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Preckwinkle Lays Out Vision for Cook County Land Bank

Without state legislation, Board President sees pilot program in south suburbs as first step

NEW ORLEANS – Speaking at a national conference on vacant property, Cook County Board President Toni Preckwinkle today announced her vision for a Cook County Land Bank, an entity that is granted specific powers with the purpose of returning vacant and abandoned property to productive use.

Preckwinkle told participants of the “2012 Reclaiming Vacant Properties Conference” hosted by the Center for Community Progress that need to pursue a Land Bank policy in the absence of state legislation, the model of other Land Banks throughout the country, has grown more urgent than ever as nearly 10% of housing units are now sitting vacant in Cook County and more than 85,000 foreclosure cases are currently pending. Preckwinkle said that despite budget constraints at all levels of government, the time has come to tackle the foreclosure epidemic head on.

“One of the most fundamental elements of the American Dream is owning your own home and putting a roof over the head of your family, and thousands of people in Cook County and throughout the country have lost out on that,” President Preckwinkle said. “Our strategy is unique in that Cook County intends to rely on its home rule authority and proceed without the benefit of specific state legislation or dedicated resources. As this policy evolves I am committed to working with everyone involved to ensure that our program is legal, efficient and effective.”

Under the blueprint laid out by President Preckwinkle, the Cook County Land Bank will be a tool of economic development designed to acquire, hold, and transfer property for reuse. The first step will be to create a Land Bank Authority. While Cook County is evaluating several potential models, it is intended that the Land Bank Authority will be a not-for-profit redevelopment authority established under the County’s charter in

partnership with the Bureau of Economic Development; the Land Bank Authority would be able to receive capital and acquire properties. Redevelopment entities and municipalities will target strategic, unproductive properties that they would like to acquire and redeploy through a redevelopment plan. The Land Bank will then acquire the property through a number of potential mechanisms, including: transfer from government, transfer from a bank or a lending institution, direct purchase, or no cash bid at the scavenger sale.

Once the Land Bank has acquired the property it is anticipated that the property will be held tax free for a pre-negotiated period of time, ideally one to four years. The properties obtained by the Land Bank are, by design, properties in distressed areas and typically have a relatively low value at the time of sale. Land Banks are not designed to compete with private developers, but rather go to areas where many have yet to find value, while also deterring speculative interest that can cause further blight.

During the period of time the Land Bank holds property, the Land Bank will manage the vacant and abandoned properties with the goal of making them more marketable and prepare them for transfer to responsible owners. Many land banks have the authority to abate delinquent taxes, clear title, remediate nuisances, and demolish dangerous buildings. This activity is expected to take properties that were once of little interest and blighting influences on their communities and make them more desirable for potential owners. Finally, the Land Bank will transfer the property to the redevelopment interests or municipality for reuse. Ultimately, the sale of targeted properties will help to capitalize a companion fund established to assist with financing the acquisitions and improvements.

“This is my vision for what the Cook County Land Bank can be, and I’m excited about the possibilities this can provide to the community and our neighbors in need of relief,” said Preckwinkle.

While the scope of the authority will be Countywide, the President believes that the Land Bank itself should begin through a pilot program in south suburban Cook County with a targeted program facilitated by the South Suburban Mayor’s and Manager’s Association. This will allow for the County to adjust, alter and improve the process while the scope is broadened to encompass the entire County.

The Land Bank and its companion fund will require start-up capital. Potential sources, Preckwinkle believes, include the foundation community, state and local grants potentially passed through the County, and federal CDBG funds.

President Preckwinkle’s announcement comes on the heels of a [resolution](#) introduced before the Cook County Board by Preckwinkle and Cook County Commissioner Bridget Gainer that creates a Cook County Land Bank Advisory Committee tasked with studying the feasibility and structure of a Land Bank. If passed, the resolution requires the President to

name members to the Advisory Committee within 60 days. The committee will then have 60 days to provide recommendations to the President and the Board of Commissioners on a model or models for a Cook County Land Bank.

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