

The Board of Directors of the Cuyahoga County Land Reutilization Corporation (the “Board of Directors” or this “Board”) met for its regular quarterly meeting on the 28th day of March , 2025 at 10:00 o’clock, a.m., Eastern Time, in the Board Conference Room of its offices located at 812 Huron Rd. E., Suite 800, Cleveland, Ohio 44115 with the following Directors present and voting on this Resolution as indicated:

Brad Cromes, Cuyahoga County Treasurer and Interim Chair of the Board of Directors;  
Dale Miller, Cuyahoga County Council President;  
Chris Ronayne, Cuyahoga County Executive; Designated Representative: Katherine A. Gallagher;  
Sally Martin O’Toole, Director of Building and Housing, City of Cleveland, OH;  
Annette Blackwell, Mayor of the City of Maple Heights, OH;  
Michael Booker, Mayor of the Village of Highland Hills, OH;  
Anthony Brancatelli, Former Cleveland City Councilman  
Reverand Dr. Brian Cash, East Mount Zion Baptist Church  
Jasmin Santana, Council Member, City of Cleveland

\_\_\_\_\_ moved the adoption of the following Resolution (this “Resolution”):

RESOLUTION NO. 2025-1

ADOPTING AN INVESTMENT POLICY FOR THE CUYAHOGA COUNTY LAND REUTILIZATION CORPORATION

WHEREAS, The Cuyahoga County Land Reutilization Corporation’s (the “CCLRC”) desires to adopt an investment policy that will govern the investment of the cash assets of the CCLRC (the “Funds”); and

WHEREAS, the investment policy is intended to provide a reasonable modicum of safety for the invested Funds while earning a risk adjusted market rate of return and providing the availability of operating and capital Funds when needed;

WHEREAS, the CCLRC’s proposed investment policy is attached hereto as Exhibit A;  
and

WHEREAS, this Board has received a copy of the proposed investment policy, and now the President recommends that it adopt the investment policy, with any additions, deletions or modifications as this Board may agree upon during its discussion about such policy and prior to adoption of this Resolution; and

WHEREAS, this Board desires to adopt the investment policy, as attached hereto as Exhibit A and as amended, if at all, prior to the adoption of this Resolution (such Policy hereafter referred to as the “CCLRC Investment Policy”); and

WHEREAS, the Board authorizes the President and Director of Finance to take all actions they deem necessary to execute the policy, including, without limitation, the opening of bank and investment accounts and transferring of funds based on the policies outlined in the investment policy; and

WHEREAS, this Board hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of this Board, and that all the deliberations of this Board, and of its committees, if any, which resulted in formal actions, were taken in meetings open



to the public, in full compliance with applicable legal requirements, including Section 121.22 of the Revised Code;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Cuyahoga County Land Reutilization Corporation that:

Section 1. This Board hereby adopts the CCLRC Investment Policy and hereby authorizes the President and Director of Finance to take all actions they deem necessary to implement the CCLRC Investment Policy.

Section 2. This Resolution shall take effect and be in force immediately upon its adoption.

\_\_\_\_\_ seconded the motion.

Upon roll call on the adoption of this Resolution, the vote was as follows:

Ayes:

Nays:

The undersigned, Secretary of the Cuyahoga County Land Reutilization Corporation, certifies that the foregoing is a true and correct excerpt from the minutes of the meeting of March 28, 2025, of the Board of Directors of the Cuyahoga County Land Reutilization Corporation, showing the adoption of the Resolution above set forth.

