

**BYLAWS
OF
DOWNTOWN ALBANY RESTORATION PROGRAM, INC.
d/b/a Downtown Albany Business Improvement District, Inc. (BID)**

ARTICLE ONE

Name, Statement of Purpose and Principal Office

Section 1. Name. The name of the corporation shall be “Downtown Albany Restoration Program, Inc.” d/b/a “Downtown Albany Business Improvement District, Inc. (BID)”

Section 2. Purpose. To maintain the character and viability of downtown Albany and to improve the quality of life and overall image for all those who live, work and visit the Capital City of Albany. By:

- Promoting education about Downtown history and historic landmarks within a framework of revitalization.
- Undertaking surveys to determine the adequacy of common facilities and combat community deterioration by organizing beautification projects and improving public spaces whereby lessening the burden of local government.
- Coordinating small scale special events in order to educate the public about opportunities available in the downtown area, disseminating land use plans, encouraging greater civic responsibility with an aim of encouraging persons or small businesses to remain within the district.

Section 3. Offices. The Corporation shall maintain a principal office within the BID district in the City of Albany, County of Albany, State of New York.

ARTICLE TWO

Membership

Section 1. Classes and Qualification. The BID will have four (4) voting classes of membership:

- a. Class A. Owners of record of real property in the District, further defined as an individual, sole proprietorship, partnership, corporation, limited liability company, or limited liability partnership, shall designate an individual to be a representative to the Corporation.

- b. Class B. Tenants, further defined as an individual, sole proprietorship, partnership, corporation, limited liability company or limited liability partnership who are occupants pursuant to leases of commercial space within the District shall designate an individual to be a representative to the Corporation.
- c. Class C. Persons serving by virtue of their appointment as Municipal Representatives, as described in Article III, Section 2.
- d. Class D. Persons serving by virtue of their appointment as Albany County and State of New York representatives, as described in Article III, Section 2.
- e. Termination of Membership. Membership in the Corporation is not transferable. Class A & B Membership in the Corporation, as defined in 1a and 1b above shall be terminated when the entity is no longer the owner of record or tenant.

Section 2. Meeting of the Membership. There shall be an annual meeting of the membership of the Corporation during the second calendar quarter of the year for the purpose of receiving annual reports of the Chairperson and Executive Director and the transaction of other business.

Section 3. Order of Business at Annual Meeting. The order of business at the annual meeting of the Corporation shall be as follows:

- 1. Proof of service of notice of meeting.
- 2. Report of Nominating Committee as to Election of Directors.
- 3. Report of the Chairperson.
- 4. Report of the Executive Director

The order of business may be changed at any meeting by a majority of the members present. The Chairperson of the Board shall be the Chairperson of the annual meeting.

Section 4. Special Meetings. Special meetings of the membership may be called by the Chairperson, Executive Committee or Board of Directors at their discretion and shall be called by the Chairperson at the written request of members entitled to cast ten percent (10%) of the total number of allocated votes of either Class A or B. No business other than that specified in the notice of meeting shall be transacted at a special meeting of the membership of the Corporation.

Section 5. Notice of Meetings. Notice of the meetings of the membership shall be mailed to the last recorded address of each member of record at least ten (10) days and not more than forty (40) days before the time appointed for the meeting. All notices of meetings shall set forth the place, date, time, and, except for the annual meeting, the purpose of the meeting.

Section 6. Quorum. A quorum of meetings of the membership shall consist of fifty (50) members holding Class A and B membership.

Section 7. Proxies. Except as set forth herein, every member of the Corporation entitled to vote at any meeting may vote by proxy. Proxies shall be in writing, signed by the member or the member's attorney-in-fact and revocable at the pleasure of the member executing the same, except as otherwise provided in the proxy. No one member shall carry more than five (5) proxies. Except as otherwise provided by law, all questions coming before the members shall be decided by a majority vote of the votes cast at the meeting.

ARTICLE THREE

Board of Directors

Section 1. Management. The property, affairs, corporate powers, business and concerns of the Corporation shall be vested in, managed and controlled by the Board of Directors, which shall control all matters of policy and expenditure of funds.

Section 2. Number. The number of Directors of the Corporation shall be twenty (20) as follows:

- a. Eleven (11) shall be elected owners of real property located within the District or their designees who are Class A members.
- b. Four (4) shall be elected tenants of the District or their designees who are Class B members.
- c. One (1) shall be chosen by the Comptroller of the City of Albany who is a Class C member.
- d. One (1) shall be chosen by the Governor who is a Class D member.
- e. One (1) shall be chosen by the Common Council of the City of Albany who is a Class C member.
- f. One (1) shall be chosen by the Mayor of the City of Albany who is a Class C member.
- g. One (1) shall be chosen by the County Executive of the County of Albany who is a Class D member.

