Omaha Municipal Land Bank Board

MINUTES

Wednesday, February 11, 2015

Regular Meeting:
9:00 AM, Jesse Lowe Conference Room – 3rd Floor
Omaha/Douglas Civic Center
1819 Farnam Street

Meeting Minutes: This document states the minutes before the Omaha Municipal Land Bank Board at their Public Hearing and Administrative meeting held on Wednesday, February 11, 2015.

Certification of Publication: Omaha Municipal Land Bank Board Administrator certifies publication of this agenda in the Daily Record, the official newspaper of the City of Omaha on Wednesday, February 4, 2015.

Members Present:

Tom McLeay, Chairman
Jamie Berglund, Vice Chair
Spencer Danner
Ken Johnson (late)
Cathy Lang
Randy Lenhoff
Scott Semrad
John Heine
Julia Plucker (late)
Julie Stavneak
James Thele, Planning Director

Members Not Present:

Diane Battiato
Mike Riedmann

Staff Present:

Alan Thelen, City Law Department
Jennifer Taylor, City Law Department
Debbie Hightower, Recording Secretary
PUBLIC MEETING:

Tom McLeay, Chair, called the meeting to order at 9:00am, introduced the voting and non-voting board members, as well as the City staff. Roll call was taken with 11 board members present (Diane Battiato and Mike Riedmann were absent).

McLeay stated that the Nebraska Open Meetings Law is in effect and a copy is available in the room for review. McLeay informed the public that a notice of the meeting was published on February 4, 2015 and was verified by Debbie Hightower, Recording Secretary. He stated that copies of the agenda are located in the back of the room and went on to explain the procedures of the meeting.

Motion by Cathy Lang to approve the minutes from the January 14, 2015 meeting and the January 20 and January 21, 2015 meeting and training sessions. Randy Lenhoff seconded the motion.

AYES: Johnson, Danner, Lenhoff, Semrad, Lang, Berglund, McLeay
MOTION CARRIED: 7-0

Lang informed the board that Jamie Berglund has requested to be removed from the Policy and Procedures Sub-Committee because of her commitment to the Executive Director search.

Motion by Cathy Lang to allow Jamie Berglund to be removed from the Policy and Procedures Sub-Committee. Jamie Berglund seconded the motion.

AYES: Semrad, Lang, Berglund, Johnson, Danner, Lenhoff, McLeay
MOTION CARRIED: 7-0

Lang requested that the Policy and Procedures Sub-Committee remain as is with the three remaining members: Danner, Plucker and Lang.

Lang provided a draft of several policies that were formulated with the assistance of the City Attorney’s office. The policies include: 1) Automatically Accepted Bid, 2) Sale of Property, 3) Ethical Guidelines and Conflict of Interest Rules, 4) Reporting Requirements, 5) Public Engagement, and 6) Relationship with Land Reutilization Authority (LRA) of Douglas County. Lang asked that board members provide input within the next couple of weeks. The committee will get together before the next meeting and have a formal draft ready for review so the board can consider voting on the policies at the March meeting. This would give the board some basic framework and an opportunity to act on certain policies. She pointed out that all policies can be amended in the future especially with an Executive Director in place.

Berglund reported that the Executive Director Search Committee has met three times recently and has many qualified candidates but would like to explore the opportunity to use the assistance of a search firm to move the process forward. She stated that the names of the candidates will not be shared until the final process according to the Open Meetings Law. Berglund added that a private donor is willing to cover the cost of a search firm. The search firm will offer qualified candidates but is not a decision maker; the board will be the decision maker for the Executive Director.
Director. The current candidates/applicants will also be considered along with the candidates obtained from the search firm. Berglund stated that the City Attorney’s office will meet with the committee, Chair and the donor to assure that the correct process is being followed, transparent and open with the public particularly with the media as the hiring process advances to the top finalists. Berglund concluded that the committee will figure out a process for the finalists to be shared at the April board meeting. Semrad agreed that the search firm will broaden the pool of potentially strong candidates.

McLeay confirmed that the final candidates would be identified and shared at a public meeting or a possible press release but the final decision is up to the board. Johnson suggested that all final candidates understand that their name will be made public. Lang had concerns delegating the search selection to the search firm. Berglund stated that the committee will provide the search firm with qualifications and recommendations.

Thelen, City Attorney, stated that applicants generally have a strong interest in maintaining confidentiality as much as possible. The Public Records law requires the disclosure of all public records but there are many exceptions. He offered to research the specifics and report back to the board.

Johnson stated that there are presently approximately 30 applicants and raised concerns about the confidentiality of the candidates through the public domain. Thelen recommended maintaining the confidentiality of all candidates.

Danner reported that a bank account has been opened with Mutual of Omaha Bank at a .85% rate for six months and will revert to the market rate. The account is a simple depository account with signors being McLeay, Danner and Berglund. The Land Bank now has an EIN number. He further stated he requested a governmental information letter from the IRS. Danner suggested that one of the three signors be able to endorse checks for deposit. Thelen, City Law, agreed.

