

BY-LAWS
of
STAUNTON DOWNTOWN DEVELOPMENT ASSOCIATION, INC.

ARTICLE I – PURPOSE

The Staunton Downtown Development Association is a non-profit organization committed, through a strong public/private partnership, to enhancing downtown Staunton’s economic environment as a center of commerce while maintaining the character and integrity of the City’s central business district as an attractive place to live, work and visit.

ARTICLE II – OFFICE

The principal office of the Association shall be located in the City of Staunton, Virginia.

ARTICLE III – MEMBERS

(1) Annual Meeting

The annual meeting of the members shall be held on the third Wednesday in September, unless the Board of Directors (the Board) fixes some other date, time or place for the meeting.

(2) Special Meetings

Special meetings of the members for any purpose or purposes may be called by the President or by the Board and shall be called by the President at the request of not less than 25 percent of all members of the Association entitled to vote at the meetings.

(3) Place of Meetings

The Board shall designate the place of meeting for every meeting called by the Board.

(4) Notice of Meetings

Written, printed notices or electronic notification stating the date, time and place of the meetings, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days and not more than thirty (30) days before the date of the meeting, either personally or by mail and/or e-mail, if consented to by the member, by or at the direction of the President, or the Secretary, or the officer or persons calling the meeting, to each member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his/her address as it appears on the books of the Association, postage prepaid.

(5) Voting Lists

The officer or agent having charge of the books of the Association shall make, at least two (2) days before the mailing of ballots, and before any meeting other than the annual meeting, a complete list of the members entitled to vote, arranged in alphabetical order, which list shall be kept on file at the principal office of the Association and shall be subject to inspection by any member at any time during usual business hours. Such list shall be kept until the conclusion of the annual meeting and also be produced and kept open at the time and place of any meeting and shall be subject to the inspection of any member during the whole time of the meeting.

(6) Quorum

For all meetings of the members, 15 percent of the total members of the Association entitled to vote, represented in person, shall constitute a quorum (5).

(7) Voting

Each member is entitled to vote in accordance with the terms and provisions of the Articles of Incorporation and these By-Laws shall be entitled to one (1) vote. Upon the demand of any two (2) members, the vote upon any question before the meeting shall be by ballot. All questions before the members shall be decided by a majority vote of those present and entitled to vote unless otherwise provided by the Articles of Incorporation, these By-Laws, or the laws of this state.

(8) Proxies

Members shall not have a right to vote by proxy.

(9) Business at Meetings

The business at all meetings of the members shall include the following, if appropriate: determination of a quorum, proof of notice of meeting or waiver of notice, approval of minutes of the preceding meeting, reports of officers, reports of committees, old business, and new business.

ARTICLE IV – BOARD OF DIRECTORS

(1) General powers

The business and affairs of the Association shall be managed by its Board. The Board may adopt such rules and regulations for the conduct of its meetings and the management of the Association as it deems proper, not inconsistent with the Articles of Incorporation, these By-Laws, and the laws of this state.

(2) Number, Tenure, Election and Qualifications

The Board shall be composed of the Immediate Past-President and nine (9) Directors, divided into three classes of three members, who have been elected from and by the members. The Board shall also include the City Manager or his/her designee as a non-voting Ex-Officio member and a member of City Council in a liaison capacity. All Directors shall be elected for three-year terms; however, all vacancies shall be filled for the unexpired term. A majority of the Board members shall be property owners, business

owners, business operators or business designee in the Downtown Service District. A number of Directors equal to a majority of the total number of Board members (5) will constitute a quorum.

(2A) Directors shall be elected by the membership by mailed or emailed ballot. Tallying of ballots shall be completed and the new Directors announced at the annual meeting.

Every active member shall have one (1) vote for each available Director's position.

Nominations to the ballot slate shall be made either: (a) by petition submitted to the Executive Director at least 60 days in advance of the annual meeting, signed by 10 percent of the members of record at the date of the previous annual membership meeting, or (b) by the nominating committee which shall be chaired by the Board President and made up of the Immediate Past President and any outgoing members of the Board.

