

BINGHAMTON LOCAL DEVELOPMENT CORPORATION

A NOT-FOR-PROFIT CORPORATION

BY LAWS

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Ethics and shall have full power, by majority vote, to adopt rules and regulations governing the action of the Board of Directors and shall have full and complete authority with respect to the payment and distribution of the monies received by the Corporation, provided that the primary purposes of the Corporation, as expressed in the Certificate of Incorporation shall not be amended or changed.

- 3) Number, Qualifications and Terms of Office. There shall be neither less than seven (7) nor more than thirteen (13) Directors unless changed by amendment of the Certificate of Incorporation or of the by-laws.
 - a. The President of the Binghamton City Council shall appoint two Directors from the Binghamton City Council. There shall be one member appointed from the majority party, and one shall be from the minority party, except in the event that only one party is in power, then only one member from the governing party shall be appointed. Directors appointed from the Binghamton City Council shall serve until the end of the one-year term of office of the President of City Council that appointed them.
 - b. The Mayor of the City of Binghamton shall appoint all remaining Directors for a term of two years. The terms of office of Directors appointed by reason of their public office shall expire with their term of public office. The Mayor may remove any Director, except the Directors appointed by the President of City Council, at his discretion with or without cause except as otherwise provided herein. The Directors shall consist of the following: the Director of Finance of the City of Binghamton, the Director of Planning, Housing & Community Development of the City of Binghamton, the Corporation Counsel of the City of Binghamton, two members from Binghamton City Council, one from the majority party, and one from the minority party, a representative from the community that either directly or indirectly represents the low to moderate income producing citizens and may include representatives from among the business community of Binghamton, the banking community of Binghamton, the Community Development Advisory Committee, the Binghamton Business and Professional Association, representation from the minority business community and such at-large representatives of the Binghamton community as deemed appropriate by the Mayor.
- 4) Voting Rights. Each Director shall be entitled to one vote on each matter submitted to a vote of the Board of Directors, in person or by proxy.
- 5) Proxies. At all meetings of Directors, any Director entitled to one vote by proxy. Every proxy must be appointed by an instrument in writing executed and dated by such Director or by his duly authorized attorney and delivered to the Secretary of the Corporation. Any proxy shall be revocable at the will of the Director executing such proxy and shall become invalid after the expiration of three months from the date of its execution unless such Director shall have otherwise specified its duration therein.
- 6) Resignation. Directors may resign at any time by providing written notice to the President or the Secretary of the Corporation. Unless otherwise specified in the written notice of the resigned, the resignation shall take effect upon its receipt by such officer. Acceptance of the resignation shall not be necessary in order for it to be effective. Upon the resignation, removal or expiration of a term of a Director, a successor shall be selected by the Mayor. The Mayor may appoint a Director to a successive term or terms of office.
- 7) Vacancies. Any vacancy of the Board of Directors arising at any time and from any cause, including an increase in the number of Directors by amendment of the

- a) A proposal to amend the Certificate of Incorporation.
- b) A proposal to merge or consolidate with another corporation, domestic or foreign.
- c) A proposal to lease, sell, convey, transfer, exchange otherwise dispose of all or substantially all of the assets of the Corporation.
- d) A proposal to dissolve the Corporation.

Section 3 Regular Meetings Notice. Regular meetings of the Board of Directors shall be held at such time and place as the Board may determine and notice of such meeting need not be given.

Section 4 Special Meetings Notice. Special meetings of Directors may be held at the principal office of the Corporation or at such other place as may be designated in the notice of such meeting, upon the call of the President or any two (2) of the Directors. Notice of the time, place and purpose of any special meeting of the Board of Directors shall be given by the mailing a copy thereof or by delivering the same to each Director at least seventy-two (72) hours before such meeting or pursuant to waiver of notice signed before or after such meeting by the Directors.

