

# BY-LAWS OF ELLIOT PARK NEIGHBORHOOD, INC.

Updated: May 10, 2010

## ARTICLE I. PURPOSE

The purpose of this corporation shall be exclusively charitable and educational within the meaning of Section 501(c)(3) of the Internal Revenue Code; to undertake charitable, educational and rehabilitative activities in the community for its residents; and to initiate programs that will lessen neighborhood tensions, increase communications within the neighborhood, and to combat community deterioration.

## ARTICLE II. MEMBERSHIP

II. Section 1. MEMBERSHIP. Any individual (i) who is at least 18 years of age, (ii) who lives or works in Elliot Park or who owns property the business address of which is within Elliot Park and (iii) who registers as a Member with the Corporation in a manner prescribed by the Board of Directors from time to time shall be a member of the Corporation until such member ceases to qualify as a member or until such member's death, resignation or removal.

II.1. Subsection A. Neighborhood church membership. In addition to the Members described in II Section 1 above, each incorporated church within Elliot Park may appoint up to three people at any one time to serve as Members. At each meeting of Members or committee meeting each church representative who desires to act as a Member at such meeting must present to the Board of Directors a letter from the church naming him or her as their official representative at such meeting or for a specific period of time that includes such meeting.

II.1. Subsection B. A list of the names of members eligible to vote at each meeting including their address shall be available to members and/or their agents beginning 2 business days after notice of the meeting is given and ending at the meeting.

II. Section 2. VOTING. Each member shall have one vote at each special meeting of members, at each Town Meeting and at the Annual Meeting.

II. Section 3. TENURE. Subject to II Section 5, an individual may remain a member so long as the member meets the qualification requirements set forth in II Section 1 and II 1 Subsection A.

II. Section 4. DUES. There shall be no dues.

II. Section 5. TERMINATION AND TRANSFER. A member shall cease to be a member automatically if the member dies, resigns, ceases to live or work in the

neighborhood or ceases to be the official representative of a neighborhood church. Memberships may be cancelled, on reasonable notice, for cause under rules established by the Board of Directors, and the Board of Directors may provide rules for reinstatement of membership. No member may transfer his/her membership or any right arising therefrom.

II. Section 6. MEETINGS. All meetings of the Board of Directors and any committees of the Board shall be open to any member of the corporation and the public unless designated otherwise by the committee or the Board of Directors.

II. 6. Subsection A. Annual Meeting. There shall be held at least one (1) annual meeting of the members during May of each calendar year at a time and place set by the Board of Directors. At such time, reports of the activities of the Corporation shall be presented by the officers to the members, directors elected, and other membership business transacted.

II. 6. Subsection B. Special Meetings. Special meetings of the members may be called at any time by the President or in his/her absence, by the Vice President, by the Board of Directors, or at the request to the President in writing of the lesser of (i) 50 members or (ii) one-tenth (1/10) of the members. The notice of a special meeting must state the purposes of the meeting, and the business transacted at the special meeting is limited to the purposes stated within the notice of the meeting.

II. 6. Subsection C. Notice. Notice of any meeting of the membership, including a statement of the purposes of the meeting, shall be mailed and posted at least five (5) days but no more than thirty (30) days prior to the annual meeting and five (5) days but no more than thirty (30) days prior to any regular or special meeting to be held within 90 days after receipt of the demand and shall specify the time and place of the meeting.

II. 6. Subsection D. Mailing of Notice. If notice is given by mail, such mail shall be deemed delivered when deposited in the United States mail properly addressed, with postage thereon prepaid. Notices given by telegram shall be deemed to be delivered when the telegram is delivered to the telegraph company properly addressed and prepaid.

II. 6. Subsection E. Place of Meetings. Meetings of the membership may be held at any suitable location within the Elliot Park neighborhood, or as designated by the Board.

II. 6. Subsection F. Voting, Quorum and Proxies.

II. 6. G. (1) Passage of a motion or resolution shall require the vote of a majority of the members voting at the meeting unless otherwise required by law. Each member shall have one and only one vote.

