

OMAHA MUNICIPAL **LANDBANK**

Disposition Strategy

September 23, 2022

BACKGROUND

Timeline

In the Winter of 2022 the City of Omaha began the process of creating the first Housing Affordability Action Plan. The extensive engagement done by the City and RDG Planning & Design as part of this process was a launching point for further discussion on OMLB's strategy for lot disposal (disposition strategy).

Clarification Needed When Facing Multiple Requests

While OMLB's existing mission and priorities continue to remain valid, they do not address specific issues around the sell of lots. When multiple community partners or individuals that fit within OMLB's mission have an interest in a lot, what is the most transparent process for deciding who to sell the lot to?

Clarification On When To Hold Lots

In addition to multiple offers, OMLB leadership also understands the great opportunities that can be created by holding lots for future development. Current policies and priorities provide little direction on when to hold lots. With little direction also came a lack of transparency.

Through this process, OMLB looks to gain feedback from community members and develop a strategy for lot disposition that is transparent and easy to understand.

LANDBANK POLICIES

Existing Mission & Priorities Remain Valid

The mission of the Omaha Municipal Land Bank (OMLB) is to serve as a catalyst for transforming distressed properties into community assets. Acquisition priorities are based on property types, focal areas, property market, and expected maintenance costs. OMLB prioritizes acquisition of property lots or structures facing immediate needs, such as abandoned or dangerous housing, those in specific neighborhoods in North and South Omaha that intersect with other plans or focuses, properties where buyers have interest, and properties to be maintained by partners or that have below average annual costs. Nothing about the current planning process changes OMLB's emphasis on property preparation, disposition, and partnerships that are strategic, collaborative, impactful, and transparent.

Legal Considerations

The Nebraska Municipal Land Bank Act requires that properties disposed of by the land bank shall consider:

- Consistency with the surrounding neighborhood
- Mitigation of current harmful effects on the neighborhood (caused by the property)
- Prevention of future harmful effects on the neighborhood
- If the long-term user of the property is the transferee
- If the development plan is compliant with zoning
- If the end use is consistent with local development plans

High Level Priorities

OMLB established general criteria for the sale of properties:

- Supports neighborhood development plans
- In historically red-lined neighborhoods where investments will support wealth building for legacy residents
- Supports affordable housing
- Eliminates blight
- Stabilizes neighborhoods and preserves property values
- Mixed-income development
- Development leverages federal, state or local housing program financing
- Adjacent property owner

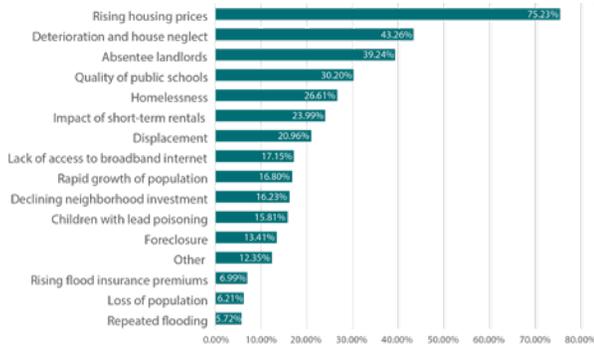
OMAHA AFFORDABILITY ACTION PLAN

OMLB Disposition Strategy has taken into consideration the public input that has been provided during the City’s Housing Affordability Action Plan process. Learn more about the public input and initial findings at the City of Omaha Urban Planning’s website (<https://urbanplanning.cityofomaha.org/master-plan/affordable-housing-reports>)

Online Survey

The Omaha Housing Affordability Action Plan online survey was launched on April 12, 2022 and closed in July 2022. The survey received over 1,900 responses.

What housing issues are impacting Omaha?



43% OF RESIDENTS ARE CONCERNED ABOUT DETERIORATION AND HOUSING NEGLECT

7 OPEN HOUSES
35 LISTENING SESSIONS
ENGAGING OVER 500 RESIDENTS.

DISPOSITION STRATEGY ENGAGEMENT

Four meetings were held over the Summer of 2022:

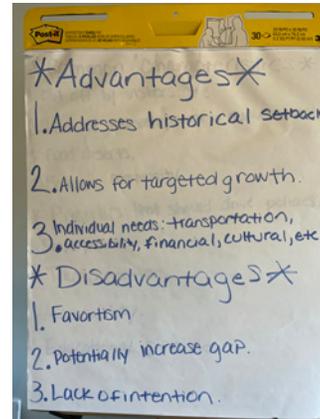
June 6th: OMLB Ambassadors were engaged to discuss approaches to the Disposition Strategy.

