

FY25 Budget Hearing

Cook County Land Bank Authority (CCLBA)

Jessica Caffrey, Executive Director
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Eleven years strong – CCLBA is the largest landbank by geography!

Section 103.2, 4 (2013)

- The Cook County Board establishes the Cook County Land Bank Authority which shall be an agency and funded by Cook County. All personnel, facilities, equipment shall be governed by a Board of Directors.

Mission

The Land Bank will acquire, hold, transfer interest in real property throughout Cook County to:

- promote redevelopment and reuse of vacant, abandoned, foreclosed or tax-delinquent properties;
- support targeted efforts to stabilize neighborhoods;
- stimulate residential, commercial and industrial development

All in ways that are consistent with goals and priorities established by this ordinance, local government partners and other community stakeholders.

**In FY25 the Cook County Landbank will invest \$12.3MM
in Land Bank Operations to achieve these goals**

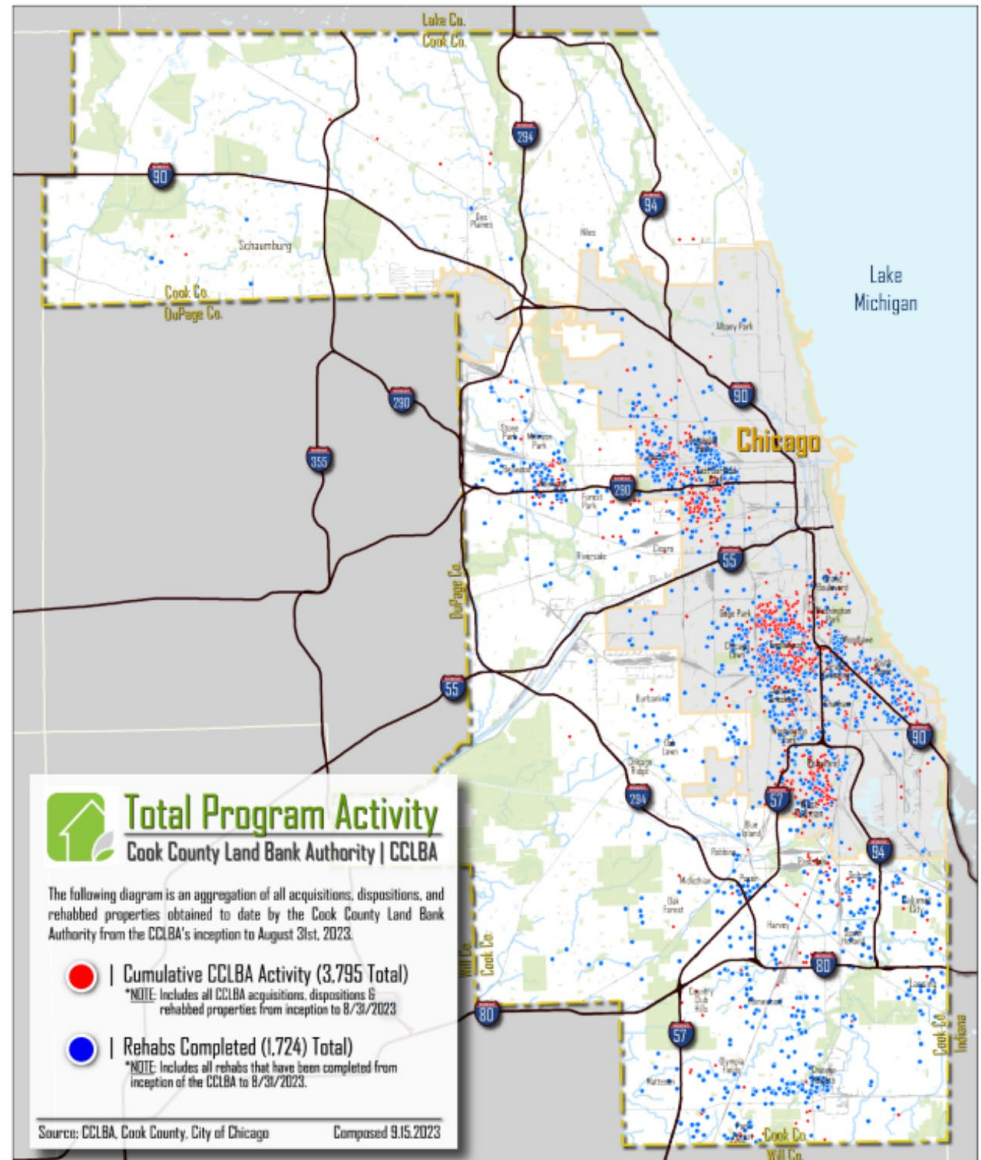
- This includes acquisition, property maintenance and administration.

