

BYLAWS
OF
HUNTINGTON BEACH DOWNTOWN BUSINESS IMPROVEMENT DISTRICT

ARTICLE I

The name of this organization shall be HUNTINGTON BEACH DOWNTOWN BUSINESS IMPROVEMENT DISTRICT (HBDBID)

ARTICLE II

MISSION STATEMENT

Section 1. The HUNTINGTON BEACH DOWNTOWN BUSINESS IMPROVEMENT DISTRICT is an organization, comprised of the businesses located in the downtown area, united in purpose and dedicated to the improvement of the economic business environment of Downtown Huntington Beach related to marketing, safety, maintenance, tourism, parking and special events.

Section 2. The HBDBD shall observe all local, state and federal laws which apply to a non-profit organization as defined in Section 501c(6) of the Internal Revenue Code.

ARTICLE III

The Huntington Beach Downtown Business Improvement District Logo:



ARTICLE IV

MEMBERSHIP

Section 1. Any firm or corporation with a legitimate business license within the defined assessment district in the downtown area of Huntington Beach and businesses outside the assessment area (in the downtown area)(or property owners) that shall voluntarily pay the assessment may participate, with Pre-approval of the Board.

Memberships herein noted as stakeholders, are available for HB non-profit organizations not engaged in business. Shall enjoy all the rights and privileges of the HBDBID.

Section 2. Fees shall be recommended by the board of Directors and may be modified once a Fiscal year, with the approval of the Huntington Beach City Council and method of collection thereof.

Section 3. Each stakeholder of the organization shall be entitled to but one (1) vote on any question. Such vote is to be cast by the individual member or a member of the firm.

ARTICLE V

OFFICE OF THE ORGANIZATION

Section 1. The principal office of the organization for the transaction of business of the organization is hereby fixed and located at 315 3rd Street, Suite E, Huntington Beach, CA 92648. The Board of Directors is hereby granted full power and authority to change said principal office from location to another in said County.

ARTICLE VI

GOVERNMENT – BOARD OF DIRECTORS

Section 1. The government of this organization shall be vested in a Board of Directors, elected for two years, as hereinafter provided, from the stakeholders in good standing.

Section 2. There shall be elected a board of not more than nine directors, From the 9 board of directors, there shall be an executive committee composed of 4 officers. Officers of the board shall include president, vice president, secretary and treasurer. The Immediate Past President will serve in an a non voting advisory capacity. The Board will serve in advisory capacity to City Council by submitting request for their approval on expenditures of revenues derived from the levy of assessments, which is in accordance with the BID Law Code #36530.

Section 3. Five Board members shall constitute a quorum. If a quorum is not present, the presiding officer may allow a vote on business items to be sent via fax, e-mail, or mail in ballot within 2 weeks prior to that meeting. The votes are to be signed by each member of the board present at said meeting and filed with the minutes of the proceedings. Any decisions voted on must be passed by a majority as per Robert's rules of order. No proxies are to be allowed to vote.

Special meetings may be called at any time by the President of the Board or upon request of four members of the Board. All meetings called must abide by the Brown Act. Directors will regularly meet monthly or as otherwise directed by the Board of Directors.

Section 4. The Executive Committee may declare a vacancy when.

- a.) A director has unexcused absences for two consecutive regular meetings.
- b.) A director no longer qualifies as specified in Article IV, Section 1 & 2 of these bylaws.

A vacancy may be filled by:

- a.) Reinstating member by proper investigation and with a majority vote of the remaining directors.
- b.) As specified in Article VII of these by-laws.

Section 5. The BID officers shall serve a one (1) year term until their respective successors have been appointed. The service of an officer shall be part of their two year elected term. A Director may not be elected or appointed for more than two, (2) consecutive two (2) year terms. These two (2) terms shall not include such time as said Director may have served through a recommendation appointment by the Executive Committee. Furthermore, after having served two (2) consecutive terms, said outgoing Directors shall not be eligible nor be appointed to serve as a Director for one (1) year immediately following two (2) consecutive terms.