II. 6. G. (2) A quorum for the transaction of business shall consist of at least 10% of the members of the Corporation.

II. 6. G. (3) Proxies are specifically prohibited.

II. Section 7. GIFTS. Members may accept on behalf of the Corporation and turn over to the Treasurer any contributions, gifts, and/or bequests for the general benefit of the Corporation and the neighborhood.

II. Section 8. EXAMINATION BY MEMBERS. Every member of the Corporation shall have a right to examine in person or by agent or attorney, at a time and place arranged with the President, all books and records of the Corporation and to make extracts therefrom.

### ARTICLE III. BOARD OF DIRECTORS

III. Section 1. GENERAL POWERS.

III. 1. Subsection A. Responsibilities. The business, affairs, and property of the Corporation shall be managed and controlled by its Board of Directors. The Directors may exercise all such powers and do all such things as may be exercised or done by the Corporation, subject to the provisions of the Articles of Incorporation, these By-Laws and all applicable law. Directors shall receive no compensation for their services as Directors but this shall not restrict the reimbursement for reasonable expenses incurred by a Director, or the payment of reasonable compensation to a Director when he/she renders administrative, professional or other bona fide services to this Corporation in a capacity other than as a Director or member of this Corporation.

III. 1. Subsection B. Employees. The Board of Directors shall have power to employ and dismiss employees of the Corporation, who shall have such power and authority as may be delegated to them by the Board of Directors.

III. Section 2. NUMBER, TENURE, QUALIFICATIONS and ELECTION.

III. 2. Subsection A. Number. The Board of Directors shall consist of at least seven (7), but no more than fifteen (15) members:

III. 2. A. (1) Each director must be a member.

III. 2. A. (2) At least sixty percent (60%) of the Board positions must be persons who reside in the Elliot Park neighborhood as defined by the City of Minneapolis ("Elliot Park").

III. 2. Subsection B. Tenure. The term of the Board of Directors shall be two (2) years commencing at the May 19, 1981 Annual Town Meeting, as follows:

III. 2. B. (1) Ten (10) Board members will be elected to serve until the Annual Meeting in 1982, at which time their successors shall be elected to serve a two (2) year term, and

III. 2. B (2) Ten (10) Board members will be elected to serve until the Annual Meeting in 1983, at which time their successors shall be elected to serve a two (2) year term.

III Section 2. C. ELECTION. Members of the corporation seeking election to the Board of Directors, whether nominated by themselves or another, shall register their name, address, phone number and membership category (as defined in Article II Section 1) at the corporate office. Said registration shall be available for review of membership eligibility at least three (3) days prior to the Executive Committee meeting immediately preceding the Annual Meeting. Said registration shall be available to the public at least five (5) days and no more than thirty (30) days prior to the Annual Meeting or any regular or special meeting at which the election of Board members is held.

III. Section 3. VACANCIES. Vacancies, no matter how caused, shall be filled by the Board of Directors by a majority of the Board members voting. Vacancies shall be filled to maintain the sixty percent (60%) residency within 90 days. Nominations may be received from any member of the Corporation.

#### III. Section 4. MEETINGS OF THE BOARD OF DIRECTORS.

III. 4. Subsection A. The Board of Directors shall meet at least ten (10) times each year. Meetings shall be conducted according to Roberts Rules of Order.

III. 4. Subsection B. Regular meetings shall be held at such time and place as may be fixed by resolution of the Board. Written notice of regular meetings shall be distributed to all Directors at least five (5) days and no more than thirty (30) days prior to the meeting. If date, time and place of the Board meeting are announced at a previous meeting, no notice is required.

III. 4. Subsection C. Special meetings may be called by the President on the request of any Board member and shall be called by the President on a request of a majority of the Board members. Notice of special meetings shall be given at least forty-eight (48) hours in advance of the meeting by the President or Secretary by mail, personal contact by telephone, telegraph, or in person.

