



**Land Bank Advisory Committee Meeting Notes
Cook County Dunne Administration Building
69 West Washington Street, 34th Floor Conference Room
December 10, 2012**

The sixth, and final, Cook County Land Bank Advisory Committee (LBAC) meeting began with a discussion of the LBAC Briefing for President Preckwinkle and the Board of Commissioners. María Choca Urban, Director of Planning and Development, explained that instead of a public forum on December 18th, there will be a presentation to the President on Wednesday, December 12th.

Commissioner Bridget Gainer is planning to introduce a Land Bank Ordinance at the December 18th Board Meeting which ruled that date out for Commissioner Briefings. Instead, Commissioners will be briefed in small groups. Per MarySue Barrett, the Ordinance “looks a lot like the LBAC report”. Staff promised to share the draft Ordinance with the LBAC.

The LBAC then reviewed the Land Bank Report recommendations. David Chandler suggested that the report include a recommendation for coordination between the Cook County Land Bank (CCLB) and the South Suburban Land Bank (SSLB). Ed Passel, Executive Director of South Suburban Mayors and Managers (SSMMA) echoed David’s suggestion. María noted that Julia Stach mentioned she did not want to create an incentive for the formation of other sub-regional land banks because she was worried about their sustainability. LBAC members mentioned Detroit and Ohio as having problems with multiple land banks in one region. Following much discussion about whether a CCLB might compromise the SSLB’s success, agreement was reached to include a statement suggesting that the CCLB make best efforts to ensure that it does not undermine SSLB’s financial prospects or the development of its program. Members felt that the LBAC report should not tie the hands of the CCLB Board of Directors by being too directive.

David Chandler also expressed concern about the lack of detail in the budget section. Maria mentioned that the LBAC was reluctant to include specific budgets for the big and small budget scenarios because sufficient due diligence had not been done to justify specific cost figures. Pam added that the Budget Committee tried to get the scenarios closer to real life but the group did not know what types of properties would be acquired or how many and with different types there are different cost structures in rehab and maintenance. The budget group didn’t want to lock in numbers without a real business plan being formed.

Maria explained that the LBAC Resolution included recommending marketing strategies for the County’s tax incentives. Staff produced a summary of the County’s tax incentives and preliminary recommendations regarding the land bank promoting them as part of putting properties back into active use and coordination between the CCLB, the Assessor’s Office and DPD relative to tax incentive applications. She introduced Khang Trinh from the Cook County Assessor’s Office who explained that

while there may be multiple land banks in the region, the Assessor's Office has limited resources. He reminded LBAC that our tax system is one-year in arrears and that creates nuances as properties move forward and are transferred to developers. Right now, a land bank can only work with existing tax incentives and the LBAC agreed that the recommendations would speak to those. Khang said special incentives may need to be created to deal with scattered site residential projects; but, any new programs would be in the future and need to be well researched and designed. The Tax Incentive Program is designed to expand the tax base by attracting buyers and reinvestment to vacant properties, which are assessed at a lower rate. Incentives place properties in Cook County on par with the collar counties for business location purposes and lead to an increase in value to a structure that can be assessed and taxed. Any increase in jobs is done after new construction, rehabilitation or re-occupancy and therefore is ancillary.

The question was asked how often there are amendments to the tax incentives and Khang responded "not often". Kang said the Assessor's Office is careful about modifying tax incentive programs and wants any changes to be justified by objective research. Maria spoke about the Tax Incentive Working Group which has been looking at changes, especially one to the Class 8 which may help properties with less than 24 months abandonment and no purchase for value to qualify for the tax incentive. Mayor Gene Williams echoed the need for the change because in weak markets municipalities know nothing changes or improves by waiting another two years to qualify.

The group discussed the nuances of the existing tax incentive classes including that: each property index number (PIN) needs its own application, TIF districts and tax incentives often work at cross-purposes, the potential for a single family version of the Class 9 incentive and for a land bank participation incentive and the proclivity of brokers in northwest Cook to market tax incentives there.

MarySue closed by saying that the land bank was about enhancing viability. She suggested that the LBAC send edits or comments for any of the new material the LBAC agreed to incorporate the CCLB/SSLB statement into the budget section of the LBAC report and add the tax incentive summary to the appendix. Katie Sabo of Commissioner Gainer's Office offered to forward the draft ordinance to the LBAC for review and comments. Maria spoke a bit about the tentative details of the President's briefing and congratulated Commissioner Gainer on spearheading the process and doing an excellent job at catching the spirit of the LBAC report in the ordinance. MarySue and Maria thanked the group for attendance, participation and goodwill.

Attendees: MarySue Barrett, David Chandler, Pam Daniels – Halisi, David Doig, Julie Dworkin, William Goldsmith, LaVon Johns, Mary Kenney, Craig Mizushima, Bishop Dr. Claude Porter, Kathleen Ransford, Rich Sciortino, Gene Williams

