

MICHAEL HANSEN

Combining Business Sense and Political Savvy in Joliet

by Keith D. Picher

JOLIET—Although large real estate developments have slowed to a trickle in Joliet and Will County lately, the law firm of **Michael W Hansen P.C.** still bustles. Perhaps through word of mouth, new businesses and real estate clients continue to find Hansen. His record of owning and working for high-profile companies is no fluke. He gets things done.

Hansen, 60, was there at the founding of Joliet's Empress Casino. From 1994 to 1999, he served as vice president, secretary, and chief legal officer of Empress Entertainment Inc., Empress Casino Joliet Corporation, and Empress Casino Hammond.

When Horseshoe Gaming acquired the casinos in 1999, Hansen and the investors started a casino-related company for two years before he decided to begin a law practice in Joliet. For good measure, he soon became a founding director of First Community Bank of Joliet. He also took on an ownership interest in the Joliet JackHammers minor league baseball team, which was sold in December 2010.

"I've been really fortunate and lucky and blessed to be involved in varying ways in three of the biggest businesses in Joliet that have come across in the last 30 years," Hansen says with a sense of pride. He says the casino, the bank, and the baseball team have all been community assets that he and his partners developed. They were never just profit-making ventures.

Robert J. Bingle, the managing partner of Corboy & Demetrio, has known Hansen since the two were classmates at the University of Notre Dame. They have referred matters to each other through the years. Bingle describes Hansen as a very efficient lawyer.

"You can call him up and he will find out whom to get to know if he doesn't know them," he says.

One of Hansen's strongest attributes is his intensity. "I've never seen him allow it to control him in a negative way, including on the golf course," says Bingle. "[It's always used] to benefit his clients or to benefit some charity or project that he's working on."

Connections to Joliet

Until eighth grade, Hansen lived in Fairfield, Iowa, about 25 miles east of Ottumwa. It was a great place to grow up, but Hansen enjoyed the opportunities and challenges of the Joliet area after his father was promoted to run the local radio station. Hansen attended Joliet Catholic High School before heading to Notre Dame.

Although Hansen considered law school in South Bend, he decided to return to Iowa to attend Drake University. He had maternal relatives living in Des Moines. After developing excellent fundamentals and a sound background there, Hansen practiced law in Will County.

"It came down to wanting to be my parents' son in Joliet rather than practice law in Des Moines," he explains.

Hansen had the good fortune to join the Joliet law firm of Herschbach, Tracy, Johnson, Bertani & Wilson. He describes the practice as having eight older professionals who were tremendous attorneys, people, leaders, and mentors.

"Wayne Johnson, who was the head corporate lawyer, is probably the one guy I give thanks to for where I am today," Hansen says.

Johnson opened the door for him to work at the casino, which in turn multiplied the avenues of his career.

Today, Hansen represents a variety of businesses from ma and pa companies to LLCs and corporations that employ several hundred workers. He focuses mostly on organizing businesses, sales and acquisitions, litigation, and other business-related concerns including estate planning and wealth protection for owners.

With the current real estate market, Hansen spends only about a third of his time on real estate and development work. He has a long history of representing companies that hope to start local projects in the city of Joliet and in other Will County municipalities.

"In Joliet and Will County, we really had a fantastic run in the 1990s and up until 2008 when it stopped for everyone," Hansen says. Even through the end of 2010, Will County

enjoyed significant construction, Hansen says.

The area has suffered relapses that appear to be greater than other parts of greater Chicago. Because the Joliet region enjoyed an unbelievable upward plane of commercial and residential development, its real estate work has fallen off more quickly and steeply than elsewhere, Hansen believes.

"We had CenterPoint, Silver Cross Hospital, there was a fire at the Empress Casino, and we had Joliet Junior College," he recalls from the not-too-distant past. "Now, I'm at a loss to tell you—other than CenterPoint, the downtown Joliet Junior College project, and the downtown train station project with Knight Engineering—what mid to major construction projects are active."

