

SENECA FALLS DEVELOPMENT CORPORATION

BY-LAWS

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November 29, 2012 *Paul J. Bone Jr.*
Secretary

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SENECA FALLS DEVELOPMENT CORPORATION
BY-LAWS

ARTICLE I
NAME AND TYPE

Section 1.1. Name and Type. The name of the organization shall be the Seneca Falls Development Corporation. The organization was incorporated by the filing of a Certificate of Incorporation with the Secretary of State for the State of New York on May 21, 2007. The corporation was incorporated pursuant to Section 201 of the Not-for-Profit Corporation Law, as a Type C corporation. The corporation will apply for recognition as a tax-exempt organization pursuant to Section 501(c)(3) of the Internal Revenue Code.

ARTICLE II
PURPOSES

Section 2.1. Purposes. The general purposes of the corporation are the planning and implementation of programs, projects and activities designed to create or stimulate economic and community development in the Town of Seneca Falls, New York (the "Town") and reduce the burden of government by:

- (a) Creating employment opportunities for Town residents, particularly those employment positions that pay a living wage, offer health, retirement, and other employee benefits, and provide skills training;
- (b) Increasing the property tax base of the Town;
- (c) Increasing sales tax revenues in the Town;
- (d) Encouraging and fostering entrepreneurship;
- (e) Strengthening and expanding existing businesses;
- (f) Bringing new businesses into the Town;
- (g) Revitalizing downtown and other commercial shopping areas;
- (h) Stimulating tourism growth;
- (i) Encouraging the environmental remediation and reuse of contaminated property;
- (j) Promoting the development of land use policies designed to encourage development and preserve Town neighborhoods;

(k) Encouraging and supporting the development and maintenance of municipal infrastructure, recreational facilities, and other public facilities and services that support businesses and residential neighborhoods; and

(l) Undertaking any other activities that effect the general purposes of the corporation.

ARTICLE III CONFLICT OF INTEREST

Section 3.1. Conflict of Interest.

No person who is a member of the Board of Directors or an officer, or an employee of the corporation shall participate in the exercise of their duties if the same would constitute or appear to constitute a conflict of interest. Notwithstanding the foregoing, no contract or other transaction between the corporation and one or more of its Directors and officers, or between the corporation and any other corporation, firm, association or other entity in which one or more of its Directors are directors or officers, or have a substantial financial interest, shall be either void or voidable for this reason alone or by reason alone that such Director or Directors or officer or officers are present at the meeting of the Board of Directors which authorizes such contract or transaction, or that his/her or their votes are counted for such purpose if the material facts as to such Director's or officer's interest in such contract or transaction and as to any such common directorship, officership or financial interest are disclosed in good faith or known to the Board, and the Board authorizes such contract or transaction by a vote sufficient for such purpose without counting the vote or votes of such interested Director or officer. Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors which authorizes such contract or transaction.

ARTICLE IV BOARD OF DIRECTORS

Section 4.1. General Powers.

The corporation shall be managed by its Board of Directors, which shall have full power by majority vote of Directors attending a meeting (with a quorum present) to adopt rules and regulations governing the actions of the corporation and the Board of Directors. The Board of Directors shall ensure that the corporation adheres to the basic purposes of the corporation as set forth in Article II. Specific responsibilities of the Board of Directors include, but are not limited to: initiating, recommending, and adopting the organization's policies; serving on corporate committees if formed; planning and approving new budgetary and programmatic directions; and appointing, overseeing and evaluating the performance of the Economic Development Director, as needed.

Section 4.2. Prohibitions.

The Board of Directors shall enforce the following prohibitions:

(a) No part of the net income of the corporation shall inure to the benefit of any person on the Board of Directors, no officer and no member of the corporation.

(b) The corporation shall not participate in or intervene in any political campaign on behalf of any candidate for public office.

Section 4.3. Number and Term.

The number of Directors shall be seven (7), each of whom shall be at least 18 years of age. As used in this Article, "entire Board of Directors" means the total number of Directors entitled to vote which the corporation would have if there were no vacancies. The Directors positions held by the Town Supervisor and the Town Board Director as set forth at Section 4.4 shall be a non-expiring term. All other Directors elected in 2007 shall be randomly appointed to terms expiring on January 31 of 2008, 2009, or 2010, with one-third or the closest fraction thereto of those terms expiring in each of those years. Thereafter, Directors, other than the Supervisor and the Town Board Director, shall serve terms of three years and, upon expiration of a term, each Director shall serve until a successor shall have been elected.

