

**LUCAS COUNTY LAND REUTILIZATION CORPORATION
CODE OF REGULATIONS**

Article I. CORPORATION

Section 1.01 Corporate Name.

The name of the Corporation shall be Lucas County Land Reutilization Corporation (the “Corporation”).

Section 1.02 Principal Office.

The place in the State of Ohio (the “State”) where the principal office of the Corporation is located is the city of Toledo, Lucas County, Ohio.

Section 1.03 Nonprofit Corporation.

The Corporation has been organized as a community improvement corporation, in particular, a county land reutilization corporation, under Chapter 1724 of the Ohio Revised Code (the “Community Improvement Corporation Law”) and Chapter 1702 of the Ohio Revised Code (the “Nonprofit Corporation Law”). The Corporation shall carry on only such activities as are consonant with the purposes set forth in Section 1.04 of this Code of Regulations and in its Articles of Incorporation and in the laws of the State of Ohio. It is intended that the Corporation shall have the status of an organization which derives its income from the exercise of essential governmental functions and the income of which, if not used by the Corporation for the continuance of its purposes, accrues to the County of Lucas, Ohio (the “County”) and is therefore excluded from gross income for federal income tax purposes pursuant to Section 115(1) of the Internal Revenue Code of 1986, as now in effect or as may hereafter be amended, and the corresponding provisions of any similar laws subsequently enacted and all regulations issued under those sections and provisions (the “Code”). All authority and activities of the Corporation shall be limited accordingly. Notwithstanding any other provision of the Corporation’s Articles of Incorporation or this Code of Regulations, the Corporation shall not directly or indirectly carry on any activity which would prevent it from claiming or maintaining its status as a corporation which derives its income from the exercise of essential governmental functions and whose income, if not used by the Corporation for the continuance of its purposes, accrues to the County and is therefore excluded from gross income for federal income tax purposes pursuant to Section 115(1) of the Code. The Corporation is not organized for profit and shall not have any authority to issue capital stock. The Corporation shall have perpetual existence.

Section 1.04 Corporate Purposes; Powers.

The Corporation is a county land reutilization corporation, as defined in Section 1724.01(A)(3) of the Ohio Revised Code, and shall be operated to exercise the essential governmental purposes provided for under the Community Improvement Corporation Law and Chapter 5722 of the Ohio Revised Code (the “Land Reutilization Law”), and any ancillary purposes for which statutory authority has been given to a county land reutilization corporation under the Ohio Revised Code, in each case as the Ohio Revised Code is now in effect or as may be amended, including, but not limited to, the following purposes in Section 1724.01(B)(2) of the Ohio

Revised Code: (1) facilitating the reclamation, rehabilitation and reutilization of vacant, abandoned, tax-foreclosed or other real property within the county for whose benefit the corporation is being organized, but not limited to the purposes described in division (B)(2) of Section 1724.01 of the Ohio Revised Code; (2) efficiently holding and managing vacant, abandoned or tax-foreclosed real property pending is reclamation, rehabilitation and reutilization; (3) assisting governmental entities and other non-profit or for-profit persons to assemble, clear, and clear the title of property described in division (B)(2) of Section 1724.01 of the Ohio Revised Code in a coordinated manner; or (4) promoting economic and housing development of the county or region.

In furtherance thereof, the Corporation shall have and may exercise all the powers granted to it in Chapters 1724 of the Ohio Revised Code and any other section of the Ohio Revised Code in which it is expressly given the power to take any action or refrain from taking any action, including, but not limited to, the following powers:

- (A) To borrow money for any of the purposes of the Corporation by means of loans, lines of credit and other financial instruments or securities, including the issuance of its bonds, debentures, notes, or other evidences of indebtedness, whether secured or unsecured, and to secure the same by mortgage, pledge, deed of trust, or other lien on its property, franchises, rights, and privileges of every kind and nature or any part thereof or interest therein.
- (B) To request by resolution that:
 - (i) The Lucas County Board of County Commissioners (the “Board of Commissioners”) pledge a specifically identified source of revenue pursuant to division of Section 307.78 of the Ohio Revised Code as security for a borrowing of the Corporation; and
 - (ii) Either of the following:
 - 1) if the land subject to reutilization is located within an unincorporated area of the County, that the Board of Commissioners issue (A) notes under Section 307.082 of the Ohio Revised Code for the purpose of constructing public infrastructure improvements and take such other actions as the Board of Commissioners determines are in the interest of the County and are authorized under Sections 5709.78 to 5709.81 of the Ohio Revised Code or (B) bonds or notes under Section 5709.81 of the Ohio Revised Code for the refunding purposes set forth in that section; or
 - 2) if the land subject to reutilization is located within the corporate boundaries of a municipal corporation, that the municipal corporation issue bonds for the purpose of constructing public infrastructure improvements and take such other actions as it determines are in its interest and are authorized under Sections 5709.40 to 5709.43 of the Ohio Revised Code.
- (C) To make loans to any person, firm, partnership, corporation, joint stock company, association, or trust, and to establish and regulate the terms and conditions with respect to any such loans.

