

BYLAWS  
OF  
HARRISONBURG DOWNTOWN RENAISSANCE

Harrisonburg Downtown Renaissance (the "Organization"), a nonstock corporation duly formed under the provisions of the Virginia Nonstock Corporation Act, Chapter 10, Title 13.1 of the Code of Virginia (the "Code"), hereby adopts the following Bylaws of the Organization which shall govern the management and operation of the Organization's business and the regulation of its affairs, to the extent consistent with the Organization's Articles of Incorporation ("Articles") and applicable law, and in accordance with Section 13.1-823 of the Code.

ARTICLE I

DEFINITION OF TERMS

Unless otherwise stated in these Bylaws, all of the terms used in these Bylaws which are defined in Section 13.1-803 of the Code shall be deemed to have the meaning set forth in such Section of the Code.

ARTICLE II

ADOPTION

In accordance with Section 13.1-822 of the Code, these Bylaws shall become effective upon ratification, approval and formal adoption by the Board of Directors of the Organization at its organizational meeting or any subsequent meeting.

### ARTICLE III

#### EMERGENCY BYLAWS

In the event that a quorum of the Organization's Board of Directors cannot readily be assembled because of some catastrophic event, the Board of Directors of the Organization may, consistent with Section 13.1-824 of the Code, adopt other bylaws to be effective only in such an emergency, which bylaws shall be subject to amendment or repeal by the Board of Directors, and shall provide procedures for calling a meeting of the Board of Directors, quorum requirements for the meeting, and designation of additional or substitute directors, as well as other provisions necessary for managing the Organization during such emergency. All provisions of these Bylaws consistent with such emergency bylaws shall remain effective during such emergency. Such emergency bylaws shall not be effective after such emergency ends. Corporate action taken in good faith in accordance with such emergency bylaws shall bind the Organization and may not be used to impose liability on a director, officer, employee or agent of the Organization.

### ARTICLE IV

#### CORPORATE POWERS

Unless the Organization's Articles of Incorporation provide otherwise, the Organization shall have the same powers as an individual to do all things necessary or convenient to carry out its business and affairs, including, without limitation, those powers enumerated in Section 13.1-826 of the Code. In the event of an emergency as described in Article IV immediately preceding, the Board of Directors shall have those emergency powers enumerated in Section 13.1-827 of the Code.

## ARTICLE V

### NONSTOCK CORPORATION

In accordance with Section 13.1-814 of the Code, the Organization shall not issue shares of stock. No dividend shall be paid and no part of the income of the Organization shall be distributed to its directors or officers.

## ARTICLE VI

### MEMBERS

The Organization shall have no members.

## ARTICLE VII

### BOARD OF DIRECTORS

1. Authority. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Organization shall be managed under the direction of, the Board of Directors. Unless otherwise provided by resolution of the Board of Directors, the directors shall have the sole voting power.
2. Number and Qualification. The number of directors shall be no less than ten (10) and no more than eighteen (18) at all times, with the exact number to be fixed by resolution of the Board of Directors. One director shall be a member of Harrisonburg City Council appointed by the City Council. Directors shall serve without compensation, except reimbursement for reasonable expenses incurred on behalf of the Organization.
3. Election and Term. At each annual meeting of the Board of Directors, as close as possible to one-third (1/3) of the total number of directors shall be elected by the directors in office, including those whose terms are expiring. Directors elected at an annual meeting shall serve a term of three (3) years, or until their respective successors are elected and qualify.

Directors named between annual meetings pursuant to Section Five of this Article shall serve for the unexpired term of the director whom he or she is replacing. Directors may serve for a maximum of three (3) consecutive three-year terms, or the remainder of an unexpired term and two (2) consecutive three-year terms.

4. Resignation and Removal. A director may resign at any time by delivering written notice to the Board of Directors. A resignation shall be effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Organization accepts the future effective date, it may fill the pending vacancy before the effective date if the director's successor does not take office until the effective date. The Board of Directors may remove one or more directors with or without cause upon the affirmative vote of two-thirds (2/3) of the directors then in office.

5. Vacancy. If a vacancy occurs on the Board of Directors between annual meetings, including a vacancy resulting from an increase in the number of directors, the vacancy may be filled by the affirmative vote of a majority of the remaining directors, even though less than a quorum of the Board.

