

**SITKA COMMUNITY DEVELOPMENT CORPORATION**  
PO Box 6461, Sitka, AK 99835

**Sitka Community Development Corporation**  
A Not-for-Profit Corporation

**BYLAWS**  
December 2008

**ARTICLE I. OFFICES**

The principal office of the corporation shall be located in the City and Borough of Sitka and the state of Alaska.

**ARTICLE II. PURPOSE**

- A. Purpose.** The purpose of the organization is to promote community development and provide decent housing that is affordable to low and moderate-income individuals and families in the City and Borough of Sitka by: acquiring, rehabilitating, constructing, converting, managing, selling, renting, and financing properties for housing; furnishing consulting services; collecting and disseminating information; providing community education and training; and applying for, receiving, and managing grants, donations, and loans. It is organized exclusively for the foregoing charitable, benevolent, eleemosynary and educational purposes, including for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the United States Internal Revenue Code or corresponding sections of any future federal tax code.
- B. No Private Inurement.** No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Section A above.
- C. No Lobbying.** No substantial part of the activities of the corporation shall be disseminating propaganda, attempting to influence legislation, or supporting or opposing candidates for political office or political parties or otherwise participating in political campaigns. Notwithstanding any other provisions of these Articles, the corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of the corporation, nor conduct any activities not permitted to be conducted by an organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code or by an organization contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or any corresponding section of any future federal tax code.

**D. Dissolution.** Upon the dissolution or final liquidation of the corporation, its liabilities and obligations shall be paid or discharged or otherwise adequately provided for. Any assets held on the condition that they be returned, transferred, or conveyed, shall be returned, transferred, or conveyed in accordance with such conditions. Any assets remaining to be distributed shall be distributed to one or both of the following options: (1) the federal, state, or local government, for a public purpose; or (2) one or more organizations engaged in charitable, eleemosynary, benevolent, educational, or similar purposes authorized by section 501(c)(3) of the Internal Revenue Code, provided however that such organizations are, or are qualified to be, exempt from income tax under section 501(c)(3) of the internal Revenue Code and contributions to which are deductible under section 170(c)(2) of the internal Revenue Code, and further provided that such organizations are engaged in activities substantially similar to those of the corporation, under a plan for distribution adopted as provided by Alaska Statutes chapter 10.20. Notwithstanding any other provision of these Articles, the distribution of the corporation's assets on dissolution shall be in accordance with the requirements of Alaska Statutes, chapter 10.20, and as required to maintain the status of the corporation as an exempt organization under section 501(c)(3) of the Internal Revenue Code.

### **ARTICLE III. BOARD OF DIRECTORS**

- A. Number.** Sitka Community Development Corporation shall be governed by a board of directors composed of nine (9) directors. This number may be decreased by the amendment of these bylaws by the Board but shall in no case be less than six (6) directors.
- B. Term.** Directors shall serve staggered terms of three (3) years. Directors shall be restricted to serve no more than three (3) consecutive full three-year terms. Each director shall hold office until the end of her term, and until her successor is elected and qualified, or until her prior death, resignation, or removal.
- C. Election.** New directors shall be elected by a super-majority vote (two thirds) of the existing board from those nominated by a nominating committee composed of three (3) existing directors whose terms are not expiring or who intend to continue their service if their term is expiring. Elections shall occur at the annual meeting to fill vacated board positions if the annual meeting is within three months of the vacated board meeting and at least three (3) directors remain. Otherwise, the election shall occur at the monthly meeting. Each director shall hold office until the end of her term, and until her successor is elected and qualified, or until her prior death, resignation, or removal.
- D. Qualifications.** Any person over the age of 19 who supports the goals and aims of Sitka Community Development Corporation is eligible to be a director.
- E. Criteria for Selection of Directors.** New directors shall be elected by a majority vote of the board. In selecting directors, the board may, but are not required to,

consider: (1) commitment to the aims of the organization and (2) skills and experience related to the aims of the organization, including but not limited to skills or experience in real estate, social services, banking, law, finance, and being in need of affordable housing.

At least one third (1/3, rounding up) of the board of directors must belong to the income category which the board seeks to serve, more specifically, those residents whose income is 80% or below the HUD median income limit for the Sitka area. Of those one third (1/3 rounding up) meeting income category criteria, none can be “public officials” by definition of Alaska Housing Financial Corporation. Additionally, public officials on the board cannot comprise more than one third (1/3) of the board membership. Alternatively, the low-income directors may be residents of low-income neighborhoods or elected representatives of low-income neighborhood organizations.

- F. Duties and Powers.** The board shall be responsible for the control and management of the affairs, property, and interests of the corporation and may exercise all powers of the corporation, except as limited by statute.
  