- (D) To purchase, receive, hold, manage, lease, lease-purchase or otherwise acquire, and to sell, convey, transfer, lease, sublease, or otherwise dispose of real and personal property, together with such rights and privileges as may be incidental and appurtenant thereto and the use thereof, including but not restricted to, any real or personal property acquired by the Corporation from time to time in the satisfaction of debts or enforcement of obligations, and to enter into contracts with third parties, including the federal government, the State, any political subdivision or any other entity (except as otherwise limited in Section (1724.02) of the Ohio Revised Code.
- (E) To acquire the good will, business, rights, real and personal property, and other assets, or any part thereof, or interest therein, of any persons, firms, partnerships, corporations, joint stock companies, associations, or trusts, and to assume, undertake, or pay the obligations, debts, and liabilities of any such person, firm, partnership, corporation, joint stock company, association, or trust; to acquire, reclaim, manage, or contract for the management of, improved or unimproved and underutilized real estate for the purpose of constructing industrial plants, other business establishments or housing thereon, or otherwise causing the same to occur, for the purpose of assembling and enhancing utilization of the real estate, or for the purpose of disposing of such real estate to others in whole or in part for the construction of industrial plants, other business establishments or housing; and to acquire, reclaim, manage, contract for the management of, construct or reconstruct, alter, repair, maintain, operate, sell, convey, transfer, lease, sublease, or otherwise dispose of industrial plants, business establishments or housing, except as otherwise limited in Section 1724.02(D) of the Ohio Revised Code.
- (F) To acquire, subscribe for own, hold, sell, assign, transfer, mortgage, pledge, or otherwise dispose of the stock, shares, bonds, debentures, notes, or other securities and evidences of interest in, or indebtedness of, any person, firm, corporation, joint stock company, association, or trust, and while the owner or holder, thereof, to exercise all the rights, powers, and privileges of ownership, including the right to vote therein; provided, however, that no tax revenue, if any, received by the Corporation shall be used for such acquisition or subscription in violation of Article VIII, Section 6, Ohio Constitution.
- (G) To mortgage, pledge, or otherwise encumber any property acquired pursuant to the powers contained in parts (D), (E), or (F) of this section.
- (H) To serve as an agent for grant applications and for the administration of grants or to make applications as principal for grants for the Corporation.
- (I) To exercise the powers enumerated under Chapter 5722 of the Ohio Revised Code on behalf of the County or a county which contracts with the Corporation.
- (J) To engage in code enforcement and nuisance abatement, including, but not limited to, cutting grass and weeds, boarding up vacant or abandoned structures, and demolishing condemned structures on properties that are subject to a delinquent tax or assessment lien, or property for which a municipal corporation or township has contracted with a county land reutilization corporation to provide code enforcement or nuisance abatement assistance.

- (K) To charge fees or exchange in-kind goods or services for services rendered to political subdivisions and other persons or entities for whom services are rendered.
- (L) To employ and provide compensation for a President or an executive director who shall manage the operations of the Corporation and shall employ others for the benefit of the Corporation as approved and funded by the Board of Directors.
- (M) To purchase tax certificates at auction, negotiated sale, or from a third party who purchased and is a holder of one or more tax certificates issued pursuant to Sections 5721.30 to 5721.43 of the Ohio Revised Code.
- (N) To be assigned a mortgage on real property from a mortgagee in lieu of acquiring such real property subject to a mortgage.
- (O) To do all acts and things necessary or convenient to carry out the purposes of section 1724.01 of the Revised Code and the powers especially created for a community improvement corporation in Chapter 1724 of the Revised Code, including, but not limited to, contracting with the federal government, the state or any political subdivision, a board of county commissioners pursuant to section 307.07 of the Revised Code, a county auditor pursuant to section 319.10 of the Revised Code, a county treasurer pursuant to section 321.49 of the Revised Code, and any other party, whether nonprofit or for-profit. An employee of a board of county commissioners, county auditor, or county treasurer who, pursuant to a contract entered into in accordance with section 307.07, 319.10, or 321.49 of the Revised Code, provides services to a county land reutilization corporation shall remain an employee of the county during the provision of those service.

Article II. MEMBERS

Section 2.01 Members.

The members of the Corporation (“Members”) shall be the members of the Board of Directors.

Article III. DIRECTORS

Section 3.01 Number and Terms of Office of the Board of Directors; Representatives.

Pursuant to Section 1724.03(B) of the Ohio Revised Code, the Board of Directors of the Corporation (the “Board of Directors” or the “Directors”) shall be composed of nine members including:

- (A) The Lucas County, Ohio Treasurer (the “County Treasurer”);
- (B) At least two members of the Board of County Commissioners (the “County Commissioners”);
- (C) One member who is a representative of the largest municipal corporation, based on the population according to the most recent federal decennial census, that is located in Lucas County (the “Municipal Director”);

- (D) One member who is a representative of a township that is located in Lucas County with a population of at least ten thousand in the unincorporated area of the township according to the most recent federal decennial census (the “Township Director”); and
- (E) Any remaining members selected by the Treasurer and the County Commissioners (the “Appointed Directors”).

The County Treasurer and the County Commissioners shall be collectively referred to as the “*Ex Officio* Directors.” The term of office of each *Ex Officio* Director shall run concomitantly with the term of office of that elected official, except as otherwise provided by the public body with appointing authority. The Municipal Director and the Township Director shall be collectively referred to as the “Statutory Directors.” The Township Director shall be chosen by a majority of the boards of township trustees of townships with a population of at least ten thousand in the unincorporated area of the township according to the most recent federal decennial census. At least one member shall have private sector or nonprofit experience in rehabilitation or real estate acquisitions.