III. 4. Subsection D. Required notice of any meeting of the Board may be waived by any member in writing before, at, or after a meeting. Appearance at any meeting by any Director shall be deemed a waiver of such required notice.

III. 4. Subsection E. If notice is given by mail, such mail shall be deemed delivered when deposited in the United States mail properly addressed, with postage thereon prepaid. Notices given by telegram shall be deemed to be delivered when the telegram is delivered to the telegraph company properly addressed and prepaid.

III. 4. Subsection F. Board action without meeting. Any action which might be taken at a meeting of the Board of Directors may be taken without a meeting if such action is initiated by the President or Vice President and if such action is taken in writing and signed by a majority of the Directors including a majority of the Executive Committee, and delivered to the Secretary within five (5) business days.

### III. Section 5. QUORUM AND VOTING.

III. 5. Subsection A. Voting. Passage of a motion or resolution shall require a vote of a majority of those present and voting, unless otherwise provided in these By-Laws.

III. 5. Subsection B. Quorum. Except as otherwise provided by statute or by these By-laws, one-half (1/2) of the directors currently holding office shall be required to constitute a quorum for the transaction of business at any meeting, and the act of a majority of the directors present at any duly held meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum, a majority of the directors present may adjourn a meeting from time to time until a quorum is present. Notice of any adjourned meeting need not be given, other than by announcement at the meeting at which adjournment is taken. If a quorum is present when a duly called or held meeting is convened, the directors present may continue to transact business until adjournment, even though the withdrawal of directors originally present leaves less than the number otherwise required for a quorum; provided, however, that the affirmative vote of a majority of the required quorum is required to take any action other than adjournment.

### III. Section 6. REMOVAL OF DIRECTORS.

III. 6. Subsection A. Any director who ceases to be a member shall be automatically removed as a director. Any Director missing four or more Board meetings in the course of any 12 consecutive months will automatically be removed from office. A Director will receive a written warning after three (3) absences. An absence for any reason will be considered unexcused. To be considered present at a Board meeting directors must attend at least 50 percent of the board meeting. A removal from the Board based on attendance may be appealed in writing to the Executive Committee prior to its monthly meeting. If the Board member is not satisfied with the Executive Committee's finding, he/she may submit an appeal to the Board of Directors no less than five (5) days prior to the next Board meeting. The final decision will be based on the majority vote at the Board meeting. If a board member is reinstated after 4 absences and then is absent again, the Board member will be removed from the Board without opportunity for appeal.

III. 6. Subsection B. Any Director may be removed from office, with or without cause, by a two-thirds (2/3) vote of the entire membership of the Board at a regular or special meeting of the Board called for that purpose but with due notification of such action and the right to be heard thereon.

### III. Section 7. COMMITTEES.

III. 7. Subsection A. Qualifications. The Board of Directors may appoint such committees and delegate to such committees such powers and responsibilities as it may from time to time deem appropriate, and allowed by law and subject to ratification by a majority of the Board members present at the meeting. Creation of a committee requires approval by a majority of the entire Board. Committee members need not be directors, but must be members of the organization.

III. 7. Subsection B. Committee Action Without Meeting. Any action which might be taken at a meeting of a lawfully constituted committee may be taken without a meeting if such action is initiated by the Chairperson or Vice Chairperson of such committee and is taken in writing and signed by a majority of the members of such committee and delivered to the Secretary within two (2) business days.

III. SECTION 8. CONFLICT OF INTEREST. A conflict of interest exists if any Board member, committee participant, staff, consultant, or member of the organization knows (or has reason to know) that he/she or an organization with which he/she is directly affiliated is (or is likely to become) 1. A participant in a project or development affected by a decision of the Board of Directors, committee, or other membership meeting, or 2. A party mentioned in any contract, sale, lease, or other financial agreement (other than tenants of rental assistance programs) which provides a financial interest or benefit from the agreement or activity which is under consideration by the Board of Directors, committee, or other membership meeting.

