

BY-LAWS

OF THE

**PEEKSKILL BUSINESS
IMPROVEMENT DISTRICT
ASSOCIATION**

Adopted 1-11-11

**INCORPORATED UNDER NYS NOT-FOR-PROFIT LAW IN 1996
AND IN CONFORMANCE WITH ARTICLE 19-A OF
THE GENERAL MUNICIPAL LAW OF NEW YORK STATE**

BY-LAWS OF THE PEEKSKILL BUSINESS IMPROVEMENT DISTRICT

ARTICLE I FORMATION

1. The corporation (Peekskill Business District Management Association, Inc.) has been formed under the New York State Not-For-Profit Law. The Association and the Business Improvement District (hereinafter the "BID") was formed pursuant to Article 19-A of the General Municipal Law of the State of New York.
2. The purpose for which the corporation is formed is to execute and manage activities that will promote and improve the Central Business District of the City of Peekskill. The BID has as its mission the development of programs that promote design and preservation, economic development, and that promote the business opportunities afforded by downtown.
3. The corporation is not formed for pecuniary profit or financial gain, and no part of the assets, income, or profit thereof shall be distributable to, or inure to the direct benefit of its directors or officers.
4. The corporation's mailing address shall be *16 South Division St, Peekskill, NY 10566*. The office of the corporation shall be located in the central business district of the City of Peekskill at a place to be determined by the Board of Directors.

ARTICLE II MEMBERSHIP IN THE ASSOCIATION

1. All owners and tenants of real property within the district are eligible to become members of the corporation.
2. There shall be three (3) classes of voting members:
 - A. Class A. Owners of record of real property in the District who own property within the BID district that is not in tax arrears, consisting of residential or commercial space, shall be Class A members of the corporation. Each Class A member shall be allocated one vote.
 - B. Class B. Tenants who are not currently holding a Class A membership who are occupants of commercial space within the District pursuant to a written lease or a statement from the landlord certifying that the individual is a tenant shall be Class B members of the corporation, provided such persons have applied for membership in

accordance with Article II Section 2(D) hereof. Certified artists residing in live/work artists' lofts are considered commercial/residential tenants who are leasing commercial space for purposes of membership. Each Class B member shall have one vote.

- C. Class C. Persons serving by virtue of their appointment as municipal representatives as described in Article IV Section 3 shall be Class C members of the corporation. Each such representative shall have one vote.
- D. Eligibility for Membership. Persons who fall into membership Class A are automatically voting members by virtue of their ownership of real property in the District provided their property within the BID district is without tax arrears (City tax bill paid by November 15th of each year), and Class C are automatically members by appointment in accordance with §980-m of the General Municipal Law. All persons who fall within Class B shall be eligible for membership in the corporation upon the annual submission of an application to the BID Board of Directors including a written lease or a statement from the landlord certifying that the individual is a tenant. The tenant's annual application shall be submitted by November 15th of each year in order to be eligible to vote.
- E. Termination of Membership. Membership in the Corporation is not transferable. Upon the death or resignation of an individual member or partner of a partnership, or upon dissolution or liquidation of a corporate member, the successor tenant eligible for membership shall apply for membership in the manner required by Article II Section 2(D) hereof. Additionally, (a) Class A membership shall terminate when the Class A member is no longer the owner of record or when City taxes on property within the BID district are unpaid, (b) Class B membership shall terminate when the Class B member is no longer a tenant in the District with a written lease or a statement from the landlord certifying that the individual is a tenant, and (c) Class C membership shall terminate when the Class C member is replaced by the appointing authority.
- F. Membership List of the Corporation. A yearly update of all property owners' names and addresses who are not in tax arrears according to the current tax assessment record, and tenants' names and addresses as submitted on the annual tenant application who have a written lease or a statement from the landlord certifying that the individual is a tenant (the "membership list") shall be prepared by the Board prior to December 1st of each year so as to reasonably reflect all owners and tenants as of November 15th of each year.