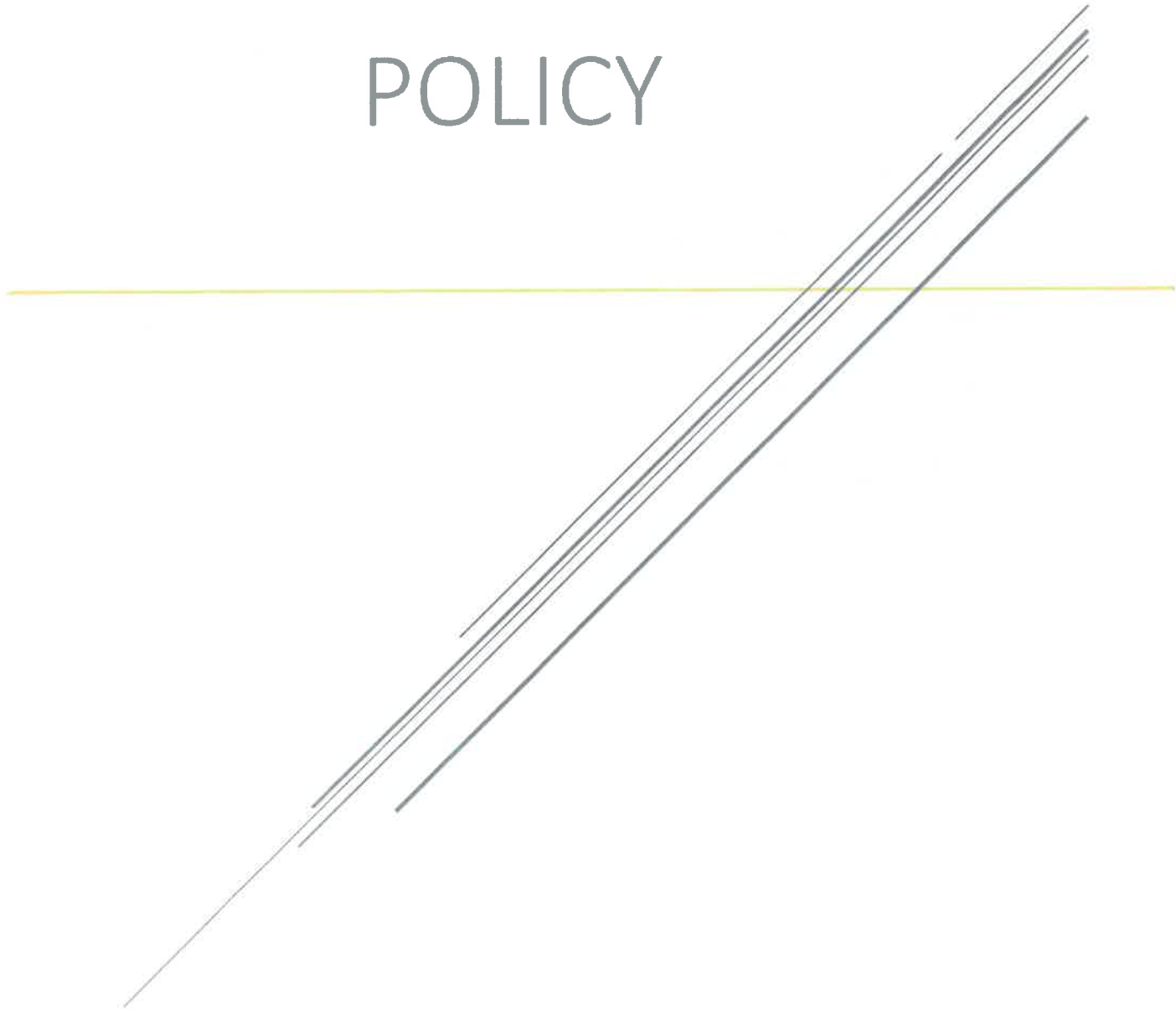
Dated: \_\_\_\_\_

\_\_\_\_\_  
Secretary of the Board of Directors of the  
Cuyahoga County Land Reutilization Corporation



CUYAHOGA LAND BANK

# INVESTMENT POLICY



**Cuyahoga County Land Reutilization Corporation**  
**Investment Policy**

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## Purpose

The purpose of this investment policy is to set forth policies that will govern the investment of the cash assets of the Cuyahoga County Land Reutilization Corporation and its wholly owned subsidiaries (referred to as the Corporation and the cash assets referred to as the Corporation's Funds or Funds). These policies are intended to provide a reasonable modicum of safety for the Funds while earning a risk adjusted market rate of return, a guideline for all officers and employees of the Corporation in the prudent management of the Corporation's Funds and the availability of operating and capital Funds when needed.

