

RESTATED
BAY CITY DOWNTOWN DEVELOPMENT AUTHORITY
BY-LAWS OF JANUARY 8, 2020

ARTICLE I TRUSTEES

Section 1. NUMBER, QUALIFICATIONS, TERM OF OFFICE AND QUORUM. The property, business and affairs of the Bay City Downtown Development Authority shall be managed by its Board of Trustees consisting of the Mayor of the City of Bay City and twelve (12) members appointed by the Mayor of the City of Bay City, subject to the approval of the City Commission of the City of Bay City. At least five (5) of the members shall be persons having an interest in property located in the downtown district. At least one (1) of the members shall be a resident of the downtown district. Of the members first appointed, two shall be appointed for one (1) year, two (2) for two (2) years, two (2) for three (3) years, and two (2) for four (4) years. A Trustee shall hold office until a member successor is appointed. Thereafter, a member shall serve for a term of four (4) years for no more than three consecutive (3) terms, with the option to re-apply for appointment. An appointment to fill a vacancy shall be made by the Mayor of Bay City for the unexpired term only. Members of the Board shall serve without compensation, but shall be reimbursed for actual and necessary expenses. The Chair, Vice-Chair and Secretary/Treasurer of the Board shall be elected by the Board. Elected individuals shall be appointed in November and serve January 1 - December 31.

Section 2. OATH OF OFFICE. Before assuming the duties of office, the Trustees shall qualify by taking and subscribing to the constitutional oath of office.

Section 3. RULES, MEETINGS. The Board of Trustees shall adopt rules governing its procedure in the holding of regular meetings, subject to the approval of the City Commission of the City of Bay City. Regular meetings of the Board shall be held on the first Wednesday of the month unless otherwise announced ten (10) days or more in advance. Special meetings may be held and called in the manner provided in the rules of the Board. Meetings of the Board shall be open to the public. In the absence of a specific rule, Robert's Rules of Order shall govern. Notice of all meetings shall be given to the City Clerk of Bay City.

Section 4. REMOVAL OF TRUSTEE. Pursuant to notice and an opportunity to be heard, a member of the Board may be removed for cause by the City Commission of the City of Bay City. Removal of a member is subject to review by the Circuit Court. A director may be removed from office for cause by a majority vote of the governing agency. For cause removal shall include but not necessarily be limited to absences exceeding thirty percent (30%) from regularly scheduled meetings called during any preceding twelve-month period and will be reviewed by the Executive Committee. Absences may be excused on call of the Board, and shall be so specified in the minutes of said meeting.

Section 5. QUORUM. A majority of the trustees shall constitute a quorum for the transaction of business. The act of the majority of the Trustees present at a meeting at which a quorum is present shall be the act of the Board. Trustees who are not physically present may participate in a meeting through the use of a telephone conference call. Their presence shall be counted towards quorum requirements. Use of teleconferencing shall

require that the trustee attending by this method can hear all proceedings, and in turn, be heard by those present at the meeting.

ARTICLE II. OFFICERS

Section 1. CHAIR, VICE-CHAIR AND SECRETARY/TREASURER. The Board of Trustees, during the November meeting every other year, shall elect the Chair, Vice-Chair and Secretary/Treasurer of the Board. These officers shall be part of the Executive Committee. The Chair shall preside at meetings, but in his or her absence the Vice-Chair shall preside. A candidate receiving a majority vote of the entire membership of the Board shall be declared elected and shall immediately take office and serve for two (2) years unless he or she is re-elected or until his or her successor shall take office. The Chair, Vice Chair and Secretary/Treasurer shall serve no more than two consecutive two (2) year terms. At the end of the Chair's term, the Vice Chair shall assume the position of Chair, and the Secretary/Treasurer shall assume the position of Vice Chair.

Section 2. COMMITTEES. The Chair shall designate the members of such committees as may be found necessary from time to time, unless otherwise directed by the majority of the Board in session.