ARTICLE III MEETINGS

1. There shall be an Annual Meeting of the corporation no sooner than 2 days and no later than

67 days after the close of the immediately preceding fiscal year for the purpose of receiving annual reports of officers, directors and committees, distribution of financial reports for the previous year, election of the Board of Directors and the transaction of other business. Notice of the annual meeting of the membership shall be mailed to the current membership list no later than 15 days before the meeting. Notice shall also be posted prominently on the home page of the corporation's website.

2. Upon written request of 10% of those on the membership list, the President or the Board of Directors shall call a meeting of the General Membership. Notice of such meeting shall be mailed to the membership list, as set forth in Article III Section 1 above, at least 10 days prior to the meeting and shall be posted on the corporation's website. Such notice shall state the purpose of the meeting.
3. The Board of Directors shall meet regularly, generally on the first Tuesday of each month, but in no event less than once in each calendar quarter of each year, at a time and date to be determined by the Board. Special meetings of the Board may be called anytime by the President or 3 Directors provided that a 24 hour notice is provided to every Director. Such notice of special meeting shall state the purpose of the meeting.
4. All regular meetings of the Board of Directors are open to corporation members.
5. The fiscal year of the corporation shall end December 31st.

ARTICLE IV BOARD OF DIRECTORS

1. The business of this corporation shall be managed by its Board of Directors.
2. Each Director shall be at least 18 years of age and shall be a member of the corporation.
3. In conformance with Article 19-A of the General Municipal Law (Business Improvement District Law), the Board of Directors shall consist of eleven (11) members as follows:

6 members elected to represent owners of real property within the district who are Class A members and are not in tax arrears on property within the BID district.

2 members elected to represent commercial tenants who are Class B members and have a written lease or a statement from the landlord certifying that the individual is a tenant.

1 member appointed by the Chief Executive Officer (City Manager) of the City of Peekskill.

1 member appointed by the Comptroller of the City of Peekskill.

1 member appointed by the Common Council of the City of Peekskill.

4. Six members of the entire Board shall constitute a quorum for the transaction of business.

5 An annual election of Board Members shall be held at the Annual Meeting of the membership for all directors representing Class A and B members. Appointments of Class C members shall be according to Article IV Section 3. Absentee ballots may be made available prior to the annual election.

(a) The terms of all elected members of the Board of Directors shall be two (2) years. A person may serve a maximum of two (2) consecutive terms, and shall again be eligible for election as Director after not serving on the Board for one full year. The Directors whose terms are to expire shall be entitled to vote on all matters until their elected or appointed successor is qualified. A Director's office shall become vacant if the Director ceases to be a member of the Corporation.

(b) The Elections Committee shall accept written nominations from members and shall prepare a list of nominations (the "Directors' Slate") for the elections to be held at the Annual Meeting for Class A and B Directors. The Annual Meeting Notice and the Elections Notice shall be mailed to the address of record for each Owner and Tenant on the membership list no later than fifteen (15) days before the Annual Meeting. Such Notices and Directors' Slate shall be posted on the Corporation's website not later than fifteen (15) days before the annual meeting. The Elections Committee shall verify that all candidates nominated are on the current membership list, that the owners are not in tax arrears, and that the tenants have written leases, and that they are members in the voting class for the directorship position for which they have been nominated. Only those Owners and Tenants listed in the yearly membership roll shall be eligible to vote; and such eligible voters shall be able to vote only for those directors representing their own membership class. Each member has one vote, irrespective of the number of tax parcels owned or occupied. Voting by proxy is not permitted by the membership at the annual meeting. The Board of Directors may make a provision to allow voting by absentee ballot for the annual election.

(c) The Election Committee shall conduct the annual election and shall be the final arbiter as to the validity of any vote cast and the results of the election.

(d) Should a board member no longer be a tenant with a written lease, or if the board member is an owner or representative of real property within the District with unpaid City taxes and BID assessment for a period of 90 days, his or her seat on the Board shall become vacant and such vacancy shall be filled for the unexpired portion of the term. Vacancies occurring on the Board shall be filled by appointment of the Board of Directors and such appointee shall serve for the remainder of the vacant term.