## Scope of the Investment Policy

This investment policy applies to the investment of all Funds under the direct authority and in the custody of the Chief Executive Officer (CEO) and any employee to whom he may from time-to-time delegate any investment authority for these Funds.

## Investment Objectives

The Corporation's portfolio shall be managed to accomplish the following hierarchy of objectives:

1. Preservation of Principal - The primary objective of the Corporation's investment program is the preservation of principal of the Funds.
2. Maintenance of Liquidity - The portfolio shall be managed in such a manner that assures that Funds are available as needed to meet those immediate and/or future operating requirements of the Corporation.
3. Maximize Return - The portfolio shall be managed in such a fashion as to attain a market rate of return throughout economic cycles.

## Standard of Prudence

The standard of prudence to be applied to the investment of the Corporation's Funds shall be the industry standard "Prudent Person Rule", which states: "Investments shall be made with judgment and care, under circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." Investment staff who act in accordance with this policy or any other written procedures pertaining to the administration and management of the Corporation's portfolio and who exercise the proper due diligence shall be relieved of personal liability for an individual security's credit risk or market price changes; provided, however, that changes in the credit rating of a specific investment security or a drop in the market price of such security to such a degree that if such security were to be sold at the time of such a drop, the Corporation would suffer a loss of its principal investment, shall be included in the next monthly report on the performance of the investment portfolio prepared for the IAC.

## Ethics and Conflict of Interest

Officers or employees of the Corporation involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the Corporation's investment program, or that could impair their ability to make impartial decisions. Officers and employees of the Corporation shall disclose any material interests in financial institutions with which they conduct business. In that regard, a "material interest in a financial institution" shall mean equity ownership in the institution that exceeds ten percent (10%) of the equity of the institution. They shall further disclose any personal financial or investment positions that could be related to the performance of the Corporation's portfolio. Employees and officers of the Corporation shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of the Corporation.

## Authorized Investments

Investment instruments authorized for purchase by the Corporation include those as summarized and restricted below:

- ***U.S. Treasury Obligations.*** United States Treasury bills, notes, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States, or any book entry, zero coupon United States treasury security that is a direct obligation of the United States and with a maturity not to exceed five years.
- ***Federal Agency Obligations.*** Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities with a maturity not to exceed five years.
- ***Commercial Paper*** rated minimum A1 Or P1 or equivalent by at least two nationally recognized rating agencies.
- ***Bank (non-Holding Company) Deposits.*** Time certificates of deposit (whether negotiable or non-negotiable) or savings or deposit accounts in an eligible institution with a minimum credit rating from at least one nationally recognized rating agency of A or better. Bank deposits will have maturities not to exceed two years.
- ***STAR Ohio. State Treasury Asset Reserve of Ohio (STAR Ohio)***
- ***Institutional Money Market Mutual Funds*** whose investments consist solely of one or all of the investments described above.
- ***Municipal Obligations.*** The debt obligations of the State of Ohio or any of its political subdivisions in Cuyahoga County rated single A or higher by at least one nationally recognized rating agency and with a maturity not to exceed five years.
- ***Real Estate.*** Investment in Cuyahoga County real estate (projects) consistent with the operating mission of the Land Bank. Projects are to be selected prudently with risk assessed similar to other investments in this policy.

- **Operating cash.** Operating funds are to be held in a checking or equivalent account which may be combined with a sweep account. Huntington National Bank is approved for this purpose.