When a conflict of interest exists, those with such a conflict shall state the nature of the conflict at any meeting where the item is being discussed. Those attending the meeting should be made aware of the details of the conflict and it shall be recorded in the minutes of the meeting.

If a conflict of interest has not been stated, the chairperson or person running the meeting may declare that a conflict of interest exists when he/she knows that this is true. This ruling of the chair is subject to being overruled following normal parliamentary procedures.

Knowingly failing to submit a conflict of interest disclosure may constitute good cause for removal from the Board, committee or employment. Employees may be reassigned if they are working on matters involving any conflict of interest.

Board Members with actual or potential conflicts of interest shall not:

1. Attempt to influence an employee or Board/Committee Member in any matter related to the action or decision in questions; and
2. Take part or vote in the decision but may, with the consent of the chairperson, participate in the discussion; and
3. Be counted toward a quorum for any meeting where the action or decision is to be considered.

Committee members or members of the organization with actual or potential conflicts of interest shall not take part or vote in the decision but may, with the consent of the chairperson, participate in the discussion.

#### ARTICLE IV. OFFICERS

IV. Section 1. ELECTION AND OFFICE. The officers of the Corporation shall consist of the President, the Vice President, the Secretary, and the Treasurer. Except as provided in these By-Laws, the Board of Directors shall fix the powers, duties, and compensation of all officers.

IV. Section 2. ELECTION, TERM OF OFFICE, AND QUALIFICATIONS. The officers shall be elected by the Board from among its members at the first Regular Board meeting after the annual meeting of the Corporation in May. The officers shall serve for one (1) year or until their successors have been elected or until their earlier resignation, or end of term as Director unless reelected to the Board of Directors or removal from office, or death. All officer candidates shall understand and agree to fulfill the duties prescribed in these bylaws.

IV. Section 3. REMOVAL AND VANCANCIES. Any officer may be removed from office at any time by the vote of two-thirds (2/3) of the entire membership of the Board, with or without cause, but with due notification of such action and the right to be heard thereon. If there is a vacancy among the officers of the Corporation by reason of ceasing to live or work in the neighborhood, resignation or otherwise, such vacancy shall be filled for the unexpired term by the Board at a regular meeting or a special meeting called for that purpose within 90 days).

IV. Section 4. PRESIDENT. The President shall have the power of general management of the business of the Corporation. The President shall be a resident of the Elliot Park neighborhood as defined by the City of Minneapolis. He/she shall preside or delegate such authority at all meetings of the Board of Directors and of the membership. He/she shall be the chief executive officer of the Corporation and shall see that all orders and resolutions of the Board are carried into effect. He/she shall be a member ex officio of all committees. He/she shall carry out the duties of signatory agent and may execute documents on behalf of the Corporation under that title. The President shall be entitled to vote on all matters before the Board in the same manner as any other delegate to those bodies. In general, the President shall perform all duties usually incident to that office and such other duties as the Board may prescribe.

IV. Section 5. VICE PRESIDENT. The Vice President shall have such powers and perform such duties as may be specified in the By-Laws or prescribed by the Board of directors or by the President. In the event of absence or disability of the President, the Vice President shall succeed to his/her powers and duties.

IV. Section 6. SECRETARY. The Secretary shall be secretary of the meetings of the Board of Directors and of the membership, not including the committees, and shall insure recording of all regular and special meetings of the Board of Directors and of the membership in the appropriate minute book of the Corporation. He/she shall assure proper notice of meetings to Directors and members. He/she may sign and execute such documents as may be necessary to the transaction of business by the Corporation. He/she shall perform such other duties as may from time to time be prescribed by the Board of Directors or by the President.

