OMAHA MUNICIPAL LAND BANK

Policy No. 1

Automatically Accepted Bid

This Policy shall specify the criteria that must be met in order for the Omaha Municipal Land Bank ("OMLB") to give an automatically accepted bid as authorized in NEB. REV. STAT. §§ 19-5217 and 19-5218 (Supp. 2014).

(a) Criteria. An automatically accepted bid shall only be given for one or more of the following reasons (NEB. REV. STAT. §§ 19-5205(11) and 19-5210(5)(Supp. 2014)):

1. The real property substantially meets more than one of the following criteria as determined by two-thirds of the voting members of the board:

   (a) The property is not occupied by the owner or any lessee or licensee of the owner;

   (b) There are no utilities currently being provided to the property;

   (c) Any buildings on the property have been deemed unfit for human habitation, occupancy, or use by local housing officials;

   (d) Any buildings on the property are exposed to the elements such that deterioration of the building is occurring;

   (e) Any buildings on the property are boarded up;

   (f) There have been previous efforts to rehabilitate any buildings on the property;

   (g) There is a presence of vermin, uncut vegetation, or debris accumulation on the property;

   (h) There have been past actions by the municipality to maintain the grounds or any building on the property; or

   (i) The property has been out of compliance with orders of local housing officials;
(2) The real property is contiguous to a parcel that meets more than one of the criteria in section (1) above or that is already owned by the OMLB; or

(3) Acquisition of the real property by the OMLB would serve the best interests of the community as determined by two-thirds of the voting members of the board. In determining whether the acquisition would serve the best interests of the community, the board shall take into consideration the hierarchical ranking of priorities for the use of real property conveyed by OMLB as may be established by resolution or ordinance of the Omaha City Council. In the absence of such resolution or ordinance, the board may consider priorities for the use of the property including, but not limited to, the following:

(a) Use for purely public spaces and places,

(b) Use for affordable housing, and

(c) Use for retail, commercial, and industrial activities.

(b) Amount of bid. The amount of the automatically accepted bid to be submitted shall be the total amount of taxes, interest, and costs due on the real property. (NEB. REV. STAT. §§ 19-5217(1)(a)(ii) and 19-5218(1)(a)(i)(Supp. 2014).)

Approved by the Board by vote of at least two-thirds of the voting members, on March 11, 2015.

[Signature]
Secretary
OMAHA MUNICIPAL LAND BANK

Policy No. 2

Sale of Property

This Policy shall state the general terms and conditions for consideration to be received by the Omaha Municipal Land Bank ("OMLB") for the transfer of real property and interests in real property.

(a) **Value of more than $25,000.** The sale, lease, encumbrance, or alienation of real property or improvements thereon, with a value of more than $25,000, shall occur only upon the approval of a majority of the voting members of the board. For purposes of this policy, "value" shall mean fair market value. Upon such board approval, the executive director shall be authorized to enter into and execute agreements, instruments of conveyance, and all other related documents pertaining to the conveyance of real property or improvements by the OMLB. (NEB. REV. STAT. §§ 19-5205(9)(e), 19-5210(6)(Supp. 2014).)

(b) **Value of $25,000 or less.** The executive director shall have the authority to enter into and execute agreements, instruments of conveyance, and all other related documents pertaining to the sale, lease, encumbrance, or alienation of real property or improvements thereon with a value of $25,000 or less, without need for board approval. (NEB. REV. STAT. §19-5210(6)(Supp. 2014).)

(c) **Consideration received.** The consideration to be received by the OMLB in return for the transfer of real property and interests in real property may take the form of monetary payments and secured financial obligations, covenants and conditions related to the present and future use of the property, contractual commitments of the transferee, and such other forms of consideration as determined by the board to be in the best interest of the OMLB. (NEB. REV. STAT. § 19-5210(3)(Supp. 2014).)

(d) **Transferee and future use.** In determining the proposed transferee, and the content of any covenants, conditions, or contractual commitments to be required regarding the present and future use of real property to be conveyed by the OMLB, the board shall comply with the Nebraska Municipal OMLB Act, and shall consider the following factors and priorities, which are not listed in any particular order (Omaha Municipal Code § 2-241):

(1) Consistency with the existing land use characteristics of the surrounding neighborhood;

(2) Whether the use will terminate or mitigate current harmful effects on the surrounding neighborhood caused by the property;
(3) Whether the use will prevent future harmful effects on the neighborhood caused by the property; and

(4) Whether the eventual long term user of the property is identified and is the same as, or has some contractual or other close relationship to, the proposed transferee.

Approved by the board on [March 11], 2015.

[Signature]
Secretary
OMAHA MUNICIPAL LAND BANK

Policy No. 3

Ethical Guidelines and Conflict of Interest Rules

This Policy shall address conflicts of interest and ethical guidelines applicable to board members and employees of the Omaha Municipal Land Bank ("OMLB").

(a) Interest in property or contract prohibited. No member of the board or employee of the OMLB shall acquire any interest, direct or indirect, in real property of the OMLB, in any real property to be acquired by the OMLB, or in any real property to be acquired from the OMLB. No member of the board or employee of the OMLB shall have any interest, direct or indirect, in any contract or proposed contract for materials or services to be furnished or used by the OMLB. (NEB. REV. STAT. § 19-5215(1)(Supp. 2014).)

(b) Definition of conflicts of interests. A conflict of interest will be deemed to exist whenever an individual is in the position to approve or influence OMLB policies or actions which involve or could ultimately harm or benefit financially: (a) the individual (b) any family member (spouse, domestic partner, grandparents, parents, children, grandchildren, great grandchildren, brothers or sisters (whether whole or half-blood), and spouses of these individuals); or (c) any other organization in which he/she or a family member is a member, trustee, director, employee, partner or owner of more than 10% of the total (combined) voting power.

(c) Disclosure of conflicts of interest. A board member shall disclose a conflict of interest: (a) prior to voting on or otherwise discharging his/her duties with respect to any matter involving the conflict which comes before the board or any committee; (b) prior to entering into any contract or transaction involving the conflict; (c) as soon as possible after the board member or employee learns of the conflict; and, (d) on the annual conflict of interest disclosure form. The secretary of the OMLB shall distribute annually to all board members a form soliciting the disclosure of all conflicts of interest, including specific information concerning the terms of any contract or transaction with the OMLB and whether the process for approval set forth in this policy was used. Such disclosure form may require disclosure of other relationships that may not constitute an actual conflict of interest, but which are required to be disclosed in order for the OMLB to comply with its annual reporting requirements.

(d) Approval of contracts and transactions involving potential conflicts of interest. A board member who has or learns about a potential conflict of interest should disclose promptly to the executive director of the OMLB the material facts surrounding any potential conflict of interest, including specific information concerning the terms of any contract or transaction with the OMLB. All effort should be made to disclose any such contract or transaction and have it approved by the board before the arrangement is entered into. Following receipt of information concerning a contract or transaction involving a potential conflict of interest, the board shall consider the material facts concerning the proposed contract or
transaction, including the process by which the decision was made to recommend entering into the arrangement on the terms proposed. The board shall approve only those contracts or transactions in which the terms are fair and reasonable to the OMLB and the arrangements are consistent with the best interests of the OMLB. Fairness includes, but is not limited to, the concepts that the OMLB should pay no more than fair market value for any goods or services which the OMLB receives and that the OMLB should receive fair market value consideration for any goods or services that it furnishes others. A board member with a conflict of interest as to a matter before the board or the OMLB shall not participate in nor vote on such matter.

(e) **Validity of actions.** No contract or other transaction between the OMLB and any other OMLB, firm, association or other entity or person with which a board member or employee has a relationship creating a conflict of interest shall be either void or voidable for this reason alone, if the material facts as to such board member’s or employee’s interest in such contract or transaction and as to any such common directorship, officership or financial interest are disclosed in good faith or known to the board and the board authorizes such contract or transaction by a vote sufficient for such purpose without counting the vote or votes of any such interested board member. Common or interested board members may be counted in determining the presence of a quorum at a meeting of the members of the board or committee which authorizes such contract or transaction. At the time of the discussion and decision concerning the authorization of such contract or transaction, the interested board member or employee should not be present at the meeting.