(e) The Board shall have cause to terminate a board member's membership in the event that he/she does not attend three consecutive regularly scheduled meetings during the year and the vacancy thereby created shall be filled as provided in these By-Laws.

- (f) Any board member may carry a proxy on behalf of any other board member.
- (g) The Board may appoint an Advisory Board composed of members of the community, not to exceed 7 members.
- (h) The Board shall submit the BID's Annual Budget to the City Manager not later than November 30th of each year, for the following calendar year.

ARTICLE V OFFICERS

1. The officers of the corporation shall be a President, a Vice-President, a Secretary, and a Treasurer.
2. The President, Vice-President, Secretary and Treasurer shall be elected by the Board of Directors at the Board meeting following the annual meeting.
3. All officers shall be elected by the Board to hold office for the term of one year or until a successor has been elected and qualified.
4. The President shall preside over all meetings of members and of the directors. He/She shall be a member (ex officio) of all standing committees and shall, in conjunction with the entire Board of Directors, supervise and manage all of the business and affairs of the corporation, subject to the control of the Board of Directors; he/she shall have the power to sign notes, checks, and contracts, subject to Board approval.
5. The Vice-President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President. The Vice-President shall also have such powers and duties as shall be delegated by the President or prescribed by the Board.
6. The Secretary or designee shall keep minutes of all meetings of members of the Board and shall give notice of all meetings of members and Board of which notice is required. The Secretary shall have custody of corporate minutes, records, and the corporate seal and shall perform all duties incident to the office.
7. The Treasurer shall furnish reports to the Directors and annual reports at the annual membership meetings. The President is authorized to act on behalf of the Board to perform any and all of the above. For purposes of conducting normal business, all vouchers submitted to the City Comptroller by the BID must be approved by the Board of Directors and signed by the Treasurer and at least one other officer of the corporation in accordance with the BID procurement policy.

8. Any officer elected by the Board may be removed by the Board from their officer position with or without cause.

ARTICLE VI COMMITTEES

1. The President may appoint from among the Board standing committees, each to consist of at least two (2) Directors. The Chairperson of each committee shall be a Board member. Non-Board members may serve on any Standing or Special Committee except the Elections & Nominations Committee. Each committee will act in an advisory capacity only, with all committee actions and decisions subject to approval of the Board of Directors. Each committee shall keep minutes of proceedings and report to the Board.
2. The standing committees of the Board may be as follows:
 - A. Executive Committee
 - B. Quality of Life Committee
 - C. Business Recruitment & Retention Committee
 - D. Development Committee
 - E. Finance Committee
 - A. Executive Committee. The Executive Committee shall be responsible for financial, personnel and operational issues. It shall assist the Treasurer in the development of the annual budget; review financial reports prepared by the Treasurer and make recommendations to the Board on the financial affairs of the Association. The committee shall be responsible for insuring that the operations of the Association are consistent with the Laws, Bylaws, and ethical standards, and shall make recommendations for changes as appropriate. The committee will also be responsible for the development and implementation of personnel policies and practices, and making recommendations to the Board on personnel matters. The committee shall be comprised of the officers of the Board of Directors and may include one additional Board member as determined by the chair.
 - B. Quality of Life Committee. The Physical Improvement & Security Committee shall devise and oversee a program of planning for services, public area improvements and amenities, and enhanced maintenance services within the District. It shall work with the Development Committee to seek sources for funding, including grants, for the implementation of any of the above-mentioned services and/or improvements. It shall also oversee the implementation of a safety and security program within the District.