## Portfolio Diversification

In order to reduce the risk of loss resulting from over-concentration of investments issued by the same issuer or from a specific type of investment, the investments held in the portfolio which fall within the same sector or kind and which are issued by the same individual issuer shall be limited in aggregate principal amount by the maximum percentages of the total average portfolio principal amount as follows (excluding operating cash which is defined above):

| <b>Permitted Investment Sectors</b> | <b>Sector Limit</b> | <b>Issuer Limit</b> |
|-------------------------------------|---------------------|---------------------|
| U.S. Treasury Obligations           | 100%                | 100%                |
| Federal Agency Securities           | 100%                | 40%                 |
| Bank Deposits                       | 90%                 | 15%                 |
| STAR Ohio                           | 80%                 | 80%                 |
| Money Market Mutual Funds           | 60%                 | 25%                 |
| Municipal Obligations               | 10%                 | 5%                  |
| Real Estate                         | 50%                 | 25%                 |

## Prohibited Investments and Investment Practices

The Corporation is expressly prohibited from the following investments and investment practices, provided that any investment that does not fall into one of the categories of permitted or authorized investments shall be deemed a prohibited investment until authorization for such an investment is approved by the IAC.

1. Borrowing Funds for the sole purpose of reinvesting the proceeds of such borrowing.
2. Investment in reverse repurchase agreements.
3. Short sales (selling a specific security before it has been legally purchased).
4. Pair-offs (buying a security and selling it before the settlement date).
5. Speculative trading (repetitive buying and selling of the same or similar securities for the purpose of maximizing capital gains).
6. Investment in securities commonly known as derivatives, structured notes, options, (buying or selling) foreign currency denominated instruments or trusts collateralized by Treasury obligations. A treasury inflation-protected security shall not be considered a derivative, provided the security matures not later than one year after purchase.

7. Any investment in securities issued by a non-US (foreign) issuer.
8. Common stock, preferred stock or any equity equivalent security.

## Monitoring and Adjusting the Portfolio

It is understood and agreed that because of the limited number of staff of the Corporation who will be responsible directly or indirectly for the management of the Corporation's portfolio, there will be no day-to-day active management of Corporation's portfolio, notwithstanding that such staff may routinely monitor the contents of the portfolio. If any investment must, for corporate cash flow purposes, be sold or redeemed prior its scheduled maturity and such a sale or redemption results in loss of capital invested in such an investment, it is the policy of the Corporation to charge any such loss against the interest income account during the month in which the loss was booked.

## Internal Controls

The Chief Executive Officer shall establish and be responsible for monitoring a system of internal controls governing the administration and management of the Corporation's portfolio. Such controls shall be designed to prevent and control losses of the Corporation's Funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by any personnel.

## Bank Selection and Review

The Chief Executive Officer (CEO) shall select a depository bank and a custodial bank for the Funds and investments of the Corporation. The CEO at his/her sole discretion may issue a request for proposal to obtain the information necessary or appropriate for evaluating the ability of any proposed bank to provide necessary financial and investment services to the Corporation as well as the pricing of such financial and investment services. The CEO may require that the depository bank provide collateral for the Corporation's deposits and investments in accordance with the negotiated terms for the same set forth in the financial services contract entered into between the depository bank and the Corporation.

## Eligible Banks and Broker/Dealers

Eligible brokers, dealers, and banks with which investment transactions can be placed will have a minimum capital of \$100,000,000, minimum five years of operation and a long-term bond rating of A or higher from at least one of the nationally recognized rating agencies. Qualified firms will be limited to "primary" dealers and other dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule).

All brokers, dealers and other financial institutions conducting investment business, initiating transactions, or executing transactions initiated by the Corporation, shall be given a copy of this policy and shall sign a receipt for the same thereby acknowledging and agreeing to the requirements herein with regard to the Corporation's investments.