(f) **Employee conflicts of interest.** An employee of the OMLB with a potential conflict of interest in a particular matter shall promptly and fully disclose the potential conflict to his/her supervisor. The employee shall thereafter refrain from participating in deliberations and discussion, as well as any decision relating to the matter and follow the direction of the supervisor as to how the OMLB decisions which are the subject of the conflict will be determined. The executive director shall be responsible for determining the proper way for the OMLB to handle OMLB decisions which involve unresolved employee conflicts of interest. In make such determinations, the executive director may consult with legal counsel.

Approved by the board on **March 11**, 2015.

[Signature]
Secretary
OMAHA MUNICIPAL LAND BANK

Policy No. 4

Reporting Requirements

This Policy shall incorporate state law provisions requiring the board of the Omaha Municipal Land Bank ("OMLB") to provide periodic reports to the City of Omaha and to the Revenue Committee of the Nebraska Legislature.

(a) Monthly report. The board shall provide a monthly report to the City Council and to the Mayor of the City of Omaha. (Neb. Rev. Stat. § 19-5213(3)(Supp. 2014).) Each such monthly report shall contain at least the following:

(1) Minutes of all board meetings since the last monthly report.

(2) Current financial statements, including balance sheet and income and expense statement.

(3) Record of all real estate transactions conducted by the OMLB since the last monthly report.

(b) Annual report. The board shall provide an annual report to the City Council and to the Mayor of the City of Omaha and to the Revenue Committee of the Nebraska Legislature by December 31 of each year, summarizing the board’s activities for the year. (Neb. Rev. Stat. § 19-5213(3)(Supp. 2014).) The report submitted to the Revenue Committee shall be submitted electronically. The annual report shall consist of at least the following:

(1) Minutes of all board meetings since the last annual report.

(2) Current financial statements, including balance sheet and income and expense statement.

(3) Record of all real estate transactions conducted by the OMLB since the last annual report.

(c) Duty to submit. The monthly reports and annual reports shall be compiled and submitted by the executive director.

Approved by the board on March 11, 2015.

[Signature]
Secretary
OMAHA MUNICIPAL LAND BANK

Policy No. 5

Public Engagement

The purpose of this Policy is to ensure effective communication and engagement between the Omaha Municipal Land Bank ("OMLB") and the public. This is in accordance with Omaha Municipal Code § 2-240(e), which requires the OMLB to adopt the following:

Policies and procedures for ensuring effective communication between the OMLB and citizens and community groups interested in OMLB issues. Such policies shall provide procedures for the board and OMLB staff to keep the public informed of OMLB activities and to solicit input and advice from citizens and community groups such as neighborhood alliance groups and neighborhood associations affected by OMLB operations.

Approved by the board on March 11, 2015.

[Signature]
Secretary
OMAHA MUNICIPAL LAND BANK

Policy No. 6

Relationship with Land Reutilization Commission of the County of Douglas

This Policy shall address the Omaha Municipal Land Bank’s ("OMLB’s") relationship with the Land Reutilization Commission of the County of Douglas ("LRC").

(a) Jurisdiction. The powers and authority of the OMLB cover only the area within the corporate limits of the City of Omaha. The existing LRC exercises powers and authority beyond the City of Omaha.

(b) Transfers of property. The OMLB may accept transfers of real property and interests in real property from the LRC on such terms and conditions, and according to such procedures, as mutually determined by the LRC and the OMLB. (NEB. REV. STAT. § 19-5208(5)(Supp. 2014).)

(c) Agreements. The OMLB and the LRC may enter into agreements pursuant to the Nebraska Interlocal Cooperation Act to efficiently facilitate and execute their respective rights and duties. Any such agreement shall be approved by the board.

Approved by the board on March 11, 2015.

[Signature]

Secretary
OMAHA MUNICIPAL LAND BANK

Policy No. 7

Procurement

This Policy states the procurement process to be used by the Omaha Municipal Land Bank (OMLB) for securing all goods and services (professional and non-professional) for the operation of the OMLB.

(a) Purchasing Power. The OMLB Board hereby authorizes the Executive Director to initiate purchases on behalf of the OMLB for goods and services in accordance with the provisions of this Policy. (Neb. Rev. Stat. Section 19-5207(1)(h)).

(b) Procurement Reports. The Executive Director shall monthly report to the Finance and Audit Committee of the Board all new and existing contracts of the OMLB. The report shall include the name of the vendor, the total amount of the contract, the dates of service and if the contract is fulfilled, the date of its expiration. The report shall list contracts from newest to oldest.

(c) Procurement Guidelines.

1) For Purchases Less Than $5,000. No bid process or formal documentation of vendor selection is required for goods and services valued less than $5,000. The Executive Director will conduct and document an informal analysis and select a vendor based on quality, service, price, and efficiency for the specified good or service. A purchase order must be executed for goods or services valued less than $5,000.

2) For Purchases from $5,000 to $25,000. A minimum of three (3) competitive written quotes must be obtained for goods or services valued from $5,000 to $25,000. The Executive Director shall select a vendor and award a contract to the best value and lowest bid. A written contract must be executed for goods or services valued from $5,000 to $25,000.

3) For Purchases greater than $25,000. A Request for Proposals (RFP) is required. Formal bids must be obtained for goods and services valued greater than $25,000.

(d) Definitions.

1) Best Value and Lowest Bid shall mean the bid with the lowest price and the best value when considering the requisite knowledge, skill, financial capacity and past performance of the vendor which offers the highest quality and the reliable and efficient performance for the specified good or service.

2) Requests for Proposal (RFP) The Audit and Finance Committee will review formal bid proposals received and shall rank the proposals by vendor qualifications, vendor ability and capacity to fulfill the scope of service requirements, and vendor pricing for the specified service. Based on its review, the Audit and Finance Committee will make a recommendation to the Land Bank Board. Contracts for goods and services will be awarded by resolution of the Board. An RFP shall include the following:
i. Purpose

ii. Scope or statement of work and timelines.

iii. Specifications, requirements, timelines and deliverables.

iv. Proposal formats and submission instructions.

v. Instructions for estimating budget and pricing.


vii. Award notification procedures.

viii. Any special terms or conditions

ix. Required vendor certification and insurance and proof thereof.

3) **Insurance.** Any vendor, contractor, or subcontractor selected to provide goods or services and/or is awarded a contract under this Policy shall be required, at its own expense, to obtain and maintain in full force and effect, without interruption during the term of the contract or agreement, the following minimum levels of insurance:

i. **Employer’s Liability Limits:** $100,000 Each Accident $100,000 Each Employee $500,000 Policy Limit

ii. **General Liability Insurance:** $1,000,000 General Aggregate Limit $1,000,000 Completed Operations $1,000,000 Each Occurrence Limit

iii. **Automobile Insurance:** $100,000/$300,000/$50,000 $300,000 Combined Single Limit

Approved by the board on **March 9, 2016.**

[Signature]
Secretary
OMAHA MUNICIPAL LAND BANK
Policy No. 8
Depository

This policy shall set the terms and conditions for a Depository Policy of the Omaha Municipal Land Bank (OMLB) pursuant to Neb. Rev. Stat. Sections 19-5201 to 19-5218 and the Omaha City Ordinance #40052 dated July 22, 2014.

a) Policy. The OMLB may enter into a Depository Agreement governed by this Depository Policy. The Depository Agreement consists of transactions in which a grantor transfers real property to the OMLB and the property is held by the OMLB pending a transfer back to the original grantor, to a grantee identified in a Depository Agreement, or to a third party selected by the OMLB.

1) The goals of this Depository Policy include but are limited to the acquisition of real property for or on behalf of a governmental entity or a not-for-profit corporation in order to:
   
i. Hold parcels of land for future strategic governmental purposes such as affordable housing and open spaces and greenways.

   ii. Permit advance acquisition of potential development sites;

   iii. Facilitate pre-development planning, financing and structuring;

   iv. Minimize or eliminate violations of housing and building codes and public nuisances on properties to be developed for affordable housing;

2) The OMLB is not required to enter into a Depository Agreement with any person or entity, and at all times retains full discretion and authority to decline to enter into a Depository Agreement. These policies and procedures are applicable only to real property of the OMLB which is acquired by the OMLB in accordance with an executed Depository Agreement and are not otherwise applicable to real property acquired by the OMLB pursuant to any other policies or procedures.

b) Definitions. As used in these policies and procedures, the following terms shall have the definitions set forth:

1) “Depository Agreement” shall mean a written agreement between a Grantor and the OMLB that identifies the property, the length of the Depository term, the potential Grantee or Grantees, the range of permissible uses of the Property following transfer by the OMLB, the permitted encumbrances on the Property, the rights and duties of the parties, the responsibility of the Grantor for the Holding Costs, the forms of the instruments of conveyance, and such other matters as appropriate.

