



## **Cook County Land Bank Proposal Background Information**

**Bridget Gainer – Cook County Commissioner**

The New York Times recently cited Cook County as having largest inventory of foreclosed property in the nation. Based on the most recent census 9.16% or 199,778 housing units are currently vacant in Cook County. In addition, there are an estimated 78,014 foreclosures cases currently pending in the Circuit Court of Cook County, an almost 300% increase since 2005, of which 90% end in default judgments, where the homeowner does not appear in court. To address the current vacancies and the coming tidal wave of vacant buildings in our future I propose the creation of a Cook County Land Bank. The purpose of a land bank is not only to return vacant and foreclosed property back to active and reliable tax paying status, but also to be a catalyst to foster quality economic and affordable housing developments that will provide long-term community stabilization, revitalization and preservation.

The attached proposal lays out the establishment and implementation of a Cook County Land Bank. This new entity as proposed does not require State action; the powers enumerated in this proposal are already established in existing State Statute regarding home-rule authority. A Land Bank will build on, organize and administer the tools and resources that have been established by all different levels of government to try and address vacant buildings.

While a Land Bank can do many things, one of its strongest tools allows for sustainable and reliable planning for affordable housing. Cook County, the City and State have depended on unreliable federal funds via HOME and LITC for affordable housing. In one of the most dynamic and proactive measures around affordable housing, 12 other states, including Michigan, Ohio, California and New York have used the tools provided for within a land bank as an alternative to conventional affordable housing infrastructure opportunities. In addition to affordable housing, the proposal below lays out a plan to incorporate a comprehensive scattered site rental program, further building on the critical resources hardest hit communities need. A Countywide Land Bank allows for regional equity redistribution whereby it can successfully leverage inventory to positively impact stabilization in hardest hit communities.

In addition, a Countywide Land Bank allows the County and suburban communities to take an active role, without private investor markups, to recapture the homes that left local communities through foreclosure. Homes that are owned by banks are currently being sold to private investors who see the ability to profit from local devastation. These private investors have no accountability to our local communities planning needs or wants. A Cook County Land Bank can hold property for communities until long term plans can be established.

Finally, a Countywide Land Bank allows for regional economic development opportunities. A Countywide Land Bank can incentivize economic growth. Historically, the amount of time and money it takes to assemble parcels of land in older communities has often dissuaded developers and businesses; a Countywide land bank can acquire, hold, and transfer properties to provide communities and the County the tools to prepare underutilized land for investors.

A Cook County Land Bank, designed to address vacant and abandoned buildings *regionally* will be the thread that connects similar County, State and Federal programs together. Instead of each level of government layering demolition, rehab, rental or disposition programs on top of each other without leveraging the scale of the problem to the size of the market, a land bank can go directly to the core problems communities are facing; vacant and abandoned properties; depreciating home values and the need for comprehensive and sometimes sweeping planning for reuse.