



OHIO ETHICS COMMISSION

William Green Building
30 West Spring Street, L3
Columbus, Ohio 43215-2256
Telephone: (614) 466-7090
Fax: (614) 466-8368

www.ethics.ohio.gov

Note from the Ohio Ethics Commission:

Ohio Ethics Commission Advisory Opinion No. 91-011 – defines “family member” to include: a) grandparents; b) parents; c) spouse; d) children, whether dependent or not; e) grandchildren; f) brothers and sisters; or g) any other person related by blood or marriage and residing in the same household.

Modified by [Advisory Opinion No. 2008-03](#) and [Advisory Opinion No. 2025-01](#), which added “step-parents,” “step-children,” and “domestic partners” to the definition of family member.

For more information on Overruled and Obsolete Formal Advisory Opinions please see [Formal Advisory Opinions - OEC \(ohio.gov\)](#).

THIS COVER SHEET IS PROVIDED FOR INFORMATION PURPOSES. IT IS NOT AN ETHICS COMMISSION ADVISORY OPINION. ADVISORY OPINION NO. 91-011 IS ATTACHED.



OHIO ETHICS COMMISSION

THE ATLAS BUILDING
8 EAST LONG STREET, SUITE 1200
COLUMBUS, OHIO 43215-2940
(614) 466-7090

Advisory Opinion Number 91-011
December 5, 1991

Syllabus by the Commission:

(1) Division (A)(4) of Section 2921.42 of the Revised Code prohibits a city officer or employee from lease-purchasing or buying from the city a housing unit constructed on city property and financed by the city as part of a community development and revitalization project, unless all of the criteria of Division (C) of Section 2921.42 of the Revised Code are met;

(2) If the demand for resources which the city furnishes in its program to purchase or acquire community development and revitalization services exceeds supply, then the "unobtainable elsewhere" exception of Division (C)(2) cannot be met by a city officer or employee; however, if the supply of resources which the city furnishes exceeds demand, then a city officer or employee who desires to participate in the city's program may meet the (C)(2) exception so long as all qualified and interested persons who are not city officers and employees have been served and resources still remain;

(3) Division (A)(3) of Section 2921.42 of the Revised Code prohibits a city officer or employee whose approval is necessary for the lease-purchase or sale by the city of a housing unit constructed on city property and financed by the city as part of a community development and revitalization project, or who serves as a member of a legislative body, board or commission which must approve the lease-purchase or sale, from lease-purchasing or buying a unit where there is no competitive bidding process;

(4) Division (A)(1) of Section 2921.42 and Division (D) of Section 102.03 of the Revised Code prohibit a city officer or employee from voting, discussing, deliberating, recommending, or otherwise using his official authority or influence, formally or informally, to secure from the city a housing unit constructed on city property and financed by the city as part of a community development and revitalization project for himself or a member of his family.

* * * * *

You have asked whether the Ohio Ethics Law and related statutes prohibit city officers and employees and their family members from lease-purchasing or directly buying housing units in a city-financed housing project constructed on city property.

You state that the city is in the process of constructing a 60-unit townhouse project on city-owned property and implementing a lease-purchase program in order to: (1) remedy a

recognized lack of new single family construction in certain parts of the city; (2) create home ownership opportunities for persons who are unable to meet down payment and minimum income requirements for a conventional mortgage; (3) aid in accomplishing a goal established by city council to construct 150 housing units per year; and, (4) eliminate urban blight by clearing the site of structurally unsound deteriorated buildings.

The city will provide persons who apply for a housing unit and who meet the eligibility criteria with the option to either participate in the lease-purchase program or purchase a unit directly. The city will establish a family income range which will determine eligibility for participation in the lease-purchase program. Persons whose family income falls within the range of eligibility have the option to participate in the lease-purchase program in which they will pay an initial deposit and make monthly lease payments for up to three years. At the end of the lease period, a financial institution will provide a loan and the person will begin to make mortgage payments; however, the person will not be required to make a down payment or pay closing costs.