Notwithstanding anything in this Code of Regulations to the contrary, the Directors set forth in parts (A) and (B) of this Section 3.01 shall have full authority and power to act upon any business of the Corporation prior to the confirmation of the Directors described in parts (C), (D) and (E) of this Section 3.01.

Section 3.02 Representatives of *Ex Officio* Directors.

Each of the *Ex Officio* Directors may appoint a representative, as a Director of the corporation, to act for the *Ex Officio* Director appointing the representative at any meeting of the Directors that the *Ex Officio* Director would otherwise personally attend or in which the *Ex Officio* Director would otherwise participate or taken action by vote. The appointment of such a representative shall not prohibit such *Ex Officio* Director from personally exercising all the rights of an *Ex Officio* Director at any meeting of the Directors that the *Ex Officio* Director personally attends or in which the *Ex Officio* Director otherwise participates or takes action by vote. The term of such appointment shall run until the earlier to occur of: (i) the expiration of the term of the appointing *Ex Officio* Director; or (ii) the appointment of a successor representative by the appointing *Ex Officio* Director. As used in this Code of Regulations, a duly appointed representative of any *Ex Officio* Director means a Director of the Corporation for purposes of a quorum and all other business of the Board of Directors.

Section 3.03 Statutory or Appointed Directors.

The term of office of each Statutory or Appointed Director shall run until the first to occur of: (I) the resignation of such Director pursuant to Section 3.04; (ii) the second anniversary of such Director’s appointment; or (iii) the removal of such Director pursuant to Section 3.05; provided, however, that upon the expiration of the initial term of appointment for a Statutory or Appointed Director, such Director may be re-appointed for successive terms, subject to satisfaction of the conditions of appointment set forth in Section 3.01 with respect to such Director. A Statutory or Appointed Director may appoint a representative, as a Director of the corporation, in the same manner as *Ex Officio* Directors under Section 3.02.

Section 3.04 Resignation of Statutory or Appointed Director.

A Statutory or Appointed Director may, at any time with one (1) day prior written notice to the President, resign from the office of Director of the Corporation. Upon receiving the notice of resignation of a Statutory or Appointed Director, the President may call a meeting of the *Ex Officio* Directors for the purpose of selecting a replacement for the resigning Statutory or Appointed Director or may submit the resignation of the Statutory or Appointed Director at the next regularly scheduled meeting of the Board of Directors.

Section 3.05 Removal of Statutory or Appointed Director.

Any Statutory or Appointed Director may at any time be removed from office upon a majority affirmative vote of the *Ex Officio* Directors at a meeting called for such purpose.

Section 3.06 Vacancy in the Office of Statutory or Appointed Director.

If a vacancy occurs in one or more of the offices of Statutory or Appointed Director, whether from death, disability or otherwise, the President shall notify all *Ex Officio* Directors and shall schedule a meeting of such Directors for the purpose of filling the vacancy or vacancies.

Section 3.07 Authority and Duties of Directors.

Except where the Community Improvement Corporation Law, the Nonprofit Corporation Law, the Land Reutilization Law, the Articles of Incorporation or this Code of Regulations (including the provisions of Article II) require that action be otherwise authorized or taken, all of the authority of the Corporation shall be vested in and exercised by or under the direction of the Board of Directors. The Board of Directors shall have authority to make, prescribe and enforce all rules and regulations for the conduct of the business and affairs of the Corporation and the management and control of its properties.

Section 3.08 Election of Chair and Vice-Chair of the Board of Directors.

The Board of Directors shall elect from its number a Chair and a Vice-Chair. It shall be the duty of the Chair to preside over all meetings of the Board of Directors. It shall be the duty of the Vice-Chair to preside over all meetings of the Board of Directors in the absence of the Chair. The term of the Chair and Vice-Chair shall run from the date of election of each as Chair or Vice-Chair to the next succeeding Annual Meeting. At each Annual Meeting following the adoption of this Code of Regulations, the Board of Directors shall elect from its number a new Chair and new Vice-Chair, provided that there shall be no prohibition on electing a member of the Board of Directors to successive terms as Chair or Vice-Chair.

Article IV. MEETINGS; NOTICES

Section 4.01 Definitions of Words and Terms Used in Article IV.

The following words and terms shall have the following meanings for their use in this Article IV:

- (A) *Meeting* including when used in connection with the terms “annual meeting,” “regular meeting” and “special meeting,” means any pre-arranged discussion of the Public Business

of the Corporation (as hereinafter defined) by a majority of the members of the Board of Directors or its *Ex Officio* Directors, or by any committee of the Board of Directors if there sits on such committee at least a majority of the Directors, and there is present at such meeting at least a majority of the Directors.