IV. Section 7. TREASURER. The Treasurer shall cause to be kept accurate accounts of all monies of the Corporation received or disbursed and shall render to the Board of Directors or the President, whenever required, an account of the financial condition of the Corporation and shall perform such other duties as may from time to time be prescribed by the Board of Directors or by the President. The finance committee and the treasurer shall be responsible for supervising the receipt, deposit, and disbursement of funds of the Corporation in accordance with the policies established by the Board of Directors and accepted accounting procedures. The finance committee and treasurer will arrange for providing periodic reports as determined from time to time by the Board of Directors.

IV. Section 8. EXECUTIVE COMMITTEE. The President, Vice President, Secretary, and Treasurer shall constitute the Executive Committee which shall perform the functions of the Board of Directors in the interim between Board meetings subject to ratification of the majority vote of the voting Board. A quorum of the Executive Committee shall consist of three (3) of the four (4) executive officers.

#### ARTICLE V.

#### SEAL, BOOKS AND RECORDS, AUDIT, FISCAL YEAR, OFFICES

V. Section 1. SEAL. The Corporation shall have no seal.

V. Section 2. BOOKS AND RECORDS. The Board shall keep or cause to be kept complete books of account and minutes of meetings of the Board of Directors and all committees and such additional records and books of account as the Board deems necessary for the conduct of the Corporate activities of the Corporation. A member, or the agent or the attorney of a member, may inspect all books and records for any proper purpose and at any reasonable time. Upon request, EPNI shall give the member a statement showing the financial result of all operations and transactions affecting income and surplus during its last annual accounting period and a balance sheet

containing a summary of its assets and liabilities as of the closing date of the accounting period.

V. Section 3. AUDIT. The Board shall cause the records and books of account of the Corporation to be audited at least once within six (6) months following each fiscal year and at such other times as the Board deems appropriate.

V. Section 4. FISCAL YEAR. The fiscal year of the corporation shall be January 1 - December 31.

V. Section 5. PRINCIPAL OFFICE. The principal office of the Corporation shall be in the Elliot Park neighborhood in the City of Minneapolis, Minnesota.

V. Section 6. REGISTERED OFFICE. The registered office of the Corporation shall be in the Elliot Park neighborhood in the City of Minneapolis, Minnesota. The registered office need not be identical with the principal office of the Corporation and may be changed from time to time by the Board of Directors.

V. Section 7. OTHER OFFICES. The Corporation may have other offices at such other places within and without the State of Minnesota as the Board of Directors may from time to time determine.

## ARTICLE VI. INDEMNIFICATION

VI. Section 1. INDEMNIFICATION. The Corporation acting through its Board of Directors, or as otherwise provided in this By-Law, shall as fully as may be permitted from time to time by the statutes and decisional law of the State of Minnesota or by any other applicable rules or principles of law indemnify each officer of the Corporation against the expense of any action to which he/she was or is a party or is threatened to be made a party by the reason of the fact that he/she is or was an officer of the Corporation. Any provision in these By-Laws which would prevent such indemnification to the full extent permitted by law as it may from time to time be expanded by statute, decision of court, or otherwise, shall be deemed amended to conform to such expanded right of indemnification without formal action by the Board of Directors.

VI. Section 2. DEFINITIONS. As used in this By-Law: (1) the term officer means any person who is, was, or may hereafter be a Director, officer, member, employee, or agent of this Corporation or, at the request of this Corporation, of any partnership, joint venture, trust, or other enterprise, and the rights of indemnification under this By-Law shall inure to the benefit of the heirs, executors, and administrators of any such persons; (2) the term action means any threatened, pending, or completed action, suit or proceeding, wherever brought, whether civil, criminal, administrative, or investigative, including those by or in the right of the Corporation and whether or not involving an act or omission of an officer in his/her capacity as such and whether or not he/she is an officer at the time of such action; and (3) the term expenses of any action shall include

attorneys' fees, judgments, fines, and amounts paid in settlement actually and reasonable incurred by him/her in connection with an action.