Section 3. Term.

- a. The term of all elected members of the Board of Directors shall be three (3) years, limited to two consecutive terms. Upon completing the unfulfilled portion of a term, those filling vacancies may be considered for two (2) additional full consecutive terms. A previous two-term Director

may be nominated again one (1) year after the expiration of their second term.

Section 4. Elections. An annual election shall be held for all directors representing Class A and B members. The Nominating Committee shall establish objective criteria for nominees for director positions and shall communicate with the membership by e-mail and membership newsletter not later than one hundred thirty-five (135) days prior to the date established for the annual meeting to invite submission in writing of names of proposed candidates. Not later than seventy-five (75) days prior to the date set for the annual meeting, the Nominating Committee shall meet to select its slate of candidates for director positions and present the recommended slate to the membership by e-mail along with an invitation to those eligible members having an interest in running for a director position to submit a statement of interest with their qualifications to the Nominating Committee. The statement of interest must be accompanied by a petition containing the signatures, names and addresses of at least ten property owners in the district if seeking to be a Class A Director or the signatures, names and addresses of at least ten commercial tenants in the district if seeking to be a Class B Director. Such statement of interest shall be submitted to the Nominating Committee not later than sixty-five (65) days prior to the date set for the annual meeting. The Ballot shall set forth the Nominating Committee's recommended slate as well as the names of any other members who comply with the foregoing requirements. The Ballot shall be mailed to each member not later than sixty (60) days prior to the date set for the annual meeting. Nominating Committee shall decide all questions and objections to such petitions. Ballots shall be returned not later than thirty (30) days prior to the date established for the annual meeting. Only members or their designees shall be eligible to vote and shall vote only for those directors representing their own membership classes. Voting by proxy for the election of directors is not permitted. Ballots shall be counted by the Nominating Committee. The Nominating Committee shall decide all questions relating to any ballot received, shall be the final arbiter as to validity of any ballot cast and shall report the results of the election of directors at the annual meeting.

Section 5. Meetings. The Board of Directors shall hold the following meetings:

- a. Annual organization meeting will be held at the next scheduled monthly meeting following the annual meeting of the membership of the Corporation.
- b. Regular meetings of the Board will be held at least six (6) times per year at a time and place determined by the Board.
- c. Special meetings of the Board shall be held upon the request of the Chairperson, Executive Committee or any three (3) Directors and at such meetings any business of the Corporation specified on the notice may be transacted. Notice of each special meeting of the Board of Directors shall be given personally or by telephone to each Director at least two (2) days before the day of the meeting or by mail at least five (5) days before the day of the meeting and shall state the business to be transacted and the time and place where the meeting is to be held.

- d. All meetings will observe the following rules:
1. Nine (9) members of the Board will constitute a quorum.
 2. Proxies shall not be permitted at any meeting of the Board of Directors.
 3. Absences by a Director from any three (3) consecutive, or four (4) non-consecutive regular meetings of the Board within twelve (12) months of the annual organization meeting of the Board of Directors of the Corporation shall constitute good cause for the removal of such Director from the Board pursuant to Section 7 or this article.

Section 6. Consent of the Directors Without Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if a majority plus one of the Board consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consent thereto by the members of the Board shall be filed with the minutes of the proceedings of the Board.

Section 7. Vacancies, Resignations, and Removal. Any Director may resign at any time and any such resignation shall be effective upon delivery thereof in writing to the Corporation without necessity of acceptance by the Board. Any elected Director may be removed at any time for cause by the Board by a two-thirds (2/3) vote of the total voting power of the Board. Vacancies in Board seats elected by Class A and B members shall be filled by the Chairperson of the Board with the advice and consent of the Board with a majority plus one (1) vote as soon as practicable. Those filling vacancies shall have terms as prescribed in Section 3a above.

Section 8. Order of Business. The order of business at all meetings of the Board of Directors shall be as follows:

1. Calling of the roll.
2. Recognition of guests and communications.
3. Approval of the minutes.
4. Election of Directors or Officers (if required).
5. Reports of the Officers.
6. Reports of the Committees.
7. Unfinished business or any necessary resolutions.
8. New business and resolutions.
9. Miscellaneous.

ARTICLE FOUR

Officers

Section 1. Officers. The Board of Directors shall elect at its annual organization meeting required under Article Three, Section 5 a Chairperson, a Vice Chairperson, a Secretary and a Treasurer who shall be current Board members. Except for vacancies that may be filled at any regular or special meeting, the term of office shall be limited to two full consecutive terms of three years with the exception of the Chairperson who may not serve more than two successive one-year terms. Upon completing the unfulfilled portion of a term, those filling vacancies may be considered for two additional full consecutive terms of three years. All Officers shall hold office until the next organizational meeting of the Board or until successors have been elected by action of the Board. The Board may also appoint such other Officers as the Board may from time to time determine are necessary.