- (B) *Oral Notification* means notification given orally either in person or by telephone, directly to the person for whom such notification is intended, or by leaving an oral message for such person at the address, or if by telephone, at the telephone number (including any oral message left in the voice mail or similar recording device provided for messages at such telephone number), of such person on the records kept by the Secretary of the Corporation under this Article.
- (C) *Public Business of the Corporation* means business of the Board of Directors which concerns the Corporation as the designated agency of the County for purposes of exercising the powers given it in, among others, Chapters 1724 and 5722 of the Ohio Revised Code, and which business is conducted at a meeting at which a decision or determination of the Board of Directors is required in pursuit of any purpose under division (B) of Section 1724.01 of the Ohio Revised Code, but such business shall include no business the information regarding which is not a public record subject to Section 149.43 of the Ohio Revised Code under Section 1724.11 of the Ohio Revised Code.
- (D) *Written Notification* means notification in writing mailed, faxed, electronically mailed (“e-mailed”) or otherwise delivered to the address, including an e-mail address, of the person for whom such notification is intended as shown on the records kept by the Secretary of the Corporation under this Article IV, or in any way delivered to such person. If mailed, such notification shall be mailed by first class mail, deposited in a U.S. Postal Service mailbox no later than the second day preceding the day of the meeting to which such notification refers, provided that at least one regular mail delivery day falls between the day of mailing and the day of such meeting. If e-mailed, the notification shall be sent no later than the 5:00 p.m. on the second day before the day of the meeting, and shall be sent to return an electronic receipt to the sender evidencing that the intended recipient has opened the e-mail where possible.

Section 4.02 Annual Meeting.

The Board of Directors shall hold an annual meeting after the close of the Corporation’s fiscal year on such date for which notice of such annual meeting is given in accordance with Section 4.05. Each annual meeting shall be held at the place set forth in the notice, but such place shall be within the boundaries of the County. Notice of such annual meeting shall be given by the Secretary of the Corporation with the assistance of the President in accordance with Section 4.05. The purpose of the annual meeting shall be to release the annual financial report of the Corporation the preparation of which is required under Section 1724.05 of the Ohio Revised Code, and any other annual or special reports of the Board of Directors prepared for release at the annual meeting, and to transact such other business as may properly come before the Board of Directors at the annual meeting.

Section 4.03 Regular Meetings.

In addition to the annual meeting, the Board of Directors shall hold at least one regular meeting during each calendar quarter of each fiscal year of the Corporation on such dates and at such times as the Board of Directors shall determine, provided that if the Board of Directors so determines at its annual meeting that the regular meeting otherwise required pursuant to this Section 4.03 that would be held in the same calendar quarter as the annual meeting is not necessary for continuing to conduct the business of the Corporation, the regular meeting for such calendar quarter shall not be held. Notice of each regular meeting shall be given by the Secretary of the Corporation with the assistance of the President in accordance with the provisions of Section 4.05. The purpose of regular meetings of the Board of Directors shall be to receive reports from the President and other Officers, and committees, if any, of the Board of Directors, to approve or disapprove actions, if any, by the Corporation requiring action by the Board of Directors, and to consider and act upon any other matter which is necessary or appropriate for action by the Board of Directors.

Section 4.04 Special Meetings.

The Chair of the Board of Directors, a majority of the Directors, or the President and one other Officer may call a special meeting of the Board of Directors. Notice of any such special meeting shall be given in accordance with the provisions of Section 4.05.

Section 4.05 Notices to Directors of Meetings.

Notice of each regular meeting, special meeting and annual meeting of the Corporation shall be given to each Director under this section.

Not less than two (2) days and not more than ten (10) days prior to an annual meeting or regular meeting, notice stating the date, time, place of the meeting shall be given to the Directors by or at the direction of the Secretary of the Corporation with the assistance of the President. Such notice shall be given to the Directors in writing which shall be given by personal delivery, mail, facsimile, e-mail, posting on the Corporation's website, or other written media addressed to the Directors at their respective addresses as they appear on the records of the Corporation; provided, however, that if a facsimile or e-mail notice is utilized, receipt by the intended recipient must be confirmed in similar format whenever possible.

At least twenty-four (24) hours prior to a special meeting, notice stating the date time, place of the meeting shall be given to the Directors by or at the direction of the Secretary of the Corporation with the assistance of the President or of the person or persons calling the meeting. Such notice shall be given to the Directors in writing which shall be given by personal delivery, mail, facsimile, e-mail, posting on the Corporation's website, or other written media addressed to the Directors at their respective addresses as they appear on the records of the Corporation; provided, however, that if a facsimile or e-mail notice is utilized, receipt by the intended recipient must be confirmed in similar format whenever possible.

Section 4.06 Meeting Locations.

All meetings of the Board of Directors shall be held at the principal place of business of the Corporation or at any other place within the boundaries of the County, as the Board of Directors shall determine and include in any notice given regarding such meeting.

Section 4.07 Quorum; Voting; Adjournment.

Except as otherwise provided in this Code of Regulations, a majority of the Directors of the Corporation shall constitute a quorum for the transaction of business. The act of a majority of the Directors voting in present, or by proxy as described in this Section 4.07, at a meeting at which a quorum is present shall be the act of the Board of Directors unless otherwise expressly provided by the Articles of Incorporation or this Code of Regulations. After a quorum had been established as a meeting of the Board of Directors, the subsequent withdrawal of the Directors of the meeting so as to reduce the number of Directors present at any meeting to fewer than the number required for quorum shall not affect the validity of any action taken by the Board of Directors at the meeting or any adjournment thereof, if a quorum was present when the action was taken. A majority of the Directors present may adjourn any meetings of the Board of Directors to another time and place.

A Director may, by written, signed proxy, authorize another Director to vote for such Director at any Board meeting. The proxy must be delivered to an officer of the Corporation at such meeting before any vote. The proxy authorization shall describe with particularity the matters to which the proxy holder is authorized to vote upon, but under no circumstances shall the proxy authorization confer a blanket voting power upon the proxy holder.