2) “Grantor” shall mean the party that transfers or causes to be transferred to the OMLB a tract of property pursuant to the Depository Policy.

3) “Grantee” shall mean the OMLB identified in a Depository Agreement as the party to whom the property is to be transferred.
4) “Holding Costs” shall mean any and all costs, expenses and expenditures incurred by the Grantor, whether as direct disbursements, as pro rata costs, or as administrative costs that are attributable to the ownership and maintenance of a tract of Property. The Grantor shall maintain records of the monthly Holding Costs for each property.

5) “Property” shall mean the real property and improvements (if any) located thereon identified in a Depository Agreement and transferred to the OMLB pursuant to a Depository Agreement, together with all right, title and interest in appurtenances, benefits and easements related thereto.

c) **Eligible Property.** Property that is eligible for Depository Agreement must either be held by a governmental entity or a not-for-profit corporation. Property that is ineligible for a Depository Agreement includes all other forms of real property that has been identified by the United States Environmental Protection Agency or the Environmental Protection Division of the State of Nebraska as containing hazardous substances and materials.

d) **Taxability of Property.** Pursuant to Neb. Rev. Stat. Section 19-5209, the real property of the OMLB is exempt from all taxation by the state or any political subdivision thereof. Further, pursuant to Neb. Rev. Stat. Section 19-5216 (1), whenever any real property is acquired by the OMLB and is encumbered by a lien or claim for real property taxes owed to one or more political subdivisions of the state, the OMLB may, by resolution of the board, discharge and extinguish any and all such liens or claims, except that no lien or claim represented by a tax sale certificate held by a private third party shall be discharged or extinguished pursuant to this section. To the extent necessary and appropriate, the OMLB shall file in appropriate public records evidence of the extinguishment and dissolution of such liens or claims.

e) **Title.** Unless and except to the extent expressly authorized in the Depository Policy, property transferred to the OMLB pursuant to a Depository Agreement shall be fee simple title free and clear of all liens and encumbrances. A policy of title insurance shall be issued in favor of the OMLB as the insured party at the closing pursuant to the Depository Policy containing such exceptions as are approved by the OMLB.

   1) Governmental liens for water and sewer, and governmental liens for nuisance abatement activities or code enforcement activities may exist as a matter of record title at the time of such closing if and only if such liens are expressly acceptable to the OMLB and are subject to waiver or discharge by the governmental entity holding such liens without cost to the OMLB.

   2) A deed to secure debt or security deed may encumber property at the time of the transfer to the OMLB provided that the obligations secured by such security instrument do not require monthly or periodic payment of sums by the OMLB to the mortgagee. Under no circumstances will the OMLB have direct liability to a mortgagee pursuant to a security instrument. It is anticipated that each Depository Policy that contemplates the transfer of Property to the OMLB encumbered by a security instrument will require a separate written Policy between the mortgagee and the OMLB that provides, among other things, that (1) the mortgagee expressly consents to the transfer to the OMLB, (2) the mortgagee expressly subordinates its interests to covenants, conditions and restrictions as may be required by the OMLB.
f) **Length of Depository Term.** A Depository Agreement may permit a maximum Depository term of sixty (60) months for transactions in which the Grantor is a not-for-profit entity or which the Grantor is a governmental entity.

g) **Transfer at Request of Grantor.** A Depository Agreement shall authorize a Grantor to request a transfer of the property by the OMLB to a Grantee at any time within the Depository term.

   1) A conveyance by the OMLB to the Grantee identified pursuant to a Depository Agreement shall occur within thirty (30) days of receipt of a written request for a transfer.

   2) Conveyance by the OMLB to a Grantee shall be by Special Warranty deed.

h) **Transfer at Request of OMLB.** At any time and at all times during the term of a Depository Agreement, the OMLB shall have the right, in its sole discretion, to request in writing that the Grantor or its designee accept a transfer of the Property from the OMLB within thirty (30) days of said request.

   1) A transfer by the OMLB shall be subject to the same terms and conditions pursuant to this Depository Policy.

   2) In the event that the Grantor (or its designee) is unwilling or unable to accept a transfer of the property from the OMLB, then and in that event the OMLB shall have the right to terminate in writing the Depository Agreement, and the property shall become an asset of the OMLB and subject to use, control and disposition by the OMLB in its sole discretion subject only to the provisions of Neb. Rev. Stat. Sections 19-5201 to 19-5218.

i) **Depository Policy Closing.** Within a time period specified in a fully executed Depository Agreement, a closing of the transfer of the property to the OMLB shall occur. At such closing, the fully executed instrument of conveyance and other closing documents shall be delivered by the appropriate party to the appropriate parties. The appropriate documents shall be immediately recorded, and a title insurance policy shall be issued. All costs of closing shall be borne by the Grantor.

j) **Holding Costs.** All Holding Costs shall be paid by the Grantor. The OMLB may request in writing at any time a statement of the Holding Costs, which statement will be provided to the OMLB within fifteen (15) business days of receipt of the request. If the OMLB incurs any Holding Costs, the OMLB shall also have the right to request in writing that the Grantor reimburse on written demand the OMLB for Holding Costs. In the event that the OMLB is not reimbursed in full for its Holding Costs in response to its written request for reimbursement within thirty (30) days, then in that event the OMLB shall have the right to terminate in writing the Depository Agreement, and the Property shall become an asset of the OMLB and subject to use, control and disposition by the OMLB in its sole discretion subject only to the provisions of Neb. Rev. Stat. Sections 19-5201 to 19-5218.

k) **Public Purpose Restrictions.** All Property held by the OMLB and transferred by the OMLB pursuant to a Depository Agreement shall be used according to the Neb. Rev. Stat. Section 19-5210 (5) and (6), City Ordinance #40052, and OMLB policies.
1) **Delegation of Authority to Executive Director.** The Executive Director, in conjunction with an officer of the Board of Directors, shall have full power and authority to enter into and execute Depository Agreements having form and content consistent with the NMLBA and the OMLB policies and procedures. The Executive Director shall summarize for the Board of Directors on a regular basis the nature and number of Depository Agreements and all transfers to and from the OMLB pursuant to Depository Agreements. Any provision of any Depository Agreement not consistent with these policies and procedures shall require the express approval of the Board of Directors.

**m) Notice.** The OMLB shall forward to Grantor any notices of violations, orders, or assessments received by it while the Property is being held by the OMLB.

Approved by the board on **May 23**, 2016.

[Signature]

Debbie Highto

Secretary
OMAHA MUNICIPAL LAND BANK
Policy No. 9
Acquisition

This policy shall set the terms and conditions for an Acquisition Policy of the Omaha Municipal Land Bank OMLB (OMLB) pursuant to Neb. Rev. Stat. Sections 19-5201 to 19-5218 and the Omaha City Ordinance #40052 dated July 22, 2014.

Article I. Policy and Definitions

Section 1.01 Policy. The Acquisition Policy governs real property transactions to the OMLB.

A. In determining which, if any, properties shall be acquired, the OMLB shall give consideration to the following factors:
   1) Proposals and requests by nonprofit corporations that identify specific properties for ultimate acquisition and redevelopment;
   2) Proposals and requests by governmental entities that identify specific properties for ultimate acquisition and redevelopment;
   3) Residential properties that are occupied or are available for immediate occupancy without need for substantial rehabilitation;
   4) Improved properties that are the subject of an existing order for demolition of the improvements, and properties that meet the criteria for demolition of improvements;
   5) Vacant properties that could be placed into the Side Lot Disposition Program;
   6) Properties that would be in support of strategic neighborhood stabilization and revitalization plans;
   7) Properties that would form a part of a land assemblage development plan; or
   8) Properties that will provide resources to sustain the operations of the OMLB to allow it to fulfill its responsibilities.

B. In determining the nature and extent of the properties to be acquired the OMLB shall also give consideration to:
   1) Underlying values of the subject properties,
   2) The financial resources available for acquisitions,
   3) The operational capacity of the OMLB, and
   4) The projected length of time for transfer of such properties to the ultimate transferees.