A minimum income requirement for participation in the lease-purchase program will guarantee that the persons will be able to meet their obligation to pay rent during the leasing period and to obtain financing and meet mortgage payments at the end of the leasing period. An upper income limit will enable the city to meet an established goal of the program of creating home ownership opportunities for persons who previously have been unable to meet down payment and income requirements for conventional mortgages.

The city will allow all applicants, including those whose family income falls within the eligibility range which would enable them to participate in the lease-purchase program, to purchase a unit directly if the applicant can meet the down payment necessary to secure conventional financing. However, the number of direct sales made to persons whose family income exceeds the range of income eligibility is limited to 25% of the units in the project.

The city will finance the housing project through municipal general funds and/or through city-issued tax exempt bonds with the Ohio Housing Finance Agency and private bond guarantees. Initially, three model units will be constructed; afterwards, the project will be built in two phases. In the first phase, applicants will agree to lease-purchase or buy twenty-two units. When these twenty-two units have been conveyed, the city will sell bonds to finance the entire project and then construct the twenty-two units as the first phase of the project.

In the second phase, applicants will agree to lease-purchase or buy thirty-five units before the city proceeds with constructing the units. You have also stated that city may decide to divide the second phase by conveying and constructing fourteen units in the second phase prior to conveying and constructing the remaining twenty-three units. Therefore, except for the three model units, all of the units in each phase will be under lease-purchase or sold before they are constructed. The residents will have no obligation to provide work or services upon the units as a condition upon their participation in the program.

The city will contract with non-profit organizations to develop the project and manage the rental of the units during the lease period. The city will provide public infrastructure

improvements for the project which are estimated to cost approximately \$440,000. A department of the city will pay for earthwork, erosion control, constructing roads and sewers, and demolishing existing buildings. The city's provision of these site improvements will save the developer approximately \$10-15,000 per unit. The developer will pass these savings on to the persons who lease-purchase or buy the units. The price of the units will be less than otherwise possible without the city's participation in their construction.

Division (A)(4) of Section 2921.42 provides:

(A) No public official shall knowingly do any of the following: . . .

(4) Have an interest in the profits or benefits of a public contract entered into by or for the use of the political subdivision or governmental agency or instrumentality with which he is connected.

The term "public official" is defined in R.C. 2921.01 (A) for purposes of R.C. 2921.42 to include any elected or appointed officer or any employee or agent of any political subdivision of the state. An officer, employee, or agent of the city is a "public official" for purposes of R.C. 2921.42 and subject to the prohibitions therein. See Ohio Ethics Commission Advisory Opinions No. 80-007, 83-005, 84-011, 85-002, 88-006, and 89-008.

The term "public contract" is defined for purposes of Section 2921.42 in Division (E) of that Section, which reads as follows:

(E) As used in this section, "public contract" means any of the following:

(1) The purchase or acquisition, or a contract for the purchase or acquisition of property or services by or for the use of the state or any of its political subdivisions, or any agency or instrumentality of either;

(2) A contract for the design, construction, alteration, repair, or maintenance of any public property.

The Ethics Commission has held that a city's purchase or acquisition of housing rehabilitation and community development services through the use of low-interest loans or grants to low and moderate income homeowners constitutes a "public contract" for purposes of R.C. 2921.42, regardless of whether the loans or grants are funded through local or federal moneys. See Advisory Opinions No. 83-005, 84-011, and 85-002. Also, the Commission has similarly held that a municipality's purchase or acquisition of community development or urban revitalization services through land reutilization programs and tax abatements falls within the definition of "public contract" in R.C. 2921.42. See Advisory Opinions No. 88-006 and 89-008, respectively. See also Advisory Opinion No. 80-007 (an infrastructure improvement made as part of an urban revitalization project is a "public contract").

