

**BYLAWS**

**OF**

**ST. CLAIR COUNTY LAND BANK AUTHORITY, INC.**

A public body corporate and instrumentality organized by St. Clair County under  
the laws of the State of Michigan

Adopted by the Board of Directors on May 17, 2010

Approved by the St. Clair County Board of Commissioners on \_\_\_\_\_, 2010

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## **BYLAWS**

### **OF**

## **ST. CLAIR COUNTY LAND BANK AUTHORITY, INC.**

Incorporated under the laws of the State of Michigan

### **ARTICLE ONE**

#### **Name, Location and Offices**

- 1.1 Name. The name of this corporation shall be “St. Clair County Land Bank Authority, Inc.” (hereinafter referred to as the “Authority”).
- 1.2 Registered Office and Agent. The Authority shall maintain a registered office in the State of Michigan, and shall have a registered agent whose address is identical with the address of such registered office, in accordance with the requirements of the Michigan Nonprofit Corporation Code. The initial registered agent of the Authority shall be Kelly Roberts-Burnett, Treasurer, St. Clair County, Michigan, and the initial registered office of the Authority shall be 200 Grand River Avenue, Suite 101, Port Huron, Michigan, 48060.
- 1.3 Other Offices. The principal office of the Authority shall be located in Port Huron, St. Clair County, Michigan. The Authority may have other offices at such place or places, within or without the State of Michigan, as the Board of Directors may determine from time to time or the affairs of the Authority may require or make desirable.

### **ARTICLE TWO**

#### **Purpose and Governing Instruments**

- 2.1 Nonprofit Corporation. The Authority shall be organized and operated as a public body corporate under the provisions of the Michigan Land Bank and Community Development Authority Act, 2003 P.A. 258, MCL 124.765.
- 2.2 Charitable and Educational Purposes. The Authority is a public body corporate the purposes of which, as set forth in the articles of incorporation, are exclusively charitable and educational within the meaning of section 501(c)(3) of the Internal Revenue Code. The purposes of the Authority shall include, but shall not be limited to:
  - (a) The assemblage and disposition of public property, including tax reverted property, to foster the development of that property and to promote economic growth in St. Clair County and other Local Units of Government in Michigan;

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- (b) The acquisition of property from St. Clair County and from other Local Units of Government, the disposition of such property, the undertaking of proceedings to quiet title to such property or otherwise provide clear title to such property;
- (c) The provision of financing, including the borrowing of funds and the loaning of funds, for the acquisition and disposition of such property;
- (d) The maintenance, operation and control of properties acquired or held by the Authority;
- (e) The exercise of any and all powers authorized under the Michigan Land Bank and Community Development Authority Act, 2003 P.A. 258, MCL 124.765; and
- (f) The performance of all other acts necessary or incidental to the above and whatever is necessary, useful, advisable, or conducive, directly or indirectly, to carry out any of the purposes of the Authority, as set forth in the articles of incorporation and these bylaws, including the exercise of all other power and authority enjoyed by corporations generally by virtue of provisions of the Michigan Nonprofit Corporation Code (subject to and within the limitations of section 501(c)(3) of the Internal Revenue Code).

2.3 Governing Instruments. The Authority shall be governed by its articles of incorporation and its bylaws.

### **ARTICLE THREE**

#### Board of Directors

3.1 Powers and Duties of the Board of Directors.

- (a) Except as otherwise provided in the articles of incorporation of the Authority or in these bylaws, all the powers, duties, and functions of the Authority conferred by the Michigan Land Bank and Community Development Authority Act, 2003 P.A. 258, MCL 124.765, the articles of incorporation, these bylaws, other state statutes, common law, court decisions, or otherwise shall be exercised, performed, or controlled by the Board of Directors.
- (b) The Board of Directors shall be the governing body of the Authority and shall have general charge of the affairs, property and assets of the Authority. It shall be the duty of the Board of Directors to determine the policies of the Authority or changes therein, actively to prosecute the purposes and objectives of the Authority, and, to this end, to manage and control all of its property and assets and to supervise the disbursement of its funds. The Board of Directors may adopt, by majority vote, such rules and regulations for the conduct of its business and the business of the Authority as shall be deemed advisable, and, in the

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execution of the powers granted, may delegate certain of its authority and responsibility to an executive committee. Under no circumstances, however, shall any actions be taken which are inconsistent with the articles of incorporation and these bylaws. The Board of Directors shall not permit any part of the net earnings or capital of the Authority to inure to the benefit of any member, director, officer, trustee, or other private person or individual. Members of the Board of Directors shall receive no compensation for service as a member of the Board of Directors, but shall be entitled to be reimbursed the Authority for expenses incurred in connection with performance of official functions of the Authority.