Ballots shall be mailed or emailed to each member no less than 30 days and no more than 45 days before the annual meeting.

Signed ballots must be received at the Association's office by 5:00 p.m. two weeks prior to the annual meeting to be included in the count to determine the election of Directors. The ballots will be given, unopened, to the Board President, or emailed to the Board President who shall convene the Nominating Committee for the purpose of counting the ballots. Unsigned ballots will not be counted.

The nominees receiving the greatest number of votes will fill the vacant positions on the Board of Directors. In the event of a tie, the vacancy in question will be determined by a majority vote of the members present at the annual meeting.

(2B) Term of office:

Each Director shall hold office for the term for which he or she is elected beginning upon the date of the annual membership meeting following his or her election.

Directors may be elected to two consecutive terms, except the Immediate Past-President's term as a member of the Board shall commence at the normal termination date of his or her term as President and shall continue to the next annual meeting of the membership.

(3) Regular meetings

Regular meetings of the Board shall be held on a schedule determined by the Board but no less frequently than twice a year.

(4) Special meetings

Special meetings of the Board may be called by or at the request of the President, Executive Director, or any two Directors. The person or persons authorized to call special meetings of the Board shall fix the time and place for holding such a special meeting.

(5) Notice

Notice of any special meeting shall be given at least four (4) days prior thereto by written notice delivered personally, e-mailed if consented to by the Director, or mailed to each Director at his/her preferred address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage prepaid. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

(6) Removal of Directors

Any director may be removed for cause by a majority vote of the Board. Any Director who fails to attend two (2) consecutive meetings of the Board without acceptable excuse will be subject to removal by the Board.

(7) Resignation

A Director may resign at any time by giving written notice, mailed or e-mailed, to the President or the Secretary, with a copy to the Executive Director. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by such officer, and the acceptance of the resignation shall not be necessary to make it effective.

(8) Executive Committee

The Executive Committee shall consist of the officers of the Association and the Immediate Past-President. The Executive Director shall be a non-voting member of the Executive Committee. Three (3) members of the Executive Committee shall constitute a quorum. Meetings of the Executive Committee shall be called by the President, Executive Director, or a majority of the Executive Committee. The Executive Committee shall be authorized to conduct the business of the Association between meetings of the Board. Minutes of the Executive Committee meetings will be sent to all Directors prior to Board meetings. The Executive Committee will also serve as the Personnel Committee for the Association.

(9) Standing Committees

There shall be at least four (4) standing committees: Promotions, Design, Economic Development, Organization. Each Committee shall consist of not less than five (5) participants, chaired by the responsible Board member. Each committee may elect a co-chair and will elect a secretary. The committee chair or a representative must present a report quarterly at the Board meeting. Committee chairs will nominate and assist in recruiting committee members, attend committee meetings (or excuse themselves before the meeting), approve and assist in constructing agendas and review minutes before the scheduled meeting. Committee chairs will familiarize themselves with the annual plan of work, the committee mission and the SDDA By-Laws. All Board members not holding office will be expected to serve on at least one committee. Three (3) committee members will constitute a quorum.

(A) Promotions

The Promotions Committee aims to create a positive image of downtown Staunton and maintain community pride in the Central Business District. The committee oversees promotional programs, produces the Downtown Shopping and Dining Guide, and designs group advertising efforts.

(B) Design

The Design Committee charge is to enhance the visual quality of downtown by addressing all the elements of its environment, buildings and storefronts as well as signs, public improvements, landscaping, merchandise displays, and promotional materials. The Design Committee works closely with City staff members in developing Streetscape Plans and maintenance strategy for designated areas.

(C) Economic Development

The Economic Development Committee has as its goal the retention of existing businesses and the attraction of new ones. Through market studies, education, partnerships and recruitment of specific businesses, the Committee works to strengthen and nurture downtown's existing assets and fulfill its broadest market potential by improving the competitiveness of downtown merchants.