A property owner's interest in such loans, grants, land reutilization programs, and tax abatements is definite and direct, such that R.C. 2921.42 (A)(4) prohibits a city officer or

employee from receiving such benefits from the city with which he serves. See Advisory Opinions No. 80-007, 83-005, 84-011, 88-006, and 89-008. See generally Advisory Opinion No. 81-008 (in order to be prohibited by R.C. 2921.42 (A)(4), a public official's "interest" in a public contract must be definite and direct, and may be either pecuniary or fiduciary in nature.) A person who enters into a lease-purchase or buys a housing unit from the city under the proposed program would have a definite and direct "interest" in the transaction for purposes of R.C. 2921.42.

The threshold question, then, is whether the conveyance of a unit under the city's housing program which consists of the city's lease-purchase or direct sale of housing units which it has financed and constructed on its property and for which it has provided infrastructure improvements is a "public contract" for purposes of R.C. 2921.42.

The Ethics Commission has held that a governmental entity's lease or conveyance of its property is a contract for the acquisition of services by and for the use of the governmental entity, and thus a "public contract," where the governmental entity is leasing or conveying its property in exchange for some benefit or service. See Advisory Opinions No. 78-003, 86-009, and 88-006. For example, in Advisory Opinion No. 86-009 the Commission addressed the specific question whether a city's lease of its park-land for farming was a "public contract" for purposes of R.C. 2921.42. The Commission held that the city's lease for such a purpose was a "public contract" as defined in R.C. 2921.42 (E) "since it is a contract for the purchase or acquisition of farming services or other productive use of public property by the city." Also, in Advisory Opinion No. 88-006 the Ethics Commission held that a city's land reutilization program in which the city sold vacant lots which it had acquired through real estate tax foreclosure proceedings to purchasers who agreed to pay a purchase price and construct improvements upon the lots, or otherwise utilize the property for a specific and useful purpose, was a "public contract" for purposes of R.C. 2921.42. The Commission determined that under the program the city was acquiring community development and revitalization services from the purchasers through its sale of vacant lots.

However, the Ethics Commission held in Advisory Opinion No. 83-006 that a city's sale of its **surplus** property is not a "public contract" as defined by R.C. 2921.42 (E) since such a sale is not for the purchase or acquisition of property or services by or for the use of the city. Advisory Opinion No. 83-006 addressed the specific question whether city employees were prohibited from purchasing unclaimed items at a police auction. The individuals purchasing the items at the auction paid money to the city as consideration for the items, but there is no indication that the city acquired any property or service in exchange for the items. See also Advisory Opinion No. 88-006.

In order to determine whether the city's conveyance of a unit is, in this instance, a "public contract" for purposes of R.C. 2921.42, it is necessary to determine whether the city will acquire some benefit or service through the lease-purchase or direct sale of housing units which it has financed and constructed on its property and for which it has provided infrastructure improvements.

As stated above, the purposes and goals of the lease-purchase program are to: (1) remedy a recognized lack of new single family construction in certain parts of the city; (2) create home ownership opportunities for persons who are unable to meet down payment and minimum income requirements for a conventional mortgage; (3) accomplish part of a goal established by city council to construct 150 housing units per year; and, (4) eliminate urban blight by clearing the site of structurally unsound deteriorated buildings. It is thus apparent that the city desires to acquire community development and revitalization services, as specified above, by financing and constructing housing units on city property, providing the necessary infrastructure improvements, and implementing a lease-purchase program. Therefore, the conveyance by the city of a unit through the lease-purchase program is a "public contract."