10-YEAR HIGHLIGHTS

Over **\$31.3 Million** in long term delinquent taxes redeemed or paid from CCLBA's administrative action.

\$221 Million in community wealth that has been created: The difference between the value the developer paid for a property & the post rehab value.

CCLBA has placed over **2,000** formerly vacant properties back on the tax rolls, increasing the Cook County tax base.



OVERALL STATISTICS

1,100+

of developers
working & engaged
with the CCLBA.



Over
\$31.3 Million

In Long-Term Delinquent Taxes
Redeemed or Paid



\$221 MILLION

Number of dollars in community
wealth that has been created in
neighborhoods & municipalities
throughout Cook County.

\$7.5 MM

Amount of 2023 property
taxes collected from
completed CCLBA rehabs

Cook County Land Bank Authority Public-Private Partnership

10-Year Economic Impact Report Summary

The Cook County Land Bank Authority's 10-year economic impact report looks at the overall financial impact of its work throughout Cook County. It compares the measurable benefits, both direct and indirect, to the costs involved since 2014.

ECONOMIC BENEFITS

CCLBA has generated \$371 million in direct economic impact.

- Generated \$28.6 million in new property tax revenue from CCLBA sales put back on the tax rolls
- Generated \$31.3 million in property tax revenue from redemptions of tax-delinquent properties
- Helped create new economic activity and jobs in the construction industry, thanks to \$86.5 million in private investments from local developers, resulting in \$145.5 million in economic output and 703 new jobs
- Helped boost the real estate industry by turning \$74 million from property sales and \$24.6 million in public spending into \$167.1 million in economic activity and 710 jobs

The total economic
impact from CCLBA's
activities since 2014 has
reached

**\$1.8
billion**

10-YEAR ECONOMIC IMPACT STUDY



10-YEAR ECONOMIC IMPACT STUDY



DIRECT ECONOMIC BENEFITS



10-YEAR ECONOMIC IMPACT STUDY



DIRECT ECONOMIC BENEFITS



INDIRECT ECONOMIC BENEFITS



10-YEAR ECONOMIC IMPACT STUDY



MEASURING IMPACT

An aerial photograph of Chicago, showing the city skyline and surrounding urban areas. The image is overlaid with numerous colorful, translucent spheres in shades of red, green, blue, and orange, scattered across the landscape. A semi-transparent white box with a thin green border is centered in the image, containing text about the impact of a grant.

\$4.5 MM | Original Grant

Translates to...

\$1.8 Billion | Total Economic Impact

- CCLBA's FY25 request is \$12.3MM which is a net increase of 3% or (\$400K) from FY24. Our largest expenditure line increase is for salaries and benefits (\$411K) followed by property maintenance (\$101k), and Contractual services (\$31K) mostly allocated for legal services.



- CCLBA estimates that our FY25 revenue will be \$5M in annual program income in comparison to FY24 target of \$5.5MM. This goal is in alignment with previous years and the reduction is primarily due to an anticipated decrease in municipal sale opportunities. We successfully sold over \$1.1M transactions and have met most of their needs in FY24.



- While CCLBA has a goal to decrease inventory by 15% and CCLBA anticipates selling at a continued strong pace of 25-30 parcels per month that translates to approximately 250 parcels per year.

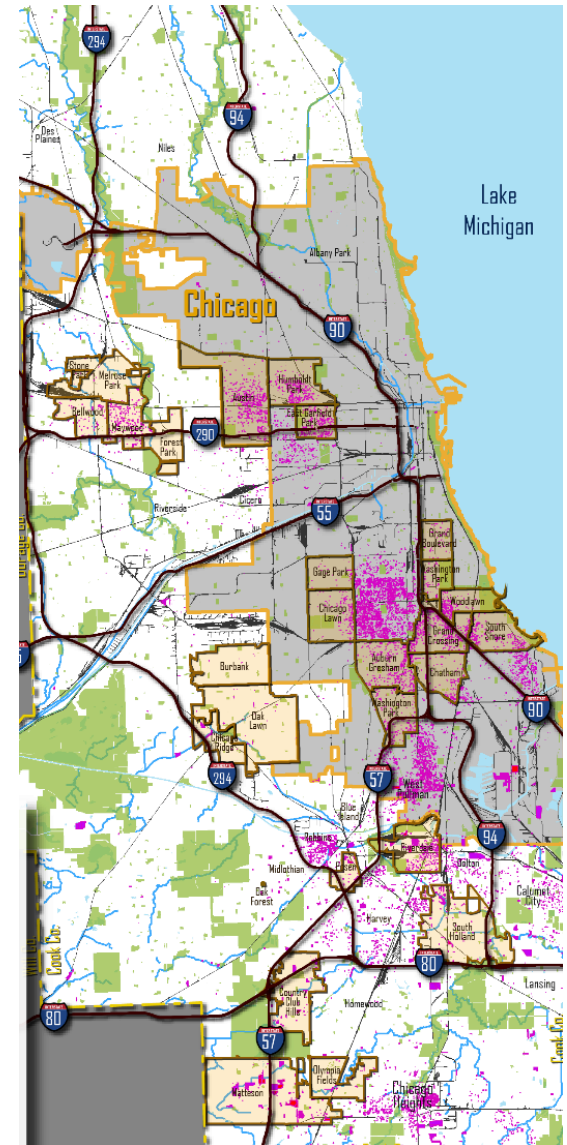
	FY25 Executive Recommendation	Fy24 Budgeted Expenses	Variance
Staff Salaries and benefits	\$ 2,652,957.00	\$2,241,728	\$ 411,229.00
Acquisitions	1,850,000	1,850,000	0
Residential Demolitions (IHDA Reimbursable \$562k)	0	0	0
Property Maintenance	5,000,000	4,898,002	101,998
Contractual Services	846,353.00	815,353	31,000
Contingencies and Special Purpose	1,976,299	2,120,306	(144,007)
Total Expenses	\$12,325,609	\$11,925,389	\$400,220