Section 4.08 Waiver of Notice by a Director.

Notice of the time, place and purposes of any meeting of the Board of Directors may be waived by a Director in writing either before or after the holding of such meeting. The attendance of any Director at any such meeting without protesting the lack of proper notice prior to or at the commencement of the meeting shall be deemed to be a waiver by such Director of the requirement for notice of such meeting.

Section 4.09 Open Meeting Requirement.

Except as otherwise provided in Section 1724.11(B)(1) of the Ohio Revised Code, all meetings of the Board at which a determination of the Board is required shall be open to the public at all times in accordance with Section 121.22 of Ohio Revised Code and provisions of this Section 4.09. In connection with compliance with this provision, notice to the public, including the news media, of meetings of the Directors for the purpose of conducting the Public Business of the Corporation shall be given as provided in this Section 4.09.

Any notification to be given by the Secretary may be given by any person acting on behalf of or under the authority of the Secretary. The Secretary shall maintain a record of the date and time, if pertinent under this Article, of all notices and notifications give or attempted to be given under this article, and to whom such notifications were given or unsuccessfully attempted to be given.

Notice of all meetings, specifying a time, place and purpose shall be given not later than twenty-four (24) hours in advance: (1) by posting at the office of the Corporation; or (2) by publishing the notice on the publicly accessible website of the Corporation.

Any news media that desires to be given advance notification of meetings shall file with the Secretary a written request. Notice under a request under this Section must be given only by e-mail. The request shall be effective for one year from filing with the Secretary. Each requesting

news medium shall be informed of such period of effectiveness when it files its written request. The written request shall specify the name of the news medium, the name and address of the person to whom written notification to the medium can be e-mailed.

The Secretary shall post or cause to be posted on the publicly accessible website of the Corporation notice of date, time, and location of all meetings of the Corporation at least twenty-four (24) hours in advance of such meetings.

Article V. COMMITTEES

Section 5.01 Appointment.

The Board of Directors may from time to time appoint certain of its members and officers of the Corporation to act as a committee or committees in the intervals between meetings of the Directors and may delegate to such committee or committees the powers that may be exercised under the control and direction of the Directors and under the provisions of Ohio law. If any powers otherwise exercisable only by the Board of Directors are to be delegated to a committee under this Article, at least a majority of the Directors of the Board shall be appointed to such committee. Each such committee and each member shall serve at the pleasure of the Directors. If no powers otherwise exercisable only by the Board of Directors are to be delegated to a committee under this Article, at least one (1) Director shall be appointed to such committee.

Section 5.02 Executive Committee.

In particular, the Board of Directors may create and define the powers and duties of an Executive Committee consisting of at least two of the *Ex Officio* Directors and any one or more of the Statutory or Appointed Directors. During the intervals between meetings of the Board of Directors the Executive Committee shall possess and may exercise all of the powers of the Board of Directors in the management and control of the business of the Corporation if the exercise of such powers are permitted by law or otherwise constitute no unlawful delegation of fiduciary responsibility. All action taken by the Executive Committee shall be reported to the Board of Directors at its first meeting after such meeting of the Executive Committee. All meetings of the Executive Committee shall comply with the provisions of Section 4.09 of this Code of Regulations.

Section 5.03 Committee Action.

Unless otherwise provided by the Board of Directors, a majority of the members of any committee appointed by the Board of Directors under this Article shall constitute a quorum at any meeting and the act of a majority of the members present at a meeting at which quorum is present shall be the act of such committee. Any such committee shall prescribe its own rules for calling and holding meetings and its method of procedure, subject to any rules prescribed by the Directors and the provisions of Section 5.04. Each committee shall keep a written record of all actions taken by it.

Section 5.04 Open Committee Meetings.

If the number of Directors appointed to a committee do not constitute a quorum under and pursuant to Section 4.07, such committee may determine its own rules or notifications of its members, and if so determines, the general public, with regard to all of its regularly scheduled or

special meetings. If the number of Directors appointed to a committee constitute a quorum under and pursuant to Section 4.07, the committee shall comply with the provisions of Article IV regarding notification and other matters relating to meetings of Board of Directors.

Article VI. OFFICERS

Section 6.01 Employment and Designation of Officers.

The officers of the Corporation (each an “Officer”) comprise: (i) a President; (ii) a Secretary and a Treasurer; and (iii) one or more Vice Presidents, as deemed necessary for the accomplishing the purposes and mission of the Corporation. All Officers shall be appointed by the Board of Directors. No Officer shall execute, acknowledge, or verify any instrument in more than one capacity, if such instrument must be executed, acknowledged, or verified by two (2) or more Officers.

Section 6.02 Term of Office; Vacancies.

The Officers shall hold office until their successors are appointed or employed by the Board of Directors. The Board of Directors may remove any Officer at any time with or without cause by a majority vote of the Directors then in office.

Section 6.03 Authority.

All Officers shall have such authority and perform such duties as customarily pertain to their respective offices and such additional authority and duties as may be prescribed by the Board of Directors or as prescribed. The enumeration of powers and duties set forth below shall not limit the generality of the foregoing.

Section 6.04 Authority and Duties of the President.