- G. Resignations, Vacancies, and Removal.** Any director may resign at any time by giving written notice at a meeting of the board. Unless otherwise specified in such written notice, such resignation shall take effect upon receipt thereof by the board, and the acceptance of such resignation shall not be necessary to make it effective. The board may remove a director for cause or in the best interests of the corporation by a unanimous vote, excluding the director facing removal. If a director has three (3) consecutive absences or three (3) unexcused absences within a 12-month span, it shall be deemed a resignation. A director may request an excused absence in writing to an officer other than himself or herself at least five (5) days before the meeting. Vacancies on the board created by resignation, removal, or any reason shall be filled as provided in Section C of this article for the unexpired balance of the term. A director removed for lack of participation may reapply for a future vacancy in open recruitment.
  
- H. Quorum.** At all meetings of the board, the presence of a majority of the entire board shall be necessary and sufficient to constitute a quorum for the transaction of business, except as otherwise provided by law or by these bylaws.
  
- I. Voting.** Unless otherwise provided by these bylaws, the board may take action on the vote of a majority of those directors present and voting. A director may abstain from voting if the director has a conflict of interest. Such an interest must be disclosed to the board, and the board shall determine, by a majority of those attending other than the director with the potential conflict, whether the director has a conflict and may abstain. Tie votes result in the granting of the abstention.

- J. **Board Action.** At all meetings of the board, each director present shall have one vote. Except as otherwise provided by statute, the action of a majority of the directors present at any meeting at which a quorum is present shall be the act of the board. Any action authorized, in writing, by all of the directors entitled to vote thereon and filed with the minutes of the corporation shall be the act of the board. Any action taken by the board may be taken without a meeting if agreed to in writing by all directors before or after the action is taken and if a record of such action is filed in the minute book.
  
- K. **Liability.** No director shall be liable for any debt, obligation, or liability of the corporation.

**ARTICLE IV. MEETINGS**

- A. **Regular Meetings.** The board shall hold a regular meeting each month upon more than twenty-four-hour notice given to the directors. The president or a person designated by the president shall set the time, date, location, and agenda for monthly meetings. (Upon occasion, a monthly meeting may be canceled or rescheduled.)
  
- B. **Special Meetings.** A special meeting may be called by the majority of the board, the president, or by any three (3) directors, provided all directors are given more than twelve-hour notice.
  
- C. **Notice and Waiver.** Notice of any special meeting shall be given at least five days prior thereto by written notice delivered personally by mail or by facsimile to each Director at his address. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail with postage prepaid. Any Director may waive notice of any meeting, either before, at, or after such meeting, by signing a waiver of notice. Attendance of a director at a meeting constitutes a waiver of notice of the meeting, except when a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.
  
- D. **Annual Meeting.** The annual meeting shall be held in January each year, unless rescheduled by the board. The agenda of the annual meeting must include the election of directors and officers. The board shall publish notice of the time, date, and place of the annual meeting in appropriate news media at least 14 days, but not more than 60 days, in advance of the meeting. Likewise, each director shall receive at least 14 days written advance notice of the annual meeting.
  
- E. **Organizational Meeting.** At the call of a majority of the incorporators, and on three days' notice to the directors, the board shall meet to adopt the bylaws and elect directors and officers to serve until the first annual meeting.
  
- F. **Telephone Meetings.** Directors may participate in meetings of the board

through use of a telephone if such can be arranged so that all board members can hear all other members. The use of a telephone for participation shall constitute presence in person.

- G. Conduct of Meetings.** Except as otherwise provided by these bylaws, the articles of incorporation, and the laws of the State of Alaska, meetings shall be conducted in accordance with Robert's Rules of Order Revised. (1915 Edition).

## **ARTICLE V. OFFICERS**

- A. Officers and their Terms.** The officers of the corporation shall consist of a president, a secretary, a treasurer, and such other officers as the board may from time to time deem advisable. Any officer may be, but is not required to be, a director of the corporation. The officers of the corporation shall be elected by the board at the annual meeting of the board. The term of an officer shall be one year, from annual meeting to annual meeting, or until her death, resignation, or removal. An officer may continue if there is no other officer nominated.

### **B. Duties.**

1. **President.** The president shall preside at all meetings of the board, shall be an ex officio member of all committees of the board, and shall in general perform all duties the board may from time to time assign, and as provided elsewhere in these bylaws and the articles of incorporation. The president shall act as spokesperson of the corporation and sign documents on behalf of the corporation, to the extent authorized by the board. The president shall prepare a report of each calendar year's activities and present the report to the board at its annual meeting. The president is entitled to vote to the same extent as the directors.
2. **Vice President.** The vice president shall act as president in the president's absence, and may perform such other duties as the board may from time to time direct.
3. **Secretary.** The secretary shall review minutes of all meetings of the board and shall keep or cause to be kept minutes of the meetings of the board's committees. The secretary shall be responsible for ensuring the records and papers of the corporation are maintained and may from time to time perform such other duties as the board may direct.
4. **Treasurer.** The treasurer is the financial officer of the corporation and shall oversee the deposit of funds of the corporation in such banks or other suitable financial institutions as have been approved by the board in accordance with Article VII of these bylaws. The treasurer shall keep or caused to be kept the accounts of the corporation, prepare a financial report on a calendar year basis and present it at the annual meeting and may from time to time perform such other duties as the board may direct.