Section 5 Quorum, Majority Vote. At all meetings of the Corporation, including annual meetings, regular meetings and special meetings, a majority of the Directors shall constitute a quorum for the transaction of business. Any one or more Directors may participate in a meeting of such Board by means of a conference telephone or similar equipment that allows all persons participating in the meeting to hear each other simultaneously. Participation by such means shall constitute presence in person at such a meeting. A majority vote shall be defined as a majority of the quorum. Such a definition of the majority vote shall be applicable to the annual meetings, regular meetings and special meetings.

Section 6 Adjournment of Meetings. In the absence of a quorum, a majority of the Directors present may adjourn the meeting for a period of not greater than twenty (20) days until a quorum is obtained. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called. At all meetings of Directors at which a quorum is present, except as provided herein, all matters shall be decided by the vote of half of the total Directorship plus one, in person or by proxy.

Section 7 Organization. The President of the Corporation shall preside at all meetings, or, in the absence of the President, the Vice President shall preside. The Secretary of the Corporation shall act as Secretary at all meetings of the Directors. In the absence of the Secretary, the presiding officer may appoint any person to act as Secretary of the meeting.

Section 8 Committees. Any committee which shall be authorized by the Board and which is delegated any of the management function of the Corporation must conform with the same requirements as does the Board.

Section 9 Compensation. No Director or Non-Voting Member of the Corporation shall receive, directly or indirectly, any salary or compensation for his services as Director, Non-Voting Member or any other capacity with the Corporation.

notices of the Corporation. He or she shall perform all duties incident to the office of the Secretary subject, however, to the control of the Board of Directors, and such other duties as shall from time to time be assigned to him or her by the Board of Directors.

Section 8 Treasurer: Powers and Duties. The Treasurer shall be a member of the Board of Directors and shall have custody of all funds and securities of the Corporation that may come into his or her hands. He or she shall keep or cause to be kept complete and accurate accounts of receipts and disbursements of the Corporation, and shall deposit all monies and other valuable effects of the Corporation in the name and to the credit of the Corporation in such banks or depositories as the Board of Directors may designate. Whenever required by the Board of Directors, the Treasurer shall render a statement of the accounts. He or she shall exhibit the books and accounts upon request to any Officer or Director of the Corporation. He or she shall perform all duties incident to the office of Treasurer subject, however, to the control of the Board of Directors. He or she shall perform other duties as shall be assigned to him or her from time to time by the Board of Directors. The Treasurer shall give such security for the faithful performance of his or her duties as the Board of Directors may require.

Section 9 Executive Director and/or Employees. The Board of Directors may employ an Executive Director or other employees who are subject to the supervision of the President, the Executive Committee and the Board of Directors. Such employees shall be either full or part-time employees and shall carry out the purposes of the Corporation. Such employees shall receive such compensation as may be determined by the Board of Directors in accordance with law. The appointment of such employees shall be subject to the approval of the Mayor of the City of Binghamton.

ARTICLE VI

CONTRACTS, CHECKS, BANK ACCOUNTS, INVESTMENTS, PROCUREMENT AND PROHIBITIONS

Section 1 Contracts. No Director or Non-Voting Member of the Corporation shall contract or incur any debt or obligation on behalf of the Corporation or in any way render it liable unless duly authorized by the Board of Directors.

Section 2 Checks, Notes, and Contracts etc. The Board of Directors is authorized to select such banks or depositories as it shall deem proper for the funds of the Corporation. The Board of Directors may empower the staff of the Corporation to make deposits in any of its duly authorized bank accounts or depositories without countersignature by any Officer of the Corporation. Otherwise, such deposits will be made by the Treasurer of the Corporation in any of the Corporation's duly authorized bank accounts or depositories without countersignature by any Officer of the Corporation. The Board of Directors shall determine, who, if anyone, in addition to the President, shall be authorized on the Corporation's behalf to sign checks, drafts or other orders for payment of money, acceptances, notes or other evidences of indebtedness, enter into contracts, or execute and deliver other documents and instruments.

written complaint must be filed by that employee/board member with the Corporation Counsel of the City of Binghamton or the BLDC Executive Director, in accordance with the "Employee and Board Member Protection Policy" adopted January 28, 2010.