- a. No officer shall hold multiple offices.

Section 2. Duties and Powers of Officers. Duties of the Chairperson, Vice Chairperson, Secretary, and Treasurer shall be:

- a. The Chairperson shall preside over all meetings, appoint all committees and shall be an ex-officio member of all committees.
- b. The Vice Chairperson shall, in the absence of the Chairperson, perform the functions and have the duties of the Chairperson. The Vice Chairperson shall have and perform such other duties as may be prescribed by the Board.
- c. The Secretary shall keep the minutes of all meetings of the Board and shall have custody of the seal of the Corporation and shall affix the seal to documents when authorized to do so.
- d. The Treasurer shall oversee accounting functions as is necessary to confirm that the proper financial records of the Corporation are kept; and shall prepare and file fiscal reports to keep the Board of Directors advised of the financial condition of the Corporation. The Treasurer shall:
 1. Verify that the Corporation shall not expend or commit any funds unless the Executive Director (as described below) shall first certify that there is an unencumbered balance of funds available for the purpose.
 - a. No expenditure shall be made other than in accordance with and pursuant to a budget for which a total Operating Budget amount has been approved and adopted by the Board of Directors.

2. Verify, prior to payment of bills, claim or demand in excess of \$500.00 against the Corporation, which the Executive Director has certified that the materials, supplies or equipment have been received according to purchase order or that the work, labor or services have been rendered according to the order or contract.
 - a. Checks in excess of \$500.00 shall require the signature of both the Executive Director and an Officer, or any two Officers.
 - b. All checks shall be hand signed.

Section 3. Compensation of Directors and Officers. The Board of Directors and officers shall serve without compensation.

ARTICLE FIVE

Executive Director

Section 1. Appointment of Executive Director. The Board of Directors shall appoint and employ, by a majority plus one (1) vote, an Executive Director for an indefinite term and shall fix the compensation annually. The Executive Director shall be appointed solely on the basis of executive and administrative qualifications and shall be responsible for the administration of the day-to-day operations, business and affairs of the Corporation.

- a. The Executive Director shall be selected by the Board.
- b. The Executive Director shall be evaluated on an annual basis by the Executive Committee.

Section 2. Powers and Duties. The Executive Director shall be the Chief Executive Officer of the Corporation and shall be responsible for the implementation of all policies developed by the Board of Directors and the negotiation and execution of all contracts authorized by the Board. The Executive Director shall:

- a. See that all provisions of these bylaws, acts of the Board of Directors and all State laws relating to corporate action are faithfully observed.
- b. Represent the Corporation and assert its proper interest in relation to the City of Albany and other outside agencies.
- c. Serve in an ex-officio capacity on the Board and all committees of the Board and participate in discussions, but may not vote.
- d. Shall sign checks and vouchers of the Corporation, subject to the limitations of these bylaws, and assist the Treasurer in the preparation and

filing of fiscal reports to keep the Board advised of the financial condition of the Corporation.

- e. Provide for the exercise of budgetary control for revenues and expenditures as approved by the Board of Directors; develop policies to safeguard the Corporation's financial interest to the fullest extent.
- f. Prepare the current expense and revenue estimates for the annual budget.
- g. Annually prepare a capital improvement plan for submission to the Board of Directors that shall include compilation of the capital expenditure estimates for the annual budget.
- h. Make reports to the Board of Directors as requested.
- i. Hire, supervise and evaluate the work of all other employees of the Corporation.

ARTICLE SIX

Committees

Section 1. Standing Committees, Special Committees and Committees of the Corporation. The Chairperson may appoint from among the Board standing committees, each to consist of at least two (2) Directors. The Chairperson of each committee shall be a Board member. Non - Board members may serve on any Standing or Special Committee except the Nominating Committee. Each committee's recommendations for action are subject to approval of the Board of Directors. Each committee shall keep minutes of proceedings and report to the Board.

Section 2. Standing Committees. The standing committees of the Board shall be as follows:

- a. Executive Committee. The Executive Committee shall consist of the Officers of the Corporation and shall meet as required between Board meetings to carry out the affairs of the Corporation.
- b. Budget and Finance. The Budget and Finance Committee shall work with the Executive Director and Treasurer to prepare an annual budget for the district, which shall be submitted to the Board of Directors for approval. It shall also review financial reports prepared by the Treasurer and shall review and make recommendations with respect to the financial affairs of the Corporation. The Treasurer shall chair this committee.

