Meeting Minutes: This document states the minutes before the Omaha Municipal Land Bank Board at the Public Hearing and Administrative meeting held on Wednesday, September 14, 2016.

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, September 7, 2016.

Members Present: Jamie Berglund, Chair
                 Cathy Lang, Vice Chair
                 Tom McLeay
                 Randy Lenhoff
                 Ken Johnson
                 Rob Woodling
                 John Heine
                 Julie Stavneak
                 Diane Battiato
                 Julia Plucker
                 James Thele, Planning Director

Members Not Present: Mike Riedmann

Director Present: Marty Barnhart, Executive Director

Staff Present: Jennifer Taylor, City Law Department
              Debbie Hightower, Recording Secretary

PUBLIC MEETING:

Jamie Berglund, Chair, called the meeting to order at 9:00am.
Roll call was taken with twelve (12) board members present (Mike Riedmann was absent). Cathy Lang, Julia Plucker and James Thele arrived late.

Berglund informed the public that a notice of the meeting was published in the Daily Record on September 7, 2016. Berglund stated that the Nebraska Open Meetings Law is in effect and a copy is available in the room for review. She further stated that copies of the agenda are located on the table by the door.

Motion by Randy Lenhoff to approve the minutes from the August 10, 2016 meeting as submitted. Rob Woodling seconded the motion.

AYES: McLeay, Johnson, Lenhoff, Woodling, Berglund
MOTION CARRIED: 5-0

Marty Barnhart, Executive Director, referred to McLeay regarding the July 2016 financial reports. McLeay added that there has not been much activity since the previous month.

AYES: McLeay, Johnson, Lenhoff, Woodling, Berglund
MOTION CARRIED: 5-0

Barnhart stated that the Acquisition, Disposition and Maintenance Policies have been reviewed by the Acquisition Committee and are ready for approval. In response to Berglund, Barnhart summarized that the Acquisition Policy is a data driven model with regard to distressed properties (tax foreclosed, condemned, donated, bank owned or tax lien certificates) for redevelopment; the Disposition Policy will assist individuals through the disposition process of acquiring property owned by the Land Bank; and the Maintenance Policy will govern the maintenance of property acquired by the Land Bank. Barnhart added that property disposed of by the Land Bank would require a property owner to redevelop the acquired property within two years with quarterly check-ins. The board had a discussion regarding the two year window for redevelopment.

Motion by Cathy Lang to approve the Acquisition, Disposition and Maintenance Policies as submitted. Randy Lenhoff seconded the motion.

AYES: McLeay, Johnson, Lenhoff, Lang, Woodling, Berglund
MOTION CARRIED: 6-0

Barnhart reported that there were five RFP’s presented to the committee (John Heine, Franchell Abdalla, Marty Barnhart) regarding the Communications/Marketing request. He stated that the committee recommends OBI Creative for the communication and marketing company for the OMLB due to their concept and design elements as well as a strong creative team. Mr. Heine added that he was impressed with OBI Creative because of their ideas and the work they performed before getting the award.
Motion by Cathy Lang to approve the Communication/Marketing RFP Award to OBICreative. Ken Johnson seconded the motion.

AYES: McLeay, Johnson, Lenhoff, Lang, Woodling, Berglund
MOTION CARRIED: 6-0

Barnhart discussed the tax lien certificates that were invested in March 2016. He stated that there is concern regarding the $20.00 county fee for each tax property. After further discussion, Jennifer Taylor, City Law Department stated she believes the fee is a statutory fee and may need to be dealt with on a legislative level. Ms. Taylor agreed to investigate and report back.

Barnhart referred to the property tax lien list with regard to subsequent taxes that are currently due. He stated that if the OMLB is the first bidder then there is a foreclosure right at the end of three years if the property is still delinquent. The OMLB does not have to invest in subsequent taxes but doing so will give a higher rate of interest on more money or 14% in a shorter amount of time by investing in the subsequent taxes. Mr. Barnhart stated that at the end of the three year period, there would be an additional $22,152.56 from the $66,000.00 that was originally invested.

