

POTSDAM COMMUNITY DEVELOPMENT CORPORATION

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CORPORATE BY-LAWS

Adopted on October 15, 2007

Abigail Lee, President

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**BY-LAWS
POTSDAM COMMUNITY DEVELOPMENT CORPORATION**

Article I. Corporate Purpose

Section 1.01 Corporate Purpose

The purpose for which the Corporation was form includes:

The preservation of historic areas and buildings; the acquisition of real property for the purpose of adaptive re-use, re-development or development projects that serve a public purpose; to assist the Village of Potsdam with community development and revitalization efforts; to promote economic development, job creation and retention; to assist the Village of Potsdam's efforts to preserve and expand the supply of decent and affordable housing. Such activities shall principally benefit persons of low/moderate income as defined in the HUD Small Cities Community Development Block Grant Program. The focus of all the Corporation's activities shall be the Village of Potsdam and under certain circumstances, the Town of Potsdam.

Article II. Board of Directors

Section 2.01 Government

The government of the Corporation shall be vested in the Board of Directors that shall have control of its property and the direction of its affairs.

Section 2.02 Number and Classification

The Board of Directors shall be comprised of not less than five, nor more than 15 directors. The majority of these directors must reside in the Village of Potsdam, New York. The remainder shall be year-round residents of St. Lawrence County and shall possess unique qualifications or skills that will aid the Corporation in the implementation of its corporate purpose.

The directors shall be divided into three groups of equal number to serve staggered terms of one, two and three years. Upon the expiration of the term of each director in a group, successors shall be elected to hold office for a full three year terms, and until persons are selected and qualified to succeed them.

Section 2.03 Nomination and Election of Officers

Prior to each annual meeting, the Nominating Committee of the Board of Directors shall nominate candidates for election at the annual meeting to serve for a period of three years to succeed the directors whose terms shall expire at such meeting. The notice of the annual meeting shall set forth the persons so nominated. Immediately following the report of the Nominating Committee, nominations may be made from the floor by any director provided the consent of the nominee shall have been secured. The election shall be by ballot, provided that when there is but one nominee for an office, election may be made by a voice vote.

Section 2.04 Voting Rights

Each director shall be entitled to one vote on each matter coming to a vote before the Board of Directors. Proxy voting shall not be permitted. In those instances when the Corporation faces an emergency meeting that does not permit the calling of a special meeting of the Board of Directors, the President of the Corporation may authorize the Executive Director to forward to each Director a return mail ballot. The return mail ballot shall provide a written description of the nature of the emergency, and will set forth a resolution for each member to consider. Members will be asked to vote in favor, in opposition or to abstain from the voting; and, will be asked to sign the ballot. Only ballots bearing the original signature of the Board Member may be accepted. The ballots will be returned to the Secretary of the Board of Directors who shall tally the ballots. For the resolution to take effect, a simple majority of those Board Members voting must be in favor of adoption, provided that the number of such votes received is equal to the number required for a quorum of the Board of Directors.

Section 2.05 Vacancies

Vacancies in the Board of Directors occurring during the year shall be for the un-expired term by the Board of Directors.

Section 2.07 Resignations

Any Board Member may resign at any time by filing a written resignation with the Secretary of the Board of Directors. Unless so waived by the Board of Directors three consecutive and unexcused absences from regular meetings of the Board shall constitute a resignation.

Section 2.07 Removal of Directors

Any Director may be removed for cause at any meeting of the Board of Directors by a two-thirds vote of the majority of the full Board of Directors, provided notice of such proposed action shall have been duly given in the notice of the meeting and provided the Director so named has been informed in writing of the charges preferred against him at least ten days prior to the meeting. The Director shall be given an opportunity to be heard at a meeting before such action is taken.

Section 2.08 Compensation

Members of the Board of Directors shall receive no compensation for their services to the Corporation. Board Members may however be reimbursed for any reasonable expenses incurred on behalf of the Corporation given approval by the Board of Directors.

Article III. Meetings

Section 3.01 Annual Meeting

An annual meeting shall be had on the third Monday of December or as determined by the Board of Directors.

Section 3.02 Meetings of the Board of Directors

The Board of Directors shall hold a minimum of four regular meetings each year at such time and such place as may be fixed by the Board of Directors.

Section 3.03 Special Meetings

Special meetings may be held at any time on call by the President of the Board of Directors, the Executive Director of the Corporation, or by any three members of the Board of Directors.