- (c) The Board of Directors may, from time to time, appoint, as advisors, persons whose advise, assistance, and support may be deemed helpful in determining policies and formulating programs for carrying out the purposes and functions of the Authority.
- (d) The Board of Directors is authorized to employ such person or persons, including an executive director or officer, attorneys, trustees, agents, or assistants, as in its opinion are necessary or desirable for the administration and management of the Authority, and pay reasonable compensation for these services and expenses performed or incurred by any such person or persons.

3.2 Initial and Regular Board of Directors. The Board of Directors shall consist of five (5) persons, one of whom shall be the Treasurer of St. Clair County, Michigan. The remaining four (4) members of the initial Board of Directors shall be appointed by the St. Clair County Board of Commissioners. One of the four members shall be a township or city official, located in St. Clair County, and three other members shall be considered “at large” members and must live in the County of St. Clair. Elected officials and other public officers are eligible to serve as members of the County Authority to the extent permitted under Michigan Law.

3.3 Manner of Appointment and Term of Office. The directors of the Authority shall be appointed by the Board of Commissioners of St. Clair County. The township or city official shall be appointed initially for a period of one year with subsequent appointments for a period of three years. Of the members at large, one shall initially be appointed for one year with subsequent appointments for a period of three years; and the other two members at large shall have an initial appointment for two years with subsequent appoints for three years.

3.4 Removal. Any director may be removed from office for or without cause by a majority vote of the St. Clair County Board of Commissioners.

3.5 Vacancies. Any vacancy in the Board of Directors arising at any time and from any cause, including the authorization of an increase in the number of directors, may be filled for the unexpired term by the Board of Commissioners of St. Clair County. Each director so elected shall hold office until the expiration of his term, or the unexpired term of his predecessor, as the case may be, and until his successor is appointed and qualifies.

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- 3.6 Committees of the Board of Directors. By resolution adopted by a majority of the full Board of Directors, the Board of Directors may designate from among its members one or more executive committees, each consisting of two (2) or more directors, which number shall always include the President or a Vice-President of the Authority. By resolution adopted by a majority of directors present at a meeting at which a quorum is present, the Board of Directors may designate from among its members one or more other committees, each consisting of two (2) or more directors. Except as prohibited by law, each committee shall have the authority set forth in the resolution establishing said committee. See also Article Eight (“Committees of Directors”).
- 3.7 Conflict of Interest. A director who has a direct or indirect interest in matter before the Authority shall disclose his or her interest prior to any discussion of the matter by the Authority, which disclosure shall become part of the record of the Authority’s official proceedings. The disclosure shall be made by written instrument on a standard form approved by the Board of Directors, and copies of the disclosure form shall be filed both with the Secretary of the Board of Directors and with the Clerk of the Board of Commissioners of St. Clair County. The interested director shall further refrain from participation in the Authority’s action relating to the matter. Each director, upon taking office and annually thereafter, shall acknowledge in writing that they have read and agreed to abide by this section.

### ARTICLE FOUR

#### Meetings of the Board of Directors

- 4.1 Regular Meetings; Notice. Regular meetings of the Board of Directors shall be held from time to time at such times and at such places as the Board of Directors may prescribe. Notice of the time and place of each such regular meeting shall be given by the secretary either personally or by telephone or by mail not less than seven (7) nor more than thirty (30) days before such regular meeting. The meetings of the Board of Directors shall be public, and the appropriate notice of such meetings provided to the public. Notice of any and all meetings of the Board of Directors shall be given in accordance with the Open Meetings Act, 1976 P.A. 267, as amended.
- 4.2 Special Meetings; Notice. Special meetings of the Board of Directors may be called by or at the request of the President or by any two (2) of the directors in office at that time. Notice of the time, place and purpose of any special meeting of the Board of Directors shall be given by the secretary either personally or by telephone or by mail at least twenty-four (24) hours before such meeting.
- 4.3 Waiver. Attendance by a director at a meeting shall constitute waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of business because the meeting is not lawfully called. See also Article Five (“Notice and Waiver”).



