

ADDA Bylaws
October 23, 2019 – proposed

**ASHTABULA DOWNTOWN DEVELOPMENT ASSOCIATION
BYLAWS**

ARTICLE I – NAME

The name of the Association, as Incorporated, shall be the
ASHTABULA DOWNTOWN DEVELOPMENT ASSOCIATION
abbreviated as ADDA

ARTICLE II – PURPOSE

SECTION 1.

- a. The Association is organized to operate for charitable and educational purposes, and to reduce blight within the meaning of Section 501(c)(3) of the Internal Revenue Code (“Code”) of 1986, as it may be amended, and more specifically:
- b. To promote the preservation, protection, history, culture, architecture, and diverse use of Ashtabula’s downtown area in particular, as well as, the economic, civic, commercial, cultural, industrial, and educational interests of the community, in general;
- c. To take remedial actions to anticipate, protect against, and eliminate physical, economic, and social deterioration of Ashtabula’s traditional downtown, thereby contributing to the community betterment;
- d. To aid, work, and participate in the activities of the City of Ashtabula and of the associations, individuals, and public and private entities located within and outside of Ashtabula that are engaged in similar purposes, such as, forming partnerships to develop strategies and programs to preserve the architectural significance, pedestrian orientation, and regional importance of downtown Ashtabula;
- e. To solicit, receive, and administer funds from the general public and from government and private sources to carry out the purposes of the Association, and to that end:
 1. To take and hold by bequest, devise, gift, lease, grant, purchase, or otherwise either absolutely or jointly with another person or corporation, any real, personal, tangible, or intangible property, or any undivided interest therein, without limitation as to amount of value;

2. To sell, convey, or otherwise dispose of any such property and to invest, reinvest, or manage the principal and income thereof in such manner as, in the judgment of the Executive Committee, will best promote the purposes of the Association without limitation, except such limitations as may be contained in the instrument under which such property is received, the bylaws of the Association, or any laws applicable thereto;
3. To make grants, loans, investments and other distributions to support programs, activities and projects of organizations operated exclusively for charitable and educational purposes;
4. To subsidize, promote, support, and coordinate community-oriented educational and cultural activities for the general public.

SECTION 2.

- a. Because ADDA is a non-profit, tax-exempt organization pursuant to Section 501(c)(3) of the Code, no part of the net earnings of ADDA shall inure to the benefit of any of its members or any other individual; and ADDA shall not participate or intervene in, any political campaign on behalf of any candidate for public office.

ARTICLE III – MEMBERSHIP

SECTION 1.

- a. Qualifications. Any individual, organization, business, or corporation interested in supporting the purposes of ADDA may become a member of the Association by filing an application in such form as the ADDA Executive Committee shall prescribe, and shall be subject to the payment of such annual investment as the Executive Committee shall establish. No person shall be denied membership because of race, color, creed, sex, age, or political affiliation.
- b. Annual Investment. Members shall pay an annual investment as designated by the Executive Committee, due and payable by January 1, of each year. Annual investments are non-refundable upon a member's resignation or termination.
- c. Termination. A member may be expelled by a two-thirds (2/3) vote of the Executive Committee for conduct unbecoming of a member or prejudicial to the aims or reputation of ADDA. The vote to terminate shall be taken at a regularly scheduled Executive Committee meeting after the member is provided written notification of the charges against him/her and has an opportunity to be heard on said charges.

ARTICLE IV - OFFICERS, ELECTIONS, QUORUM, TERMS OF OFFICE, EMPLOYEES

SECTION 1.