Section 1.02 Definitions. As used in this policy and procedures, the following terms shall have the definitions set forth:

A. Appraisal: A value determined by a licensed appraiser based on the distressed nature of the property. This appraisal may be completed from outside the property with comparison with other distressed or non-distressed properties in the area.
B. Deemed bid: When properties are offered for sale at a tax-foreclosure auction and no offers are received, the properties are then transferred to the OMLB through a process referred to as a deemed bid, Neb. Rev. Stat. Section 19-5218(2).

C. Condition Report: A written report of the property that gives the overall condition, marketability, potential holding costs, maintenance costs, and possible end users. The report should include descriptions and pictures of the subject property.

D. Offer: A written offer must be made on the forms available for that purpose from the OMLB. An offer must state the proposed use for the property, and the OMLB may consider as part of the acceptance of such offer whether the proposed use is in compliance with the existing zoning designation and land use regulations of such property and is a use consistent with the priority for that particular parcel. Any 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 from the Omaha City Planning department and or the city registered neighborhood association that is in support of such changed use.

Further, an offer must include at a minimum:

1) A certified statement from the proposed purchaser, whether individual or officer of an entity, that the proposed purchaser, or the holder of a controlling interest therein, does not have any outstanding delinquent real property taxes for any property owned, is current on all installments of special assessments for public improvements then due and owing, does not have any outstanding special assessments or liens for municipal services and/or property maintenance violations, and does not have any pending property maintenance violations or any unsatisfied fines for previously issued administrative citations,

2) A list of all owners, officers, members or partners of an entity which is the proposed purchaser, with their primary residences.

3) Payment of a $25.00 non-refundable application fee in the form of a cashier’s check, money order, credit card, or bank transfer (ACH).

E. Property costs: Property costs are those costs associated with the acquisition of a parcel of property.

F. Project costs: Project costs include the cost of acquisition and costs associated with rehabilitation and/or redevelopment of the parcel(s) for the completion of the proposed project.

G. Closing costs: Property costs are those costs associated with the title transfer of a parcel of property.

H. Unusable property: Small pieces of property that are under 2,500 square feet in size, do not have a property line that front a public street (landlocked), or have a configuration that prevents them from being used for any reasonable purpose.
Article II. Authority

Section 2.01 Delegated Authority

Unless otherwise provided in these Policies and Procedures, the Board of Directors of the OMLB delegates to the OMLB Executive Director or the OMLB staff (referred to as OMLB hereafter) the authority:

A. To receive and execute offers to purchase property on behalf of the OMLB subject to Board of Directors approval;
B. To contract with third parties on behalf of the OMLB in accordance with the Sale of Property Policy (OMLB Policy #2);
C. To determine the disposition value of a property offered and/owned by the OMLB within the guidelines of their Sale of Property Policy (OMLB Policy #2) and the Disposition Policy (OMLB Policy #10);
D. To determine the potential for renovation of a structure; and
E. To expend OMLB funds consistent with its approved annual budget;
F. The authority provided in this Article may only be exercised consistent with these Policies and Procedures. The action of a OMLB staff member inconsistent with these Policies and Procedures will have no effect unless ratified by the Board of Directors of the OMLB.

G. Exceptions to these Policies and Procedures may be approved by the Board of Directors after a complete presentation by the OMLB staff.

Section 2.02 Terminology

Unless otherwise specified, references to the “OMLB” in these Policies and Procedures mean the Corporation and or Executive Director and staff, as context requires.

Article III. Acquisition of Properties

Section 3.01 General Considerations

A. The OMLB may acquire improved, vacant, abandoned, and tax-delinquent property to further its mission. In determining whether to acquire a property, the OMLB will prioritized those properties that meet one or more of the following criteria:

1) There is a qualified end user committed to purchasing and developing the property;
2) There is a prospective end user, neighborhood resident, local governmental entity, community stakeholder, or other interested party who has requested that the OMLB review the property for acquisition;
3) The redevelopment of the property will support strategic development efforts, is likely to act as catalyst for further development, or is part of a comprehensive development plan;
4) Acquisition will support public infrastructure and green space development;
5) Acquisition will help stabilize or improve neighborhood conditions by reducing blight;

6) Acquisition will help create or preserve homeownership opportunities;

7) There is an existing market for the property, but title issues prevent the property from being developed to its highest and best use;

8) Acquisition of the property will help fulfill an existing plan for historic preservation;

9) Acquisition of the property will further the OMLB’s mission and the OMLB has the resources to maintain and market the property.

Section 3.02 Pre-Acquisition Considerations

A. The OMLB will assess the condition, marketability, potential holding and maintenance costs, and possible end users of every property prior to acquisition. When possible, the OMLB will conduct a complete condition assessment of all structures prior to acquisition.

B. Prior to acquisition, the OMLB will ensure that it has available funds to hold and maintain the property for an extended ownership period.

C. The OMLB may only acquire property that has clear and marketable title, except for delinquent property taxes which may be abated under the Nebraska Revised Code.

D. If a property is in a local historic district, the OMLB will endeavor to communicate with the appropriate historic commission to determine potential disposition options prior to acquisition.

E. Prospective end users, community stakeholders, or other interested parties may submit an Application to the OMLB of properties listed or not listed in the OMLB inventory. An Application will cost $25 payable in guaranteed funds. The OMLB will assess properties brought to its attention pursuant to an Application for potential inventory and/or disposition.

Section 3.03 Post-Acquisition Considerations

A. Upon acquiring or inventorying any property with a structure, the OMLB will conduct a complete condition assessment (if not already conducted), may secure the property, may add the property to its maintenance schedule, and prepare a marketability assessment for the property.

B. As soon as practical, the OMLB may move forward with property disposition, demolition, or marketing following acquisition.

C. Upon acquiring or inventorying a property, the OMLB will make its inventory/ownership known to the public. If the OMLB has been in contact with a prospective end user, neighbor, community based organization, or other interested party prior to acquisition, it will communicate its inventory/ownership of the property to the interested party or parties.

Section 3.04 Acquisition through Tax Foreclosure
A. The OMLB will regularly be in contact with the Douglas County Treasurer’s and Douglas County Attorney’s offices to strategically coordinate acquisition of property through tax lien certificate and/or tax foreclosure.

B. When a property is eligible under Nebraska law and an acquisition priority for the OMLB, the OMLB will coordinate with the Douglas County Treasurer’s and Douglas County Attorney’s offices to investigate and file a tax foreclosure action through the Douglas County District Courts.

C. When a property is ineligible for tax foreclosure but an acquisition priority for the OMLB, the OMLB may negotiate with the owners of record.

D. For properties subject to tax foreclosure, the OMLB may seek title to properties after the redemption period subject to confirmation of sale.

E. Upon acquisition after tax foreclosure, the OMLB will instruct the Douglas County Treasurer’s office to remove all existing delinquent taxes, assessments, charges, penalties, and interest, and exempt the property from future taxes and assessments for the entire period the OMLB owns the property.

Section 3.05 Acquisition from the Private Tax Liens List

A. The OMLB will regularly be in contact with the Douglas County Treasurer’s and Douglas County Attorney’s offices to strategically coordinate investment in a property through the private tax lien sale (Neb. Rev. Stat. Section 19-5216 (1)).

B. When a property is eligible under Nebraska law and an acquisition priority for the OMLB, the OMLB will coordinate with the Douglas County Treasurer’s and County Attorney’s offices to investigate and file a tax foreclosure action through the Douglas County District Courts after the redemption period.

C. When a property is ineligible for private tax lien foreclosure but an acquisition priority for the OMLB, the OMLB may negotiate with the owners of record.

D. For properties subject to private tax lien foreclosure, the OMLB may seek to redeem the position of the private tax lien certificate holder or may seek to bid on properties after the redemption period prior to confirmation of sale.

E. Upon acquisition after private tax lien foreclosure, the OMLB request that the Douglas County Treasurer exempt the property from future taxes and assessments for the entire period the OMLB owns the property.

Section 3.06 Acquisition through Donation

A. Private Donation

1) The OMLB may only acquire a property by private donation if clean, marketable title has been verified. The OMLB may require prospective donors to provide at the donor’s expense a competent title examination prior to acquisition.

2) The OMLB will conduct a complete condition assessment of any property before acquiring the property through private donation.

3) If requested by the donor, the OMLB, as an eligible charitable organization, will acknowledge the donation. The donor will be solely responsible for reporting and determining the value of any property donated.
4) At its discretion, the OMLB may require prospective donors to pay all delinquent taxes, assessments, charges, penalties, and interest prior to private donation.