ARTICLE VII

SELECTION & ELECTION OF OFFICERS AND DIRECTORS

Section 1. At the July Board of Directors meeting, the President of the Board will announce the formulation of a Nominating Committee consisting of three stakeholders in good standing, and the Immediate Past President of the Board as a committee leader. The Immediate Past President of the Board will be actively involved in the nominating process in an advisory capacity. The three stakeholders chosen by the committee chair shall not be on the incoming board of directors or slate of candidates.

Section 2. The Nominating Committee shall meet in ample time and as often as necessary to give due consideration to nominees as submitted by board members and stakeholders at large through an application process no later than the August board meeting. Committee shall oversee election process including applications, filing dates, ballots and counting of ballots. Election to be held between August 15 and September 15.

The Committee shall approve eligibility of candidates, to be presented on the ballot. Each candidate must be an active stakeholder in good standing and must have agreed to accept the responsibility of an Office/Director

Upon acceptance of the slate of candidates by the Board of Directors, ballots containing the names of the nominees reported to the Board of Directors shall be drafted and mailed out to the organization's stakeholder, with a return envelope and full voting instructions. The returned ballots to be counted by an impartial third party official selected by the nominating committee that is not part of the HBDBID.

Within 72 hours of ballot count, the nominating committee shall meet to propose a slate for the executive committee from the next year's board of directors. The outgoing executive board is to review said recommendations and qualify slate of officers. Once completed, slate is to be voted on by entire board of directors.

Section 3. VACANCIES – A vacancy in any office, including the office of the Director, because of death, resignation, removal, disqualifications, or any other cause shall be filled by the President only after review of the application by the board of directors and with the approval of a majority of the Board of Directors., which approval shall be given at a regular meeting of the Board of Directors. Such appointee shall hold office until his successor shall have been duly elected and appointed.

ARTICLE VIII

DUTIES OF THE OFFICERS

- Section 1. PRESIDENT – The president shall call and preside at all meetings of the organization and Board of Directors. He shall be an ex-officio member of all committees. The President shall appoint all committees unless otherwise provided for.
- Section 2. VICE-PRESIDENT – The Vice-President, in the absence of the President, shall act in his place.
- Section 3. IMMEDIATE PAST PRESIDENT – of the Board shall serve as a non voting Member of the Board of Directors for one year. The Immediate Past President’s role shall be that of special consultant to the President of the Board.
- Section 4. TREASURER – The Treasure shall have charge of the funds of the organization and of their disbursement under the direction of the Board of Directors. He shall audit the books of the organization and render a financial report at any regular meetings. He shall oversee outside accounting, tax or bookkeeping services.
- Section 5. SECRETARY – The Secretary will take the minutes of regular meetings of the organization and its Board of Directors and report them to the President.
- Section 6. EXECUTIVE COMMITTEE shall consist of the Immediate Past President, President, Vice President, Treasurer and Secretary, shall act for and on behalf of the Board of Directors when the Board is not in Session, but shall be accountable to the Board for its action.

ARTICLE IX

MEETINGS

- Section 1. The annual stakeholders meeting of this organization, shall be held during October of each year. General Stakeholder meetings to be held quarterly, at a time and place to be determined by the Board of Directors, which is generally convenient to the organizations stakeholders.

A regular scheduled meeting of the Board of Directors shall be held monthly. Notice of the date, the hour and the place shall be given in writing.

Special meetings may be called by the President at any time upon written request of at least 3 stakeholders of this organization.

All meeting notices shall be given in writing to the stakeholders within seventy two hours if not before prior to any stakeholders meetings in accordance with the Brown Act.

Section 2. 5% of the stakeholders shall constitute a quorum for the transaction of any regular or special meeting of the stakeholders of the HBDBID. No proxies shall be allowed.

