

# ROCKLAND ECONOMIC DEVELOPMENT CORPORATION

## BY-LAWS

### ARTICLE I - NAME

The name of this Corporation shall be the Rockland Economic Development Corporation (REDC).

### ARTICLE II - PURPOSE

The mission of the Rockland Economic Development Corporation (REDC) is to promote the economy in Rockland County by fostering the creation and attraction of new business and the retention and expansion of existing business to stimulate job opportunities to improve the quality of life in Rockland County.

The REDC is organized exclusively for charitable or educational purposes within the meaning of Section 501 ( c )(3) of the Internal Revenue Code. Notwithstanding any other provision of the Articles of Incorporation or the Bylaws, the REDC shall not engage in activities that are not in furtherance of its purpose, and shall not carry on any other activities prohibited under Section 501 ( c ) (3) of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law). Furthermore, the REDC shall not issue debt, and shall not purchase, acquire or accept Title to real property for any purpose including as an agent or administrator for any affiliated entity.

### ARTICLE III - MEMBERSHIP

The REDC shall have no members.

### ARTICLE IV - BOARD OF DIRECTORS

Section 1. General Powers - The business and affairs of the REDC shall be controlled and administered by its Board of Directors, hereinafter referred to as “the Board.”

#### Section 2. Composition

i. At least seventy-five percent of the Board of Directors shall be from the private sector. Directors shall be selected from among each of the following categories provided that such persons reside or have a substantial business interest in Rockland County and shall include executive officers of firms doing business in Rockland County from the following categories:

- Banking and Finance
- Higher Education
- Commercial and Industrial Real Estate
- Developers/General Contractors

Labor  
Industry  
Professional  
Public School Representative  
Service  
Small Business  
Tourism and Travel Industry  
Utilities

ii. There shall be Ex-Officio Directors who shall serve as Directors of the REDC by virtue of their office. They shall include:

Building and Trades Council Representative  
County of Rockland Association of Supervisors Chair  
County of Rockland Executive  
County of Rockland Industrial Development Agency (IDA) Chair  
County of Rockland Legislature Chair  
Empire State Development Regional Office Representative  
Rockland Business Association (RBA), Chair  
Rockland County School Superintendents Association Representative

An Ex-Officio Director, serving as a Director by virtue of their governmental, municipal, agency or organizational office, shall automatically cease to be a Director upon ceasing to hold office. In the event of a change in the title of any such named officer, or change in the functions and duties of any such named officer, then the official who succeeds to the principal functions and duties of such official shall succeed such officer as a Director.

Section 3. Number of Directors - The number of Directors of the Rockland Economic Development Corporation shall not be less than sixteen (16) or more than thirty-three (33). The exact number of Directors shall be fixed by resolution of the Board from time to time, but no decrease shall have the effect of shortening the term of an incumbent elected Director, nor change the various relationships of all categories in accordance with Article IV, Section 2. Ex-officio Directors of the Board shall not count in the total number of Directors.

#### Section 4. Election and Tenure

i. The terms of the first directors of the reorganized REDC shall expire one, two, or three years from the date of the November 1987 Annual Meeting. As of November 12, 1997, the Board at the Annual Meeting shall elect the Directors for a term of three (3) years. The term of the Directors, elected at the Annual Meeting, shall correspond to the REDC's fiscal year, January 1 - December 31. The term of office of one third (1/3) of the Board of Directors shall expire at the end of each fiscal year.

ii. A Board Development Committee shall present a slate of nominees to the Board for election to the Board of Directors at the Annual Meeting or any special meeting called for the purpose of the election of Directors.

iii. Vacancies in the position of Directors created by death, resignation or disqualification may be filled by a majority vote of the Directors then holding office.

iv. Additional Directors may be elected at any time by Directors of the Board at a special board meeting for a term to expire at the end of the fiscal year in which the Director is elected.

v. All Directors other than Ex-Officio Directors selected to fill a vacancy pursuant to this Section shall hold office for the balance of the term of their predecessor and until their successor shall have been selected and qualified. Each Ex-Officio Director selected to fill a vacancy under this Section shall serve in accordance with the provisions of Section 2 of this Article.

vi. The Board of Directors may elect Directors Emeritus. Those so elected shall be persons who contributed extraordinary service to the Rockland Economic Development Corporation while serving as an active Director of the Board and who are no longer able to actively participate in Board affairs. A Director Emeritus shall be a non-voting Director of the Board, shall not be eligible to hold any Board office, and shall serve at the pleasure of the Board of Directors.

vii. Directors shall (i) regularly attend the scheduled meetings of the Board of Directors, (ii) serve on at least one Board Committee and (iii) participate in REDC functions and events.