Section 3.07 Acquisition through Purchase

A. The OMLB may acquire a property through purchase if no other means of acquisition is available and acquiring the property is a priority.

Article IV. Acquisition of Properties

Section 4.01 General Considerations and Prohibitions

A. The OMLB will prioritize its acquisition resources, based on the following general criteria:

1) In neighborhoods with an active neighborhood plan or plans, developed with direct input from neighborhood residents, organizations, and institutions;

2) Where the targeted elimination of blight will make an impact on the overall stability of the neighborhood;

3) Where unrestricted dollars can bridge funding gaps to stabilize neighborhoods and preserve property values;

4) Where an investment will support mixed-use development; and

5) Where an investment will leverage funds from existing federal, state, or local housing programs.

B. Options to purchase OMLB property may be available under terms negotiated by the prospective end user and the OMLB. Any option fee will be credited to the purchase price at closing. If closing does not occur, the fee is forfeited.

C. Marketing Residential Properties

1) The OMLB shall maintain and make available for public review and inspection an inventory of all real property held by the OMLB. Not all property may be available for disposition.

2) Residential properties may be listed with a realtor. The realtor will serve as the OMLB’s agent and primary point of contact for that property.

3) The purchase price of a residential property listed with a realtor will be its appraised or fair market value, based on the collective judgment of the realtor and the OMLB.

4) The OMLB may pay a fixed commission to the properties at closing.

Article V. Commercial & Industrial Property

Section 5.01 Definitions

A. “Commercial or industrial property” means any non-residential property, including parking areas, mixed use properties, and residential properties with five or more units.

B. “Major commercial or industrial property” means any commercial or industrial property with a gross building area of 10,000 square feet or more or occupying land 1 acre or more.
C. “Offer to Purchase” means an agreement entered into between the OMLB and a qualified end user for the sale and redevelopment of a commercial or industrial property.

D. “Qualified end user” means an end user who meets the OMLB’s general disposition requirements and can demonstrate the capacity to successfully redevelop vacant commercial or industrial property consistent with the proposed Offer to Purchase.

Section 5.02 Acquisition Considerations

A. The OMLB may acquire a commercial or industrial property after a qualified end user has entered into an Offer to Purchase with the OMLB.

B. The OMLB may coordinate with the Douglas County Treasurer’s office and Douglas County Attorney’s office to carry out tax foreclosure proceedings on an eligible commercial or industrial property, whether or not the OMLB ultimately takes title to the property. Before taking title to a commercial or industrial property, the OMLB may assess, secure, and market a commercial or industrial property on the forfeited lands list.

C. The OMLB will not acquire title to a major commercial or industrial property without entering into an Offer to Purchase with a qualified end user first approved by the Board of Directors.

Section 5.03 Environmental Considerations

A. The OMLB may not take title to or have any work performed on a commercial or industrial property that has or is likely to have environmental contamination without first obtaining a Phase I environmental assessment.

B. The OMLB may not acquire a commercial or industrial property with known or likely environmental contamination without:
   1) Prior approval of the Board of Directors and;
   2) Prior or funded environmental remediation rendering the site clean and free from contamination.

C. Notwithstanding section 5.03, the OMLB may acquire a commercial or industrial property with known or likely environmental contamination as a pass-through entity if:
   1) The end user agrees to fully indemnify the OMLB for all liability stemming from environmental contamination on the commercial or industrial property; and
   2) The end user agrees to remediate existing environmental contamination to acceptable standards as a condition of the Offer to Purchase.

Article VI. Blight Elimination

Section 6.01 Demolition Decision-making

A. Upon acquiring a property that may be demolished, the OMLB will conduct a complete condition assessment on the property and reasonably estimate the cost of returning the structure to a safe, habitable, and code compliant condition.
B. The OMLB will review the property’s complete condition assessment, estimate renovation costs, fair market value, and the input of neighbors, preservationists, and community stakeholders before making a final demolition decision.

C. The OMLB may make demolition decisions prior to acquisition based on a complete exterior inspection if nuisance conditions necessitate expediency.

Section 6.02 Demolition Partners

A. The OMLB will partner with the public sector, and private partners and contractors to facilitate the demolition of a property swiftly after a demolition decision has been made.

B. Whenever possible, the OMLB will coordinate with residents and neighborhood-based organizations to identify a property for demolition through the OMLB’s program.

Section 6.03 Quality of the Demolition

A. Every OMLB demolition will conform to the City of Omaha code.

Section 6.04 Salvage and Deconstruction

A. Salvage on a property owned by the OMLB and scheduled for demolition may be permitted to recover important historic materials or architectural details or salvageable materials. An organization with experience in salvage may contact the OMLB at least thirty (30) days prior to the scheduled demolition and request salvage rights in accordance with the OMLB Procurement Policy (OMLB Policy #7). Entities engaged in salvage activities must document satisfactory commercial general liability insurance and have its individual representatives sign a salvage waiver prior to entering the property.

B. Where health and safety concerns or timely coordination of the demolition make salvage impracticable, the OMLB may deny a salvage rights request.

C. The OMLB may expend funds to undertake deconstruction demolition, when feasible and when funding is available.

Section 6.05 Commercial or Industrial Property Demolition

A. The OMLB must receive approval from the Board of Directors prior to allocating resources and demolishing a commercial or industrial property in keeping with the OMLB Procurement Policy (#2).

B. Commercial or industrial demolition projects eligible for an expenditure of OMLB resources must meet at least two or more of the following criteria:

1) Projects in which the OMLB can acquire title and for which there is a qualified end user for the property if the structure is demolished;

2) Projects in which a substantial dollar or percentage of cost investment will be made in the property or the surrounding area by an end user or a third party following demolition;

3) Projects in which matching funds are available to assist with demolition costs, including costs associated with environmental assessment and abatement;
4) Projects in proximity to existing businesses that will benefit from the demolition through workforce expansion, workforce retention, or new capital investment;
5) Projects in proximity to an existing business likely to relocate if the nuisance structure is not demolished, but would remain if the nuisance were abated;
6) Projects that will increase the quality of life for residents of a surrounding residential neighborhood because of demolition;
7) Projects in which the structure constitutes a serious health and safety risk to the surrounding area and that risk will be minimized or eliminated because of demolition;
8) Projects in which the structure is functionally obsolete, cannot be returned to its original use, or cannot be converted to a different use; and
9) Additional criteria that increase a project’s merit on a case-by-case basis.

Article VII. Land Assembly

Section 7.01 General Considerations

A. The OMLB may take title to a property for short or long-term land assembly. A decision to acquire property for land assembly purposes will be based on available resources, the viability of the proposed future development, end user commitment, and any other relevant factors.

B. If a private property owner transfers a property to the OMLB for land assembly, the OMLB will have the right, but not the obligation, to maintain, repair, demolish, clean, and grade the property and perform all other tasks and services regarding the property that the OMLB determines are necessary.

Section 7.02 Requirements for Land Assembly

A. The OMLB and a development partner will enter into a Memorandum of Understanding or Purchase for land assembly. No property will be transferred to the OMLB for land assembly unless the development partner is also a qualified end user.

B. The property must have clean, marketable title, and not be occupied as of transfer to the OMLB for land assembly.

C. The OMLB may require a development partner to maintain all or a portion of the assembled property as a condition of the land assembly.

D. The OMLB may grant a purchase option or may require a development partner to purchase or repurchase the assembled land after a period of time as a condition of the land assembly.

Article VIII. Appeals

Section 8.01 Appeals to the Board of Directors

A. When an interested party is directly affected by a decision of the OMLB staff to acquire property, the party may file an appeal with the OMLB’s Board of Directors. The appeal must be in writing and submitted to the OMLB no later than ten (10) days after notice of the OMLB’s decision.
B. The OMLB’s Board of Directors will consider each appeal on a case-by-case basis to determine whether the decision of the OMLB followed these Policies and Procedures or the Board’s resolutions.

C. If the Board determines that the OMLB staff acted in a way inconsistent with these Policies and Procedures or the Board’s resolutions, the Board may take action to correct the prior decision. When feasible, the Board may instruct the OMLB staff to reconsider its decision in a manner consistent with these Policies and Procedures.

D. Regardless of the outcome of the appeal, the Board will instruct the OMLB staff to notify the party of the outcome of the appeal in writing.

E. If the OMLB staff has decided to acquire a property and if at the time of the appeal the OMLB has contracted to acquire a property, the appeal will not affect the ability of the OMLB staff to acquire or retain title to the property.