The President shall be the chief executive officer of the Corporation. Subject to the direction of the Board of Directors, the President shall be responsible for carrying out the directions and policies of the Board of Directors, shall have responsibility for the general management and administration of the daily operations and affairs of the Corporation and shall perform any other duties or functions that may be necessary in the best interests of the efficient operations of the Corporation within limits established by the Board of Directors. Subject to any budgetary limitation imposed by the Board of Directors, the President shall employ and provide for the compensation of all employees of the Corporation, the funding of whose positions is provided by the Board of Directors. The President may delegate to any Officer such of his duties as such Officer may be qualified to perform, subject to any limitations on such delegation as the Board of Directors may expressly adopt by resolution.

Section 6.05 Authority and Duties of the Treasurer.

The Treasurer shall be the fiscal officer of the Corporation. Subject to the direction of the Board of Directors, the Treasurer shall be responsible for all fiscal affairs of the Corporation, including, but not limited to: (a) preparing annually a budget estimating the revenues and expenditures of the Corporation for the next subsequent fiscal year and delivering a copy of such budget to the President and the Board of Directors in sufficient time for their review, revision and adoption of the same prior to the end of the fiscal year immediately preceding the fiscal year for which such

budget will be effective; (b) opening demand deposit and other bank accounts in which all moneys of the Corporation will be deposited, receiving and depositing and having charge over all money, bills, notes, bonds and similar property belonging to the Corporation; (c) keeping or causing to be kept under the Treasurer's supervision an accurate set of accounting books in which all financial transactions and assets of the Corporation are recorded in accordance with generally accepted accounting principles and holding the same open for inspection and examination by the Directors and the Auditor of State or other independent public accountant or firm of accountants as required by law; (d) preparing interim and annual financial reports of the Corporation for the Board of Directors; (e) managing the investment of the moneys of the Corporation; (f) complying with applicable purchasing policies; and (g) establishing fiscally sound internal control procedures. In addition, the Treasurer shall perform any other duties or functions that may be assigned or delegated to such Officer by the Board of Directors.

Section 6.06 Authority and Duties of the Secretary.

The Secretary shall be responsible for keeping the minutes of all meetings and proceedings of the Board of Directors and shall make a proper record of the same, which shall be attested by the Secretary and the Chair of the Board. The Secretary shall keep such other books as may be required by the President or the Board of Directors and shall generally perform such other duties and functions as may be required or assigned by the President, subject to any express limitations on such other duties and functions as may be adopted by the Board of Directors.

Section 6.07 Authority and Duties of Vice Presidents.

A Vice President shall have such powers as shall be necessary or convenient to perform the duties required by the description of the position for which such Vice President was appointed and shall perform the duties so set forth. Each Vice President shall also perform such other and further duties as may be assigned to such Vice President by the President or by Board of Directors.

Article VII. Indemnification

Section 7.01 Rights of Indemnification.

Each member of the Board of Directors, each Officer, and each employee or agent of the Corporation (and his or her heirs, executors and administrators) who is made a party to any litigation, action, suit or proceeding, whether civil, criminal, or administrative, by reason of his or her being or having been a Director, Officer, or employee or agent of the Corporation shall be entitled to be indemnified, to the fullest extent provided by or permissible under Section 1702.12 of the Ohio Revised Code, by the Corporation against the reasonable expenses actually incurred by him or her in connection with the defense of such litigation, except in relation to the following matters:

- (A) Those as to which he or she shall be finally adjudged in such litigation to be liable because of material dereliction in the performance of his or her duties as Director, Officer, or employee or agent of the Corporation; or
- (B) Those which have resulted in a judgment in favor of the Corporation and against him or her, or which are settled by any payment by him or her to the Corporation.

The right of indemnification shall not be exclusive of other rights to which such person, his or her heirs, executors or administrators, may be entitled.

Section 7.02 Purchase of Insurance.

The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director or Officer against any liability asserted against such Director or Officer and incurred by such person in any such capacity, or arising out of this person's status as such, whether or not the Corporation would have the power to indemnify this person against such liability under the provisions of this Article or of the Nonprofit Corporation Law.

Section 7.03 Determination of the Directors in regard to Article VII.

In connection with the provisions of Sections 7.01 and 7.02, the Board of Directors hereby determines that such provisions are necessary, or if a court of competent jurisdiction should find otherwise, then convenient, to carry out the purposes of Section 1724.01 of the Ohio Revised Code and the powers especially created for a community improvement corporation in Chapter 1724 of the Ohio Revised Code.

Article VIII. CONFLICTS OF INTEREST POLICY

Section 8.01 Purpose.

The purpose of this conflicts of interest policy is to protect the interests of the Lucas County Land Reutilization Corporation when contemplating entering into a transaction or arrangement that might benefit the private interest of an Officer or Director. A transaction or arrangement that provides a public benefit to a political subdivision with which an Officer or Director is associated either by election or employment is not in and of itself a conflict of interest under this policy. This policy is intended to supplement but not replace the applicable provisions of the Ohio Revised Code for public officials and public employees, including the following provisions set forth in the first paragraph of Section 1724.10(B)(1) which address the issue of not only conflicts of interest but also the incompatibility of public offices, specifically:

Membership on the governing board of a community improvement corporation does not constitute the holding of a public office or employment within the meaning of sections 731.02 and 731.12 of the Revised Code or any other section of the Revised Code. Membership on such governing boards shall not constitute an interest, either direct or indirect, in a contract or expenditure of money by any municipal corporation, township, county, or other political subdivision. No member of such governing boards shall be disqualified from holding any public office or employment, nor shall such member forfeit any such office or employment, by membership on the governing board of a community improvement corporation notwithstanding any law to the contrary.