## Competitive Selection of Investment Instruments

It will be the policy of the Corporation to transact all securities purchase/sales only with approved broker/dealers or financial institutions. The Corporation may, but is not required to, solicit bids/offers for the purchase or sale of any negotiable securities. If the Corporation solicits such bids/offers for the purchase or sale of such securities, in connection with a purchase it will accept the offer which (a) will provide the highest rate of return within the maturity required; and (b) optimizes the investment objective of the overall portfolio and in connection with a sale, it will select the bid that generates the highest sale price. If there is a tie bid between one or more broker/dealers or financial institutions, the Chief Executive Officer will award the winning bid to the broker/dealers or financial institutions on a rotating basis.

It will be the responsibility of the personnel involved with each purchase/sale to produce and retain written records of each transaction including the name of the financial institution(s) solicited, rate quoted, description of the security, investment selected, and any special considerations that had an impact on the decision. If the lowest priced security (highest yield) was not selected for purchase, an explanation describing the rationale should be included in this record.

## Safekeeping and Custody

All investment securities purchased by the Corporation or held as collateral on either deposits or investments shall be held in third-party safekeeping at a financial institution (to be designated as the "Custodian") qualified to act in this capacity. All securities held for the Corporation's account will be held free and clear of any lien and all transactions will be conducted on a delivery-vs.-payment basis. All purchases and sales will be transacted on a cash, regular (next day) or "skip-day" settlement basis. The Custodian shall issue a safekeeping receipt to the Corporation listing the specific instrument, rate, maturity and other pertinent information.

Appropriate Corporation officials and representatives of the Custodian responsible for, or in any manner involved with, the safekeeping and custody process of the Corporation shall be bonded to such a degree as to protect the Corporation against losses from malfeasance and misfeasance.

## Performance Standards

The investment portfolio shall be designed and managed with the objective of obtaining a market rate of return throughout economic cycles, commensurate with the investment risk constraints and cash flow needs of the Corporation. Short-term Funds will be compared to the return on the three-month U. S. Treasury Bill and an institutional money market mutual Fund with comparable investment restrictions. Long-term Funds will be compared to an index of U. S. Treasury securities having a similar duration or other appropriate benchmark.

## Reporting

The Director of Finance shall maintain accurate, complete, and timely records of all investment activities. Within fifteen (15) business days of the end of the month, the Director of Finance shall deliver an investment report to the CEO. This report shall include: a listing of the existing portfolio in terms of investment securities, whether the investment is a negotiable or non-negotiable investment, amortized book value, maturity date, return, market value and other features deemed relevant, a listing of all

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transactions executed during the month and compliance with this Investment Policy. Additionally, a full report of all outstanding investments will be given to the Board at each Board meeting showing compliance with this Investment Policy.

### Investment Policy Adoption

This policy was approved by resolution of the Board of Directors of the Corporation on the \_\_\_th day of \_\_\_\_\_, 2025.

## Glossary of Terms

*Bid*: An offer made by an investor, a trader or a dealer to buy a security.

*Broker*: A firm that arranges transactions between a buyer and a seller for a commission when the deal is executed.

*Broker/Dealer*: A person or firm in the business of buying and selling securities, operating as both a broker and a dealer, depending on the transaction. A brokerage acts as a broker (or agent) when it executes orders on behalf of clients, whereas it acts as a dealer (or principal) when it trades for its own account.

*Credit Risk*: Potential that a borrower or counterparty will fail to fulfill an obligation.

*Custodial Bank*: A firm that holds securities and other assets in electronic or physical form for safekeeping so as to minimize the risk of their theft or loss.

*Dealer*: A firm in the business of buying and selling securities for their own account. A dealer is defined by the fact that it acts as principal in trading for its own account, as opposed to a broker who acts as an agent in executing orders on behalf of its clients.

*Delivery versus Payment*: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt (also called free). Delivery versus payment is delivery of securities with a simultaneous exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

*Depository Bank*: A for-profit or non-profit financial organization that takes money from clients and places it in any of a variety of deposit or investment vehicles for the benefit of both the client and the organization.