Section 3. Special Committees. Special Committees on any subject in which there are no standing committees may also be appointed, which may also include non-Board members.

Section 4. Nominating Committee. The Nominating Committee shall consist of an odd number of Board members, but no fewer than three, who shall be appointed by the Chairperson, as well the Chairperson, to recommend a slate of directors and officers for the Board to vote on and shall conduct the elections of Directors from Class A and B membership and Officers in accordance with Article Three, Section 4 of these bylaws. To the greatest extent possible, the make-up of the Nominating Committee shall reflect, proportionately, the number of Class A and Class B members on the Board. The Board Chairperson shall serve as Chair of the committee.

ARTICLE SEVEN

Indemnification

To the fullest extent permitted by law, either directly or by the purchase of insurance or in part directly and in part by the purchase of insurance, the Corporation shall indemnify each natural person, or if deceased, their personal representative made or threatened to be made a party to any action or proceeding, civil or criminal, including an appeal therein against the reasonable expenses, attorneys' fees, judgments, fines and amounts paid in settlement, if such person is made or threatened to be made a party by reason of the fact that they are or were: (1) an officer, director or employee of the Corporation; or (2) an officer, director or employee of or served in any other capacity in any other enterprise, at the request of the Corporation, provided that in case of a person serving as an employee or in any other capacity in any other corporation, partnership, joint venture, trust or other enterprise, that such person was at the time so designated to serve by the Corporation; or (3) the occupant of a position or member of a committee or board or a person having responsibilities under the Employee Retirement Income Security Act of 1975 as amended, who was appointed to, or served in, or assumed the responsibility of such position, or to such committee or board, or at the request or direction of the Board of the Corporation, or by an officer of the Corporation provided only that such person acted in good faith for a purpose which they reasonably believed would be in the best interest of the Corporation or in the case of service for any other Corporation or any partnership, joint venture, trust, employment benefits plan or other enterprise, not opposed to the best interests of the Corporation, and, in criminal proceedings, had no reasonable cause to believe that their conduct was unlawful. The Corporation's obligations under this Article shall be reduced by the amount of any insurance which is available to any such person whether such insurance is purchased by the Corporation or otherwise. The right of indemnity created herein shall be personal to the officer, director, or employee of corporation and their respective legal representative and in no case shall any insurance carrier be entitled to be subrogated to any rights created herein.

ARTICLE EIGHT

Annual Report

Section 1. Report to the Corporation. The Board shall present a report for the latest calendar year, verified by the Chairperson and the Treasurer or by a majority of Directors or certified by an independent public or certified public accountant selected by the Board, showing in appropriate detail the assets and liabilities, including principal changes in the assets and liabilities, the revenue or receipts and the expenses or disbursements of the Corporation, and the

total assessed value of all real estate which is included in the District. Such report shall be filed with the records of the Corporation.

ARTICLE NINE

Contracts, Gifts and Grants

Section 1. Consultants. The Board may retain, on behalf of the Corporation such consultants and/or independent contractors as it may find desirable and appropriate. The compensation to be paid and responsibilities provided to such consultants and/or independent contractors shall be determined by the Board.

Section 2. Contracts. The contracts of the corporation shall be subject to all applicable provisions of law relating to the bidding and awarding of contracts by the City of Albany.

Section 3. Gifts; Grants. The Board may accept gifts on behalf of the District to be disposed of as the Board chooses. The Board may accept grants from private parties, institutions and public entities, and enter into contracts for the same.

Section 4. Investments. The Board shall have the power to make investments of the funds of the Corporation and to change the same and sell any part of the securities owned by the Corporation and any rights or privileges that may accrue thereon.

ARTICLE TEN

Miscellaneous

Section 1. Fiscal Year. The fiscal year of the Corporation shall be the calendar year.

Section 2. Seal. The seal of the Corporation shall be circular in form and shall contain the name of the Corporation, the year of incorporation and the words "New York."

Section 3. Procedure. The most recent edition of Robert Rules of Order to the extent not provided for herein shall govern procedure of meetings of the Corporation.

ARTICLE ELEVEN

Amendments

These bylaws may be amended by the vote of a two-thirds (2/3) of all Directors at a regular or special meeting of Directors provided ten (10) days written notice of such meeting shall have been given each Director specifying the amendments to be considered.

ARTICLE TWELVE

Dissolution

The dissolution or other termination of the Corporation shall be in accordance with Section 980-0 of the General Municipal Law, or any equivalent section which may then be in effect and, upon dissolution, the assets for the Corporation shall be disposed of in accordance with the same section.

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