(D) Organization

The Organization Committee is responsible for overseeing membership development efforts and membership policy. This committee sets fees and determines benefits, and also hosts activities such as SDDA's Annual Meeting, a Volunteer Appreciation event and the quarterly Downtown Round Table, designed to connect businesses to SDDA and provide a forum for discussion about District, community and SDDA business.

(10) Ad Hoc Committees

The Board, by Resolution, may designate such other Committees as may be appropriate for carrying on the business of the Association. Each such committee shall serve at the pleasure of the Board and have as its chairperson a member of the Board.

(11) Vacancies to the Board

In the case of the resignation or removal of a Director, any member of the Board shall nominate persons to fill this vacancy subject to the affirmative vote of the Board. The term of any Director so selected shall be equal to the remaining term of the vacancy.

(12) Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if all members of the Board consent thereto in writing. Any such written consent shall be filed with the minutes of the Board. A written consent shall have the same force and effect as a unanimous vote of the Board.

ARTICLE V – OFFICERS

(1) Number

The officers of the Association shall be a President, a Vice-President, a Secretary, and a Treasurer, each of whom shall be elected from and by the Directors. Assistant officers as may be deemed necessary may be appointed by the Board.

(2) Election and term of office

Officers shall be elected at the first Board meeting held after the annual membership meeting. Each officer shall hold office until a successor has been duly elected, except in the case of resignation. The President will continue on the Board as the Immediate Past-President for a term of one year. Officers may serve unlimited one-year terms subject to their eligibility for Board membership.

(3) Removal

Any officer elected or appointed by the Board may be removed by the Board whenever, in its judgment, the best interests of the Association would be served thereby.

(4) Vacancies

A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, shall be filled by the Board for the unexpired portion of the term.

(5) President

The President shall in general supervise the affairs of the Association. The President shall, when present, preside at all meetings of the Association and the Board. The President shall sign, with the Secretary or any other proper officer of the Association thereunto authorized by the Board, any deed, mortgages, bonds, contracts, or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board to another person.

(6) Vice-President

The Vice-President shall perform such duties as from time to time may be assigned him/her by the President or the Board. In the absence of the President, the Vice-President will preside over all meetings. In the event of the President's resignation, death or inability to act, the Vice-President will immediately succeed to the office of President for the remainder of the term.

(7) Secretary

The Secretary, assisted by SDDA staff, shall keep the minutes of members' and Board meetings in one or more books provided for that purpose or assign a surrogate to take minutes in the event of his or her absence. The Secretary shall see that all notices are duly given in accordance with the provisions of these By-Laws or, as required, be custodian of Association records and oversee the database containing ~~of~~ the post office and e-mail addresses of each member, furnished to the Secretary by such members, or staff. The Secretary shall in general perform all duties incident to the office and such

other duties as from time to time may be assigned to him/her by the President or by the Board. The Secretary shall sign, with the President or any other proper officer of the Association thereunto authorized by the Board, any Deed, mortgages, bonds, contracts, or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board to another person. An Assistant Secretary may be appointed by the Board if desired.

(8) Treasurer

The Treasurer receives and reviews bank statements prior to delivering them to staff for reconciling. The Treasurer reviews monthly and year-end financial statements and presents them to the Board. The Treasurer shall have signing authority for checks along with the President and the Executive Director and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the Board. If required by the Board, the Treasurer shall give a bond for the faithful discharge of duties in such sum and with such surety or sureties as the Board shall determine. An Assistant Treasurer may be appointed by the Board if desired.

ARTICLE VI – EXECUTIVE DIRECTOR

The Board must appoint an Executive Director who shall be the principal executive officer of the Association, subject to the control of the Board. The Executive Director shall carry out the business of the corporation within the authority granted by the Board and shall report to the President. A detailed job description for the Executive Director is attached to the Policy and Procedures Manual.

ARTICLE VII – CONTRACTS, LOANS, CHECKS, AND DEPOSITS

(1) Contracts

The Board may authorize any officer or officers, agent or agents, to enter into any Contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

(2) Loans

No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless by a Resolution of the Board. Such authority may be general or confined to specific instances.