Section 3.04 Notice of Meetings

Notice of each meeting of the Board of Directors shall be given by the Secretary of the Corporation to each Director of the Board stating the agenda, the place, day and hour of such meeting, unless it is the annual meeting, the meeting shall also state at whose direction the meeting is being called. The notice shall be delivered personally, by first class mail or electronic mail to each director, not less than ten nor more than fifty days prior to the meeting date. If mailed, the notice of a meeting shall be deemed delivered when deposited in the United States mail, addressed to each Member of the Board of Directors at his last known address, with postage paid thereon. If sent electronically, notice shall be deemed to have been given on the date of transmission. Any such notice may be waived by all persons entitled to notice by a written, signed waiver, and may be done before or after such meetings.

Section 3.05 Informal Action Taken by Board Members

Any action required by law to be taken at a meeting of the Board of Directors, or any action which may be taken at a meeting of the Directors, may be taken without a meeting, in a manner consistent with Section 2.04 Voting Rights.

Section 3.06 Quorum

At all meetings of the Board of Directors, a quorum shall consist of not less than five Members of the Board of Directors and the majority of Directors present shall decide any questions that may come before the Board of Directors except where a higher vote is required by these By-Laws.

Section 3.07 Annual Report

The Board of Directors shall be responsible for keeping a fair record of all transactions of the Corporation, a report of which shall be prepared in accordance with the provisions of the NYS Not-For-Profit Corporation Law and applicable US Internal Revenue Service regulations shall be presented at each annual meeting of the Board of Directors of the Corporation. The report shall be entered into the minutes of the proceedings of the annual meeting.

The Board of Directors shall also be responsible for keeping a fair record of all projects undertaken and shall prepare a report on activities that shall be presented at each annual meeting. The report shall be entered into the minutes of the proceedings of the annual meeting.

Copies of annual financial and program reports shall be posted on the website of the Corporation.

Article IV. Officers

Section 4.01 Number and Title

The officers of the Corporation shall include a President, Vice President, a Secretary and a Treasurer. The Board of Directors may elect or appoint such other officers as it shall deem

desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board.

The officers of the Corporation shall be elected from the membership of the Board of Directors at its annual meeting. New offices may be created and filled at any meeting by the Board. Any Board Member may make nominations from the floor provided the consent of the nominee has been secured. The election shall be by ballot with a plurality of the votes cast electing, providing that when there is but one nominee for an office, election can be by voice vote.

Section 4.03 Term of Office

The term of each office shall be one year. Each officer shall hold office until the next annual election of the Board of Directors and until their successors shall have been duly elected and qualified to succeed them. Other officers elected by the Board of Directors shall hold office for a term not to exceed one year. No officer shall hold the same office for more than three successive one-year terms.

Section 4.04 Removal of Officers

The Board of Directors may remove any officer elected or appointed by the Board of Directors by a two-thirds vote of the remaining Directors whenever it its judgment the best interest of the Corporation would be served thereby.

Section 4.05 Vacancies

Vacancies in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board by majority vote for the unexpired portion of the term.

Article V. Duties of Officers

Section 5.01 President

The President shall perform all duties incident to that office and other such duties as may be prescribed by the Board from time to time. The President shall be the principal executive officer of the Corporation. He shall preside over all meetings of the Board of Directors and the Executive Committee and shall be ex-officio member of all Standing and Ad-Hoc Committees.

Section 5.02 Vice President

The Vice President shall, in the absence of the President, perform the duties and exercise the powers of the President and other such duties as may be designated to him by the Board of Directors.

Section 5.03 Treasurer

The Treasurer shall have general supervision over the financial affairs of the Corporation. He shall make a regular financial report to the Board. He shall also prepare such other reports and furnish such other information relative to the financial affairs of the Corporation as the Treasurer may from time to time request. The Treasurer shall make and sign such reports, statement and instruments as may be required by the Board or by these By-Laws.

Section 5.04 Secretary

The Secretary shall issue notices of all meetings of the Board of Directors and of the Executive Committee. He shall attend all such meetings and keeps minutes of these meetings. He shall perform all other duties incident to the office of Secretary and other such duties as from time to time may be assigned by the President of the Board.

Section 5.05 Executive Director

The Executive Director shall be employed by the Potsdam Community Development Corporation at the direction of the Board of Directors and shall have direct supervision and management of the affairs of the Corporation, subject to the direction of the Board of Directors. He shall be apprised of all meetings and shall attend all committee meetings as invited. The Executive Director shall be directly responsible for the care and custody of all property of the Corporation and shall keep such books of accounts and records as may be necessary to keep the Treasurer and the Board of Directors accurately informed at all times of the financial affairs of the Corporation.