Article XII. Amendment

The OMLB may amend these policies at any time at the discretion of the Board of Directors.

Approved by the board on September 14, 2016.

[Signature]
Secretary
OMAHA MUNICIPAL LAND BANK
Policy No. 10
Disposition

This policy shall set the terms and conditions for a Disposition Policy of the Omaha Municipal Land Bank OMLB (OMLB) pursuant to Neb. Rev. Stat. Sections 19-5201 to 19-5218 and the Omaha City Ordinance #40052 dated July 22, 2014.

Article I. Policy and Definitions

Section 1.01 Policy. The Disposition Policy governs real property transactions disposed of by the OMLB.

Section 1.02 Definitions. As used in these policies and procedures, the following terms shall have the definitions set forth:

A. Down payment: Following staff review of the applicant to ensure eligibility to purchase property a down payment in the form of cashier’s check or money order must be paid before the offer is submitted to the Board for consideration. The amount of the down payment is based on the type of property involved in accordance with the table below:

1) Unusable property: 20% of assessed or appraised value or $25, whichever is higher.

2) Vacant lots: 20% of assessed or appraised value or $75, whichever is higher.

3) Houses: 20% of assessed or appraised value or $750, whichever is higher.

4) Commercial, multifamily: 20% of assessed or appraised value or $1,500, whichever is higher.

The down payment will be refunded if the offer is rejected by the Board or if title is not transferred.

B. Offer: A written offer must be made on the forms available for that purpose from the OMLB. An offer must state the proposed use for the property, and the OMLB may consider as part of the acceptance of such offer whether the proposed use is in compliance with the existing zoning designation and land use regulations of such property and is a use consistent with the priority for that particular parcel. Any 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 from the Omaha City Planning department and or the city registered neighborhood association that is in support of such changed use.

Further, an offer must include at a minimum:

1) A certified statement from the proposed purchaser, whether individual or officer of an entity, that the proposed purchaser, or the holder of a controlling interest therein, does not have any outstanding delinquent real property taxes for any property owned, is current on all installments of special assessments for public improvements then due and owing, does not have any outstanding special assessments or liens for municipal services and/or property maintenance.
violations, and does not have any pending property maintenance violations or any unsatisfied fines for previously issued administrative citations,

2) A list of all owners, officers, members or partners of an entity which is the proposed purchaser, with their primary residences.

3) Payment of a $25.00 non-refundable application fee in the form of a cashier’s check, money order, credit card, or bank transfer (ACH).

C. Property costs: Property costs are those costs associated with the disposition of a parcel of property.

D. Project costs: Project costs include the cost of disposition and costs associated with rehabilitation and/or redevelopment of the parcel(s) for the completion of the proposed project.

E. Closing costs: Property costs are those costs associated with the title transfer of a parcel of property.

F. Unusable property: Small pieces of property that are under 2,500 square feet in size, do not have a property line which fronts a public street (landlocked), or have a configuration which prevents them from being used for any reasonable purpose.

Article II. Authority

Section 2.01 Delegated Authority

Unless otherwise provided in these Policies & Procedures, the Board of Directors of the OMLB delegates to the OMLB Executive Director or the OMLB staff (referred to as OMLB hereafter) the authority:

A. To receive and execute offers to purchase property on behalf of the OMLB subject to Board of Directors approval;

B. To contract with third parties on behalf of the OMLB in keeping with the Sale of Property Policy (OMLB Policy #2);

C. To determine the sales value of a property offered and/or owned by the OMLB within the guidelines of their Sale of Property Policy (#2);

D. To determine the potential for renovation of a structure; and

E. To expend OMLB funds consistent with its approved annual budget;

F. The authority provided in this Article may only be exercised consistent with these Policies and Procedures. The action of a OMLB staff member inconsistent with these Policies and Procedures will have no effect unless ratified by the Board of Directors of the OMLB.

G. Exceptions to these Policies and Procedures may be approved by the Board of Directors after a complete presentation by the OMLB staff.

Section 2.02 Terminology

Unless otherwise specified, references to the “OMLB” in these Policies & Procedures mean the Corporation and/or Executive Director and staff, as context requires.
Article III. Disposition of Properties

Section 3.01 General Considerations and Prohibitions

A. An individual or business entity that was the owner of property at the time of the tax foreclosure action which transferred title to the OMLB may not subsequently qualify as an end user for that property. For this section, ineligible parties include shareholders, partners, members, and officers of the business entity owner and immediate family members of the individual owner.

B. A prospective end user may own no real property that:

1) Has any unremediated citations or violations of the state and local codes and ordinances, or has a recent history of such violations;

2) Is tax delinquent, or was tax delinquent when the prospective end user transferred the property and the property remains tax delinquent;

3) Was subject to a judgment in a tax foreclosure proceeding in the past five (5) years; or

4) Has a delinquent water account with Metropolitan Utilities District (MUD), Omaha Public Power District (OPPD), or any other local utility, whether the account is for a property the prospective end user occupies or a property occupied by a tenant, land contract vendee, or family member of the prospective end user.

C. The OMLB will prioritize its disposition resources, including any dollars allocated for demolition, maintenance, and renovation, based on the following general criteria:

1) In neighborhoods with an active neighborhood plan or plans, developed with direct input from neighborhood residents, organizations, and institutions;

2) Where the targeted elimination of blight will make an impact on the overall stability of the neighborhood;

3) Where unrestricted dollars can bridge funding gaps to stabilize neighborhoods and preserve property values;

4) Where an investment will support mixed-income development; and

5) Where an investment will leverage funds from existing federal, state, or local housing programs.

D. Transactions will be structured in a manner that permits the OMLB to enforce conditions upon title pertaining to development and use of the property for a specified period for up to two (2) years consistent with these Policies and Procedures.

F. The proposed end use must follow local development plans. A letter of support or opposition for the proposed use submitted by neighborhood groups or the Omaha City Planning Department will be a factor in any final decision of the OMLB Board of Directors.

G. The proposed end use must follow current zoning and special use requirements, or a rezoning or variance must be obtained as a condition of the transfer.
H. Options to purchase OMLB property may be available under terms negotiated by the prospective end user and the OMLB. Any option fee will be credited to the purchase price at closing. If closing does not occur, the fee is forfeited.

I. The OMLB reserves the right to convey or not to convey real property, or to convey real property in the way that constitutes the best long term end use for the property and for the neighborhood to non-profit, for-profit, and individual developers. Local developers will be given priority. Considerations under this section include preserving access to adjacent property and preserving or promoting good planning practices.

Section 3.02 Financial Considerations

A. In every transfer of real property, the OMLB will require good and valuable consideration in an amount determined by the OMLB in its sole discretion and consistent with these Policies and Procedures.

B. OMLB property will be sold for an appraised or assessed value, but not less than $300. An appraised value will be determined by the OMLB consistent with these Policies and Procedures.

C. The OMLB may accept deferred financing, performance of contractual obligations, or other obligations and responsibilities of the transferee in lieu of cash in its sole discretion.

D. The OMLB will not accept cash consideration through installment payments but requires guaranteed funds for all payments.

Section 3.03 Residential Structure Sales

A. Every residential structure inventoried by the OMLB and determined to be marketable after a complete condition and marketability assessment will be marketed to the public and available for a prospective end user to purchase.

B. The OMLB will determine the initial listing price through an assessed value or appraisal process. An assessment of a property’s value after renovation and deducting projected renovation costs will be considered. The final purchase price for any property will be set by the OMLB appraiser.

C. Prospective end users will be required to complete an Offer to Purchase, in the form posted on the OMLB’s website as amended from time to time. Applications will only be accepted from prospective end users after the OMLB has inventoried and marketed the property to the public.

D. Besides the general considerations under this Article, the OMLB will require the following additional information to qualify prospective end users of residential structures:
   1) A complete renovation for the property that will make the property safe and return the property to a habitable condition in at least two (2) years from closing is required;
   2) Proof of funding immediately available to acquire and complete the renovation work for each residential structure to be acquired and renovated;
3) Proof of prior experience successfully renovating residential structures, including photographs of work undertaken and completed, and a narrative describing past or current projects; and

4) Any additional information the prospective end user wishes to share with the OMLB that relates to the renovation project.

E. If a prospective end user’s proposed renovation costs are substantially less than the OMLB’s assessment, the OMLB may approve the renovation plan if documentation is provided by the prospective end user demonstrating access to lower cost labor, materials, or technical expertise that reduces the overall renovation costs.

