

**Lucas County Land Reutilization Corporation
Purchasing Policy**

Article I. Purpose

Section 1.01 Purpose and Intent.

(A) The Lucas County Land Reutilization Corporation (the "Land Bank") is committed to the principles of transparency and accountability in the expenditure of public funds. To return vacant and abandoned properties to productive use and maximize the community's benefit, the Land Bank must also be efficient and flexible. This purchasing policy is designed to accommodate both needs as the Land Bank conducts its day-to-day business.

Article II. Contracting Authority.

Section 2.01 Delegated Contracting Authority.

(A) The President, or another officer of the Corporation designated by the President, is authorized to enter into contracts for \$25,000 or less on behalf of the Land Bank without the express approval or ratification of such contracts by the Board. All expenditures authorized by the President or that person's designee shall be presented to the Board at its next regularly scheduled meeting for review.

(B) Notwithstanding the authority of the President, or that person's designee, to enter into any contract as provided in this Policy, the President, or that person's designee, may seek the Board's express authorization for such contracts prior to award when such prior notice and authorization is in the best interests of the Land Bank.

Section 2.02 Express Board Authorization.

(A) Any contract exceeding \$25,000 shall be presented to the Board for its express approval at the next scheduled Board meeting.

Section 2.03 Procurement

(A) Although OAG opinion No. 2003-037 exempts an Ohio community improvement corporation from following the statutory competitive bidding procedures of a county for the procurement of goods and services, the Board recognizes that "informal" competitive bidding is best practice for non-profit entities to ensure that it pays fair-market value for such goods and services.

(B) For the purposes of this policy, "informal competitive bidding" means a process where the Land Bank obtains in writing at least three bids from various providers on the cost of the applicable goods or services being procured. If the Land Bank in good faith cannot obtain at least three written bids from prospective providers, the President is authorized to accept any one bid if in that person's sole discretion the prospective provider is a "sole supplier" or at least two bids represent fair, market-based costs for such goods or services. Nothing in this policy prohibits or limits the ability of the Land

Bank to use a formal competitive bidding process to purchase goods or services.

- (C) In lieu of informal competitive bidding, the President is authorized to procure goods and services at competitive but fixed prices after providing public notice to interested contractors through a Request for Qualifications or Request for Proposals process.
- (D) Recognizing that the Land Bank's work impacts disadvantaged areas of the community in which many disadvantaged business owners live and work, the Land Bank will take affirmative steps to procure from Minority Business Enterprises (MBE), Women's Business Enterprises (WBE), and other Economically Disadvantaged Business Enterprises (EDGE) located in or near Lucas County whenever possible.
- (E) Recognizing that the Land Bank's work impacts the thousands of construction tradesmen and tradeswomen living in Northwest Ohio, the Land Bank will procure certain construction related contracts pursuant to a Project Labor Agreement, as outlined in the attached **Appendix A**.

Section 2.04 Procurement by Credit / Debit Card.

- (A) The President, with the consent of the Treasurer, is personally authorized to utilize a credit / debit card issued in that person's name and directly tied to the Land Bank's financial accounts solely for Land Bank business.
- (B) The President may authorize, with the consent of the Treasurer, any other employee of the Land Bank to utilize a credit / debit card issued in that employee's name and directly tied to the Land Bank's financial accounts solely for Land Bank business if it is more efficient for that employee to utilize a credit / debit card for Land Bank business than it would be if that employee were reimbursed for business expenditures directly.
- (C) No credit / debit card issued under this policy may be used to purchase goods and services totaling more than \$100.00 without the express authorization of the President.
- (D) All purchases made using a credit / debit card issued under this policy must be documented with a paid receipt or invoice and presented to the President or Treasurer for payment not less than 10 days following the purchase.
- (E) Any personal, prohibited (including alcoholic beverages), or undocumented purchases made using a credit / debit card issued under this policy shall be immediately repaid to the Land Bank. Willful or repeated violation of this policy shall be grounds for the revocation of such credit / debit card and other employment-related sanctions in the discretion of the Land Bank.
- (F) The Treasurer shall keep a register of all Land Bank credit / debit cards issued and shall update this register on at least an annual basis.

Article III. Capital Asset Policy

Section 3.01 Policy.