Motion by Randy Lenhoff to authorize one person to endorse checks for deposit. Ken Johnson seconded the motion.

AYES: Berglund, Johnson, Danner, Lenhoff, Semrad, Lang, McLeay
MOTION CARRIED: 7-0

In response to Danner, Thelen stated that City funds for the Land Bank are $150,000.00 for the calendar year. The plan of the agreement would be that $75,000.00 of the funds would be sent to the Land Bank upon execution of an agreement and the remaining $75,000.00 will be disbursed throughout the year based on spending funds.

McLeay confirmed that an agreement will spell out how the funds will be disbursed. In response to McLeay, Thelen addressed that the Law Department represents the City and also provides legal services to the Land Bank. There is a possible conflict of interest in case the Land Bank’s interest conflicts with the City. Ethical rules require the disclosure of a possible conflict of interest. A contract will reflect the intent of both parties but if a conflict of interest occurs then the Law Department would need to bow out. McLeay suggested that a draft of the agreement be provided to the board. Thelen agreed to provide a draft of the grant agreement at the next
meeting.

In response to Lang, Danner stated that the 501C3 information letter will go to donors and grantors. McLeay further stated that the 501C3 designation will need a motion and most likely will be on next month’s agenda. The Land Bank organization will be a likely candidate for receiving the 501C3 designation but there is a procedure to go through. After applying for a 501C3, the IRS will review and indicate in a letter thus making the donors somewhat comfortable in making donations which will be tax deductible by the end of the year.

In response to Berglund, Danner responded that the Finance Committee would discuss the operation budget after the March meeting.

Johnson asked what amount of money will be allocated for relocation expenses as part of the budget. Danner responded that it will depend on the situation with regard to the Executive Director and possible support from the donors.

Berglund reported that the second training session will be held on Friday, March 13th at UNO’s Mammel Hall. The Executive Director of the Cuyahoga Land Bank along with other staff and a representative with Thriving Communities will be doing the all-day training session. They will be touring the community on Thursday and get a look at the challenges in the community. McLeay added that the training will be a public meeting.

Berglund stated that Habitat for Humanity has had an ad hoc Land Bank for a few years and there is a need to figure out how the Land Bank can partner with them. Another group is Rebuilding Together who has traditionally focused on repairs and remodels for owner occupied housing for elderly and disabled individuals; however, they are looking to secure new financing for families in North and South Omaha but would like to explore how the Land Bank can partner with them. Barry Larson is the director of The Builder Foundation, a non-profit corporation, which did Southern Valley Townhomes project, 18th & S Street, and is looking to do more multi/single-family development in South Omaha and is looking for partnership opportunities. Other possible provider opportunities would be OHA, other private developers and individual neighborhood/community groups. Berglund added that another opportunity would be with Wells Fargo which has shared information about programs on real estate owned property. In other communities they have programs where they deed the land over and also give up to $10,000 to the Land Bank for demolition.

Semrad questioned if it would be appropriate to discuss the Land Bank with a group. McLeay responded that without an Executive Director to focus and collaborate discussions along with the policy and procedures there will be a need to have an initial discussion with regard to group meetings. McLeay encouraged the board to make it clear that they are merely a member of the board and are not speaking for the Land Bank itself. He suggested that any board member notify him if they are speaking before a group so there can be an accounting of what the public relations are at the time.

Johnson stated he was recently questioned about the relationship between the LRC and the Land Bank and politely responded that he is not sure and cautioned that the board be extremely careful of any discussions. Berglund responded that speaking with groups is a good way to build
relationships and is a great opportunity to ask for opinions as a public engagement strategy. By being a community advocate and listening, ideas can be brought back to the board which in return will give the Executive Director a head start. Danner agreed that there would not need to be a policy or procedure with regard to speaking to groups. McLeay added that the public wants an opportunity to be heard and voice their opinion.

Dave Schreiner, Executive Director, Land Reutilization Commission (LRC), appeared before the board. Schreiner requested that he be involved with the LRC portion of the policies and procedures. Lang agreed to reach out to Schreiner to schedule a time that he could be a part of the LRC portion.

Patrick Sward, Benesch Engineering, 14748 West Center Road, appeared before the board. Sward questioned if appropriate environmental policies are being addressed before land is acquired. Berglund stated that funding resources will be for basic operations (GIS, accounting system, salary, communications, strategic plan) but the board will have to decide how much the land will be prepped for developers including environmental analysis or market/feasibility studies. Lenhoff pointed out that Phase I should seriously be considered in the budget because the Land Bank could assume some liability. Thele added that the Planning Department performs an environmental review before acquiring property particularly if it is residential but a Phase I would be performed if the property is beyond residential.

In response to Johnson, Lang confirmed that the policies previously listed will be sent to the board members for review and any comments or suggestions would need to be received by February 25th via e-mail. The Policy and Procedures Sub-Committee will meet and go over the final draft before the March 11th meeting.

It was the consensus of the Board to adjourn the meeting at 10:00am.