- C. Business Recruitment & Retention Committee. The Business Recruitment & Promotion Committee shall oversee the implementation of a marketing program designed to initiate new retail, office and residential investment in the District and to assure the continued occupancy of existing businesses. It shall also oversee the implementation of actions to enhance the image of the District and to foster communications between the District and City Government, Chamber of Commerce and the appropriate agencies. Furthermore, it will coordinate a promotional campaign and special events designed to attract visitors to the District. Developing a program to address parking issues within the District will fall under its purview as well.
 - D. Development and Membership Committee. The Development Committee will seek sources of funding, including grants, for specific projects and for the District as a whole. Should the request emanate from one of the other committees, it will work in conjunction with that committee to secure funding. This committee will also be responsible to create and maintain the membership list as set forth in Article II Section 2.F, and to recruit new members and ensure the retention of existing members.
 - E. Finance Committee. The Finance Committee shall consist of the Treasurer, at least one other Board member, and the Executive Director and chairperson as ex-officio members. The Finance Committee is responsible for the District's financial issues. It shall assist the Executive Director in the development of the annual budget, and in establishing budgets for each District event and special event; review financial reports prepared by the Treasurer and make recommendations to the Executive Committee and to the Board on the financial affairs of the Association. All contracts and other financial arrangements of the District are subject to review by the Finance committee, provided however that review of contracts shall be limited to questions of budgetary constraints. The Finance Committee may approve up to 10% additional spending over the duly approved budget for each District event and special event, provided however any additional spending beyond 10% over an event or special event's duly approved budget must be approved by the Board. In the event that the Finance Committee is unable to meet or fulfill its duties, the Board Chair and the Treasurer shall perform the duties of the Finance Committee.
- 3. Special Committees on any subject in which there are not standing committees may also be appointed, which may also include non-Board members.
 - 4. The Elections & Nominations Committee shall consist of one (1) Director holding a Class C membership and three (3) other Directors appointed by the Board. The Committee shall nominate Directors for the Corporation and shall conduct the elections of Directors from Class A and B membership in accordance with Article IV, Section 6 herein.

ARTICLE VII

STAFF

1. The BID shall maintain an office for conduct of business. A location within the Business Improvement District shall be given preference for the site of this office.
2. The BID shall maintain a permanent staff to oversee any or all activities of the BID.
3. The BID may employ an Executive Director to oversee the operations of the BID. His/her responsibility shall include:
 - A. The development of new programs in keeping with the mission of the BID.
 - B. Responsibility for the administration of all programs and regular business of the BID.
 - C. Responsible for the preparation of the Annual Report and other reports as needed to carry out the mission of the BID.
 - D. Management of the BID's staff.
 - E. Special assignments as agreed upon by the BID Board.
4. The BID may employ an Administrative Assistant to assist with any or all business conducted on behalf of the Director or Board of the BID. His/her responsibilities shall include:
 - A. Take direction on behalf of the Board to conduct the financial business of the BID.
 1. Endorse on behalf of the corporation checks, notes, and other obligations to the credit of the corporation in such banks as the Board of Directors may designate.
 2. In conjunction with the Treasurer, shall pay, out of funds on hand, all just debts of the corporation; and keep accurate accounts of all monies received and paid out and all assets and liabilities of the corporation.
 3. Shall assist in the preparation of reports to the Directors and annual reports at the annual membership meetings.

- B. Act on behalf of the Board and the Executive Director on assigned administrative matters necessary for the conduct of routine business.
- C. Special assignments as agreed upon by the Board of Directors and/or the Executive Director.

The BID may also hire personnel to maintain the downtown public areas. These individuals may be hired on a full or part-time basis. In the event the BID shall retain such personnel, the BID shall procure all appropriate insurance(s) naming the City as additional insured. In no event shall any employee or contractor retained by the BID be deemed an employee or contractor of the City and all contracts and employment agreements shall so specify.

The BID may also hire additional personnel or enter into contracts with individuals who are to perform work on behalf of the BID. In the event the BID shall retain such personnel, or execute such contracts, the BID shall procure all appropriate insurance(s) naming the City as additional insured. In no event shall any employee or contractor retained by the BID be deemed an employee or contractor of the City and all contracts and employment agreements shall so specify.

ARTICLE VIII AMENDMENTS

These By-Laws and any hereafter adopted may be amended at any meeting of the Board of Directors by a majority vote of the entire Board of Directors, or at any meeting of the members by a majority vote of at least 10% of those listed on the annual membership list. Those voting must be present at the meeting. Those on the membership list must receive at least 10 days written notice of the upcoming vote on the proposed by laws amendments.