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- 4.4 Quorum. At meetings of the Board of Directors, a majority of the directors then in office shall be necessary to constitute a quorum for the transaction of business. In no case, however, shall less than three (3) directors constitute a quorum.
- 4.5 Vote Required for Action. Except as otherwise provided in these bylaws or by law, the act of a majority of the directors present at a meeting at which a quorum is present at the time shall be the act of the Board of Directors. Adoption, amendment and repeal of a bylaw are provided for in Article Twelve of these bylaws. Vacancies in the Board of Directors may be filled as provided in Section 3.5 of these bylaws.
- 4.6 Action by Directors Without a Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken is signed by all the members of the Board of Directors. Such consent shall have the same force and effect as a unanimous vote at a meeting duly called. The signed consent, or a signed copy, shall be placed in the minute book.
- 4.7 Telephone and Similar Meetings. Directors may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such a meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened.
- 4.8 Adjournments. A meeting of the Board of Directors, whether or not a quorum is present, may be adjourned by a majority of the directors present to reconvene at a specific time and place. Notice of any reconvened meeting of the Board of Directors shall be given in accordance with the Open Meetings Act, 1976 P.A. 267, as amended. At any such reconvened meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting which was adjourned.

### ARTICLE FIVE

#### Notice and Waiver

- 5.1 Procedure. Whenever these bylaws require notice to be given to any director, the notice shall be given as prescribed in Article Four. Whenever notice is given to a director by mail, the notice shall be sent first-class mail by depositing the same in a post office or letter box in a postage prepaid sealed envelope addressed to the director at his or her address as it appears on the books of the Authority; and such notice shall be deemed to have been given at the time the same is deposited in the United States mail.
- 5.2 Waiver. Whenever any notice is required to be given to any director by law, by the articles of incorporation, or by these bylaws, a waiver thereof in writing signed by the

director entitled to such notice, whether before or after the meeting to which the waiver pertains, shall be deemed equivalent thereto.

## ARTICLE SIX

### Board of Advisors

- 6.1 Appointment. The Board of Directors may appoint such persons as it reasonably deems necessary or desirable to act as the Board of Advisors of the Authority. To the extent possible, the Board of Advisors should consist of representatives of the community who have demonstrated an interest in and commitment to the redevelopment of properties within the Local Units of Government. The number of persons appointed to constitute the Board of Advisors shall be determined in the sole discretion of the Board of Directors.
- 6.2 Purpose. It shall be the function and purpose of the Board of Advisors to advise the Board of Directors on matters relating to the business and affairs of the Authority, and to suggest or be available for consultation with regard to projects or activities which the Authority may undertake, consistent with its exempt purposes, in furtherance of its goals and objectives.

## ARTICLE SEVEN

### Officers

- 7.1 Number and Qualifications. The officers of the Authority shall consist of a President, who shall act as the President of the Board of Directors, a secretary, and such other officers as may be designated by the President. The President of the Authority shall be the Treasurer of St. Clair County.
- 7.2 Other Agents. The Board of Directors may appoint from time to time such agents as it may deem necessary or desirable, each of whom shall hold office during the pleasure of the board, and shall have such authority and perform such duties and shall receive such reasonable compensation, if any, as the Board of Directors may from time to time determine.
- 7.3 Removal. Any officer of the Authority may be removed as an officer by the Board of Commissioners of St. Clair County with or without cause at any time.
- 7.4 President. The President shall be the principal executive officer of the Authority and shall preside at all meetings of the Board of Directors. The President shall be authorized to sign checks, drafts, and other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Authority, and statements and reports required to be filled with the state or federal officials or agencies; and shall be authorized to enter into any contract or agreement and to execute in the corporate name, along with

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the secretary, any instrument or other writing; and he or she shall see that all orders and resolutions of the Board of Directors are carried into effect. The President shall have the right to supervise and direct the management and operation of the Authority and to make all decisions as to policy and otherwise which may arise between meetings of the Board of Directors, and the other officers and employees of the Authority shall be under the President's supervision and control during such interim. The President shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe.