On the morning of this interview, Hansen had closed on the sale of a large piece of commercial property. That left him for the moment with only one other active commercial real estate matter. He has never fallen below two or three projects before. "It's just not there right now," he says.

Believes in Big Community Projects

In recent years, Hansen has represented a variety of businesses with their real estate and development needs. Notably among these is the CenterPoint Intermodal Center, a 3,000-acre development south of Joliet that is the largest master-planned inland port in North America. He was co-counsel for the annexation agreement in July 2008 when no one knew the economy was about to tank.

Union Pacific bought 800 acres at the center and is currently expanding. The project will be a boon for new jobs and tax revenues in the area, Hansen says, and other spinoff effects will be tremendous.

The site, which has heavy truck traffic, is perfectly placed in an area where few people live. The center also benefits from the location of Joliet and Will County, a transportation hub situated near the junction of I-80 and I-55.

"Every week, something new comes out of that project, whether someone is buying



property or leasing property,” says Hansen. The list is long: condemnation actions, matters involving various municipalities, real estate tax, enterprise zones.

“If the city of Joliet and Will County didn’t have that development, we’d be practically dead right now,” Hansen adds.

A 350-acre piece of land in the middle of the CenterPoint property also has provided work for Hansen since 2003. The Autobahn Country Club includes a short go-kart track and a configurable main track comprising a 1.5-mile north track and a 2.1-mile south track.

The private raceway complex came before CenterPoint. Hansen says Autobahn was fortunate to get CenterPoint as neighbors: No residents are nearby to complain about race car noise or other specific use of the land. CenterPoint also has generously addressed infrastructure concerns, improvements, and other property issues that affect Autobahn.

Developing the club was an intricate task. The Army Corps of Engineers raised a variety of issues. There were easements to consider, pipeline concerns, and countless matters to address with the city of Joliet. Even though the property was annexed to Joliet, the surrounding roads belonged to the county, so Hansen needed to negotiate with them as well. He has performed much of the project’s significant

work and all of its local work.

“We were thrilled to have Mike on the team,” says Timothy W. O’Donnell, a Vedder Price tax lawyer who was one of four visionaries behind the Autobahn concept, an idea that had not been tested before in the Midwest.

O’Donnell says Hansen has very high moral standards, and he always acts as a good citizen. “His connections and the inroads he knows within the city and in the county really gave our project and the Autobahn team instant credibility,” O’Donnell says.

Serving the Needs of Smaller Clients

Hansen serves various clients, large and small, needing help with a broad range of transactions.

For instance, he represented a local church that bought a piece of property to develop a new church. A Chicago developer agreed to buy the church’s former property with the assistance of a TIF district, a development agreement, and representation before the city of Joliet and other bodies.

He represented a client who intends to bring a trucking terminal to Joliet. And he represented a business that wanted to move from Will County to buy a building in Gardner, a village in Grundy County. The transaction involved 7 acres of property and four buildings; it required

a split-off sale with many title and easement concerns and additional work with the village.

He handled the sale of a day care center, a travel agency, and some team units at Autobahn Country Club. In another matter, he represented a chiropractor wanting to purchase a practice.

Hansen’s desire to help meet the needs of everyday local businesses drove him and three others in 2002 to study the feasibility of creating the First Community Bank of Joliet. The team sensed a void after a major Chicago bank bought one of the area’s leading banks, which had been locally owned and managed for 150 years.

Admittedly, it was a different time then, Hansen says. Within reason, people could walk into a bank, sign on the dotted line, and leave with a loan.

From nothing, First Community Bank of Joliet reached nearly \$1 billion in assets. It formed branches in Homer Glen, Plainfield, Burr Ridge, Channahon, and elsewhere. All was well until the end of 2008, when the banking industry changed. Even then, two years passed before a significant number of unsuccessful loans began to pop up.