Section 8.02 Definitions.

- (A) *Interested person.* Any Director or Officer who has a direct or indirect financial interest, as defined below, is an interested person for this Policy.
- (B) *Financial Interest.* A person has a financial interest if the person has, directly or indirectly, through business, investment or family: (a) an ownership or investment interest in any

entity with which the Corporation has a transaction or arrangement; (b) a compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; or (c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

Words and terms with italicized letters used as defined words and terms and not otherwise defined shall have the same meaning given such words and terms in the Code of Regulations of the Corporation.

Section 8.03 Duty to Disclose.

In connection with any actual or possible conflicts of interest, an interested person must disclose the existence and nature of his or her financial interest to the Board of Directors prior to its considering the proposed transaction or arrangement.

Section 8.04 Duty to Recuse Oneself from Vote.

A Director that is either elected or employed by a political subdivision with which the Corporation is considering entering into a transaction or other arrangement must recuse himself or herself from voting on the matter.

Section 8.05 Determining Whether a Conflict of Interest Exists.

After disclosure of the financial interest, the interested person shall leave the meeting of the Board of Directors while the financial interest is discussed and voted upon. If such interested person is a Director, the remaining Board of Directors shall decide if a conflict of interest exists.

Section 8.06 Procedures for Addressing the Conflict of Interest.

If, pursuant to Section 8.05, a conflict of interest is deemed to exist:

- (A) The Board of Directors shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- (B) After exercising due diligence, the Board of Directors shall determine whether the corporation can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board of Directors shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in the Corporation's best interest and for its own benefit and whether the transaction is fair and reasonable to the Corporation and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

Section 8.07 Violations of the Conflicts of Interest Policy.

If the Board of Directors has reasonable cause to believe that an interested person has failed to disclose actual or possible conflicts of interest, it shall inform the interested person of the basis for such belief and afford such person an opportunity to explain the alleged failure to disclose.

If after hearing the response of such person and making such further investigation as may be warranted in the circumstances, the Board of Directors determines that the interested person has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action, up to and including removal from the Board of Directors.

Section 8.08 Records of Proceedings.

Regarding any proceedings of the Board of Directors under this Policy, the minutes of the Board of Directors shall contain:

- (A) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board of director's decision whether a conflict of interest existed.
- (B) The names of the persons present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection.

Section 8.09 Annual Statements.

Each Director and Officer shall annually sign a statement which affirms that such person:

- (A) Has received a copy of the most recent Conflicts of Interest Policy;
- (B) Has read and understands the Conflicts of Interest Policy;
- (C) Has agreed to comply with the Conflicts of Interest Policy;
- (D) Understands that the Corporation is an instrumentality of the County exercising essential governmental functions authorized in Chapters 1724 and 5722 of the Ohio Revised Code, and the income of which, if not used by the Corporation for the continuance of its purposes, accrues to the County, and therefore, pursuant to Section 115(1) of the Code, income derived by the Corporation is excluded from gross income for federal income tax purposes; and
- (E) With regard to any public official, such official has filed with the Board that Board member's Ohio Ethics Commission disclosure form for the calendar year as required by law.

Section 8.10 Periodic Reviews.

To ensure that the Corporation operates in a manner consistent with its exclusive governmental purposes and that it does not engage in activities that could jeopardize its status as an organization performing essential governmental functions authorized in Chapters 1724 and 5722 of the Ohio Revised Code, and the income of which, if not used by the Corporation for the continuance of its purposes, accrues to the County, and therefore whose income is excluded from gross income for federal income tax purposes pursuant to Section 115(1) of the Code, periodic reviews shall be conducted. The periodic reviews shall at the minimum include the following

subjects:

- (A) Whether compensation arrangements and benefits are reasonable and the result of arm's length bargaining; and
- (B) Whether partnership and joint venture arrangements and arrangements with management service organizations, including property management organizations, if any conform to written policies of the Corporation, are properly recorded with the Corporation, reflect reasonable payment for goods and services, further the Corporations governmental purposes and do not result in personal inurement or impermissible private benefit.

Section 8.11 Use of Outside Experts.

In conducting the periodic review provided for in Section 8.10, the Corporation may, but need not, use outside advisors or experts. If used, their use shall not relieve the Board of Directors of its responsibility for ensuring that periodic reviews are conducted.

Article IX. FISCAL MATTERS; CONTRACTS; RECORDS

Section 9.01 Fiscal Year End.

The fiscal year of the Corporation shall begin on the same day of the year on which the fiscal year of the County begins and end on the last day of each such year.

Section 9.02 Annual Budget.

