



AMMAR RIZKI

ACTING CHIEF FINANCIAL OFFICER

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MEMORANDUM

Date: October 10, 2017

To: Honorable Chairman John Daley, Cook County Board of Commissioners
Honorable Cook County Board of Commissioners

CC: John Keller, Chief of Staff
Lanetta Haynes Turner, Deputy Chief of Staff
Erik Varela, Legislative and Governmental Affairs

From: Ammar Rizki, Acting Chief Financial Officer, Bureau of Finance 

Subject: Fiscal Impact Note on Item 17-5300 Proposed Resolution Approving a Certain Revolving Line of Credit and Budget Transfer for the Cook County Land Bank Authority

In accordance with Sec. 2-77 of the Cook County Code of Ordinances, this note is prepared to convey the fiscal impact of item #17-5300 Proposed Resolution Approving a Certain Revolving Line of Credit and Budget Transfer for the Cook County Land Bank Authority. The resolution will authorize a line of credit to be utilized by the Cook County Land Bank Authority for a term of approximately two years to help supplement its operating cash flow needed to acquire properties in accordance with its mission and mandate. Funds from the proposed line of credit would be periodically drawn by the Land Bank, and repaid by the Land Bank from revenue gained from its sell of properties.

Under the terms of the line of credit, the maximum amount that may be drawn is \$3 million at 6% interest (a maximum of \$180,000 annually) plus \$30,000 in an upfront commitment fee. Taking into account the interest, fees, and two-year term, the maximum expenditure that can be incurred under the line of credit is \$3,390,000.

The proposed Resolution also provides for a budgetary transfer to the appropriate line item from which the Land Bank Authority may utilize and repay the funds drawn from the line of credit in fiscal year 2017. This provision does not increase the fiscal impact noted above.

TONI PRECKWINKLE

PRESIDENT

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