As stated above, the city will also directly sell units, although the number of direct sales to persons whose family income exceeds the range of eligibility is limited to 25% of the units. The city's direct sales are also "public contracts" for purposes of R.C. 2921.42 since, by such direct sales, the city will still achieve its stated purposes and goals, even where the sales are made to persons whose income exceeds the eligibility range for participation in the lease-purchase program. The city would not meet any of the purposes and goals which the program is designed to provide if it cannot convey the units and proceed with construction. However, the city will achieve at least three of its four stated purposes and goals through direct sales even if it sells housing units in the proposed project directly to purchasers whose income exceeds the established eligibility range. The units which the city will sell directly are an integral part of the entire project. It has been stated that the city's ability to directly sell housing units is necessary to achieve the economy of scale essential for the feasibility of the entire project. Since the city will be able to meet its stated purposes only by directly selling housing units where necessary, the direct sales result in the purchase or acquisition of services by and for the use of the city.

Therefore, the city's housing program cannot be considered to be a mere lease or sale of its **surplus** property with no resulting acquisition of services by the city from the persons who either lease-purchase or buy the units, since the city is implementing the proposed housing program in order to acquire specific community development and revitalization services. The fact that the city's agreement with the persons who lease-purchase or buy units will not, as in the land revitalization program described in Advisory Opinion No. 88-006, require the persons to provide work or services with respect to the units is irrelevant for the purpose of determining whether the housing program is a "public contract" since, in order to be deemed a "public contract" for purposes of R.C. 2921.42, it is only necessary that the city acquire a benefit or service as a result of the lease-purchase or sale of the housing units.

Therefore, all conveyances by lease-purchase or direct sale of units constructed in the housing project are "public contracts" for purposes of R.C. 2921.42, since the city will acquire community development and revitalization, and urban renewal services from the persons who will lease-purchase or buy housing units which the city has financed and constructed on its property and for which it has provided the necessary infrastructure improvements, regardless of whether the units are conveyed to persons whose income is within or exceeds the eligibility range. Accordingly, R.C. 2921.42 (A)(4) prohibits all city officers, employees, and agents from participating in the housing program. See Advisory Opinion No. 83-005.

However, Division (C) of Section 2921.42, as explained below, provides an exception to the prohibition of Division (A)(4). Division (C) reads:

(C) This section does not apply to a public contract in which a public servant, member of his family, or one of his business associates has an interest, when all of the following apply:

(1) The subject of the public contract is necessary supplies or services for the political subdivision or governmental agency or instrumentality involved;

(2) The supplies or services are unobtainable elsewhere for the same or lower cost, or are being furnished to the political subdivision or governmental agency or instrumentality as part of a continuing course of dealing established prior to the public servant's becoming associated with the political subdivision or governmental agency or instrumentality involved;

(3) The treatment accorded the political subdivision or governmental agency or instrumentality is either preferential to or the same as that accorded other customers or clients in similar transactions;

(4) The entire transaction is conducted at arm's length, with full knowledge by the political subdivision or governmental agency or instrumentality involved, of the interest of the public servant, member of his family, or business associate, and the public servant takes no part in the deliberations or decision of the political subdivision or governmental agency or instrumentality with respect to the public contract.

These criteria are strictly applied against the public officer or employee and the burden is upon the public officer or employee to demonstrate his compliance with the exception. See Advisory Opinions No. 84-011 and 87-003. Therefore, in order for a city officer or employee to participate in the housing program **all four parts of the exception provided by Division (C)** of Section 2921.42 must be met. See Advisory Opinions No. 84-011 and 88-006. See also Civil Service Personnel Ass'n v. Ohio Ethics Comm'n, No. 84-4-1065 (Summit County C.P. 1984) (The employees of the City of Akron who had no decision-making responsibilities with regard to the administration of the city's urban revitalization programs and the disbursement of funds from the Department of Housing and Urban Development challenged, through a declaratory judgment action, the Ethics Commission's holding in Advisory Opinion No. 83-005 that R.C. 2921.42 (A)(4) prohibited them from participating in the city's housing rehabilitation programs. In a joint agreement authorized by the Court, the Court ruled that city employees could participate in the City of Akron's urban revitalization programs and receive city grants and loans through the city's community development department **provided that** the requirements of the exception of Division (C) of 2921.42 of the Revised Code were met.)