- C. Delegation of Duties.** In the absence or disability of any officer of the

corporation or for any other reason deemed sufficient by the board of directors, the board may delegate her powers or duties to any other officer or director.

- D. Vacancy and Removal.** Officers may be removed from office and vacancies may be filled in the manner and for the reasons prescribed for directorship. A vacancy shall be filled only for the unexpired term. Removal of a director from an office does not result in the removal of the director from the board unless the board additionally follows the steps set out in Article III, section G of these bylaws.
- E. Compensation.** The officers of the corporation shall be entitled to such compensation as the Board shall from time to time determine.
- F. Liability.** No officer shall be liable for any debt, obligation, or liability of the corporation.

#### **ARTICLE VI. COMMITTEES**

The board of directors may, by resolution, from time to time create committees to assist in the work of the board. Persons who are not directors may be appointed to a committee if (1) they are qualified to be a director and (2) at least two directors serve on the committee. Committees may not take action on behalf of the board unless expressly authorized to do so by the board voting in a regular or special meeting, through the resolutions creating such committees. Meetings of committees may be held without notice at such time and at such place as shall be determined by the committees. The committees of the corporation shall keep regular minutes of their proceedings, and report these minutes to the board of directors when required.

#### **ARTICLE VII. CONTRACTS AND EXPENDITURES**

- A. Expenditures.** Expenditures greater than \$2,000 must be approved by a majority of the quorum. Expenditures of amounts less than \$2,000 may be made if consistent with a budget adopted by the board or if approved by the majority of the board.
- B. Authority to Make Withdrawals, and Sign Checks or Other Negotiable Instruments.** A withdrawal or check or other negotiable instrument for less than \$500 may be made and signed by the corporation's treasurer. A check of \$500 or greater must be signed by two corporate officers.
- C. Deposits.** All funds of the corporation not otherwise employed shall be deposited in such banks and other financial institutions as the board may select. No deposit may be made into a financial institution which exceeds the amount insured by a federal or state program of deposit insurance.
- D. Self-Dealing.** Directors may be reimbursed for an expense, authorized as provided in these bylaws. A director or a member of a director's immediate family may not receive payments from the funds of the corporation or directly benefit

from a contract of the corporation unless (1) there has been full disclosure of the director's interest, payment, or contract, or (2) the board adopts a resolution that the action is in the best interest of the corporation, and (3) the director does not vote on the action which authorizes the payment or contract. A director or a director's family members may not receive housing benefits available as a result of the activities of the corporation unless (1) the director does not vote on a proposal to the board to authorize the benefits, and (2) the director or family member competes on an equal basis with all other persons eligible for the benefits.

#### **ARTICLE VIII. INDEMNIFICATION OF DIRECTORS: BONDS AND INSURANCE**

- A. General Indemnification.** The corporation shall indemnify and undertake the defense of a director or former director, against expenses actually and reasonably incurred by that person in connection with the defense of any action, suit or proceeding, civil or criminal, in which that person is made a party by reason of having been a director, except in relation to matters in which that person was adjudged, in the action, suit or proceeding, to be liable for gross negligence or misconduct in the performance of corporate duties.
- B. Insurance.** The corporation may insure itself for the errors and omissions of its directors to the extent permitted by law.

#### **ARTICLE IX. BOOKS AND RECORDS OF THE CORPORATION**

- A. Articles of Incorporation.** Unless otherwise provided by the laws of the State of Alaska, the board may amend its articles of incorporation by a two-thirds vote of the directors, provided that at least 30 days written notice and a copy of any proposed amendments have been given to each director.
- B. Bylaws.** These bylaws may be amended by a majority of the directors, provided that at least two weeks' written notice and a copy of any proposed amendments have been given to each director.
- C. Annual Report.** The president of the corporation shall cause to be prepared annual or other reports required by law and shall provide copies to the board of directors.
- D. Permanent Records.** The corporation shall keep current and correct records of the accounts, minutes of the meetings, and proceedings. Such records shall be kept at the registered office or the principal place of business of the corporation.

Certified to be the bylaws of the corporation and adopted by the board of directors on the 11th day of December, 2008.

Tambi Calvert, President