F. Acceptable proof of funding includes cash on-hand, available credit, and other liquid assets. Financial assistance offered by a friend or relative will not be accepted unless the individual or entity offering assistance is also an applicant.

G. To determine a final purchaser among qualified end users with equal priority under these Policies and Procedures, the OMLB will accept the highest and best purchase offer for the property at a public auction held by the OMLB when competing Offers to Purchase are received.

H. Deed-in-Escrow Disposition Procedure

1) The OMLB and purchaser will negotiate a purchase price and enter into a purchase agreement for the property. Closing will be held at a local title company acting as escrow and title agent for the transaction.

2) The purchaser must complete the renovation work on the property and pass a safety and habitability inspection within a negotiated renovation time period.

3) Closing will be handled with either a “traditional” or “reverse” deed-in-escrow, at the OMLB’s discretion, as follows:

   a) Deed-in-Escrow: The OMLB will retain title to the property at closing, and the deed transferring title to the purchaser will be held in escrow with the closing agent. The OMLB will issue a notice to proceed allowing the purchaser to move forward with the renovation work. Title will transfer following completion of the renovation work and passage of the OMLB’s safety and habitability inspection.

   b) Reverse Deed-in-Escrow: Title will be transferred to the purchaser. The purchaser will simultaneously execute a deed transferring title back to the OMLB held by the escrow and title agent during the renovation time period.

   c) The deed held in escrow will be voided and released following completion of the renovation work and passage of the OMLB’s safety and habitability inspection.

   d) When the renovation work is complete and the purchaser has passed the OMLB’s safety and habitability inspection, the OMLB will instruct the closing agent to either transfer title in the property to the purchaser or void and release the deed held in escrow, depending on the purchase agreement.
c) Properties cannot be rented, occupied, mortgaged or otherwise encumbered during the deed-in-escrow or reverse deed-in-escrow period.

f) If a purchaser intends to encumber the property with third-party purchase or renovation financing, the OMLB may waive the deed-in-escrow or reverse deed in-escrow requirement and instead secure a second mortgage against the property until the purchaser has completed the renovation work and has passed the safety and habitability inspection.

I. Marketing Residential Properties

1) The OMLB shall maintain and make available for public review and inspection an inventory of all real property held by the OMLB. Not all property may be available for disposition.

2) Residential properties may be listed with a realtor. The realtor will serve as the OMLB’s agent and primary point of contact for that property.

3) The purchase price of a residential property listed with a realtor will be its appraised or fair market value, based on the collective judgment of the realtor and the OMLB.

4) The OMLB may pay a fixed commission to the properties at closing.

Section 3.04 Side Lot Disposition Program

A. Parcels of property transferred under the Side Lot Disposition Program must meet the following criteria:

1) The property must be vacant unimproved real property;

2) The property must be physically contiguous to an adjacent end user, with not less than a 50% common boundary line on one side;

3) The intended use for the side lot must be disclosed;

4) The end user must hold title to the contiguous property;

5) The end user property must be occupied; and

6) The end user must meet all other general disposition considerations under this Article.

B. Side Lot Pricing

1) The OMLB will offer up to two contiguous parcels to qualified side lot end users for the assessed value or a minimum of $300 each plus closing costs. Contiguous parcels are parcels contiguous to the end user’s adjacent property or contiguous to another eligible side lot. Additional parcels beyond two may be sold for a minimum purchase price of $300 per parcel.

2) If a parcel is offered under the Side Lot Disposition Program, the size of the lot will not affect the purchase price. The OMLB may consider lot size in determining whether to include a property in the Side Lot Program.
C. Side Lot Transfer Procedure

1) Prospective side lot end users who meet the qualifying criteria must submit an Offer to Purchase for a Vacant Land to the OMLB. The OMLB will accept applications until it enters into a purchase agreement with one or more qualified end users.

2) The OMLB will notify every eligible adjacent end user regarding an available side lot prior to entering into a purchase agreement that disposes of the entire parcel. Prospective end users will have 30 days from the OMLB’s notice to apply for a side lot. Adjacent owners who are ineligible to purchase a side lot during review will not be notified of a side lot opportunity.

3) The OMLB may enter into a purchase agreement with a qualified side lot end user prior to acquisition. If the OMLB does not hold title when the purchase agreement is executed, the agreement will be conditional upon the OMLB ultimately acquiring title to the property.

4) At the time of closing, the end user will authorize the OMLB to transfer title in the property into the end user’s name upon the OMLB’s acquisition of title. The side lot purchase price will be paid at the time of closing or upon the OMLB taking title, in the OMLB’s discretion.

5) If two or more qualified side lot end users have applied under the Side Lot Program, the OMLB will work in conjunction with the Assessor/Register of Deeds to split the property among the end users in as equitable a manner as possible. The OMLB may require the side lot end users to pay for all or some of the cost of splitting the property. Split costs will be in addition to the standard side lot purchase price.

6) If an end user will not agree to the proposed split, the OMLB will convey the property in the way that it deems best for the property and for the surrounding neighborhood.

Section 3.05 Vacant Land Disposition Program

A. The OMLB may sell, lease, or license vacant land to non-adjacent qualified end users at its discretion.

B. Every vacant lot acquired or inventoried by the OMLB and determined to be marketable after a complete condition and marketability assessment will be marketed to the public and available for a prospective end user to purchase.

C. The OMLB will determine the initial listing price by its tax assessment or through an appraisal process.

D. Prospective end users will be required to complete an Offer to Purchase, in the form posted on the OMLB’s website as amended from time to time. Applications will only be accepted from prospective end users after the OMLB has inventoried and marketed the property to the public.
1) Besides the general considerations under this Article, the OMLB will require the following additional information to qualify prospective end users of residential structures:

   a) A complete renovation for the property that will improve the property in at least two (2) years from closing is required;

   b) Proof of funding immediately available to acquire and complete the renovation work for each residential structure to be acquired and renovated;

   c) Proof of prior experience successfully renovating residential structures, including photographs of work undertaken and completed, and a narrative describing past or current projects; and,

   d) Any additional information the prospective end user wishes to share with the OMLB that relates to the renovation project.

2) Acceptable proof of funding includes cash on-hand, available credit, and other liquid assets. Financial assistance offered by a friend or relative will not be accepted unless the individual or entity offering assistance is also an applicant.

3) To determine a final purchaser among qualified end users with equal priority under these Policies and Procedures, the OMLB will accept the highest and best purchase offer for the property at a public auction held by the OMLB when competing Offers to Purchase are received.

Section 3.06 Adopt-a-Lot Program

A. Residents, businesses, neighbors, block watches, or other organizations interested in maintaining vacant land owned by the OMLB may apply to participate in the Adopt-a-Lot program.

B. Prospective applicants must meet the same considerations as other OMLB end users for vacant land, but will not be required to own or develop adjacent property.

C. A license to enter, maintain, and enjoy the vacant land may be granted to an eligible Adopt-a-Lot program end user at no cost.

Article IV. Commercial & Industrial Property

Section 4.01 Definitions

A. “Commercial or industrial property” means any non-residential property, including mixed use properties and residential properties with five or more units.

B. “Major commercial or industrial property” means any commercial or industrial property with a gross building area of 10,000 square feet or more or occupying land 1 acre or more.

C. “Offer to Purchase” means an agreement entered into between the OMLB and a qualified end user for the sale and redevelopment of a commercial or industrial property.

D. “Qualified end user” means an end user who meets the OMLB’s general disposition requirements and can demonstrate the capacity to successfully redevelop vacant commercial or industrial property consistent with the proposed Offer to Purchase.
Section 4.02 Disposition Considerations

A. The OMLB will prioritize commercial or industrial property end users with development plans that will accomplish some or all of the following goals:
   1) Preserve or increase property values;
   2) Increase the marketability of residential properties;
   3) Create new businesses or employment opportunities;
   4) Preserve historic structures;
   5) Create new housing opportunities;
   6) Increase walkability or access public transit; and
   7) Assist in the remediation of a brownfield site.

B. Regarding major commercial and industrial properties, the OMLB will consult with residents, neighborhood-based organizations, political subdivisions, institutional end users, and other community stakeholders prior to entering into an Offer to Purchase with a qualified end user.

C. The OMLB will avoid acquiring or disposing of a commercial or industrial property in a manner that may negatively affect the stability of any adjacent neighborhoods or the community, notwithstanding any offers or development plans received.