- (A) The Land Bank will follow a policy of capitalizing personal property assets for which an economic benefit will be derived over a period greater than one year and that have an economic value of greater than \$25,000 at the time of procurement (a “capital asset”). Capital assets with an individual value of over \$25,000 or bulk purchases of similar items that have an aggregate value of \$25,000 or more will be treated as capital assets regardless of the individual price. All assets are capitalized at cost, including all costs incurred in obtaining the assets such as installation or shipping.
- (B) Depreciation of capital assets will be calculated using the straight-line depreciation method over the useful life of an asset. All depreciation related to the maintaining of the capital assets will be calculated by the database and recorded in the financial statements of the Land Bank through a posting to the accounting system.

Section 3.02 Asset Tracking.

- (A) The Land Bank, under the direction of the Treasurer, will maintain a record of all assets meeting the criteria for capitalization and owned by the Land Bank in a capital asset database. The database shall include the following information:
 - 1) Asset tag number;
 - 2) Description;
 - 3) Serial number (if available);
 - 4) Check number;
 - 5) Acquisition date; and
 - 6) Estimated life.
- (B) At least annually, a physical inventory of all capital assets will be performed by the Land Bank personnel and reviewed by the Treasurer.
- (C) All requests for removal, deletions and discards of surplus property with a value exceeding \$500 at the time of removal, deletion, or discard must be approved by the Board of Directors.

APPENDIX A

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is made and entered into between the Lucas County Land Reutilization Corporation (the "Land Bank") and the Northwestern Ohio Building Trades Council (the "NWOBTC") known collectively herein as "the Parties," for the purposes of furthering the mutual goals of the Parties, furthering collaboration between the Parties, establishing policies and procedures that allow the Parties to undertake their respective business collaboratively and concurrently, and for all other purposes that further the mutual goals and interests of the Parties.

This MOU is made effective as of this 18th day of July, 2016 and this date shall be known herein as the "Effective Date."

Whereas, the Land Bank has been organized under Sections 1724 and 5722 of the Ohio Revised Code to further its goals of strengthening neighborhoods by returning vacant and abandoned property to productive use, strategically acquiring properties to reduce blight, promoting economic development, increasing property values, and thereby improving the quality of life of all Lucas County residents, and for any additional lawful purposes consistent with these goals.

The NWOBTC is an organization comprised of 18 affiliated local building trades unions and their 15,000 plus local building tradesmen and their families.

The Parties jointly desire to collaborate and cooperate in furthering the goals of the Land Bank through the reclamation, rehabilitation and reutilization of vacant, abandoned, tax foreclosed or other real property located in Lucas County, Ohio. The Parties express through this MOU their mutual and sincere commitment to the families and quality of life within Northwest Ohio by: (a) helping to ensure that the 15,000-plus building tradesmen, tradeswomen, and their families directly benefit from the construction of the region's public and civic infrastructure; (b) supporting the investment made in training local building tradesmen and tradeswomen to ensure the highest quality construction; and (c) protecting the area standards for wages and benefits realized through the process of collective bargaining by imposing union scale for all work covered by this Agreement.

This MOU formalizes the discussions and negotiations of the Parties toward entering into a mutual agreement with respect to the rights, duties and obligations of the Land Bank and NWOBTC.

Therefore, the Land Bank and NWOBTC each agree to the following:

ARTICLE I Definitions

All terms and words used in this MOU and not defined in Article I are to be defined by their plain usage and meaning. If the Parties discover any terms and words in this MOU that the Parties believe are not clearly defined herein, the Parties shall define such terms and words in the way most consistent with the overriding mutual goals of the Parties.

1. "**Commercial/Industrial Property**" means property used primarily for commercial or industrial purposes, or multi-family properties containing more than four (4) residential units.

2. **“Residential”** means a property that contains a structure zoned for residential use, has four (4) or less residential units, and possesses a unique address. This definition encompasses mixed use structures that otherwise meet the listed criteria.
3. **“Construction”** means all construction other than demolition, including but not limited to, renovation and remediation of all residential and commercial property.