June 24: OMLB Donors were provided an update on the process and asked for their feedback.

June 28 & 30: Two listening sessions were held with Community Partners.

July 13: The draft strategy was presented to the OMLB Board.

September 10 & 13: Open Houses



JUNE 6, 2022
AMBASSADOR INPUT

What participants desired in their next home:



HOME IN AN ACTIVE NEIGHBORHOOD (76 votes)



ACCESS TO PUBLIC TRANSIT (74 votes)

Assets your neighborhood should have:



GROCERY STORE (88 votes)



ENTERTAINMENT (54 votes)



DAYCARE (47 votes)

RESULTS OF INPUT

Identified three categories of lots and the need to create a strategy/process around these lots:

- A. Lots adjacent to large redevelopment projects/areas
- B. Lots adjacent to other OMLB or City-owned lots
- C. Stand alone lots (neither A or B)

Obstacles to living in Omaha:

- Housing in poor, unsafe, unmaintained conditions
- Finding desirable community/location

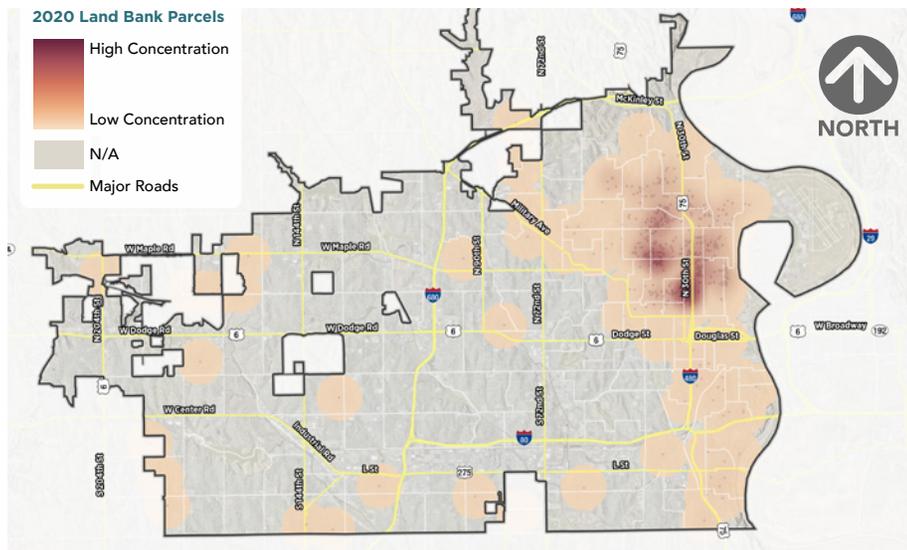
LOT CATEGORY A: LOTS ADJACENT TO LARGE REDEVELOPMENT PROJECTS/AREAS

These are lots that are within ¼ mile of an existing or known large redevelopment project:

- The potential to build on the momentum and investment risk these developments are taking in a neighborhood should be prioritized
- For these reasons, these lots should be held for assembly with this project or spin-off projects
- Priority would be given to the developer of these projects if they meet OMLB’s overall priorities

Considerations/Definitions:

- Large Scale - projects that encompass a minimum of a three (3) block area
- Funding has been secured
- Other lots or land have been secured
- If there been movement on the project in the previous 3 to 5 years (securing property or funding)
- The project would be under construction in less than 3 years



LOT CATEGORY B: LOTS ADJACENT TO OTHER OMLB OR CITY-OWNED LOTS

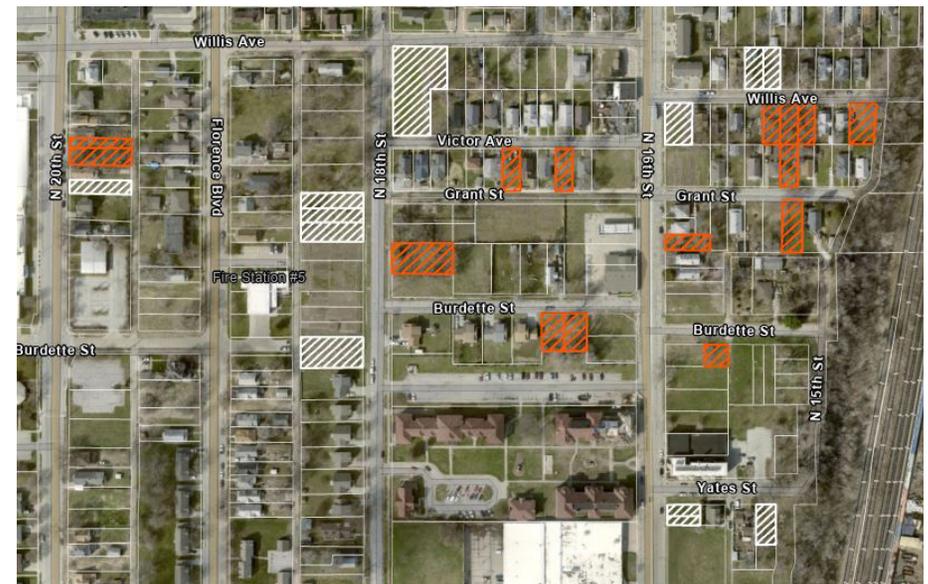
These are lots that are within 300 feet of an existing or known OMLB or City-owned lots:

- There is potential for these lots to be assembled into larger scale projects or to provide an economy of scale for a development
- For this reason, these lots should be held for assembly

Considerations/Definitions:

- Need to proactively identify potential lots within 300 feet of existing OMLB- or City-owned lots that OMLB could acquire for easier assembly and impact.

OMLB Lots (orange) City Lots (white)



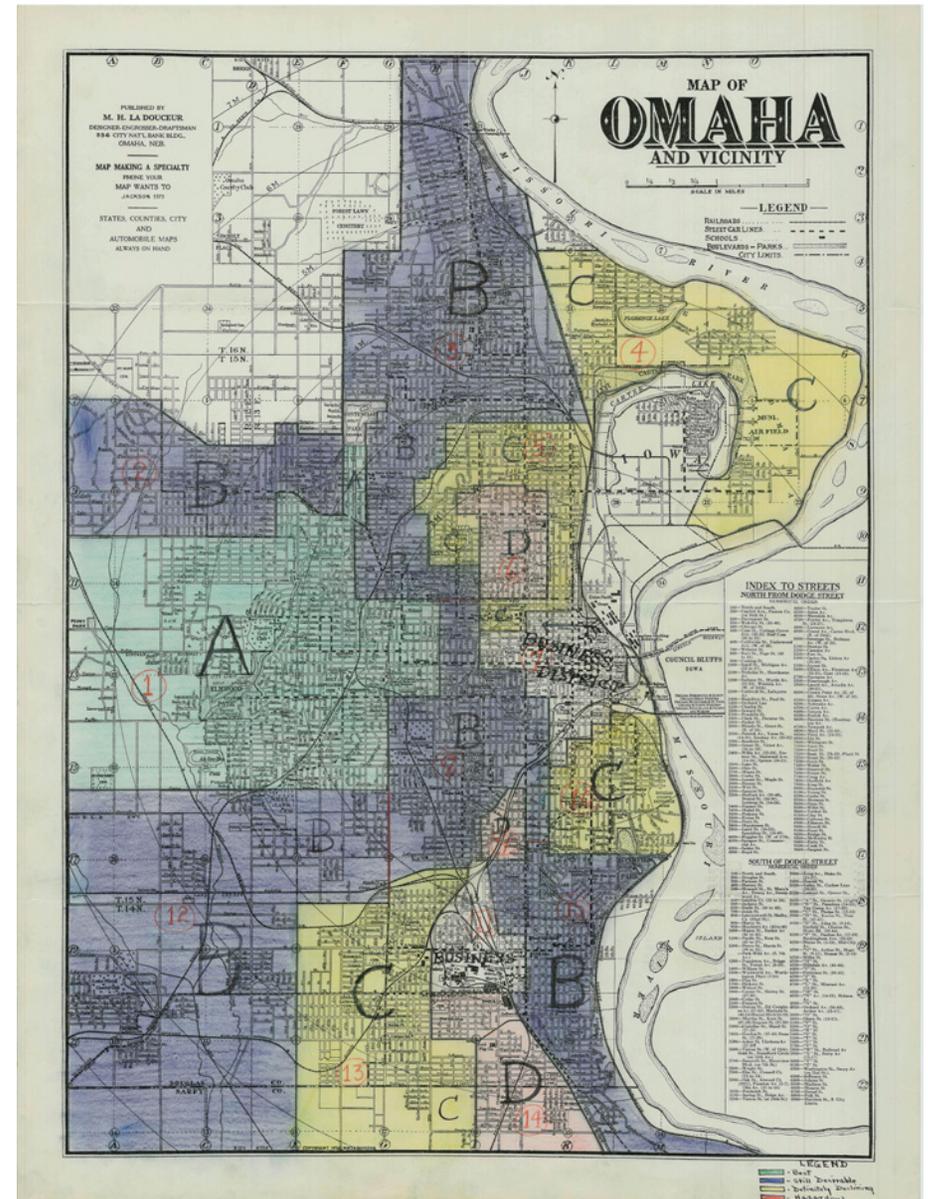
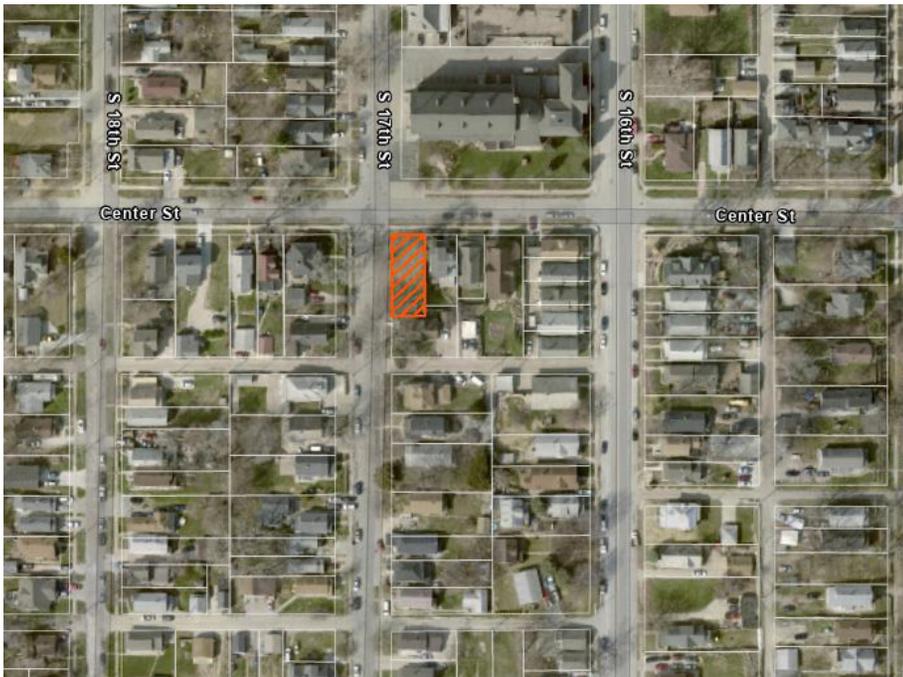
LOT CATEGORY C: STAND ALONE LOTS