6. Annual Meeting. The Board of Directors shall meet annually in the month specified by resolution of the Board of Directors for the purpose of general organization, the appointment of officers, and consideration of any other business that may properly be brought before the meeting. The failure to hold the annual meeting at the time stated herein shall not affect the validity of any corporate action.

7. Regular or Special Meetings in Addition to the Annual Meeting. Regular meetings of the Board of Directors shall be held at least quarterly at such times as the Board may designate by resolution. Special meetings of the Board of Directors may be called at any time by

the President or, upon the request of any two (2) directors, by the Secretary, upon notice by word-of-mouth, letter, facsimile or email delivered not later than twenty-four (24) hours preceding the time for the meeting. No notice shall be required for annual and regular meetings.

8. Place of Meetings. Meetings of the Board of Directors, annual, regular or special, may be held at the principal office of the Organization or at such place as the Board of Directors may designate.

9. Quorum and Voting. Action may be taken on a matter by the Board of Directors only at a meeting at which a quorum is present. A quorum of the Board of Directors shall consist of not less than a majority of the number of directors on the Board. If a quorum is present then business may be conducted by the achievement of consensus. In the event that consensus is lacking, the affirmative vote of a majority of directors present is the act of the Board of Directors.

10. Conduct of Meetings. The President shall preside over all meetings of the directors. If the President is not present, the Vice President shall preside. If neither of these officers is present, a chairperson shall be elected by the meeting. The Secretary of the Organization shall act as Secretary of the meetings, if the Secretary is present. If the Secretary is not present, the officer presiding over the meeting shall appoint a Secretary of the meeting. The Board of Directors may permit any or all directors to participate in a regular or special meeting by, or conduct a meeting through the use of, any means of communications by which all directors participating may simultaneously hear each other during the meeting.

11. Action Without a Meeting. Any action required or permitted to be taken at a Board of Directors' meeting may be taken without a meeting if the action is taken by all members

of the Board. The action shall be evidenced by one or more written consents stating the action taken, signed by each director either before or after the action taken, and included in the minutes or filed with the corporate records reflecting the action taken. Action taken under this Section is effective when the last director signs the consent unless the consent specifies a different date, in which event the action taken is effective as of the date specified therein provided the consent states the date of execution by each director. A consent signed under this Section shall have the same effect of a meeting vote and may be described as such in any document.

12. Committees. The Board of Directors may create and appoint members to the standing committees (Economic Development, Design, Promotion and Organization), special committees and advisory boards, and appoint members of the Board of Directors to chair them. Members of the committees other than the chairperson need not be directors. Each committee may have two or more members, who shall serve at the pleasure of the Board of Directors. The provisions of this Article which govern meetings, action without meetings, and quorum and voting requirements of the Board of Directors shall apply to committees and their members as well. Each committee may exercise the authority of the Board of Directors, subject to Section 13.1-869D) of the Code.

## ARTICLE VIII

### OFFICERS

1. General. The officers of the Organization shall consist of a President, Vice President, Secretary and Treasurer and such other officers as may be appointed by the Board of Directors. All officers shall serve for one (1) year terms. A duly appointed officer may appoint one or more assistant officers if authorized by the Board of Directors.

2. Resignation and Removal. An officer may resign at any time by delivering written notice to the Board of Directors. A resignation shall be effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Organization accepts the future effective date, it may fill the pending vacancy before the effective date if his or her successor does not take office until the effective date. The Board of Directors may remove any officer at any time with or without cause and any assistant officer, if appointed by another officer, may likewise be removed upon the affirmative vote of two-thirds of the directors in office.

3. Vacancies. Whenever any vacancies shall occur in any office, the vacancy shall be filled by the Board of Directors.

4. President. The President shall preside at all meetings of the directors, discharge all the duties that devolve upon a presiding officer, see that all policies, orders and resolutions of the Board of Directors are carried out and perform such other duties as these Bylaws or the Board of Directors may prescribe.

5. Vice President. The Vice-President shall be vested with all the powers and shall perform all the duties of the President in the absence or disability of the latter, unless and until the directors shall otherwise determine. The Vice President shall have such power to perform such other duties as shall be prescribed by the directors.