The Ethics Commission has held that with regard to the first and third criteria of Division (C), housing rehabilitation and community development services which participants in the city's housing rehabilitation and community development programs provide to a city are "necessary

services" for the city, and city officers and employees who wish to participate in the programs would have no "customers or clients in similar transactions." See Advisory Opinion No. 84-011.

The transaction would be conducted at "arm's length" for purposes of the fourth criterion of Division (C), where the city officer or employee is not responsible for determining who is eligible to be a participant in the program, or otherwise employed in a decision-making role with regard to the program; also, the city must have full knowledge of an officer's or employee's participation. Id. The Commission has also held that the city's procedure for designating the area to be rehabilitated, notice to prospective applicants, and the selection of qualified applicants must be fair and objective with no preference given to city officers or employees. Id. A city officer or employee who wishes to participate in the program must, of course, meet all applicable qualifications for participation.

Division (C)(2) requires that a city officer or employee show that the supplies or services he is offering to the city are "unavailable elsewhere for the same or lower cost" **or** that the contract is part of a "continuing course of dealing" established prior to an individual becoming associated with the city. See Advisory Opinions No. 84-011 and 88-008, respectively.

With regard to the "continuing course of dealing" exception, the Ethics Commission has held that if a public contract exists between an individual and a political subdivision prior to the time the individual becomes associated with the political subdivision as an officer or employee, then the requirement of Division (C)(2) is met by a showing of a "continuing course of dealing" and the performance of the contract may be completed. See Advisory Opinions No. 82-007 and 88-008. Therefore, in the instant situation, an individual who becomes a participant in the program and **subsequently** becomes associated with the city as an officer or employee may continue to participate in the program. However, a modification, extension, renewal, or change in the terms of an existing agreement subsequent to the individual becoming a city officer or employee would not qualify for the "continuing course of dealing" exception. See Advisory Opinions No. 82-007, 84-006, 87-003, and 88-008.

If the "continuing course of dealing" exception cannot be met, then, in order to comply with the requirement of Division (C)(2), the city officer or employee must demonstrate by some objective criteria that the services he is offering the city through his participation in the program are "unavailable elsewhere for the same or lower cost." As stated in Advisory Opinion No. 84-011:

[A] public official should not have an interest in a public contract with the governmental entity with which he serves unless the contract is the best or only alternative available to the governmental entity. . . . The criterion that the goods or services be "unobtainable for the same or lower cost" requires that a public official or employee be at a disadvantage when attempting to do business with his governmental entity, and that an equally qualified applicant who is not a [public official] must receive preference. (Emphasis in original.)

The Commission explained in Advisory Opinion No. 84-011 that the requirements of Division (C)(2) were met in a city's federally funded program which provided grants or loans for

housing rehabilitation where: (1) there were sufficient funds available; (2) all of the qualified applicants in the target area had received grants or loans, except the city employee; and, (3) the funds would have lapsed if not used in the target area within a specified period of time. The Commission also noted in Advisory Opinion No. 84-011 that the city employee met the criteria for the grant and would have been unable to rehabilitate his property without the grant, so that the city would have been unable to achieve its goal of rehabilitating all qualified homes in the target area, unless the city employee received the grant. Therefore, the general principle in applying the exception of Division (C)(2) to the participation of a city officer or employee in his city's community development and revitalization program is that if the demand by persons who are not city officers or employees for the resources furnished by the city exceeds supply, then the "unobtainable elsewhere" exception of Division (C)(2) cannot be met by a city officer or employee. However, if the supply of resources furnished by the city exceeds demand, then the "unobtainable elsewhere" exception provided by Division (C)(2) may be met and a city officer or employee may participate if resources are available after all qualified and interested applicants who are not city officers and employees have been served and if all other requirements of Division (C) have been met.

The issue becomes whether the "unobtainable elsewhere" exception provided by Division (C)(2) may apply in the instant situation.