- 1.Acquisitions includes legal fees to pursue scavenger sale tax certificates.
- 2.Residential demolitions are reimbursable. We were just awarded \$562k for FY24-25
- 3.Property maintenance is for landscaping, preservation, and snow removal.
- 4.Contractual services includes Epp software, Mailchimp, media vendor, audit services, and corporate legal.
- 5.Contingencies and special purpose includes all other expense categories with the highest lines delinquent tax line of \$500k, our line of credit reserve of \$500k, Surveys and Reports \$250k, and property insurance \$200k.

2024 Forfeited Properties

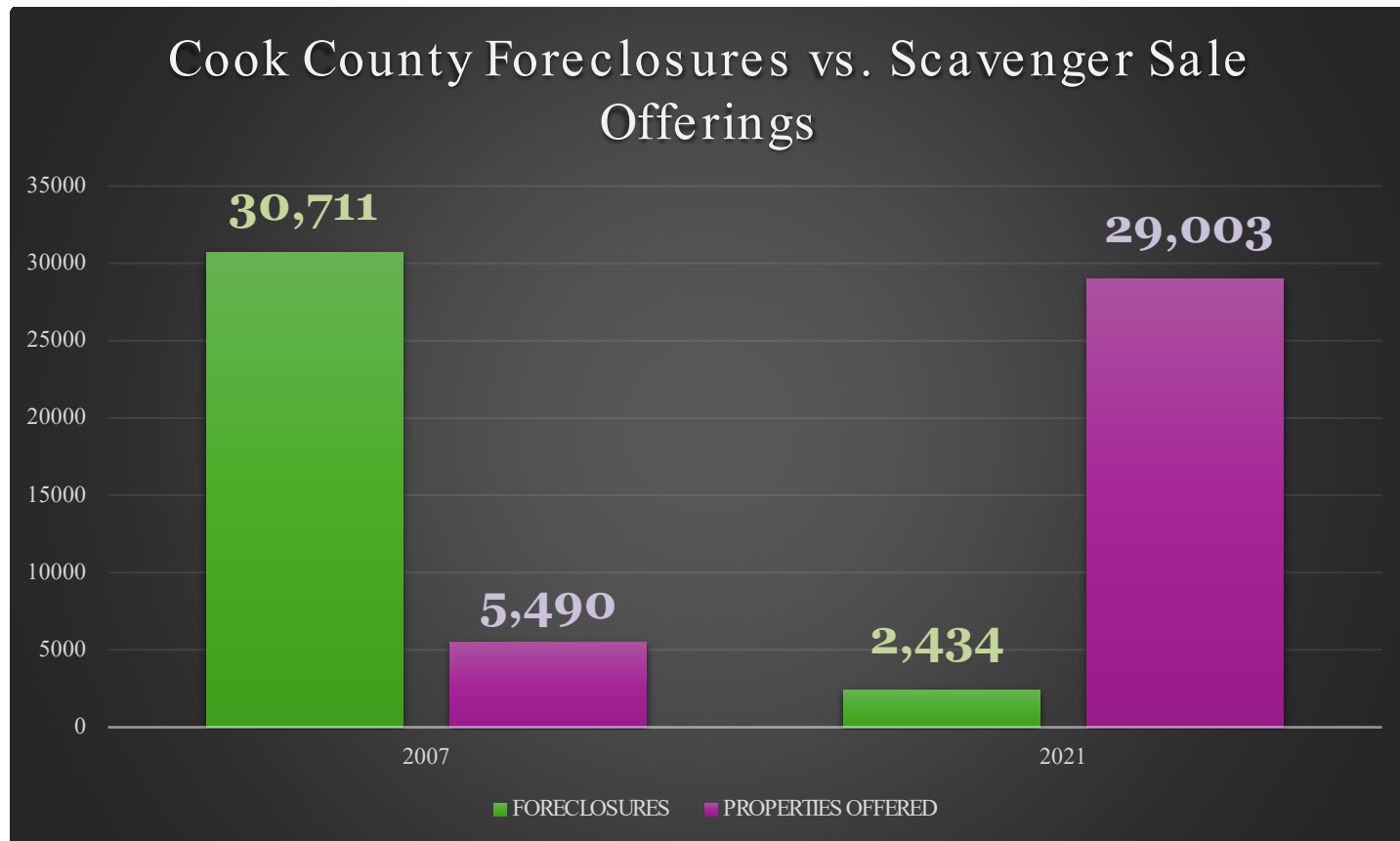
The Land Bank has been working in collaboration with the Office of the President (OUP), Cook County Treasurer, and Cook County Clerk in reforming the tax system with regards to property tax delinquency.