7.5 Vice-Presidents. The Vice-Presidents, in the order of their seniority, unless otherwise determined by the President or by the Board of Directors, shall, in the absence or disability of the President, perform the duties and have the authority and exercise the powers of the President. They shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe or as the President may from time to time delegate.

7.6 Secretary.

- (a) The secretary shall attend all meetings of the Board of Directors and record all votes, actions and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the executive and other committees when required.
- (b) The Secretary shall give, or cause to be given, notice of all meetings of the Board of Directors.
- (c) The Secretary shall keep in safe custody the seal of the Authority and, when authorized by the Board of Directors or the President, affix it to any instrument requiring it. When so affixed, it shall be attested by his or her signature or by the signature of the treasurer or the assistant secretary.
- (d) The Secretary shall be under the supervision of the President. He or she shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time delegate.

7.7 Treasurer.

- (a) The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements of the Authority and shall deposit all monies and other valuables in the name and to the credit of the Authority into depositories designated by the Board of Directors.
- (b) The Treasurer shall disburse the funds of the Authority as ordered by the Board of Directors, and prepare financial statements each month or at such other intervals as the Board of Directors shall direct.

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- (c) The Treasurer shall keep in safe custody the seal of the Authority and, when authorized by the Board of Directors or the President, affix it to any instrument requiring it. When so affixed, it shall be attested by his or her signature or by the signature of the treasurer or assistant secretary.
- (d) The Treasurer shall be under the supervision of the President. The Treasurer shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe or as the President may from time to time delegate.

### ARTICLE EIGHT

#### Committees of Directors

- 8.1 Executive Committee. By resolution adopted by a majority of the directors in office, the Board of Directors may designate from among its members an executive committee which shall consist of three (3) or more directors, including the President or a Vice-President of the Authority, which executive committee, to the extent provided in such resolution, shall have and exercise the authority of the Board of Directors in the management of the affairs of the Authority; provided, however, the designation of such executive committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed upon it or him by law and such executive committees may not do the following:
- (a) Authorize distributions;
  - (b) Approve the dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the Authority's assets;
  - (c) Elect, appoint, or remove directors or fill vacancies on the Board of Directors or on any of its committees; or
  - (d) Adopt, amend, or repeal the Authority's Articles of Incorporation or these Bylaws.
- 8.2 Other Committees of Directors. Other committees, each consisting of two (2) or more directors, not having and exercising the authority of the Board of Directors in the management of the Authority may be designated by a resolution adopted by a majority of directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be appointed by the President of the Authority. Any member of any committee may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Authority shall be served by such removal.
- 8.3 Other Committees. The Board of Directors may provide for such other committees, including committees, advisory groups, board of governors, etc., consisting in whole or

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in part of persons who are not directors of the Authority, as it deems necessary or desirable, and discontinue any such committee at its pleasure. It shall be the function and purpose of each such committee to advise the Board of Directors; and each such committee shall have such powers and perform such specific duties or functions, not inconsistent with the articles of incorporation of the Authority or these bylaws, as may be prescribed for it by the Board of Directors. Appointments to and the filling of vacancies on any such other committee shall be made by the President of the Authority, unless the Board of Directors otherwise provides. Any action by each such committee shall be reported to the Board of Directors at its meeting next succeeding such action and shall be subject to control, revision, and alteration by the Board of Directors, provided that no rights of third persons shall be prejudicially affected thereby. See Article Six (“Board of Advisors”).

- 8.4 Term of Appointment. Each member of a committee shall continue as such until the next annual meeting of the Board of Directors and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member shall be removed from such committee, or unless such member shall cease to qualify as a member thereof.
- 8.5 Chairman. One member of each committee shall be appointed chairman thereof.
- 8.6 Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.
- 8.7 Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum; and the act of a majority of members present at a meeting at which a quorum is present shall be the act of the committee.
- 8.8 Rules. Each committee may adopt rules for its own government, so long as such rules are not inconsistent with these bylaws or with rules adopted by the Board of Directors.