The Ethics Commission has held that the facts and circumstances of each particular situation will determine whether the exception of Division (C) has been met. See Advisory Opinion No. 84-011. In this instance, the housing project will be built in two phases; in the first phase the city must have twenty-two units under lease-purchase or sold before the city will sell bonds to finance the entire project and construct the twenty-two units. In the second phase, the city must have thirty-five units under lease-purchase or sold before the city will construct the units. The issue becomes **when** to determine whether the supply of the units exceeds demand.

It is possible that the city may determine that the entire project's success depends upon the timely lease-purchase or sale of the units **in each phase of the project**. As stated above, the city will sell bonds to finance the entire project only after applicants have agreed to lease-purchase or buy the twenty-two units which will be developed in the first phase of the project. It is possible that the financing, and thus the success of the entire project, may depend on the prompt conveyance of these twenty-two units. Also, the city may believe that the entire project may suffer detrimental effects if there is a lengthy duration between the time applicants agree to lease-purchase or buy the units in the second phase and the beginning of their construction. Therefore, if it can objectively be demonstrated that the timely lease-purchase or sale of housing units **in each respective phase** is a valid and proper consideration and reasonably furthers the program's purposes and goals, then a city officer or employee may properly lease-purchase or buy a unit provided that all interested and eligible persons who are **not** city officers and employees have had an opportunity to lease-purchase or buy a unit within a period of time to be determined by the city and units still remain. See generally Advisory Opinions No. 88-001 and 88-006. However, the city must be able to justify objectively the validity of considering city workers as participants in the housing program by demonstrating that the city's standard of determining when units remain, such that city officers and employees may participate, is reasonable and justifiable, serves the city's purposes in successfully completing the project, and

is not designed in a manner which unduly favors city officers and employees at the expense of interested and eligible applicants who are not city officers or employees. Id. The city may make this determination independently for each phase of the project.

City officers and employees who are required to authorize the lease-purchase or sale of a housing unit constructed under the program or who serve on a board or commission which is so required, are also subject to R.C. 2921.42 (A)(3), which provides that no public official shall knowingly:

During his term of office or within one year thereafter, occupy any position of profit in the prosecution of a public contract authorized by him or by a legislative body, commission, or board of which he was a member at the time of authorization, and not let by competitive bidding or let by competitive bidding in which his is not the lowest and best bid.

The Ethics Commission has held that a public contract will be deemed to have been "authorized" by a public official, legislative body, board, or commission for purposes of R.C. 2921.42 (A)(3), where the public contract could not have been awarded without the public official's or entity's approval. See Advisory Opinions No. 87-004, 88-006, and 89-008.

Since you have stated that the housing units will be available to the general public on a first-come, first-serve basis and the price of the units will be determined by their size and features, no part of the housing program will secure urban renewal or revitalization services for the city through competitive bidding. Therefore, R.C. 2921.42 (A)(3) prohibits a city officer or employee from participating in the proposed program if his official approval is necessary to the lease-purchase or sale of a housing unit, or if he serves on a legislative body, commission, or board whose approval is necessary. See Advisory Opinion No. 88-006. A member of a legislative body, board, or commission is bound by the prohibition even if he abstains from deliberating, voting upon, or otherwise authorizing the lease-purchase or sale. See Advisory Opinions No. 87-004, 87-008, 88-006, 88-008, and 89-008. See also R.C. 2921.42 (A)(1) (discussed below).

Assuming that a city officer or employee does not exercise decision-making authority under the program, so as to be subject to the prohibition of Division (A)(3), and that the criteria for the exemption of Division (C) can be established, so that the city officer or employee may lease-purchase or buy a housing unit through the program, the city officer or employee would, nevertheless, still be subject to R.C. 2921.42 (A)(1), which provides:

(A) No public official shall knowingly do any of the following:

(1) Authorize, or employ the authority or influence of his office to secure authorization of any public contract in which he, a member of his family, or any of his business associates has an interest.