Section 5. Ex-Officio Directors - In addition to the Board of Directors there shall be Ex-Officio Directors, as listed in Section 2 of this Article. These persons shall remain Ex-Officio Directors for such time as they hold said office.

Section 6. Special Directors - The Board may elect Special Directors from time to time when required by law or other governmental rule or regulation. Eligibility requirements set forth in Article IV, Section 2, do not apply to Special Directors.

Section 7. Compensation - By resolution of the Board, Directors may be reimbursed for expenses arising out of their services as Directors.

#### Section 8. Resignation

i. The resignation of a Director of the REDC shall be effective upon receipt of written notice by the Secretary.

ii. Any Director who, during a 12-month period, has 3 consecutive unexcused or 4 consecutive excused absences from the REDC Board Meetings shall be deemed to have resigned from the REDC Board. An unexcused absence is defined as a failure of a Director to attend a scheduled meeting of the Board without notifying the Board Chair or the REDC office in advance of their inability to attend such meetings. An excused absence is defined as a failure to attend such meeting after notification has been given to the Chair or the REDC office. Notification to the REDC President of an authorized alternate shall not be deemed an absence. The Board Development Committee may recommend to the REDC the replacement of an inactive Director in conformance with Section 2 of this Article.

## ARTICLE V - MEETINGS

Section 1. Stated meetings of the Board of Directors shall be held every other month, at such time and place in the County of Rockland as designated in a notice to be given each Director at least five (5) days prior to the day named for the meeting. No notice of the object of such meeting need be given.

Section 2. Special meetings shall be called by the Chair, or upon the written request of at least five Directors. Such a request shall state generally the subject to be discussed at the special meeting. Such a meeting shall be scheduled no sooner than 10 days or more than 21 days after receipt of the written request at the office of the REDC, and shall be held at such time and place in the County of Rockland as shall be designated in the notice calling said meeting. Written notice of the time, place and purpose of every special meeting of the Board shall be given to each Director at least five (5) days prior to the day named for the meeting, and no business shall be considered except such as is stated in the notice of the meeting. Notwithstanding any other provision in these By-Laws, prior notice shall be given in a manner as is reasonable.

Section 3. The REDC may actively and publicly advocate, intervene and/or respond regarding issues of public policy that are consistent with its mission statement upon a two-thirds vote of the Directors present at a meeting at which a quorum is present. No substantial part of the activities of the REDC, however, shall consist of lobbying or carrying on propaganda or otherwise attempting to influence legislation and/or intervene in any political campaign on behalf of or in opposition to any candidate for public office.

Section 4. One third of the Directors elected by the board membership shall be necessary to constitute a quorum for the transaction of business. Special Directors elected pursuant to Article IV, Section 6, shall not be included for the purpose of establishing quorum. Except as provided at Section 3 of this Article, the acts of a majority of the Directors present at a meeting, at which a quorum is present, shall be the acts of the Board of Directors. If a quorum is not present, a majority of the directors present may adjourn the meeting to such time and place within the County of Rockland as they may determine. Notice provisions of these By-Laws shall not apply to a meeting so adjourned. In the event immediate action is required regarding those matters specified at Section 3 of this Article, a vote may be taken other than at a scheduled Board meeting under the following procedure: the Executive Director or one of the officers shall notify each Director by email and/or telephone of the proposal for a vote including a description of the item to be voted on. Members shall vote on the measure within the time specified by the Executive Committee, either via email or phone. Board action under such circumstance shall require a two-thirds vote of the entire Board of Directors.

## ARTICLE VI - NOTICE OF MEETINGS

Section 1. Whenever written notice is required by law or by these By-Laws to be given to any Director, it may be given to such person either personally or by sending a copy thereof through the U.S. mail or by electronic mail, to the address supplied by them to the REDC office for the purpose of notice. If the notice is sent, it shall be deemed to have been given to the person entitled thereto when deposited in the United States mail or electronically for transmission to such person. Such notice shall specify the place, date and hour of the meeting, and where required, the purpose thereof and the nature of the business to be transacted thereat.

Section 2. Whenever any written notice is required to be given by law or by these By-Laws, to any Director, a waiver thereof, in writing, signed by the person or persons entitled to such notices, whether before or after the time stated therein, or the presence of such Director at the meeting shall be deemed equivalent to the giving of such notice.