*Derivatives*: A contract between two or more parties whose value is based on an agreed-upon underlying financial asset, index or security such as bonds, commodities, currencies, interest rates, market indexes and stocks.

*Duration*: A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years.

*Federal Government Agency*: An administrative division within the federal government that serves a specifically assigned purpose across the legislative, judicial and executive branches of the government. A type of Government Sponsored Enterprise (GSE.)

*Financial Industry Regulatory Authority (FINRA)*: A self-regulatory organization under the Securities Exchange Act of 1934, which is responsible for regulatory oversight of all securities firms that do business with the public.

*GASB Statement 31*: Governmental Accounting Standards Board (GASB) Statements are issued to set generally accepted accounting principles (GAAP) for state and local governments in the United States.

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GASB Statement 31 provides: Accounting and Financial Reporting for Certain Investments and for External Investment Pools.

*Institutional Money Market Mutual Fund:* High minimum investment, low expense share classes of Money Market Funds which are marketed to corporations, governments, or fiduciaries.

*Instrumentality:* An organization that serves a public purpose and is closely tied to a federal and/or state government, but is not a government agency. Many instrumentalities are private companies, and some are chartered directly by state or federal government.

*Investment:* A security or other financial instrument, other than a Program Loan which shall not be governed by this Policy, whether negotiable or non-negotiable, purchased from a seller or issuer by the CCLRC with Funds not immediately needed to pay the operating expenses of the CCLRC for the purposes of earning a return on such Funds at an agreed upon rate of interest payable, together with the purchase price, by the obligor on the maturity date of the investment. For purposes of this definition, a Program Loan means a loan, whether forgivable or non-forgivable, by the CCLRC of its Funds to a borrower in furtherance of the purposes for which the CCLRC was created and operates or as otherwise authorized by Board of Directors of the CCLRC if the principal amount of the loan is \$500,000 or more.

*Market Price:* The price that a sale/purchase of a security will bring between a willing buyer and willing seller with neither being under compulsion to sell or buy.

*Maturity:* The date upon which the principal or stated value of an investment becomes due and payable.

*Money Market Fund:* An investment whose objective is to earn interest for shareholders while maintaining a net asset value (NAV) of \$1 per share. A money market Fund's portfolio is comprised of short-term (less than one year) securities representing high-quality, liquid debt and monetary instruments.

*Municipal Obligations:* A form of debt obligation issued by states, provinces, cities or towns, typically used to fund municipal and local projects. Nationally Recognized Statistical Rating Organizations (NRSRO): Firms that provide credit ratings used by the U.S. government in several regulatory areas.

*Perfected First Security Interest:* Security interest in an asset prioritized by law before any claims by other parties. A lien is perfected by registering it with appropriate statutory authority so that it is made legally enforceable and any subsequent claim on that asset is given a junior status. Also called perfected lien.

*Portfolio:* Collection of securities held by an investor.

*Primary Government Securities Dealers:* A firm that buys government securities directly from a government, with the intention of reselling them to others, thus acting as a market maker of government securities. In the United States, primary dealers are designated by the Federal Reserve Bank of New York. These dealers must meet certain liquidity and quality requirements as well as provide a valuable flow of information to the Fed about the state of the worldwide markets.

*"Skip-Day" Settlement Basis:* A situation where the settlement for a trade occurs one business day after the original or usual settlement date.

*Structured Notes:* A debt obligation that also contains an embedded derivative component with characteristics that adjust the security's risk/return profile. The return performance of a structured note will track that of the underlying debt obligation and the derivative embedded within it.

*Third-Party Safekeeping:* A custodial arrangement where investment securities are held by a firm that is not otherwise a party to the transaction (i.e. broker, dealer, portfolio manager) or affiliated with a party to the transaction.

*Yield:* The rate of annual income return on an investment, expressed as a percentage.

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