(3) Checks, Drafts, etc.

All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association shall be signed and countersigned by the President, Treasurer, Executive Director and/or Assistant Executive Director and in such manner as shall from time to time be determined by Resolution of the Board. All checks require two authorized signatures.

(4) Deposits

All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board may select.

ARTICLE VIII – RULES OF ORDER

Robert’s Rules of Order shall govern the proceedings of all meetings of the Association, the Board and Committees unless otherwise specifically provided by these By-Laws.

ARTICLE IX – FISCAL YEAR

The Fiscal year of the Association shall begin on the first day of July in each year.

ARTICLE X – WAIVER OF NOTICE

Unless otherwise provided by law, whenever any notice is required to be given to any member of the Board or of the Association under the provisions of these By-Laws or under the provisions of the Articles of Incorporation, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XI – INDEMNIFICATION OF OFFICERS AND DIRECTORS

Each person now and thereafter a Director or officer of the Association (and his/her heirs, executors, and administrators) shall be indemnified by the Association against all claims, liabilities, judgments, settlements, costs, and expenses, including all attorneys’ fees, imposed upon or reasonably incurred by him/her in connection with or resulting from any action, suit, proceeding, or claim to which he/she is or may be made a party by reason of his/her being or having been a Director or officer of the Association (whether or not a Director or officer at the time such costs or expenses are incurred by or imposed upon him/her), except in relation to matters as to which he/she shall have been finally adjudged in such action, suit, or proceeding to be liable for gross negligence or willful misconduct in the performance of his/her duties as such Director or officer. In the event of a settlement, the indemnification shall be made only if the Association shall be advised, in case none of the persons involved shall be or have been a Director, by the Board and otherwise by independent counsel to be appointed by the Board, that in its or his/her opinion such Director or officer was not guilty of gross negligence or willful misconduct in the performance of his/her duty, that such settlement was or is in the best interests of the Association. If the determination is to be made by the Board, it may rely as to all questions of law on the advice of independent counsel. Such right of indemnification shall not be deemed exclusive of any rights to which he/she may be entitled under any By-Law, Agreement, vote of members or otherwise.

ARTICLE XII – AMENDMENTS

At any annual members' meeting or at any special members' meeting when the proposed amendment has been sent out in the notice of such meeting, these By-Laws must be altered, amended, or repealed and new By-Laws may be adopted by a vote of the majority of all members. These By-Laws may also be altered, amended, or repealed by a vote of two-thirds (2/3) of all the Directors of the Association holding office at the time of any regular meeting of the Board or special meeting called for such purposes, provided notice of the By-Law change has been given 10 days in advance of the meeting.

ARTICLE XIII – CONFLICTS WITH ARTICLES OF INCORPORATION

Should any provision of these By-Laws or amendments thereto be in conflict with the Articles of Incorporation, the Articles of Incorporation shall control.

ARTICLE XIV – CONFLICT OF INTEREST AND CONFIDENTIALITY

POLICY (Adopted 11/21/2016)

This Policy applies to members of the following groups:

The SDDA Board of Directors

Board appointed Committees, whether Standing or Ad Hoc

SDDA Staff

A member in one or more of the above listed groups (Member) has a responsibility to the Staunton Downtown Development Association (SDDA) to act in the best interests of the SDDA. This responsibility includes recognizing, reporting, and managing a conflict of interest, actual or perceived and respecting and protecting the confidential information of the SDDA that the Member has access to as a result of activities on behalf of the SDDA.

CONFLICT OF INTEREST

4.3 Conflict of Interest for Goods and Services (Current from Policy and Procedures Manual)

If an officer, Director or Employee of the SDDA has direct or indirect interest in or relationship with an individual or organization which proposes to enter into a transaction with the SDDA for the sale or rental of products or property or to provide services, such Officer, Director or Employee shall give the Board of the SDDA written notice of such interest or relationship and shall refrain from voting or attempting to exert influence on SDDA to affect its decision to participate or not participate in such transaction.