- a. Officers. The Officers of the Association shall be the President, Vice President, Secretary, Treasurer, and Immediate Past President. All Officers shall be members of the Association. Officers shall serve two (2) year terms.
- b. Election. The election of Officers shall take place every other year in November at the Annual Membership Meeting, at which a quorum is present. The election of an Officer requires a majority vote of the members present. The newly elected Officers shall take office January 1.
- c. Membership Quorum. A quorum shall be not less than 10% of the membership.
- d. Vacancies. The Vice President shall fill a vacancy in the office of the President. Upon a vacancy in any other office, the Secretary (or in the absence of a Secretary, a designated Officer appointed by the President) shall send written or email notice to all members prior to the next Membership meeting that a vacancy has occurred and the position shall be filled at the next Membership meeting. Election to the vacant position requires the presence of a quorum and a majority vote of those members present at the meeting at which the vote takes place. Vacancies shall be filled for the remainder of the term of office.
- e. Director. The Executive Committee may hire a Director. The Director shall coordinate and facilitate the implementation of ADDA's purpose, policies and projects. The Director shall be a visible representative of ADDA at events and community functions. The Director shall staff and oversee the daily office operations. The Director shall receive compensation as shall be determined by the Executive Committee and shall report to the President. The Director may also volunteer their services.

ARTICLE V – DUTIES OF OFFICERS

SECTION 1.

- a. President. The President shall: (a) preside over all Membership and Executive Committee meetings; (b) appoint standing and special committee chairpersons, with the approval of a majority of the Executive Committee; (c) serve as Ex-Officio member of all committees; and (d) serve as Immediate Past President upon the expiration of the term as President.
- b. Vice President. The Vice President shall: (a) assume the President's duties in his/her absence; and (b) perform other duties as directed by the President.

- c. Secretary. The Secretary shall: (a) take, transcribe, prepare and distribute the minutes of Executive Committee and Membership meetings; (b) issue meeting notices at least twenty-four hours prior to a meeting; (c) keep members informed of issues, events, and perform other duties as directed by the President; (d) shall have a copy of the Bylaws available at each meeting; and (e) shall perform other duties as directed by the President.
- d. Treasurer. The Treasurer shall: (a) be the fiscal officer of the Association; (b) advise members on budgetary and financial matters; (c) develop a Financial Controls Policy; (d) ensure all standard accounting procedures are performed; (e) create a comprehensive balance sheet detailing the Association's financial condition at the close of the fiscal year; (f) create a statement of the source and application of funds that display the financial operations of the Association; and (g) perform other duties as directed by the President.
- e. Immediate Past President. The Immediate Past President shall: (a) assist the incoming President with the transition into his/her position; (b) update the newly appointed Officers on current projects, and (c) serve as an advisor to all Officers.
- f. Document Transfer. Officers shall keep all documents related to their office in an orderly manner. For a smooth transition all documents shall be given to future holders of their respective office, as soon as possible.
- g. Indemnification. ADDA shall, to the extent permitted by the laws of the State of Ohio, indemnify all Executive Committee members, Officers, and employees, provided such persons act in good faith and in a manner they believe to be in the best interests of the ADDA. The Association may also indemnify any other person or institution otherwise acting on behalf of ADDA. However, no indemnification shall be made in respect to any claim, issue, or matter as to which any of the aforementioned persons shall have been adjudged to be liable for willful misconduct in the performance of any duties of the Association.

ARTICLE VI – COMMITTEES

SECTION 1. EXECUTIVE COMMITTEE

- a. The Executive Committee shall consist of not more than fifteen (15) persons. The committee shall consist of Association Officers, Committee Chairs and At-Large members designated by the Executive Committee, such as persons from city and county governments, the citizenry, the business community, organizations and other associations. The President shall serve as the Chair of the Executive Committee. At-Large vacancies shall be filled by the Executive Committee.

SECTION 2. STANDING COMMITTEES

- a. The Standing Committees shall be: Design, Economic Vitality, Organization and Promotion. The Executive Committee, by a majority vote, may establish additional Standing Committees. Standing Committees shall consist of not less than four (4) members, with the exception of the Organization Committee which shall consist of not less than three (3) members. The Committee Chair shall: (a) be a member of the Executive Committee; (b) direct and coordinate the affairs of the committee; and (c) select their Vice-Chair and committee members, all of whom shall serve a one-year term, commencing January 1.

