



October 11, 2013

Patrick Baird  
464 Dows Road  
Cedar Rapids, IA 52403-7002

Re: Formal Public Ethics Opinion

Dear Mr. Baird:

On September 20, 2013, you sent a request for guidance based upon your service on the Airport Commission and the following facts:

We at the airport are trying to organize a bit of an economic development effort. I'm on the commission and also own land that can be developed adjacent to the airport.

I bought 100 acres of land adjacent to airport property for future, long-term development about 7 years ago. I have really done nothing to develop the land to date and have been cash renting to a local farmer. What makes this land somewhat unique is that the CRANDIC rail splits the land.

Two years ago, I was appointed to the Airport Commission. I did notify the other commission members at the time that I owned land next to the airport

Recently, Tim Bradshaw, with encouragement from the Commission, has reached out to local landowners to see if a group could be formed to help organize an economic development effort around the airport.

Almost 2 years ago, I started working to get my land certified by an outside consultant as Shovel Ready. I engaged Hall and Hall to put together the required information. The Iowa Dept. of Economic Development (IDED) abandoned efforts with that consultant and has recently replaced them with a new group.

The IDED is looking for Super sites within the State of Iowa. The airport is the only owner of land that has enough contiguous land that qualifies.

Here is the question:

The new consultant would like to add my land to the certification process that otherwise only includes airport land. They like my land because of rail and because I can sell my land to a potential buyer whereas the airport can only lease due to FAA restrictions.

Because of my role as Commissioner, is there a conflict? If there is, what is right way to deal to with it?

You need to know that I have no need to develop the land now or anytime soon. I can wait until my term as commissioner is over without any problem. However, I am thinking that, if a new prospect comes to the area looking for land with rail access, that the City would sure like to have my land available so that they can compete with other communities.

Based upon the above information, your situation is subject to the provisions of section 6.22 of the Cedar Rapids Municipal Code. Because you are a member of the Airport Commission, you are a City Official. Section 6.22(c)(5). The facts you set out reveal there is a potential for the existence of a Conflict of Interest Action.

Section 6.22(c)(6)(A) of the Code states:

6. Conflict of Interest Action means any one of the following:

A. Any Official Action on a matter in which the City Official has or can reasonably be expected to have a Private Financial Interest in the outcome.

Any actions you may take as a member of the Airport Commission related to economic development which could affect your private financial interests would create a conflict of interest. The mere fact of your ownership of land that potentially could be a part of that development now or in the future is a private financial interest that could be impacted by Commission actions. This is true whether or not you take any steps now to develop the land. Your interest in the land creates the potential for there to be a conflict between your personal interests and City interests.

The Board advises that you take no Airport Commission official action regarding economic development which may impact your interest in the subject real estate. Under section 6.22(c)(8) of the Code, "official action means any act taken by a City Official in furtherance of the City Official's duties and powers as a City Official even if such action is advisory only and not binding on the City or any board, commission, agency, or officer." The Board further advises you to recuse yourself from any involvement with any Airport Commission consideration or acts related to economic development that might impact your interest in the subject real estate.

Under section 6.22(c)(10), recusal is defined as:

an absolute lack of involvement with a matter from which a City Official has recused. All recusals must be in writing and filed with the record keeper of the entity to which the City Official belongs, or otherwise made part of the official minutes of the entity. Once a City Official has recused from a matter, the City Official may not vote, deliberate, discuss, or in any way participate in regard to the matter recused from. To the extent feasible, a City Official must leave the room at any non-public portion of any meeting at which the matter in question is under discussion or being acted upon. NOTE: a City Official who recuses from a matter is still a City Official and may be subject to other Conflict of Interest Actions.

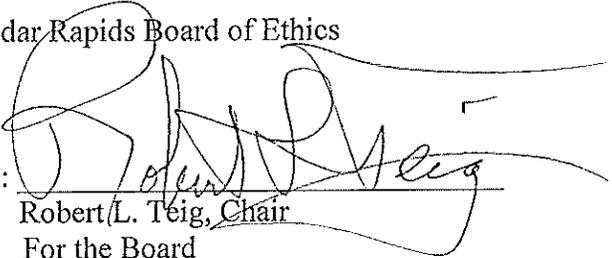
Finally, the Board advises you to submit and observe that recusal immediately. The recusal does not prevent you from taking private actions related to your property.

We cannot overstate how important it is that you provided this information and sought guidance. You are to be commended for your recognition of the potential for a conflict of interest and your desire to avoid even the appearance of a conflict. Thank you for your sensitivity to ethical considerations and your service on the Airport Commission.

Please let us know if you have any further questions.

Cedar Rapids Board of Ethics

By:



Robert L. Teig, Chair  
For the Board

Van Sloten, Alissa

---

Subject: RE: Question

From: Pat Baird  
Sent: Friday, September 20, 2013 2:29 PM  
To: Ryan, Linnan E.  
Subject: Re: Question

2013 OCT 10 P 1:53  
CITY CLERK'S OFFICE  
CEDAR RAPIDS, IOWA

Mr. Ryan - thanks for making contact Here's the background:

\*I bought 100 acres of land out adjacent to airport property for future, long term development about 7 years ago. I have really done nothing to develop the land to date and have been cash renting to a local farmer. What makes this land somewhat unique is that the CRANDIC rail splits the land.

\*2 years ago I was appointed to the Airport Commission. I did notify the other commission members at the time that I owned land next to the airport

\*Recently, Tim Bradshaw with encouragement from the Commission has reached out to local landowners to see if a group could be formed to help organize an economic development effort around the airport.

\*Almost 2 years ago, I started working to get me land certified as Shovel Ready by an outside consultant. I engaged Hall and Hall to put together the required information. The Iowa Dept. of Economic Development (IDED) abandoned efforts with that consultant and has recently replaced them a new group.

\*The IDED is looking for Super sites within the State of Iowa. The airport is the only owner of land that has enough contiguous land that qualifies.

There is your background. Here is the question:

The new consultant would like to add my land to the certification process that otherwise only includes airport land. They like my land because of rail and because I can sell my land to a potential buyer whereas the airport can only lease due to FAA restrictions.

Because of my role as Commissioner, is there a conflict? If there is, what is right way to deal to with it?

You need to know that I have no need to develop the land now or anytime soon. I can wait until my term as commissioner is over without any problem. However, I am thinking that if a new prospect comes to the area looking for land, with rail access, that the City would sure like to have my land available so that they can compete with other communities.

That's it. I'm not sure there is a conflict here, but I've always lived by the rule that if I think there might be a question of conflict of interests, I always ask.

Thanks for your help.

Pat