Division (A)(1) prohibits a public official from authorizing, or using the authority or influence of his office to secure authorization of, a public contract in which he, a family member, or a business associate has an interest.

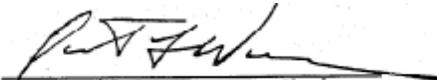
Therefore, R.C. 2921.42 (A)(1) prohibits a city officer or employee from voting, discussing, deliberating, recommending, or otherwise using his official authority or influence, formally or informally, to secure for himself a housing unit under the program. See Advisory Opinion No. 88-006. See also R.C. 2921.42 (C)(4) (set forth above). R.C. 102.03 (D), which prohibits a public official or employee from using the authority or influence of his position to secure anything of value that is of an improper and substantial character, would also prohibit a city officer or employee from using his official authority or influence in any manner to secure a housing unit under the program.

You have also asked whether the Ohio Ethics Law and related statutes prohibit family members of city officers and employees from lease-purchasing or buying housing units constructed through this program. As set forth above, R.C. 2921.42 (A)(1) prohibits a public official from authorizing, or using his position to secure authorization of, a public contract in which a member of his family has an interest. The Ethics Commission has held that for purposes of R.C. 2921.42 a family member includes a spouse, children, whether dependent or not, parents, grandparents, grandchildren, siblings, and other persons related by blood or marriage and residing in the same household as the public official. See Advisory Opinions No. 80-001, 81-004, 89-005, 89-008, and 90-010. Therefore, R.C. 2921.42 (A)(1) prohibits a city officer or employee from voting, discussing, deliberating, recommending, or otherwise using his official authority or influence, formally or informally, to secure for a family member a housing unit under the program. See generally Advisory No. 80-001. This conduct would also be prohibited by R.C. 102.03 (D). See Advisory Opinions No. 89-008 and 90-004. In the event that a city officer or employee abstains from all involvement in the city's conveyance of a unit to a family member, the family member may lease-purchase or buy a housing unit **provided that** the affected city officer or employee **himself** does not have an "interest" in the housing unit, as discussed above. See Advisory Opinion No. 85-003. See also R.C. 2921.42 (A)(4) (set forth above).

The conclusions of this advisory opinion are based on the facts presented and are rendered only with regard to questions arising under Chapter 102. and Sections 2921.42 and 2921.43 of the Revised Code.

Therefore, it is the opinion of the Ethics Commission and you are so advised, that: (1) Division (A)(4) of Section 2921.42 of the Revised Code prohibits a city officer or employee from lease-purchasing or buying from the city a housing unit constructed on city property and financed by the city as part of a community development and revitalization project, unless all of the criteria of Division (C) of Section 2921.42 of the Revised Code are met; (2) If the demand for resources which the city furnishes in its program to purchase or acquire community development and revitalization services exceeds supply, then the "unobtainable elsewhere" exception of Division (C)(2) cannot be met by a city officer or employee; however, if the supply of resources which the city furnishes exceeds demand, then a city officer or employee who desires to participate in the city's program may meet the (C)(2) exception so long as all qualified and interested persons who are not city officers and employees have been served and resources still remain; (3) Division (A)(3) of Section 2921.42 of the Revised Code prohibits a city officer or employee whose approval is necessary for the lease-purchase or sale by the city of a housing unit constructed on city property and financed by the city as part of a community development

and revitalization project, or who serves as a member of a legislative body, board or commission which must approve the lease-purchase or sale, from lease-purchasing or buying a unit where there is no competitive bidding process; and, (4) Division (A)(1) of Section 2921.42 and Division (D) of Section 102.03 of the Revised Code prohibit a city officer or employee from voting, discussing, deliberating, recommending, or otherwise using his official authority or influence, formally or informally, to secure from the city a housing unit constructed on city property and financed by the city as part of a community development and revitalization project for himself or a member of his family.



Dr. David L. Warren, Chairman
Ohio Ethics Commission