SECTION 3. AD HOC COMMITTEES

- a. The Executive Committee may designate or appoint one or more ad hoc committees, in addition to the above-named Standing Committees.

ARTICLE VII – MEETINGS

SECTION 1. MEMBERSHIP

- a. The number of Membership meetings shall be determined by the Executive Committee, which shall include one Annual Membership Meeting to be held in November. A quorum shall be present to vote at a Membership meeting.

SECTION 2. EXECUTIVE COMMITTEE

- a. The Executive Committee shall hold regular meetings at a frequency determined by the Executive Committee. Regular meeting notices shall include the time and place of the meeting, and shall be delivered to Executive Committee members by regular mail, personal delivery, electronically, or other accepted means. Special meetings of the Executive Committee may be called by an Officer or by four (4) or more Executive Committee members. Notice of a special meeting shall include the time, place, and purpose of the meeting, and shall be delivered to Executive Committee members by regular mail, personal delivery and electronically at least twenty-four (24) hours before the meeting. In the case of an Emergency Meeting, meeting notices shall include the time, place and purpose of the meeting, and may be delivery in writing or verbally, whichever the timeliest way is to immediately issue the notice.
- b. A quorum of the Executive Committee shall be established as one more than half of all the Executive Committee members at the time of the meeting.
- c. A decision of the Executive Committee shall require a majority vote of the Committee. When a vote of the Committee is required prior to the next scheduled Executive Committee meeting, the vote may be taken electronically, but must be ratified at the next Executive Committee meeting by a majority vote of the Committee.

SECTION 3. PARLIMENTARY AUTHORITY

- a. Robert's Rules of Order Newly Revised (RONR) shall govern the proceedings of the Association in all cases in which they are applicable, and in which they are not inconsistent with these Bylaws. The order of business may be altered or suspended at any meeting by a majority vote of the members present.

ARTICLE VIII – FISCAL POLICY

SECTION 1.

The fiscal year shall be January 1 through December 31. Association funds shall be deposited to the credit of ADDA in financial institutions deemed appropriate by a majority vote of the Executive Committee. The Treasurer, President and Vice President are the only signatories authorized to sign checks or distribute funds from Association accounts.

- a. Financial Controls Policy. The Executive Committee shall adopt a Financial Controls Policy as developed by the Treasurer, and adhere to the same.
- b. Donations. On behalf of the Association, the Executive Committee may accept contributions, gifts, bequests, or devises for the general purposes or a specific purpose of the Association.
- c. Annual Budget. The Annual Budget process shall begin in October, and shall be finalized and approved by December 31. The initial budget and all revisions shall be approved by a majority vote of the Executive Committee.
- d. Annual Audit. The President shall appoint no more than four (4) persons (members and/or non-members) to conduct an annual audit of the Association's financial records. The audit shall be completed no later than three (3) months after the close of each fiscal year. A majority vote of the Executive Committee is required for a professional firm to conduct the annual audit.
- e. Periodic Review. To ensure the Association operates in a manner consistent with its purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. Periodic reviews shall, at a minimum; (a) conform to these bylaws, and the Fiscal Policy and Fiscal Controls Policy of the Association; (b) determine if items are properly documented and recorded, which shall include investments and payments for goods and services; and (c) ensure activities are not resulting in inurement, private benefit, or are impermissible and excess transactions. Periodic reviews may be conducted by persons outside the Association. If persons outside the Association are used, their service shall not relieve Association Officers of their responsibility to conduct periodic reviews.

ARTICLE IX – CHARITABLE PURPOSE

SECTION 1.