VI. Section 3. STANDARD OF CONDUCT. An officer shall be indemnified with respect to any action (other than an action by or in the right of the Corporation to procure a judgment in its favor) if he/she acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interest of the Corporation, and if it is a criminal action, he/she had no reasonable cause to believe his/her conduct was unlawful. If the action be one by or in the right of the Corporation to procure a judgment in its favor, then in addition to the requirements of the preceding sentence, and officer shall be indemnified only if he/she is not adjudged to be liable for negligence or misconduct in the performance of his/her duty to the Corporation. Then he/she shall be indemnified only to the extent that the court in which such action was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably incurred by him/her in connection with such action. In all other cases (other than an action in which the officer is successful on the merits or otherwise in defense of such action or in an action by or in the right of the Corporation to procure a judgment in its favor where the officer had been adjudged to be liable for negligence or misconduct in the performance of his/her duty to the Corporation), an officer shall be indemnified, unless ordered by a court, only as authorized in the specific case upon a determination that indemnification of the officer is proper in the circumstances because he/she met the applicable standard of conduct set forth above. Such determination shall be made by the Board of Directors by a unanimous vote of the Directors who were not parties to such action, or if such a vote is not obtainable, or even if obtainable and the disinterested Directors so directed by independent legal counsel in a written opinion. The determination may be made that he/she is entitled to indemnification as to some matters even though not so entitled as to others. The termination of any action by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the officer did not act in a manner entitling him/her to indemnification under this By-Law.

VI. Section 4. DETERMINATION OF CONDUCT. Except where an officer is successful on the merits or otherwise in the defense of an action and except where a court determination is required by law for indemnification in an action by or in the right of the Corporation, an officer shall first seek a determination that he/she met the applicable standard of conduct set forth above from the Board of Directors by a unanimous vote of the directors who were not parties of such action, or if such a vote is not obtainable, or even if obtainable and the disinterested Directors so direct, by independent legal counsel in a written opinion, it being the belief of this Corporation that the best judges of an officer's conduct are those familiar with the business activities of the Corporation. In the event that it is determined that the officer partially or completely failed to meet the applicable standard of conduct, or if no determination is reached within a reasonable time, the officer may apply to the District Court of the State of Minnesota for a determination of his/her right to indemnification and the result of any prior determination

of that right by disinterested Directors or by independent legal counsel shall not be entered into evidence or considered by the court in its independent determination.

VI. Section 5. EXPENSES ADVANCE. Expenses incurred in defending an action may be paid by the Corporation in advance of the final disposition of such action as authorized by the Board of Directors in the manner provided in Section 3 of this Article VI upon receipt of an undertaking by or on behalf of such officers to repay such amount unless it shall ultimately be determined that he/she is entitled to be indemnified by the Corporation as authorized by law.

VI. Section 6. NONEXCLUSIVITY. The indemnification provided by this By-Law shall not exclude any other right to which an officer may be entitled under any agreement or vote of disinterested Directors or otherwise, both as the action in his/her official capacity and as to action in another capacity while holding such office, and shall not imply that the Corporation may not provide lawful indemnification not expressly provided for in this By-Law.

VI. Section 7. INSURANCE. The Corporation may purchase and maintain insurance on behalf of any officer against any liability asserted against him/her and incurred by him/her in any such capacity to the full extent as may from time to time be permitted by law.

#### ARTICLE VII. GRIEVANCES

Any grievance with EPNI's programs, staff or Directors shall be made in writing and communicated to Board of Directors, at least ten (10) working days prior to a regularly scheduled or special meeting (as defined in Article II Section 6 Subsection B). The Board shall respond in writing within ten (10) working days of their meeting.

#### ARTICLE VIII. AMENDMENTS

Pursuant to Section 317A.181 Subd. 2, amendments to these bylaws shall be made by a Two-thirds (2/3) majority vote of members attending the annual meeting or other membership meeting. The Board of Directors may make recommendations to any membership meeting to revise these bylaws. Any twenty (20) members may also make a recommendation to amend the bylaws subject to the majority vote of those in attendance at the Annual meeting.