

## **Cook County Land Bank Governance Structure**

There are several considerations to be taken into account when establishing the governance of an entity such as the Cook County Land Bank. These considerations are typically codified in either the enacting legislation for the organization and/or in its charter and by laws. This document will review each briefly to frame the Land Bank Advisory Committee's discussions.

**Size** – The first point to address is how large of a governance body is appropriate for the Land Bank. Typically boards should be small enough to carry out their duties efficiently but large enough to represent the spectrum of interests associated with the organization's mission. The Urban Land Institute's recently completed Technical Assistance Panel (TAP) recommended nine members. (Could also provide a list of size of others such as McPier, PBC, Infr. Trust, and land banks in other counties.)

**Appointing Authority** – The authority for naming members of a board can be centralized or decentralized. Often the unit of government that creates the entity authorizes its chief executive to appoint board members, sometimes with confirmation required by the legislative body, but this responsibility can also be shared between two or more chief executives/elected officials to ensure distributed representation. Governmental bodies with broad revenue sources, like the Illinois Sports Facility Authority or the Metropolitan Pier and Exposition Authority (McPier), divide appointing authority between the Governor of Illinois and the Mayor of Chicago. Another model is to distribute appointing authority across multiple governmental units, as is done with the Regional Transportation Authority and the Chicago Metropolitan Agency for Planning. The Urban Land Institute's TAP followed this pathway, broadly distributed appointing authority across eight different organizations in an effort to ensure a balanced composition.

**Composition** – For a land bank (and other quasi-governmental entities) to be successful, a delicate balance of community, professional expertise and stakeholder representation must be achieved. The following categories of representatives were included in ULI's recommendations: public sector (divided between County, Chicago and suburban Cook appointed and elected officials), private sector (for profit and not for profit), geographic distribution, financial and legal expertise, and residential, commercial and industrial development experience. One category not explicitly addressed by the ULI TAP was racial and/or ethnic diversity. In addition, ULIT did not specify technical or professional expertise requirements for the individuals appointed by the public sector. (I didn't have time to track down an example of this, but will look.)

**Term** – The length of time that each board member serves needs to be determined. Typically a term should give new appointees sufficient time to get up to speed on the issues and be effective contributors to the effort, often three-four years. ULI recommended three-year terms.

**Term Limits** – Limiting the number of terms that a board member can serve wards against the development of entrenched interests and can ensure the infusion of new ideas and energy levels. ULI suggested a maximum of two terms.

**Staggered Terms** – Board member terms are typically staggered to ensure continuity and institutional memory. ULI recommended this.

**Classes of Directors** – Less common is the designation of different classes of directors with one class receiving a proportionately larger number of seats on the governing board and stipulation that a quorum is only achieved if some number of this preferred class is present at a meeting. The South Suburban Land Bank has adopted such a structure for its governing board.

**Quorum** – Enacting legislation will specify how many members must be present for the board to conduct business.