- a. No part of the net earnings of the Association shall inure to the benefit of, or be distributable to, its Officers, members or other individuals except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments in furtherance of the purposes set forth in ARTICLE II of these bylaws.
- b. The Association shall not promote or distribute propaganda or attempt to influence legislation, and shall not participate or intervene in political campaigns, including the publication or distribution of any statement or materials on behalf of any candidate for public office.
- c. Activities of the Association shall preclude those activities prohibited by an organization exempt from federal income tax under Section 501(c)(3) of the Code, or by an organization to which contributions are deductible under Section 170(c)(2) of the Code.

ARTICLE X – GRANTS TO ENTITIES

SECTION 1.

- a. All grant proposals shall include assurances that the distributions will be used in accordance with the laws set forth for non-profit and tax-exempt organizations, and shall include a mechanism for final reporting and grant recovery.
- b. ADDA may make grant distributions to the Ashtabula Area City Schools (AAC) or any public school which may be constructed in the City of Ashtabula. Such distributions would further the purpose of the Association by improving schools, and the quality of life and pride for the residents of the community. ADDA may also make distributions to the City of Ashtabula, for public improvements to the neighborhoods surrounding the downtown area. Such distributions would further the purpose of the Association by helping relieve the burdens of government, and creating and improving public parks and recreational facilities, infrastructure improvements or other neighborhood improvements.

ARTICLE XI – AMENDMENTS

SECTION 1.

- a. These bylaws may be amended by a two-thirds (2/3) vote of the membership at a Membership meeting, at which a quorum is present. A written copy of the amendments shall be distributed to each member at least ten (10) days prior to the meeting at which the vote is scheduled. No such action shall be taken if it adversely affects the Association qualifications under Section 501(c)(3) of the Code or corresponding sections of any future law.

ARTICLE XII – CONFLICT OF INTEREST POLICY

SECTION 1. DEFINITIONS

- a. Interested Person. Any Association member, Officer or Executive Committee member who has a direct or indirect financial interest.
- b. Financial Interest. A person who has a financial interest if said person has, directly or indirectly, through business, investment, or family:
 1. An ownership or investment interest in any entity with which the Association has a transaction or arrangement, and
 2. A compensation arrangement with any entity or individual with which the Association has a transaction or arrangement.

A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if disinterested Association Officers agree that a conflict of interest exists.

SECTION 2. PURPOSE

- a. The purpose of this Conflict of Interest Policy is to protect this Association's interests when entering into a transaction or arrangement that might benefit the private interests of any Association member, Officer or Executive Committee member which might also result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

SECTION 3. PROCEDURES

- a. Duty to Disclose; Determination. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Executive Committee. The disinterested Executive Committee members shall agree on whether a conflict of interest exists.

- b. Addressing the Conflict of Interest. An interested person shall leave the meeting during the discussion of, and the vote on, any transaction or arrangement involving the possible conflict of interest. Disinterested Executive Committee members shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement to resolve the conflict of interest. A written report shall be submitted to the Disinterested Executive Committee members detailing the alternatives.
- c. Refusal to Refrain from Conflict of Interest. A member who refuses to refrain from engaging in activities resulting in a conflict of interest will be given the opportunity to resign as a member of the ADDA. Refusal to resign will be met with an automatic removal as a member of the ADDA.

ARTICLE XIII – ADDA VISION STATEMENT

SECTION 1.

- a. To offer all Ashtabula residents the highest quality of life, and to strengthen the values of respect, trust and pride as the basis of our downtown and community.

ARTICLE XIV – ADDA MISSION STATEMENT

SECTION 1.

- a. To lead, assist and support activities that enhance the quality of life of the downtown community.

ARTICLE XV – DISSOLVING THE ASSOCIATION

SECTION 1.

- a. In the event this Association is dissolved, all remaining Association funds shall be used to pay or make provision for the payment of all outstanding Association liabilities. The remaining funds and all fixed assets of the Association shall be contributed to one or more public charities that meets one or more of the purposes set forth in ARTICLE II of these bylaws and who is also qualified as exempt from federal income tax pursuant to Section 501(a) of the Code.

It's Our Vision, Our Community, Our Future.