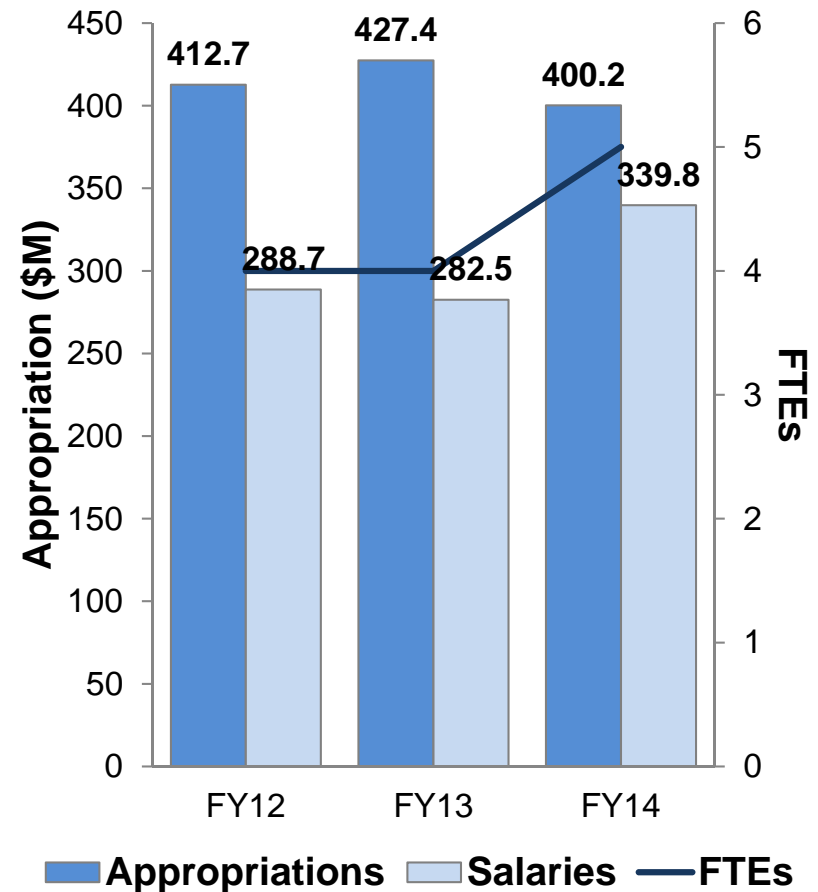
FY2014 Budget Presentation

Mission

The mission of the Zoning Board of Appeals (ZBA) is to serve the public and assist the County Board to promote proper development of land in conformance with the Cook County Zoning Ordinance and Comprehensive Land Use Plan.



Budget and staffing





Zoning Board of Appeals– FY2013 Accomplishments

FY2014 Budget Presentation

The ZBA is pleased to report that it has satisfied customers, provided correct public notice and continues to complete the hearing process on a timely basis.

- Satisfied Customers – ZBA aims to conduct its public hearing in a fair, transparent and equitable manner. As evidenced by customer satisfaction surveys, the ZBA has met its target in FY 2012 and continues to meet its target in 2013. Over 96% of its customers indicate satisfaction with their experience.
- Correct Notice – ZBA consistently provides public notice in full compliance with the requirements of the Zoning Ordinance.
- Findings and Recommendations Submittal – ZBA consistently administers, manages and completes the hearing process within timeframe specified by the Zoning Ordinance.

In 2013 ZBA has met all of its targets and expects to continue this pattern in 2014.

Zoning Board of Appeals– FY2014 Budget Highlights

FY2014 Budget Presentation



In 2014, ZBA plans to continue to focus on improved services, increased transparency and greater accountability by:

- With Department of Building & Zoning, increasing communications to the public, municipalities and interested parties about the permit and zoning process via the County's website.
- Acquiring appropriate technology and equipment needed to insure that the public can fully hear and see the proceedings of the ZBA. This includes the purchase of a microphone, laptops, screen/ monitor and a projector.
- Supporting staff in training and professional development opportunities.

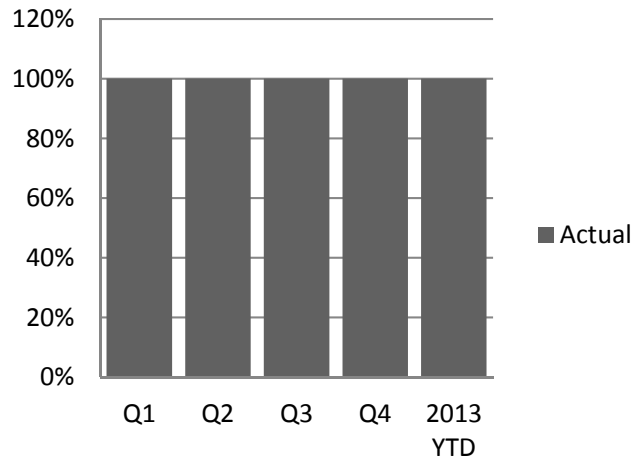
Zoning Board of Appeals– 2014 STAR Goals and Targets

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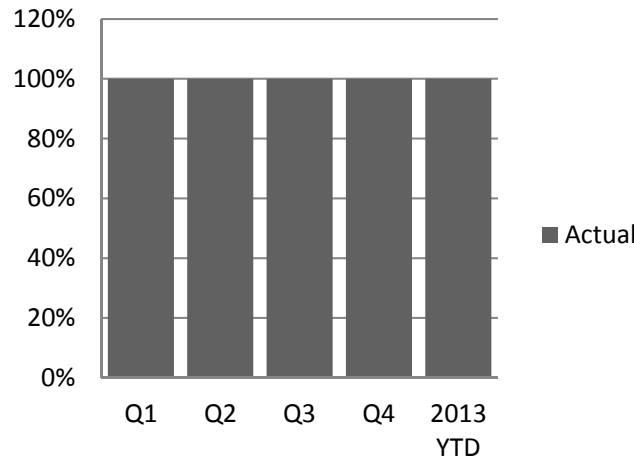


Performance Metric	FY2012 Actual	FY2013 Projected YE	FY2014 Target
The percentages of participants in the hearing process are satisfied.	93%	96%	97%
The percentage of notifications follow the correct procedure.	100%	100%	100%
The percentage of findings and recommendations are submitted within the Ordinance mandate of 90 days.	98%	100%	100%

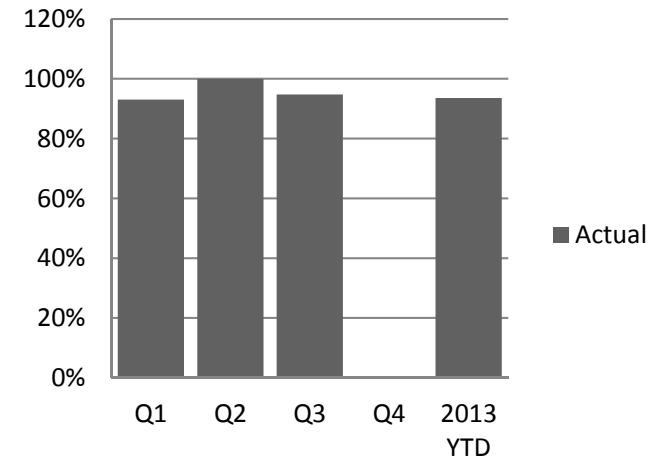
CORRECT NOTICES



90 DAY DEADLINE



SATISFIED PARTICIPANTS





COOK COUNTY BUREAU OF ECONOMIC DEVELOPMENT