### ARTICLE NINE

#### Employees, Contracted Services

- 9.1 Employees. The Authority may directly employ, through contract or otherwise, any staff deemed necessary to carry out the duties and responsibilities of the Authority. Such staff may be employed as employees of the Authority, or the services of such staff may be retained pursuant to contracts with one or more Local Units of Government or other public or private entities.
- 9.2 Executive Director. The Board of Directors may designate a person, other than a member of the Board of Directors, to serve as Executive Director of the Authority. In the event of such an appointment, the Executive Director of the Authority shall have such

authority and power as expressly delegated to him or her by resolution of the Board of Directors.

## ARTICLE TEN

### Contracts, Checks, Deposits and Funds

- 10.1 Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Authority, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Authority. Such authority must be in writing and may be general or confined to specific instances.
- 10.2 Checks, Drafts, Notes, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Authority shall be signed by such officer or officers, agent or agents, of the Authority and in such other manner as may from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the President or the Vice-President of the Authority. The Board of Directors may require all individuals who handle funds of the Authority to qualify for a security bond to be obtained by the Authority.
- 10.3 Deposits. All funds of the Authority shall be deposited from time to time to the credit of the Authority in such banks, trust companies or other depositories as the Board of Directors may select.
- 10.4 Gifts. The Board of Directors may accept on behalf of the Authority any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Authority.

## ARTICLE ELEVEN

### Indemnification

- 11.1 Indemnification. Each person who is or was a director or officer of the Corporation or member of a committee of the Corporation shall be indemnified by the Corporation to the fullest extent permitted by the corporation laws of the State of Michigan as they may be in effect from time to time; provided, however, that the preceding shall not require the Corporation to indemnify any person for any liability, tax or expense to the extent it results in the imposition of tax under Section 4958 of the Internal Revenue Code.

## ARTICLE TWELVE

### Miscellaneous

- 12.1 Books and Records. The Authority shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of authority of the Board of Directors. All financial records of the Authority shall be open to the public under the Freedom on Information Act of Michigan.
- 12.2 Corporate Seal. The corporate seal (of which there may be one or more exemplars) shall be in such form as the Board of Directors may from time to time determine.
- 12.3 Fiscal Year. The fiscal year of the Authority shall correspond at all times to the fiscal year of St. Clair County, Michigan.
- 12.4 Budget. The Board of Directors shall adopt annually a budget for all operations, income, expenses and assets.
- 12.5 Audit. The Board Directors shall undertake an annual audit of the funds of the Authority by a certified public accountant.
- 12.6 Internal Revenue Code. All references in these bylaws to sections of the Internal Revenue Code shall be considered references to the Internal Revenue Code of 1954, as from time to time amended, to the corresponding provisions of any applicable future United States Internal Revenue Law, and to all regulations issued under such sections and provisions. As used herein, the term “public charity” shall mean an organization which is exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code and which is other than a private foundation within the meaning of section 509(a) of the Internal Revenue Code.
- 12.7 Construction. Whenever the context so requires, the masculine shall include the feminine and neuter, and the singular shall include the plural, and conversely. If any portion of these bylaws shall be invalid or inoperative, then, so far as is reasonable and possible:
- (a) The remainder of these bylaws shall be considered valid and operative.
  - (b) Effect shall be given to the intent manifested by the portion held invalid or inoperative.
- 12.8 Table of Contents; Headings. The table of contents and headings are for organization, convenience and clarity. In interpreting these bylaws, they shall be subordinated in importance to the other written material.
- 12.9 Relation to Articles of Incorporation. These bylaws are subject to, and governed by, the articles of incorporation.

## ARTICLE THIRTEEN

### Amendments

- 13.1 Power to Amend Bylaws. The Board of Directors shall have the power to alter, amend, or repeal these bylaws, or adopt new bylaws; provided, however, that the Board of Directors shall have no power or authority to make any changes in the bylaws which would in any way diminish or derogate from the power of the Board of Commissioners of St. Clair County with respect to the appointment and/or removal of directors and officers of the Authority.
- 13.2 Conditions. Action by the Board of Directors with respect to bylaws shall be taken by the affirmative vote of a majority of all directors then holding office.