Article VI. Committees

Section 6.01 Designation of Committees

The following committees shall be Standing Committees of the Board of Directors:

1. Executive Committee – Composed of the officers of the Corporation and chaired by the President. This committee shall exercise such powers of the Board of Directors in the management of the Corporation's business and affairs as may be lawfully delegated by the Board of Directors.
2. Finance Committee – Composed of the Treasurer and those named by the President and chaired by the Treasurer. This committee shall prepare an annual budget to be submitted to the Board of Directors for the meeting prior to the start of the fiscal year.
3. Nominating Committee – Composed of the Vice President and two other Directors elected by the Board of Directors and chaired by the Vice President. The committee shall prepare a list of nominations for Directors and Officers of the Corporation to be submitted to the Board of Directors prior to the annual meeting or at other times as may be necessary.
4. Strategic Planning Committee – Composed of those Board Members appointed by the President. This committee shall formulate and review the long-range plans for the Corporation; the committee shall investigate any grants or other programs brought to their attention, they shall devise an annual work plan for the Corporation.
5. Commercial and Business Lending Committee – Composed of those Board Members appointed by the President. This committee shall formulate and review the Corporation's micro-enterprise and small business lending policies and procedures. The committee shall fully review completed applications for assistance through the Village of Potsdam's micro-enterprise or small business loan programs. The committee shall be empowered to commit loan funds administered by the Corporation to specific applicants or to reject such applications for good cause.

6. **Building and Renovation Committee** – Composed of those Board Members appointed by the President. This committee shall formulate and review the Corporation’s housing rehabilitation, development and commercial rehabilitation policies and procedures. The committee shall fully review completed applications for assistance through housing and commercial rehabilitation and development programs. The committee shall be empowered to commit funds administered by the Corporation to specific applicants or to reject such applications for good cause.
7. The Board of Directors may create such additional standing committees, as it may from time to time deem advisable. The Board may specify the membership or qualifications for membership in and officers for such committees or the methods of electing or appointing members of the members and officers and the extent to which the responsibilities of the members and officers and the extent to which the committee shall be a part or separate from the Corporation. No such committee shall be authorized to act on behalf of the Corporation or make any commitments on behalf of the Corporation without express authorization from the Board.

The President of the Board of Directors shall appoint ad-Hoc committees.

Section 6.02 Meeting Minutes

Minutes of all meetings shall be made available to all Board Members and all actions taken shall be reported to the Board of Directors at its next regular meeting.

Section 6.03 Quorum

Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority vote of the whole committee shall constitute a quorum; and, the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 6.04 Discharge

In the event any committee other than the Executive Committee shall fail to carry out the work assigned to it to the satisfaction of the Board of Directors, such committee or individual members may be discharged by the Board of Directors and new members and officers appointed thereto by the President to fill the unexpired term.

Article VII. Affiliation

Section 7.01 Affiliates

The Board of Directors may affiliate the Corporation with such organizations as the Board of Directors may from time to time deem advisable and shall determine the basis and terms of such affiliations but no such affiliate shall be authorized to act on behalf of the Corporation or make any commitments on behalf of the Corporation without the express authorization of the Board of Directors.

Article VIII. Fiscal Policy

Section 8.01 Fiscal Year

The fiscal year of the Corporation shall begin on the first day of June and end on the last day of May of each year.

Section 8.02 Budget

The Board of Directors shall adopt a budget for the ensuing fiscal year not later than June 1st of each year. The Finance Committee shall prepare a tentative budget with the assistance of the Executive Director and staff. The Finance Committee shall make a draft budget available to all members of the Board of Directors at least ten days before a budget meeting.

Section 8.03 Expenditures

All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such Officer, Officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 8.04 Deposits

All funds of the Corporation shall be deposited regularly to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select. Depository institutions must be headquartered or have a branch office located within the Village of Potsdam, New York.

Section 8.05 Gifts

The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.

Section 8.06 Annual Audit

There shall be an audit of the books and records of the Corporation, the scope of such audit and the person or firm to perform the audit to be determined by the Board of Directors.

Article IX. Parliamentary Procedure

Section 9.01 Parliamentary Procedure

These By-Laws and the latest revised edition of Robert's Rules of Order shall govern the order of business and all other matters of procedure at every meeting of directors and committees of the Corporation.

Article X. Amendments

Section 10.01 Amendments

These By-Laws may be amended by a two-thirds vote of the Directors at any meeting of the Board, provided that the amendments were submitted in writing to the Board of Directors at least ten days in advance of the meeting.

Certification

I hereby certify that these are the By-Laws of the Potsdam Community Development Corporation adopted by the Board of Directors of the Corporation on October 15, 2007 and hereto set my hand as Secretary of said Corporation, and have affixed the Corporate Seal this 16 day of October, 2007.



Michael D. Weil, Secretary of the
Potsdam Community Development Corporation