Section 4.03 Offer to Purchases

A. The OMLB and the end user will negotiate the terms of the Offer to Purchase on a property-by-property basis based on an assessed or appraised value. Terms will include purchase price, renovation and end use plan, and development timeline.

B. Offer to Purchases will contain:
   1) A list of all development partners, including contractors, project manager, architects, legal counsel, realtors, and any other partners;
   2) A narrative description of the development work to be completed, project time line, and final end use;
   3) The sources of financing or funding available to complete the project and;
   4) A description of previous commercial or industrial property experience, if any.

C. If a special use permit, a variance, or rezoning is necessary in order to for an end user to accomplish its development plans on a commercial or industrial property, the Offer to Purchase will be conditional upon the approval of the Planning Commission or Board of Zoning Appeals, and the political subdivision in which the commercial or industrial property is located.

D. The OMLB may retain in interest in commercial or industrial property through the "deed-in-escrow" described in Article IV. End users will be required to certify code compliance with the political subdivision in which the property is located or pass a safety and habitability inspection verifying:
   1) The property is safe and secure;
2) All major systems are properly installed and functional;
3) The property is cleaned and appropriately maintained on both the interior and exterior; and
4) Any other conditions in the Offer to Purchase.

Article V. Appeals

Section 5.01 Appeals to the Board of Directors

A. When an interested party is directly affected by a decision of the OMLB staff, the party may file an appeal with the OMLB’s Board of Directors. The appeal must be in writing and submitted to the OMLB no later than ten (10) days after notice of the OMLB’s decision.

B. The OMLB’s Board of Directors will consider each appeal on a case-by-case basis to determine whether the decision of the OMLB followed these Policies and Procedures or the Board’s resolutions.

C. If the Board determines that the OMLB staff acted in a way inconsistent with these Policies and Procedures or the Board’s resolutions, the Board may take action to correct the prior decision. When feasible, the Board may instruct the OMLB staff to reconsider its decision in a manner consistent with these Policies and Procedures.

D. Regardless of the outcome of the appeal, the Board will instruct the OMLB staff to notify the party of the outcome of the appeal in writing.

E. If the OMLB staff has decided to dispose of a property and if at the time of the appeal the OMLB has contracted to dispose of a property, the appeal will not affect the ability of the OMLB staff to dispose of the property.

Article VI. Amendment

The OMLB may amend this policy at any time at the discretion of the Board of Directors.

Approved by the board on September 14, 2016.

[Signature]
Secretary
OMAHA MUNICIPAL LAND BANK

Policy No. 11

Maintenance

This policy shall set the terms and conditions for a Maintenance Policy of the Omaha Municipal Land Bank OMLB (OMLB) pursuant to Neb. Rev. Stat. Sections 19-5201 to 19-5218 and the Omaha City Ordinance #40052 dated July 22, 2014.

Article I. Policy and Definitions

Section 1.01 Policy. The Maintenance Policy governs real property maintenance of real property acquired by the OMLB.

Article II. Authority

Section 2.01 Delegated Authority

Unless otherwise provided in these Policies & Procedures, the Board of Directors of the OMLB delegates to the OMLB Executive Director or the OMLB staff (referred to as OMLB hereafter) the authority:

A. To expend OMLB funds consistent with its approved annual budget;

B. The authority provided in this Article may only be exercised consistent with these Policies and Procedures. The action of a OMLB staff member inconsistent with these Policies and Procedures will have no effect unless ratified by the Board of Directors of the OMLB.

C. Exceptions to these Policies and Procedures may be approved by the Board of Directors after a complete presentation by the OMLB staff.

Section 2.02 Terminology

Unless otherwise specified, references to the "OMLB" in these Policies & Procedures mean the Corporation and or Executive Director and staff, as context requires.

Article III. Contractors

Section 3.01 General Considerations

A. Every OMLB contractor will be required to pre-qualify for work through the OMLB and work will only be awarded to pre-qualified contractors. In lieu of pre-qualification, a contractor may be required to complete an independent contractor agreement with the OMLB before work is awarded at the discretion of the OMLB Board Chair person.

B. In order to pre-qualify for work through the OMLB, all prospective contractors must provide or comply with the following:

1) Complete the Contractor Pre-Qualification Verification Form in its entirety and return it to the Omaha Municipal OMLB;

2) Agree to provide equal employment opportunities, as evidenced by contractor’s signature on the Equal Opportunity Employment statement (part of the Contractor
Pre-Qualification Verification Form) and agree to hire local employees who may have barriers to employment when feasible;

3) Agree to warranty all work performed under any contract awarded by the OMLB, as evidenced by contractor’s signature on the Contractors Warranty (part of the Contractor Pre-Qualification Verification Form);

4) Submit or the contractor’s insurance agent submit a Certificate of Insurance, documenting the active insurance required by the OMLB and naming the OMLB as an additional insured with certificate holder status;

5) Submit a completed W-9 Tax Form; and

6) Submit a copy of the contractor’s active Worker’s Compensation Certificate.

C. If a contractor meets the OMLB’s qualification standards, the contractor will be eligible for work through the OMLB according to the contractor’s trade or specialty.

D. The OMLB reserves the right to require additional information, including a financial statement from contractors, before qualifying a contractor.

Article IV. Maintenance

Section 4.01 Maintenance Generally

A. The OMLB will endeavor to maintain property in a way that reduces or eliminates nuisance conditions, maintains or increases the property values of adjacent and nearby properties, and ensures the future marketability of the property.

B. The OMLB will utilize public sector and qualified contractors for all maintenance necessary on a property owned by the OMLB.

Section 4.02 Maintenance Standards

A. Depending on the final disposition of the property, the OMLB may require newly acquired properties to be:

1) Initially cleaned and cleared out;

2) Boarded up and otherwise secured;

3) Winterized;

4) Re-keyed or otherwise made accessible; and

5) Regularly mowed and cleared.

B. The OMLB will use public sector and qualified contractors to maintain a property based on the following standards:

1) Mowing the property regularly as needed, to a length of 4-6 inches at each mowing;

2) Trimming any additional vegetation on a vacant unimproved property or on the frontage of improved property regularly as needed;

3) Keeping the property free of litter and debris;
4) Boarding or otherwise securing any open entry points on vacant structures that the OMLB owns, as necessary and as resources permit.

Section 4.03 Adopt-a-Lot Program

A. Residents, businesses, neighbors, block watches, or other organizations interested in maintaining vacant land owned by the OMLB may apply to participate in the Adopt-a-Lot program.

B. Prospective applicants must meet the same considerations as other OMLB end users for vacant land, but will not be required to own or develop adjacent property.

C. An agreement to enter, maintain, and enjoy the vacant land may be granted to an eligible Adopt-a-Lot program end user at no cost.

Article V. Insurance

Section 5.01 Insurance Requirements

A. Each property that the OMLB acquired will be covered by general liability insurance for the duration of the OMLB’s ownership.

B. The OMLB may purchase casualty insurance for a property on a case-by-case basis. Factors to consider regarding the purchase of casualty insurance include the proposed length of OMLB ownership and the fair market value of the property.

Article VI. Appeals

Section 6.01 Appeals to the Board of Directors

A. When an interested party is directly affected by a decision of the OMLB staff, the party may file an appeal with the OMLB’s Board of Directors. The appeal must be in writing and submitted to the OMLB no later than ten (10) days after notice of the OMLB’s decision.

B. The OMLB’s Board of Directors will consider each appeal on a case-by-case basis to determine whether the decision of the OMLB followed these Policies and Procedures or the Board’s resolutions.

C. If the Board determines that the OMLB staff acted in a way inconsistent with these Policies and Procedures or the Board’s resolutions, the Board may take action to correct the prior decision. When feasible, the Board may instruct the OMLB staff to reconsider its decision in a manner consistent with these Policies and Procedures.

D. Regardless of the outcome of the appeal, the Board will instruct the OMLB staff to notify the party of the outcome of the appeal in writing.

E. If the OMLB staff has decided to acquire or dispose of a property or contract for services, and if at the time of the appeal the OMLB has contracted to acquire or dispose of property or contract for services, the appeal will not affect the ability of the OMLB staff to acquire or retain title to the property, dispose of the property, or perform its contractual obligations.

Article VII. Amendment

The OMLB may amend these policies at any time at the discretion of the Board of Directors.
Approved by the board on September 14, 2016.

Debbie Hightower
Secretary