## ARTICLE FOURTEEN

### Periodic Meetings

- 14.1 Periodic Meetings. The Board of Directors, Board of Advisors, officers, members of the Authority and interested members of the community shall meet from time to time at times and places to be determined by the President or the Board of Directors. Notice of each such meeting, time and place shall be given to the directors, advisors, officers, and member of the Authority and to those individuals who have caused their names to be placed on the Authority mailing list. The mailing list shall be kept by the secretary. The date of the meeting may be changed by the President or any two (2) members of the Board of Directors, provided that notice is given of such change at least two (2) days before the regularly scheduled date of such meeting.

## ARTICLE FIFTEEN

### Tax-Exempt Status

- 15.1 Tax-Exempt Status. Notwithstanding any other provision of the Articles of Incorporation of the Authority or of these Bylaws, the Authority shall not carry on any activities not permitted to be carried on by a Authority exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue Law) (the "Code").

The Authority is organized and shall be operated exclusively for charitable, civic, and educational purposes. The Authority is not organized and shall not be operated for pecuniary gain or profit. No part of the property or net earnings of the Authority shall inure to the benefit of or be distributable to its Directors or other private persons, except that the Authority shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its lawful purposes.



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It is intended that the Authority shall have the status of a corporation which is exempt from Federal income taxation under Section 501(a) of the Code, and an organization described in Section 501(c)(3) of the Code. These Bylaws shall be construed accordingly, and all power and activities of the Authority shall be limited accordingly. The Authority shall not carry on propaganda or otherwise attempt to influence legislation to such extent as would result in loss of its exemption from Federal income tax under Section 501(c)(3) of the Code, and the Authority shall be empowered to make the election authorized under Section 501(h) of the Code. The Authority shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision herein, the Authority shall not carry on any activities not permitted to be carried on:

- (a) by an organization exempt from Federal income taxation under Section 501(a) of the Code as an organization described in Section 501(c)(3) of the Code,
- (b) by an organization described in Sections 509(a)(1), (2), or (3) of the Code (as the case may be), and/or
- (c) by an organization, contributions to which are deductible under Sections 170(c)(2) or 2522(a)(2) of the Code.

Notwithstanding any other provision of these Bylaws, the Authority shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code, or corresponding provisions of any subsequent Federal tax laws.

Notwithstanding any other provision of these Bylaws, the Authority shall not engage in any act of self-dealing as defined in Section 4941(d) of the Code, or corresponding provisions of any subsequent Federal tax laws; nor retain any excess business holdings as defined in Section 4943(c) of the Code, or corresponding provisions of any subsequent Federal tax laws; nor make any investment in such manner as to subject it to tax under Section 4944 of the Code, or corresponding provisions of any subsequent Federal tax laws; nor make any taxable expenditures as defined in Section 4945(d) of the Code, or corresponding provisions of any subsequent Federal tax laws.

### ARTICLE SIXTEEN

#### Powers Required To Obtain Loan from Secretary of Housing and Urban Development

- 16.1 Powers Required To Obtain Loan From Secretary Of Housing And Urban Development. The Authority is hereby empowered to a) buy, own, sell, assign, mortgage or lease any interest in real estate and personal property and to construct, maintain and operate improvements thereon necessary or incident to the accomplishment of the purposes set

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forth in Article 2, Section 2.2 hereof; b) borrow money and issue evidence of indebtedness in furtherance of any or all of the objects of its business, and to secure the same by mortgage, pledge or other lien on the Authority's property; and c) do and perform all acts reasonably necessary to accomplish the purposes of the Authority, including the execution of a Regulatory Agreement with the Secretary of Housing and Urban Development, and of such other instruments and undertakings as may be necessary to enable the Authority to secure the benefits of financing under Section 202 of the Housing Act of 1959, or under any other provision of federal law. Such regulatory Agreement and other instruments and undertakings shall remain binding upon the Authority, its successors and assigns, so long as a mortgage on the Authority's property is held by the Secretary of Housing and Urban Development.

Approved by Corporation Counsel: May 15, 2010

Adopted by the Land Bank Authority on May 17, 2010

Ayes: Roberts, DeBoyer, Repp, Sheehy, and Wall

Nays: None

Approved by the St. Clair County Board of Commissioners on: \_\_\_\_\_