Section 3. DIRECTOR. The Board of Trustees may employ and fix the compensation of a "Director", subject to the approval of the City Commission of the City of Bay City. The Director shall serve at the pleasure of the Board. A member of the Board is not eligible to hold the position of Director. Before entering upon the duties of his office, the Director shall take and subscribe to the constitutional oath. The Director shall be the chief executive officer of the Authority. Subject to the approval of the Board of Trustees, the Director shall supervise, and be responsible for, the preparation of plans and performance of the functions of the Authority in the manner authorized by Act 197 of the Public Acts of 1975. The Director shall attend the meetings of the Board, and shall render to the Board and to the City Commission of the City of Bay City a regular report covering the activities and financial condition of the Authority. If the Director is absent or disabled, the Board may designate a qualified person as Acting Director to perform the duties of the office. Before entering upon the duties of his office, the Acting Director shall take and subscribe to the oath. The Director shall furnish the Board with information or reports governing the operation of the Authority as the Board of Trustees requires.

Section 4. LEGAL COUNSEL AND EMPLOYEES. The Board of Trustees may retain legal counsel to advise the Board in the proper performance of its duties. Legal Counsel shall represent the Authority in actions brought be or against the Authority. The Board may employ personnel deemed necessary by the Board.

ARTICLE III. FISCAL YEAR

The fiscal year of the Authority shall begin on July 1st of each year and end on June 30th of the following year, or such other fiscal year as may hereafter be adopted by the City of Bay City.

ARTICLE IV. AMENDMENTS

These By-Laws may be amended, in whole or in part, by an affirmative vote of a majority of the Board of Trustees subject to approval of the City Commission of the City of Bay City, provided, however, that any amendments to these by-laws shall comply with the provisions of Act 197 of the Public Acts of 1975 or any amendments thereto, as well as Public Act 57.

ARTICLE V. INTERPRETATION

The invalidity or unenforceability of any provisions hereof shall in no way affect the validity or enforceability of the remaining provisions hereof.

When applicable, pronouns and relative words shall be read as plurals, feminine or neuter, respectively.

ARTICLE VI. VOLUNTEER LIABILITY

- A.1. Without regard to the discretionary or ministerial nature of the conduct in question, each officer or employee of the Board, each volunteer acting on behalf of the Board, and each member of the Board, shall be immune from tort liability for injuries to persons or damages to property caused by the officer, employee, or member while in the course of employment or service or volunteer while acting on behalf of the board if all of the following are met:
- (a) The officer, employee, member, or volunteer is or reasonably believes he or she is acting within the scope of his or her authority.
 - (b) The Board is engaged in the exercise or discharge of a governmental function.
 - (c) The officer's, employee's, member's, or volunteer's conduct does not amount to gross negligence that is the proximate cause of the injury or damage. As used in this subdivision "gross negligence" means conduct so reckless as to demonstrate a substantial lack of concern for whether an injury results.
2. Subsection A (1) shall not be construed as altering the law of intentional torts.
- B.1. A volunteer director is not personally liable to the Board or its members for monetary damages, or for breach of the director's fiduciary duty, except for the following liabilities:
- 1. A breach of the director's duty of loyalty to this organization or its members.
 - 2. Acts of omissions not in good faith or that involve intentional misconduct

- or a knowing violation of law.
3. A violation of Section 551(1) of the Michigan Business Corporation Act as amended.
 4. A transaction from which the director derived an improper personal benefit.
 5. An act or omission occurring before January 1, 1988.
 6. An act or omission that is grossly negligent.

Any repeal, amendment or other modification of this article shall not affect the liability or alleged liability of any director of this organization existing at the time of such repeal, amendment or modification for or with respect to any act or omission occurring prior to the time of such repeal, amendment or modification.

2. This organization hereby assumes all liability to any person other than this Organization or its members for all acts or omissions of a volunteer director occurring on or after January 1, 1988, and the Corporation shall indemnify any volunteer director for all matters as set forth in Sections 561 and 562 of the Michigan Corporation Act as amended.

Any repeal, amendment or other modification of this section shall not adversely affect any right or protection of any director of this organization existing at the time of such repeal, amendment or other modification for or with respect to any act or omission occurring prior to the time of such repeal, amendment or modification.

The undersigned, being the duly appointed and acting Secretary of the Bay City Downtown Development Authority does hereby certify that the foregoing restated bylaws were adopted at a meeting of the Board of Trustees of the Bay City Downtown Development Authority at meeting of the Authority on the 8th day of January, 2020.

 _____, Secretary/Treasurer