Banking isn’t the friendly, hometown business it once was, now that regulators run the industry. The new model has caused the bank to experience a few growth pains.



The Hansen family enjoys a vacation last August. From left: Son Andrew; daughter Mary Catherine; Hansen; his wife, Elizabeth; and sons Kevin and Eric.

“Notwithstanding the issues that we’re facing,” he says, “we’re still very bullish on the bank, we’re still well capitalized, and we’re still doing fine. We’d like to be doing better, but we’re going to be around for the long haul.”

Hansen has an innovative way of encouraging his clients to do business with First Community Bank. Clients who are members of the bank’s loyalty club receive a 10 percent reduction on the attorney fee portion of each month’s bill.

His Record: Impressive at Empress

Much of Hansen’s success in private practice grew from his experiences with the Empress Casino. He had worked at the Herschbach firm for some of the eventual investors in the venture, including the late Tom Lambrecht, a second-generation owner of T.J. Lambrecht Construction.

Hansen recalls the night when Lambrecht approached him at dinner and described his fantastic idea of starting a casino. Setting one up back in the early 1990s was such a strange idea with such uncertain financial risks that most people would react: “You want to start a what?”

The Joliet casino had no reservations the day before it opened in June 1992, but the floors were flooded with people the next day. Hansen began working for Empress primarily to help expand to venues besides Joliet.

“I can’t tell you how many other locations I visited throughout the country, or people I was involved with, looking into, on behalf of the owners, whether or not we wanted to go there and get a gaming license,” says Hansen.

Nothing came to fruition except in Hammond, Ind., where Empress secured a license in 1994 before opening in 1996.

Although the Joliet casino had the biggest, longest, and most heavily negotiated annexation agreement to date in the area,

Hansen became more involved with real estate issues elsewhere.

The Hammond project required an agreement with the Hammond Port Authority that was essentially a rental license with a



At the Joliet Country Club Hole-in-One event in 2008. From left: Roger Claar; James Shanahan; Hansen; and James Roof

series of tangential real estate concerns. There were multiple real estate transactions and land acquisitions. Bridges had to be constructed so patrons could access the casino without disrupting traffic. When investigating other potential sites for Empress, Hansen also had to view the spots through his real estate and environmental law lenses.

Tim Lambert, the vice president for legal affairs for the central division at Caesars Entertainment, worked at the Herschbach firm as a law student when Hansen was a partner. Hansen recruited Lambert, a Joliet native, as an assistant in-house counsel at Empress when the business was expanding in 1995.

“When issues come up today, I go to the incredible number of binders of agreements that Mike put his blood, sweat and tears into from 1992 to 1996 when we opened and just try to figure out answers based on his work,” he says.

Lambert routinely sends real estate and corporate matters to Hansen.

“Everybody comes back with just glowing feedback, and they’re always thankful I sent them to him,” he says.

Lambert describes Hansen as the best lawyer in the area, in no small measure because of his work ethic, his energy level, and his professional integrity.

Hansen calls the Joliet and Hammond ventures two unbelievably big, grand slam home runs that will never be duplicated by any investment group in any business.

“People look back and say, ‘Oh, that was easy,’ because they made an awful lot of money. But it was a big risk, and they all ended up putting in \$2 million to \$3 million of their own hard-earned net worth and wealth to

this project, not knowing what would happen.”

When the investors agreed to sell Empress to Horseshoe Gaming in 1999, Hansen and the investors formed Empress Financial Group to see if they could duplicate their success. Their huge nest eggs and a lawsuit by a dissident owner eventually squelched the group’s enthusiasm.

Private Practice, Baseball, Community

At age 50, Hansen started his law practice in October 2001. He planned to work for a decade. “Here I am 10 years later still doing it and probably intending to for a while longer,” he jokes.

Though his bank work continues, the casino and baseball team are just memories now. Hansen dreamed up the idea of the Joliet JackHammers when Empress Financial Group was looking for investments and Joliet determined that a minor league baseball stadium could improve its quality of life. Mayor Art Schultz had long wanted a team, and the city manager wished for a vibrant downtown. The two married their interests and were happy to talk with Hansen and his local partners.