Section 4.3a Term Limits.

With the exception of the Town Supervisor, no Director may serve more than two (2) consecutive three-year terms without one (1) year absence transpiring between that Director's last and next term.

Section 4.4. Composition.

The Board of Directors shall be comprised of the following:

- (i) There shall be two (2) Directors representing the Town (each, a "Town Director") consisting of the Town Supervisor (the "Supervisor") and one (1) member of the Town Board selected by the Town Board (the "Town Board Director"). The Town Board Director shall serve on the Board of Directors for the term set forth in Section 4.3 and 4.3a. The Supervisor shall serve as a Director concurrent with his/her holding of that office with the Town, without term limitation.
- (ii) There shall be Five (5) Directors representing the Seneca Falls community (the "Community Directors"). Each Community Director shall serve on the Board of Directors for the term set forth in Section 4.3. Each Community Director shall be a resident of the Town, or shall have his/her principal place of employment within the corporate limits of the Town, and shall not be an elected official of the Village or Town. Notwithstanding the foregoing, although it is preferred that all Directors live or work in the Town, the Board of Directors may, in unusual circumstances, allow no more than one of the Community Director positions to be filled by an individual who does not reside in Town or who does not have his or her principal place of employment within the corporate limits of the Town, provided that such individual shall have some substantial interest in the Town that

relates to the purposes of the corporation as set forth in Article II of these By-Laws.

Section 4.5. Election of Directors.

The Town Supervisor and the Town Board Director shall each serve as a Director concurrent with their holding of their respective offices. The Town Board Director shall be appointed by the Town Board. Each Community Director shall be elected by majority vote of the Directors then in office. The Chairperson may, at his/her option and with approval of the Board of Directors, appoint an ad hoc Nominating Committee (a majority of which shall be current Directors) to make recommendations to the Board for nomination of Community Directors and Officers at the annual election and to fill vacancies as needed.

Section 4.6. Vacancies.

Any vacancy occurring on the Board of Directors occurring prior to the expiration of a term shall be filled in the manner described in Section 4.5. The term of a Director so elected or appointed shall be the unexpired term of his/her predecessor.

Section 4.7. Resignation.

Any Director may resign at any time by giving written notice to the Chairperson or Secretary.

Section 4.8. Removal.

The Town Supervisor shall not be removed as a Director. The Town Board Director may be removed by an affirmative vote of two-thirds of the Board of Directors then in office, with the consent of the Town Board. Any Community Director may be removed by an affirmative vote of two-thirds of the Board of Directors then in office, with the consent of the Town Board.

ARTICLE V
COMMITTEES

Section 5.1. Audit Committee . .

There shall be an Audit Committee consisting entirely of not less than three (3) Independent Directors, who shall be appointed by the Chair at each Annual Meeting and shall serve until the next Annual Meeting and who shall constitute a majority on the Audit Committee, and who shall possess the necessary skills to understand the duties and functions of the Audit Committee; provided, however, that in the event that there are less than three (3) independent members, the Chair may appoint non-independent members to the Audit Committee, provided that the independent members must constitute a majority of the members of the Audit Committee. The Audit Committee shall recommend to the Board the hiring of a certified independent accounting firm in compliance with the Public Authorities Law of New York State to conduct the annual independent audit, establish the compensation to be paid to the accounting firm and provide direct oversight of the performance of the annual independent audit

Section 5.2. Governance Committee.

There shall be a Governance Committee consisting entirely of not less than three (3) Independent Directors, who shall be appointed by the Chair at each Annual Meeting and shall serve until the next Annual Meeting and who shall constitute a majority on the Governance Committee, and who shall possess the necessary skills to understand the duties and functions of the Governance Committee; provided, however, that in the event that there are less than three (3) independent members, the Chair may appoint non-independent members to the Governance Committee, provided that the independent member must constitute a majority of the members of the Governance Committee. The Governance Committee shall keep the Board informed of current best governance practices, review corporate governance trends, update the Corporation's governance principles, and advise the Board on the skills and experience required of potential Directors.

Section 5.3. Finance Committee.

There shall be a Finance Committee consisting entirely of not less than three (3) Independent Directors, who shall be appointed by the Chair at each Annual Meeting and shall serve until the next Annual Meeting and who shall constitute a majority on the Finance Committee, and who shall possess the necessary skills to understand the duties and functions of the committee; provided, however, that in the event that there are less than three (3) independent members, the Chair may appoint non-independent members to the Finance Committee, provided that the independent member must constitute a majority of the members of the Finance Committee. It shall be the responsibility of the members of the Finance Committee to review proposals for the issuance of debt by the authority and its subsidiaries, and to make recommendations.