These lots are not within a ¼ mile of another OMLB lot or large redevelopment project. For these lots, and Category B lots, the primary priority will continue to be placed on using buildable lots for new structures (inline with existing OMLB mission and guidelines).

Building upon this priority, for lots within historically Redlined areas, a resident from that area would be given first priority. For lots with multiple offers, buyers will be prioritized as follows:

1. Neighborhood Residents & Adjacent Property Owners (lives within 2 miles of the lot)
2. Local Non-Profits that works in the Neighborhood
3. Local (Omaha Metro) developers

Isolated OMLB Lot



Redlining was the discriminatory practice of denying services and financing within neighborhoods that had higher concentration of certain racial and ethnic groups based on maps produced by the Home Owners' Loan Corporation (HOLC).

OPEN HOUSE COMMENTS:

The following are a list of comments posted at the Open houses:

Category A:

- Large dev. need to co-operate with smaller devs to create unique yet cohesive properties to transition between new and old buildings.
- Support small devs in collaboration with community and large development priorities and ACI, agrihood, and cultural centers
- Coordinate with community to determine areas of significance before holding
- Community input/neighborhood association input

Category B:

- Give priority for someone who is from the community instead of developer coming from other states/cities
- These assemblies should prioritize areas of civic, cultural, and communal significance to ensure meaning to neighborhood

Considerations when assembling lots:

- Consider:
 - ACI: areas of civic importance
 - Adu: accessory dwelling unit
 - AHD: Agri-hood designation
 - CDA: Community development area

Category C:

- Don't like to see non-Omaha developers come in and take over
 - Suggest removing them as a buyer option
- Call to auction - if a non-local developer is buying invite higher priority buyers (neighbors) to bid
- Allow development to smaller than 5K sq. ft. lots.
- Allow houses to be develop for tiny houses under 500 sq. ft.
- Allow development for unconventional housing to be developed like container housing (like in Lincoln, NE)
- Natural building demonstration sites - COB, Strawbale, Hempcrete
- Accessory dwelling units, sustainable housing, garden & farming efforts
- Alternative building materials; provide incentives for innovation

General:

- Clear communication on how to find properties available for sale
- Omaha Land Bank with a map including available properties
- How to help senior households with maintenance
- Need more small scale commercial