Section 3. If any Director shall fail to attend two (2) consecutive regularly scheduled meetings of the Board, or one-third (1/3) of the regularly scheduled meetings on annual basis, without leave of absence by the President on account of sickness or being absent from the City, and upon investigation be so notified his/her office shall automatically become vacant and such vacancy shall be announced at the regular meeting of the Board of Directors and the vacancy filled for the balance of the unexpired term by the President, with approval of the majority of the Board of Directors. Removal from office shall not take place without due investigation and approval of the Board of Directors.

ARTICLE X

COMMITTEES

Section 1. The President shall have authority to create all committee entities, subject to the majority approval of the Board of Directors. The President, shall with the counsel and the advise of the executive committee, have to appoint all committee chairpersons, subject to the majority of the Board of Directors.

Section 2. It shall be the function of the committees to make investigations, conduct studies and hearings, make recommendations to the Board of Directors and to carry on such activities as may be delegated to them by the Board.

Committee membership appointments shall be at the will and pleasure of the President and shall serve concurrent with the term of the appointing President, unless a different term is approved by the Board of Directors.

After appointment of any committee chairperson or member, said chairperson or member shall be removed from committee only at the expiration of the yearly term of the President or by affirmative vote of a majority of the Board of Directors.

No action by any member, committee, division, employee, director or officer shall be binding upon, or constitute an expression of the policy of the HBDBID until it shall have been approved or ratified by the Board of Directors.

Section 3. There shall be three standing committees of the Board. They shall consist of the Executive Committee, the Nominating Committee and the Budget and Finance Committee.

Section 4. Meetings of the Committees may be called at any time by the President or by the Chairman of such committee.

ARTICLE XI

AMENDMENTS

Section 1. The Bylaws of this organization may be amended or repealed or new bylaws may be adopted at any time by vote or written consent of a majority of the stakeholders in good standing and entitled to vote, or (except as to a bylaw changing the number of Directors) by a two-thirds (2/3) vote of the Board of Directors.

Section 2. All pages of the bylaws are to reflect the date of the most recent revision on the bottom of the page.

Section 3. Copies of revised and approved by-laws to be signed and dated by 2 members of the executive committee prior to all filings.

ARTICLE XII

ORDER OF BUSINESS

The order of business at meetings of the Board of Directors or meetings of this organization shall be as follows:

- 1) Calling of the Roll
- 2) Approval of the Minutes
- 3) Reports of Officers
- 4) Reports of Committees
- 5) Unfinished Business
- 6) New Business
- 7) Adjournment

ARTICLE XIII

LIABILITIES

Section 1. Nothing herein, shall constitute members of the organization partners for any purpose. No member, officer, agent, or employee shall be liable for the acts or failure to act of any other member., officer, agent, or employee to be liable for his acts or failure to act under these Bylaws excepting only acts or omissions arising out of his willful misfeasance.

ARTICLE XIV

DEFINITION

Section 1. The Huntington Beach downtown area shall be defines as that area within the city of Huntington Beach, County of Orange, State of California bounded as shown on Exhibit A (Boundaries and Benefit Zones) of these Bylaws

AMENDMENTS

Bylaws amended Article II
Approved by Board of Directors 04/20/07

Bylaws amended Mission Statement
Approved by Board of Directors 04/20/07

Bylaws amended Article IV Section 1
Approved by Board of Directors 2/19/08

By-Laws amended Article VI Section 1,2 with added Section 3,4,5
Approved by Board of Directors 02/19/08

Bylaws amended Article VII Section 1,2,3,4, Condensed into 3 sections, with a more detailed description
Approved by Board of Directors 02/19/08

Bylaws amended Article VIII Added Section 6
Approved by Board of Directors 02/19/08

Bylaws amended Article IX Section 1,2,3,4, Condensed into 1,2,3,
Approved by Board of Directors 2/19/08

Bylaws amended Article VI Section 2, 3 Article VII Section 2, Article XI Section 3
Approved by Board of Directors 4/1/10