At least fifteen (15) days prior to the end of each fiscal year of the Corporation, the President shall present to the Board of Directors the annual budget of the Corporation for the next succeeding fiscal year. The Board of Directors shall, at a regular or special meeting, conduct a public hearing on such budget and shall, at such meeting or at another meeting called for the purpose, adopt the annual budget which shall govern the expenditures of the Corporation during the fiscal year to which such budget applies. On and after the commencement of the fiscal year, the annual budget adopted for such fiscal year may be amended or supplemented by the Board of Directors as circumstances warrant. No binding monetary obligation of the Corporation shall be entered into unless there exists at the time in the application budget line item an unencumbered balance in an amount no less than lesser of: (i) the amount of the monetary obligation to be incurred without either the amendment or supplement of such budget and line item by the Board of Directors; and (ii) the amount of the monetary obligation that will be due and payable in the fiscal year in which the monetary obligation is incurred. Nothing in this Section 9.02 shall be construed as prohibiting the President from approving the transfer of an unencumbered balance from any line item, account or fund to a line item, account of fund with respect to which an insufficient unencumbered balance exists when it is in the best interests of the Corporation to enter into the binding monetary obligation. In the event that due to unforeseen circumstances the annual budget has not been adopted and is not ready for the adoption by the last day of the fiscal year immediately preceding the year for which such budget is to be effective, the Board of Directors may adopt a temporary budget governing fiscal matters for the first three months of the new fiscal year.

Section 9.03 Contracts.

The President and any other Officer duly authorized by the President shall have the authority to execute contracts on behalf of the Corporation, subject to any limitations provided in this Section 9.03 and any other limitations adopted by resolution of the Board of Directors. In addition, the Board of Directors may authorized by resolution other Officers or agents to enter into and contract or execute and deliver any instrument in the name of and on behalf of the Corporation, with such authority being general or confined to instances. Prior to the execution of any contract on behalf of the Corporation, the Treasurer shall certify there is an unencumbered balance in the applicable budgetary account at least sufficient to pay in the fiscal year in which such contract is being signed all payments required to be made under the contract in such fiscal year.

Section 9.04 Loans and Indebtedness.

No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by the Ohio Revised Code and by a resolution of the Board of Directors which such authorization being general or confined to a instance. When a line or lines of credit have been authorized by the Board of Directors, draw-downs upon the signature of the President or other authorized Officers are deemed authorized by the Board of Directors unless prohibited by Board resolution.

Section 9.05 Signatories on Checks, Drafts, and Evidences of Indebtedness.

All checks, drafts or other orders for the payment of money issued in the name of the Corporation or to the Corporation shall be signed or endorsed by at least one Officer who shall be authorized signatory on the account against which such check, draft or other order for the payment of money is drawn. All notes, bonds, or other evidences of indebtedness of the Corporation for borrowed money shall be signed by the President and the Treasurer, or other two Officers of the Corporation if so authorized in the resolution of the Board of Directors approving the borrowing of money and the issuance of notes, bonds, or other evidences of indebtedness. The signatures of such persons may be by facsimile where authorized, but shall not be preprinted on the instrument.

Section 9.06 Signatories on Deeds and Transfers of Real Property Interests.

All deeds and other documents transferring an interest in real property of the Corporation shall be executed by an Officer of the Corporation or Chair of the Board of Directors and shall otherwise be in compliance with the provisions of Ohio law applicable to disposition of real property.

Section 9.07 Deposits.

All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the President may select after written solicitation to such banks, trust companies and other depositories for designation as a depository of the Corporation by the Treasurer.

Section 9.08 Maintenance of Records; Open Records.

The Corporation shall keep accurate and complete books and records of account according to

generally acceptance accounting principles relating to any moneys received or expended in connection with its pursuit of its purposes and in such a manner as to facilitate compliance with the requirements of Section 1724.05 of the Ohio Revised Code. Maintenance of such books and records of account shall be the responsibility of the Treasurer. The Corporation shall also keep minutes of the proceedings of its Board of Directors, and any committee created by and having any of the authority of the Board of Directors. Maintenance of such minutes of the proceedings of the Board of Directors, and any committee created and having any authority of the Board of Directors, shall be the responsibility of the Secretary. To the extent provided in Section 149.431 of the Ohio Revised Code and except as otherwise provided and in Section 1724.11 of Ohio Revised Code, the books and records of the Corporation shall be public records, open for public inspection under Section 149.43 of the Ohio Revised Code.

Section 9.09 Internal Controls.

In addition to the requirements of this Article IX regarding fiscal matters of the Corporation, the President or Treasurer may provide by written policy circulated to all Directors, Officers, employees and agents of the Corporation further internal control and safeguards over the assets of the Corporation to ensure their safety and application in accordance with all applicable laws, regulations, the Articles of Incorporation and this Code of Regulations.

Article X. AMENDMENTS

Except as otherwise provided by the Articles of Incorporation of this Code of Regulations and applicable Ohio law, the Articles of Incorporation of the Corporation and this Code of Regulation may be amended, altered, or repealed at any duly scheduled meeting of the Board of Directors called for that purpose by the affirmative vote of a majority of the Directors of the Board provided that the notice of said meeting stated that consideration of the amendment of Articles of Incorporation of the Code of Regulations or both, as the case may be, is a purpose of the meeting. Directors of the Board must be notified in written or electronic format of a proposal for amendments at least five (5) days prior to the action on the proposal. Notwithstanding anything to the contrary in this Code of Regulations or the Articles of Incorporation, the Articles of Incorporation and this Code of Regulations may not be amended if such amendment would contravene the status of an organization performing essential governmental functions as an instrumentality of the County and whose income is therefore excluded from gross income for federal income tax purposes pursuant to Section 115(1) of the Code.