Section 5.4. Other Standing Committees.

The Board of Directors, by resolution adopted by a majority of the entire Board, may designate from among its members other standing committees consisting of three (3) or more Directors. The standing committees shall have such authority as the Board shall by resolution provide, except that no such committee shall have authority as to the following matters:

- (a) the submission to the committee of any action requiring Member approval under the law;
- (b) the filling of vacancies in the Board or in any committee;
- (c) the fixing of compensation of the Directors for serving on the Board or on any committee;
- (d) the amendment or repeal of the By-laws, or the adoption of new By-laws;
or
- (e) the amendment or repeal of any resolution of the Board which, by its terms, shall not be so amendable or repealable.

Section 5.5. Special Committees.

The Board of Directors may designate special committees, each of which shall consist of such persons and shall have such authority as is provided in the resolution designating the committee.

Section 5.6. Meetings.

Meetings of committees, of which no notice shall be necessary, shall be held at such time and place as shall be fixed by the Chair of the Board or the chair of such committee or by vote of a majority of all the members of the committee.

Section Quorum and Manner of Acting.

Unless otherwise provided by resolution of the Board, a majority of all of the members of a committee shall constitute a quorum for the transaction of business, and the vote of a majority of all of the members of the committee shall be the act of the committee.

ARTICLE VI
OFFICERS

Section 6.1 Designation.

The Officers of the Corporation shall be the Chairperson, the First Vice-Chairperson, Secretary, and Treasurer. The Board of Directors may elect such other officers, including Assistant Secretaries and Assistant Treasurers, as it shall deem desirable. Such Officers shall have the authority, and shall perform the duties, prescribed from time to time by the Board of Directors.

Section 6.2. Election and Term of Office.

The Officers of the Corporation shall be elected from the Board membership at the annual meeting of the Board of Directors. If the election of Officers is not held at such a meeting, the election shall be held as soon thereafter as is practicable. Officers shall serve for a term of one year and may serve for any number of terms, without limit. The term of office shall be from February 1 to January 31, unless otherwise provided in these By-Laws. Each officer shall hold office until a successor shall have been duly elected and qualified.

Section 6.3. Vacancies.

A vacancy in any office, because of resignation, removal or other reason shall be filled by a majority vote of current Directors present at a meeting for the unexpired portion of the term. Such interim Officer so elected shall serve until his/her successor has been elected and qualified.

Section 6.4. Removal.

Any Officer of the Corporation may be removed by an affirmative vote of two-thirds of the Board of Directors then in office.

Section 6.5. Chairperson: Powers and Duties.

The Chairperson shall, in general, supervise the business and affairs of the Corporation and shall have primary responsibility for overseeing the activities of the Economic Development Director in carrying out the day-to-day management of the corporation. He/she shall preside at all meetings of the Board of Directors. He/she may sign contracts or other instruments that the Board of Directors have authorized to be executed and shall perform such other duties as may be assigned by the Board of Directors from time to time.

Section 6.6. Vice-Chairperson(s): Powers and Duties.

In the absence of the Chairperson, the Vice Chairperson shall perform duties normally assigned to the Chairperson and, from time to time, may be assigned additional duties by the Chairperson or by the Board of Directors.

Section 6.7. Treasurer: Powers and Duties.

The Treasurer shall have charge of all funds and securities of the Corporation; ensure the receiving and giving of receipts for monies due and payable to the Corporation; ensure the deposit of all monies in the name of the Corporation, in banks, or other depositories, as shall be designated by the Board of Directors. When required by the Board of Directors, the Treasurer shall ensure the rendering of financial statements of the Corporation's accounts and furnish the books and records for examination by any Officer or Director of the Corporation.

The Treasurer shall perform such other duties as from time to time may be assigned by the Chairperson or by the Board of Directors. The Treasurer shall give a bond for the faithful discharge of his/her duties in such sum as the Board of Directors shall determine.

Section 6.8. Secretary: Powers and Duties.

The Secretary shall keep the minutes of the Board of Directors, including a listing of those in attendance; be responsible for giving all notices required by these By-Laws; act as custodian of the Corporation's records and seal; maintain a register of the post office and residential addresses of all members which shall be furnished to the Secretary by each member, and perform such other duties as from time to time may be assigned by the Chairperson or Board of Directors.

Section 6.9. Assistant Treasurers and Assistant Secretaries.