ARTICLE IX

ETHICS

Section 1 Code of Ethics. This Code of Ethics shall apply to all officers and employees of the Binghamton Local Development Corporation (BLDC). These policies shall serve as a guide for official conduct and are intended to enhance the ethical and professional performance of the BLDC's directors and employees and to preserve public confidence in the BLDC's mission.

Responsibility of Directors and Employees

1. Directors and employees shall perform their duties with transparency, without favor and refrain from engaging in outside matters of financial or personal interest, including other employment, that could impair independence of judgment, or prevent the proper exercises of one's official duties.
2. Directors and employees shall not directly or indirectly, make, advise, or assist any person to make any financial investment based upon information available through the director's or employee's official position that could create any conflict between their public duties and interested and their private interests.
3. Directors and employees shall not accept or receive any gift or gratuities where the circumstances would permit the inference that: (a) the gift is intended to influence the individual in the performance of official business or (b) the gift constitutes a tip, reward, or sign of appreciation for any official act by the individual. This prohibition extends to any form of financial payments, services, loans, travel reimbursement, entertainment, hospitality, thing or promise from any entity doing business with or before the BLDC.
4. Directors and employees shall not use or attempt to use their official position with the BLDC to secure unwarranted privileges for themselves, members of their family or others, including employment with the BLDC or contracts for materials or services with the BLDC.
5. Directors and employees must conduct themselves at all times in a manner that avoids any appearance that they can be improperly or unduly influenced, that they could be affected by the position of or relationship with any other party, or that they are acting in violation of their public trust.
6. Directors and employees may not engage in any official transaction with an outside entity in which they have a direct or indirect financial interest that may reasonably conflict with the proper discharge of their official duties.

financial interest, as defined below, is an interested person, which has received a loan.

- B. Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment or family:
- (1) A loan with the BLDC;
 - (2) A compensation arrangement with the BLDC or with any entity or individual with which the BLDC has a transaction or arrangement; or
 - (3) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the BLDC is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

Section 3 Procedures

- A. Duty to Disclose. In connection with any actual or possible conflicts of interest, an interested person must disclose the existence of his or her financial interest and all material facts to the Directors and members of Committees with Board-delegated powers considering the proposed transaction or arrangement.
- B. Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts and after any discussion with the interested person, he or she shall leave the Board or Committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or Committee members shall decide if a conflict of interest exists.
- C. Procedures for Addressing the Conflict of Interest
- (1) An interested person may make a presentation at the Board or Committee meeting, but after such presentation, he/she shall leave the meeting during the discussion of and vote on the transaction or arrangement that results in the conflict of interest.
 - (2) The Chairperson of the Board or Committee shall, if appropriate, appoint a disinterested person or Committee to investigate alternatives to the proposed transaction or arrangement.
 - (3) After exercising due diligence, the Board or Committee shall determine whether the BLDC can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

Section 6 Annual Statements

Each Director, principal Officer and member of a committee with Board-delegated powers shall annually sign a statement which affirms that such person:

- A. Has received a copy of the conflicts of interest policy;
- B. Has read and understands the policy;
- C. Has agreed to comply with the policy; and
- D. Understands that the BLDC is tax-exempt and that in order to maintain its federal tax-exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 7 Periodic Reviews

- A. To ensure that the BLDC operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted.

ARTICLE XI

AMENDMENT

Section 1 Method. These by-laws may be amended, altered or repealed at any meeting of the Board of Directors by a vote of a majority of all Directors, provided that the action to be considered and acted upon is inserted in the notice or the waiver of notice of said meeting.

ARTICLE XII

PUBLIC AUTHORITY ACCOUNTABILITY ACT COMPLIANCE

Section 1 Policies In compliance with the PAAA the BLDC adopted several policies included in the City of Binghamton Code of Ordinances including: Records Management and Disposition (Chapter 5, 5-25, 5-27) and Public Real Estate Sales (Chapter 136).

Section 2 Annual Review and Reporting The BLDC establishes the month of November for the review and adoption of the Annual Performance Measures, Conflict of Interest Disclosure Statement, Code of Ethics and the Confidential Evaluation of Board Performance.