Berglund suggested that a due diligence strategy be put into place to determine which properties from the pool are more likely to pay. In response to Berglund, Barnhart responded that taxes and the type of taxes along with mortgage liens will be the motivators for someone to pay. Most properties, especially the lower dollar liens will be vacant lots and in target areas. Barnhart recommended looking at taxes compared to value and check with the Register of Deeds for mortgages. He further that stated it is better dollars spent now to earn the interest rather than money paid at the end. The board further discussed the option to invest in subsequent year taxes. Barnhart requested approval of the subsequent year taxes of $22,152.56 for 55 properties in order to move forward to continue the investment.

Motion by Randy Lenhoff to approve the acquisition of subsequent year taxes for $22,152.56. Cathy Lang seconded the motion.

AYES: McLeay, Johnson, Lenhoff, Lang, Woodling, Berglund
MOTION CARRIED: 6-0

McLeay suggested that there be a discussion at the October meeting regarding legislation for the OMLB. Julia Plucker added that this is the time of year to discuss legislative items. Barnhart added that the legislative items to discuss at the October meeting would include tax bundling and LRC properties.

Barnhart stated that the by-laws dictate that the OMLB conduct an annual audit. Jeremy Vokt, Bland and Associates appeared before the board regarding an audit. Mr. Vokt stated that his firm cannot audit their own work and suggested that the OMLB get clarification regarding an audit with the City Finance Director. After further discussion by the board, Barnhart agreed to confer with the City and also get bids for an audit.
Barnhart reported that the database should be launched by the October meeting. The biggest dilemma in assembling the inventory has been property insurance. He stated there are two insurance quotes to review, the OMLB budgeted $10,000.00 annually for insurance but the premiums are coming in at $2,000.00 per year which is based on a per acre/property basis. The insurance is liability insurance only and not homeowners insurance. He further added that the insurance can be updated electronically when new properties are added to the database.

Barnhart reported that he has been speaking at numerous venues and continues to assure the public that they do not need to fear the Land Bank which has no power of eminent domain. He further reported that he will be attending a fundraising school and a Center for Community Progress conference in Baltimore, Maryland.

Barnhart reported that there has been an individual identified for District #4 pursuit to the Mayor and City Council’s approval.

McLeay suggested that there be an item regarding projected fundraising for 2017 on the October agenda. Barnhart agreed. Woodling questioned if other taxing jurisdictions should be approached for funding regardless of amount. Berglund suggested tapping into Federal resources as well.

A presentation regarding lead and lead based paint was presented by J. Patrick Sward, Highway Environmental Biologist with Benesch Engineering.

Julie Smith, One Omaha, appeared before the board. One Omaha assists neighborhood groups. She questioned whether the Land Bank will consider the support/approval of a City registered neighborhood association for a change in use for a proposed property (Disposition Policy, Page 1, B. Offer). Barnhart agreed that developers need to be in communication with neighborhoods/alliances in order to be a part of the understanding of what may happen in their neighborhood. Berglund stated it is important to note that neighborhood associations are an important part of the decision making mechanism but is not the only decision factor. The process is designed to prevent obstacles. Woodling pointed out that the transfer for a use that would require a change in the zoning classification, may be conditioned upon the OMLB’s receipt of a written statement.

Smith questioned if a developer will be required to meet with a neighborhood association or is it a case by case situation. In response, Barnhart stated that every piece of diligence would be helpful and it will come down to the best use for the property. Smith stated there are certain neighborhood associations that will be more concerned regarding certain development. Berglund suggested that if a neighborhood association has any concerns they are welcome to attend a board meeting or meet with a board member.

Smith stated that there are not many neighborhoods with active neighborhood plans (Disposition Policy, Page 3, C.1.). James Thele pointed out that there are a number of redevelopment plans. Berglund stated that the definition of plans are very broad as it pertains to the City’s plan therefore any kind of community group with a plan would need to be considered. Smith
suggested working with Barnhart to unify neighborhood groups to come up with a plan before Land Bank properties are distributed to developers.

It was the consensus of the Board to adjourn the meeting at 10:17am.

Debbie Hightower, Planning Department
Recording Secretary