A. Introduction

A conflict of interest arises when the individual or his or her family has an outside interest that would reasonably appear to affect that individual's obligations and responsibilities to SDDA. While it is recognized that the incidental personal benefit may not necessarily flow from certain SDDA activities, such a benefit must be merely incidental to the primary benefit of the SDA and its purposes.

B. Obligations

A Member must act at all times in the best interests of the SDDA and not for personal gain or financial enrichment. If a Member encounters a potential conflict of Interest, the Member will identify the potential conflict and, if required, remove/recuse him or herself from all discussion or voting on the matter.

Specifically, a Member:

- Will avoid placing (and avoid the appearance of placing) his or her own self-interest above that of the SDDA;
- Will not improperly use membership in one of the covered groups or use the staff, services, equipment, materials or property of the SDDA for his or her personal or private business gain or pleasure and will not represent to third parties that the Member's authority extends any further than that to which it actually extends;
- Will not engage in or facilitate any discriminatory or harassing behavior directed toward the SDDA staff, members, officers, directors, meeting attendees, exhibitors, advertisers, sponsors, suppliers, contractors, or other in context of activities relating to SDDA;
- Will not solicit or accept gifts, gratuities, free trips, honoraria, personal property, or any other item of value from any person or entity as a direct or indirect inducement to provide special treatment to such person or entity with respect to matters pertaining to the SDDA without fully disclosing such items to the SDDA Executive Director and without receiving approval from the SDDA Board of Directors or Executive Committee;
- Will provide goods or services to SDDA as a paid vendor only after full disclosure to the SDDA Executive Director and SDDA Board of Directors and pursuant to any requirements for such activity, as adopted by the Board;
- Will not persuade or attempt to persuade any employee of the SDDA to leave the employ of the SDDA or to become employed by any other person or entity other than the SDDA;
- Will not persuade or attempt to persuade any member, exhibitor, advertiser, sponsor subscriber supplier, contractor or any person or entity with a relationship with the SDDA to terminate or curtail its relationship with SDDA, or to in any way reduce the monetary or other benefits to SDDA of such relationship;

- Will identify potential conflicts to the SDDA Executive Director and, as required, remove him or herself from all discussion and voting on any matter related to the conflict.

C. Disclosure

To help avoid any conflicts of interest, a Member will disclose ownership or other proprietary interests, responsibilities, circumstances or other reasons why the Member or his or her immediate family might have an actual, apparent or potential conflict of interest with the Member's duty to SDDA, including both those conflicts specifically prohibited above and any other, to the SDDA Executive Director. The SDDA Board may require further information and review of those interests to enable it to evaluate the appropriate steps to avoid any conflict of interest.

II Confidentiality

A Introduction

In connection with his or her service, a Member may be given or have access to Confidential Information about the SDDA organization, related activities or partner activities. Unauthorized disclosure of the SDDA's Confidential Information may cause substantial damage to the SDDA. Confidential Information is all information that the SDDA considers confidential or proprietary including information regarding the organization, operations, programs, activities, policies, procedures, practices, financial condition, trade secrets, membership lists, stakeholders, partners, information and standards of the SDDA. Confidential Information also includes unpublished or pre-release versions of SDDA documents and other information, for internal use only or limited circulation. Confidential Information includes discussions of items at group meetings, but does not include the actions adopted and published in the minutes or otherwise made available to the public or membership and included in the SDDA publications, brochures, web pages, Downtown Lowdown, news releases and similar documents.

B Obligations

A Member will not disclose or permit to be disclosed any confidential information and will not appropriate, photocopy, reproduce, or in any fashion replicate any confidential information except for the purpose of conducting SDDA business without prior written consent of the Executive Committee or the SDDA board of Directors.

A Member agrees to use reasonable efforts to maintain the confidentiality of the Confidential Information.

A Member will not use any Confidential Information for his or her own benefit unless authorized in advance in writing by the Executive Committee of the SDDA Board of Directors.