ARTICLE II Scope and Terms of MOU

1. The Land Bank and NWOBTC agree to enter into Project Labor Agreements with respect to: (i) all demolition and remediation projects on properties owned by the Land Bank, with the exception of any residential demolition projects that the City of Toledo elects to perform; (ii) all new construction projects on properties owned by the Land Bank or projects performed by a third-party partner receiving Land Bank funding in whole or in part; and (iii) renovation construction projects on properties owned by the Land Bank, \$100,000 or greater.
2. For renovation construction projects on properties owned by the Land Bank that are not \$100,000 or greater, the Land Bank will establish “responsible contracting” policies in partnership with NWOBTC and will take steps to procure from NWOBTC signatory contractors in such projects whenever feasible.
3. The Land Bank may elect to subcontract any work required to undertake the demolition, remediation, new construction, and renovation construction work. Any applicable contracts entered into between the Land Bank and third party subcontractors shall be governed exclusively by the terms of any applicable Project Labor Agreement. No construction work can begin until a fully executed Project Labor Agreement is received by the Parties.
4. Upon being awarded applicable work under this MOU by the Land Bank, the contractor or subcontractor shall immediately execute a Project Labor Agreement with the Parties.
5. In consideration of the mutual promises set forth herein, the NWOBTC agrees to make available to any contractor or subcontractor who performs work within the scope of this MOU any PLA executed by the parties, without regard to whether the contractor or subcontractor performs other work on a union or non-union basis and without regard to whether employees of such contractor or subcontractor are or are not members of any union.
6. Upon execution of the Project Labor Agreement, the contractor or subcontractor shall be directed to immediately contact NWOBTC, and shall hold a pre-job at NWOBTC within 15 days of being awarded any such work.

ARTICLE III Miscellaneous Provisions

1. Amendment of MOU

- a. This MOU may be amended at any time by the written mutual agreement of both Parties. Any such amendments shall be executed by the Parties.

- b. If at any time the Parties choose to amend this MOU, the Effective Date of this MOU shall be changed to reflect the date of the execution of the most recent amendment or amendments.

2. Construction of Provisions of MOU as Severable

- a. If any specific provision of this MOU are forbidden by law, unenforceable, or terminated under the procedures set forth herein, then such provision shall be rendered without effect.

3. Notices

All notices, requests and correspondences made by the Parties shall be in writing and shall be deemed to have been duly given if delivered by hand or mailed by regular mail to the following addresses:

If to the Land Bank: Lucas County Land Reutilization Corporation
One Government Center, Ste. 580
Toledo, OH 43604
Attn: David Mann, President

If to NWOBTC: Executive Secretary/Business Manager
NWOBTC
909 Front St.
Toledo OH 43605

4. Successors and Assigns; Parties in Interest; Assignment

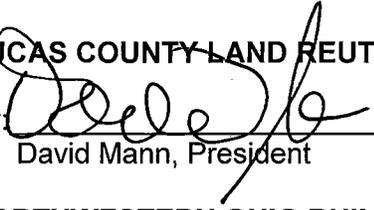
- a. The provisions and covenants set forth and agreed to herein shall extend to and be binding upon the successors and assigns of the Land Bank and NWOBTC, and such provisions and covenants shall bind such successors and assigns jointly and severally.
- b. All of the provisions and covenants hereof shall be held to be for the sole and exclusive benefit of the Land Bank and NWOBTC, and no third party shall be deemed the beneficiary of such covenants and provisions, except pursuant to the explicit mutual written agreement of the Parties.
- c. Each of the Parties may assign any part or all of its rights or obligations under this MOU to a third party by the prior written agreement of the non-assigning Party.

5. Incorporation of MOU into Land Bank's Purchasing Policy

- a. A copy of this MOU shall be attached to the Land Bank's Purchasing Policy as adopted by the Land Bank's Board of Directors.
- b. This MOU shall supersede any policies and procedures of the Land Bank that are in conflict of this MOU.

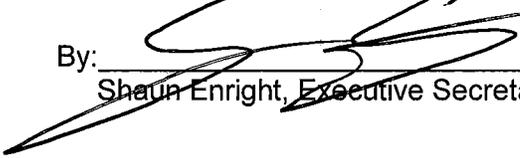
IN WITNESS WHEREOF, the Lucas County Land Reutilization Corporation and the Northwestern Ohio Building Trades Council execute this Memorandum of Understanding as of the Effective Date.

LUCAS COUNTY LAND REUTILIZATION CORPORATION

By: 

David Mann, President

NORTHWESTERN OHIO BUILDING TRADES COUNCIL

By: 

Shaun Enright, Executive Secretary/Business Manager