- **~34,000 Parcels** in Cook County went unsold at the 2021 Cook County Annual Tax Sale conducted in January 2024.
- CCLBA displayed an interest in **5,598** of these parcels and submitted the requisite legal documents to the Cook County Clerk.
 - **1,261** classified as commercial/industrial
 - **4,437** classified as residential
- CCLBA has started evaluating these parcels over the next year or two in order to determine how many of these should be acquired and taken into inventory
 - Potential for the CCLBA to take interest in additional or all unsold properties going forward



ACQUISITION STRATEGY EVOLUTION

From 2007 to 2021, one can see an inverse relationship between traditional real estate foreclosures (declining) and the abandonment of entire neighborhoods and municipalities in Cook County (rising). While one problem has been mitigated, the other is very much present and represents the next great challenge that is a product of the same 2009 – 2011 Foreclosure Crisis.



Operate in a manner consistent with plans and priorities developed by Community stakeholders, local and municipal officials and other governmental bodies:

County-wide Partners:

- Chicago Transit Authority
- Forest Preserve District of Cook County
- Cook County Department of Transportation
- Housing Authority of Cook County -
- Cook County Planning and Dev. -
- South Suburban Black Caucus of Mayors
- South Suburban Land Bank and Development Authority
- Private and non-profit developers

City Partners:

- Mayor's office
- Department of Planning and Development
- Department of Housing
- Department of Cultural Affairs
- Chicago Community Land Trust
- Private and non-profit developers
 - LISC, CIC, Center for Comm. Progress
 - Chicago Community Trust
 - NHS, IFF, CCLF, MPC, C3 Fund
 - Chicago Rehab Network
 - The Center for Shared Ownership

Grow Homeownership:

- CCLBA will continue its goal to sell 80% of its homes for homeownership, most through small, and local developers. CCLBA will continue to offer our Homebuyer Direct Program, creating the opportunity for homebuyers to build equity in rehabbed homes.

Build Community Wealth (Cumulative Percentage of Annual Goal)

- Community Wealth is: The difference between the value the developer paid for a property & the post rehab value.
- Well over 80% of CCLBA properties are for homeownership, thus the EQUITY resides and remains in communities. Cumulative is \$221MM for FY24.
- CCLBA has set a goal to sell 250 properties to homeowners, local developers, non-profits, business owners & CDC's. Their collective redevelopment should create \$30,000,000 in additional community wealth.

Acquire Vacant Properties

- CCLBA acquires property in areas of development opportunity, acquiring 500 properties based on focus communities and community impact.

Reduce aged inventory

CCLBA has set a goal to reduce the amount of aged inventory by 15%, thereby reducing the maintenance and operations costs.

In order to handle increased inventory and meet its fiscal obligations, CCLBA has adopted the following goals and strategies:

Intentional Acquisition

1. Annual strategy focused on focus communities and growth areas
2. Within strategy areas, choose buildings and vacant lots near municipal investments and private small business development

Market Rate disposition

1. Determine actual costs for acquisition and monthly track carrying costs.
2. Sales price must clear our holding costs as well as meet current neighborhood appraisals

Municipal strategy

1. Work with partners on MOUs and land banking agreements for large-scale property transfers to realize local planning initiatives

Continue process improvements

1. Partner with the Stakeholders convened by the Chicago Community Trust, including the Treasurer's office on Scavenger Sale process reform and legislation
2. Refine internal record-keeping and accountability
3. New and improved website which is more user-friendly and daylights all public information