6. Secretary. The Secretary, or the Secretary's substitute as provided in Article VII Section 10, shall attend all meetings of the Board of Directors, and shall have the responsibility for preparing and maintaining custody of minutes of the directors' meetings and for authenticating records of the Organization. The Secretary shall keep or cause to be kept in a book provided for the purpose a true and complete record of the proceedings of all meetings.

The Secretary shall be custodian of the records of the Organization. The Secretary shall attend to the giving of all notices and shall perform such other duties as these Bylaws or the Board of Directors may prescribe.

7. Treasurer. The Treasurer shall keep correct and complete records of account, showing accurately at all times the financial condition of the Organization. The Treasurer shall be the legal custodian of all monies, notes, securities and other valuables that may from time to time come into the possession of the Organization. The Treasurer shall attend to the immediate deposit of all funds of the Organization coming into his or her hands in such bank or other depository to be designated by the Board of Directors, and shall keep this bank account in the name of the Organization. The Board of Directors shall determine the investment policy and direct overall investments. The Treasurer shall furnish at meetings of the Board of Directors, or whenever requested, a statement of the financial condition of the Organization, and shall perform such other duties as these Bylaws or the Board of Directors may prescribe.

8. Transfer of Authority. In case of the absence of any officer of the Organization or for any other reason that the Board of Directors may deem sufficient, the Board of Directors may transfer the powers or duties of that office to any other officer or to any other director or employee of the Organization.

## ARTICLE IX

### EXECUTIVE DIRECTOR

The Board of Directors may appoint an Executive Director who shall be the Chief Executive Officer of the Organization. The Executive Director shall carry out the business of the



Organization within the authority granted by the Board of Directors and shall report to the Board of Directors. The Executive Director shall be an ex-officio member of the standing committees.

## ARTICLE X

### SPECIAL CORPORATE ACTS

#### NEGOTIABLE INSTRUMENTS, DEEDS AND CONTRACTS

All checks, drafts, notes, bonds, bills of exchange and orders for the payment of money of the Organization; all deeds, mortgages and other written contracts and agreements to which the Organization shall be a party; and all assignments or endorsements of registered bonds or other securities owed by the Organization, shall be signed by such officers as the Board may from time to time direct. The Board of Directors may authorize any one of its officers to sign any of such instruments, for and on behalf of the Organization, without necessity of countersignature; may designate officers or employees of the Organization, other than those named above, who may, in the name of the Organization, sign such instruments; and may authorize the use of facsimile signatures of any of such persons.

## ARTICLE XI

### TRANSACTIONS WITH DIRECTORS

Any contract or other transaction between the Organization and one or more of its directors, or between the Organization and any firm of which one or more of its directors are members or employees, or in which they are interested, or between the Organization and any corporation or association of which one or more of its directors are shareholders, members, directors, officers or employees, or in which they are not interested, shall be valid for all purposes, notwithstanding the presence of the director or directors at the meeting of the Board of Directors of the Organization that acts upon, or in reference to, the contract or transaction, and notwithstanding his or their participation in the action, if the fact of such interest be disclosed or known to the Board of Directors and the Board of Directors shall, nevertheless, authorize or ratify the contract or transaction, the interested director or directors to be counted in determining whether a quorum is present and to be entitled to vote on such authorization or ratification. This Article shall not be construed to invalidate any contract or other transaction that would otherwise be valid under the common and statutory law applicable to it.

## ARTICLE XII

### FISCAL YEAR

The fiscal year of the Organization shall be July 1 – June 30, unless otherwise determined by the Board of Directors in its discretion, subject to applicable law.

## ARTICLE XIII

### AMENDMENT TO BYLAWS

These Bylaws may be amended or repealed by the Board of Directors at any regular or

special meeting. Any action taken or authorized by the Board of Directors which would be inconsistent with the Bylaws then in effect, but is taken or authorized by the affirmative vote of not less than the number of directors that would be required to amend these Bylaws so that the Bylaws would be consistent with such action, shall be given the same effect as if these Bylaws had been temporarily amended or suspended to the extent necessary to permit the specific action so taken or authorized.

Adopted: (date)

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