Assistant Treasurers and Assistant Secretaries, if any, shall perform such duties as shall be assigned to them by the Treasurer, the Secretary, the Chairperson or the Board of Directors.

ARTICLE VII
MEETINGS OF THE DIRECTORS

Section 7.1. Organization.

The Chairperson of the Corporation or, in his/her absence, the Vice-Chairperson, shall preside at all meetings of the Board of Directors. If both the Chairperson and Vice-Chairperson are absent, a chairperson of the meeting shall be chosen by majority vote of the Directors who are present. The Secretary of the Corporation shall act as Secretary at all meetings of the Board of Directors. In the absence of the Secretary, the presiding Officer may appoint any person to act as Secretary of the meeting.

Section 7.2. Annual Meeting.

An annual meeting of the Board of Directors shall be held, upon notice, for the purposes of electing Directors and Officers and for the transcription of such other business as may come before the meeting. The meeting shall be held during the month of January at a time and place to be designated by the Chairperson, or at such other date, time and place as the Board of Directors may designate.

Section 7.3. Regular Meetings.

Regular meetings of the Board of Directors shall be held not less than six (6) times a year at such date, time, and place as may be determined by the Board of Directors.

Section 7.4. Special Meetings.

Special meetings of the Board of Directors may be held at such date, time and place, as may be determined by the Chairperson or, at a date, time and place designated by written demand of not less than one-half of the Directors then in office.

Section 7.5. Notice of Meetings.

Notice stating the place, day, purpose and hour of any meeting of the Directors shall be sent by the Secretary, or by such other person as the Board of Directors may designate, to each Director, in the following manner; not less than ten (10) calendar days before the date of an annual meeting; not less than five (5) calendar days before the date of a regular meeting; and not less than two (2) calendar days before the date of a special meeting. At a special meeting, the Directors shall transact only the business described in the meeting notice.

Section 7.6. Quorum.

One-half plus one of the entire Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. If less than a quorum of the Directors is present at said meeting, a majority of Directors present may make recommendations for consideration at the next regular meeting at which a quorum is present.

Section 7.7. Voting.

Each Director shall be entitled to one vote on each matter submitted to the Board of Directors for a vote. All Directors shall be voting members of the Board.

Section 7.8. Action by the Board.

The act of the majority of the Directors attending a meeting at which a quorum is present shall be deemed the acts of the Board of Directors.

Section 7.9. RESERVED.

Section 7.10. Attendance and Meetings.

Each Director is expected to attend all meetings of the Board of Directors. Failure to attend two (2) consecutive meetings may, depending on the circumstances, be considered grounds for removal of a Director.

ARTICLE VIII
MEMBERS OF THE CORPORATION

Section 8.1. Members.

The members of the Corporation shall be those persons who are members of the Board of Directors.

ARTICLE IX
AMENDMENTS TO THE BY -LAWS

Section 9.1. Amendment or Revocation.

These By-Laws may be amended or revoked by a vote of no less than two-thirds of the entire Board of Directors, which must include at least one Town Director, and one Community Director, at a regular meeting or the annual meeting following the procedures of this Article VIII.

Section 9.2. Consideration at the First Meeting.

The Directors may consider revisions to the By-Laws at any meeting. Any revisions proposed for adoption shall be authorized by a Resolution of a majority of the Board of Directors for placement on the agenda of the Board of Directors' next regular meeting (the Second Meeting).

Section 9.3. Action at the Second Meeting.

Any proposed revisions to the By-Laws that have been authorized by a Resolution of the Board of Directors at a prior meeting shall be considered and acted upon by the Board of Directors at the Second Meeting. At the Second Meeting, a Resolution adopting any revisions to the By-Laws shall require approval by no less than two-thirds of the entire Board of Directors, which must include at least one Town Director and one Community Director.

Section 9.4. Notice to Board of Directors.

At such time as the members of the Board of Directors are given notice of the Second Meeting, each member of the Board of Directors shall receive a copy of the proposed Amendments or Revisions to the By-Laws.

ARTICLE X
INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 10.1. Indemnification of Officers and Directors.

To the full extent authorized by law, the corporation shall indemnify any person, made or threatened to be made, a party in any civil or criminal action or proceeding by reason of the fact that he/she, his/her testator or intestate is or was a Director or officer of the corporation. The foregoing shall not obligate the corporation to purchase directors' and officers' liability insurance, but should applicable law permit, the corporation may purchase such insurance if authorized and approved by the Board of Directors.