After discussing the business with the general manager of Schaumburg's minor league team, the owners decided to join the Northern League. The JackHammers were a hit from 2002 until the team's general manager left in 2006 to start his own team. So the majority owner took over baseball operations and four years later the investors sold.

Under new ownership, the Joliet Slammers joined the Frontier League and won the 2011 championship.

Hansen remains active in a dizzying number of professional and community organizations.

For a year and a half, he chaired the Will County Center for Economic Development, the county's leading pro-business group. Its executive director and large board help the 300-member center attract new businesses to the county and retain current businesses.

Managing what Hansen calls the area's "hospital wars" was his biggest challenge a few years ago when he was chair. Joliet's Silver Cross Hospital wanted a certificate to build a replacement hospital in New Lenox. Also, St. Joseph Medical Center opposed a plan by Edward Hospital of Naperville to put a hospital in Plainfield. Part of Hansen's role was to coordinate, organize, and direct individual opinions.

Currently, Hansen is vice chairman of the Silver Cross Foundation, which raises private funds to assist the hospital. Silver Cross opens in early 2012 at I-355 and Route 6 in New Lenox.

Hansen is also vice chairman of the Institute of Illinois Business Law, the state's group of leading corporate practitioners. The group allows lawyers to discuss their areas of professional concentration, to review legislation, and to suggest how Illinois corporate and business law can better attract and retain businesses. The institute is affiliated with Chicago-Kent College of Law.

Suzanne L. Saxman, chair of the mergers and acquisitions group at Seyfarth Shaw, says Hansen stays on top of legal developments far beyond his day-to-day practice so he can suggest alternatives to clients.

Hansen has called upon Saxman since the early 1990s, sometimes as outside counsel

but also for behind-the-scenes work involving real estate finance, joint ventures, strategy, or transaction structuring. He nominated her for institute membership.

"Seeing Mike in action there, I really see how he's not just hiding under a mushroom in Joliet," she says. "He's out there staying on top of his game, being involved as a legislative liaison, and remaining very plugged in politically."

Hansen has many other interests and causes.

He is a member of the boards of advisers for Lewis University and the University of St. Francis. He has ties to Joliet Catholic Academy, where he once served as board president. He has been on the board of the Franciscan Learning Center, a small preschool. He has helped the Crisis Line of Will County and the Red Cross.

Thirty-two years ago, Hansen married his wife, Beth, who is a speech pathologist at the Troy School District. They have four children: Kevin, 30, a theology teacher at Mount Carmel High School in Chicago; Eric, 28, who is in sales at City Beverage in Markham; Andrew, 26, a TV reporter in Springfield for WICS, the Channel 20 ABC affiliate; and Mary Catherine, 19, a sophomore at the University of St. Thomas in Houston, who plays on the basketball team.

How does Hansen do it? He points to the good fortune of having an excellent group of assistants including Cindy—an office manager and assistant who has been with him for 20 years—and his three other assistants, Barb, Carol and Karen.

Joliet City Manager Tom Thanas has known Hansen for 30 years, including through four months of daily contact when Thanas was Joliet's city attorney and Hansen negotiated for Empress. Nowadays, when they have business, they have highly organized meetings at 6:30 a.m.

"I drive by his office to go to work," says Thanas, "and I always know Mike is at his office before I can get to mine."

Thanas thinks Hansen does an excellent job representing clients in real estate and other transactions. Hansen excels at handling the business deal first to be certain it makes good business sense. Only then, Thanas says, will Hansen focus on the political deal to ensure that the city staff is fully engaged and supports what his client wants to do. Hansen always avoids surprises and makes sure council members have the details they need before a meeting.

"Mike is a Joliet resident," says Thanas, "and he's not going to represent a client and advocate anything that would hurt Joliet." ■