## ARTICLE VII- OFFICERS

Section 1. The officers of the Board shall be the President of the REDC, the Chair of the Board of Directors, a Vice Chair of the Board of Directors, and such additional Vice Chairs as the Board may from time to time determine, a Treasurer and a Secretary, and such other officers and assistant officers as the Board may from time to time determine.

Section 2. The Chair of the Board of Directors, the Vice Chairs of the Board of Directors, the Treasurer and the Secretary shall be elected from the Board of Directors, by the Board of Directors.

Section 3. The Secretary and Treasurer may be the same person, and any Vice Chair may also hold the office of Secretary or Treasurer.

Section 4. All officers shall be elected annually at the first meeting of the Board following the Annual Meeting by each new Board of Directors at the meeting following such Board's election, or as soon as practical thereafter, and shall hold their respective offices until the next annual meeting, and until their successors shall have been elected and qualified. Officers shall not serve more than three consecutive one-year terms in the same office.

Section 5. All vacancies occurring prior to the expiration of the term of any of the officers shall be filled at the next meeting by the Board of Directors, who shall elect an officer to fill the unexpired term.

Section 6. The Board may elect such other officers as it shall deem necessary, who shall hold their offices for such term and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 7. Any officer elected by the Board of Directors may be removed by the Board of Directors, whenever, in its judgment the best interest of the REDC will be served thereby. Removal shall be affected by two-thirds (2/3) vote of the Directors attending a special meeting for this purpose wherein a quorum is present.

Section 8. The Board of Directors shall have the power to require that the officers, agents and employees of the REDC, or any of them, shall furnish a corporate surety bond for the faithful performance of their respective duties, in such amounts as the Board shall determine, the expense of such bond to be borne by the REDC.

#### ARTICLE VIII- DUTIES OF THE OFFICERS

Section 1. Chair of the Board of Directors: The Chair of the Board of Directors shall preside at all meetings of the Board of Directors at which they shall be present. The Chair shall perform such other duties as are incident to the office or as are properly required of by the Board of Directors.

Section 2. Vice Chair(s): The Vice Chair(s) of the Board of Directors shall perform the duties and exercise the function of the Chair in the Chair's temporary absence or during any temporary inability to act. The Vice Chair(s) shall perform such other duties as may be assigned by the Board of Directors or by the Chair of the Board of Directors. The Vice Chair(s) shall act in order of appointment.

Section 3. Treasurer: The Treasurer shall have charge of all monies and securities of the REDC and shall cause regular books of account to be kept. The funds of the REDC shall be deposited in the name of the REDC with such banks, bankers or trust companies, and the Board of Directors shall, from time to time, designate. The Treasurer shall perform all duties incident to the office or that are required of them by the Board of Directors or the Chair. The Treasurer shall perform all duties incident to the office of Secretary in the event the Secretary is unable to act, and all resolutions authorizing the action of the Secretary shall be deemed an authorization of the Treasurer in that event.

Section 4. Secretary: The Secretary shall issue notice of meetings, shall keep minutes of all meetings, shall have charge of the records of the REDC, shall have the custody of the Corporate Seal, and shall make reports and perform such other duties as are incident to the office or as are required by the Board of Directors or the Chair.

Section 5. The Assistant Officers: In the temporary absence or during the temporary inability of the Treasurer or of the Secretary to act, any Assistant Treasurer or Assistant Secretary shall perform the duties, exercise the powers of their respective superiors in office, and such other duties as may be assigned to them. Performance by the Assistant Treasurer or the Assistant Secretary of any of the duties of their superiors, shall, as to third persons, be conclusive evidence of their authority to act in any such respect.

## ARTICLE IX - COMMITTEES

Section 1. The Chair, with the approval of the Board, shall appoint from among the Board of Directors an Executive Committee, which shall have and may exercise all the authority of the Board, provided that no such committee shall exercise the authority of the Board with respect to the Election of Officers or Directors of the REDC, the adoption, repeal or amendment of these By-Laws, the adoption of a plan of merger or consolidation or dissolution of the REDC or revocation thereof, or the sale, lease, exchange or other distribution of substantially all the property or assets of the REDC other than in the usual and regular course of business, or otherwise prohibited by law. The Executive Committee shall exercise the authority of the Board upon a two-thirds vote of those members of the Executive Committee present at a meeting at which a quorum is present to actively and publicly advocate, intervene and/or respond regarding issues of public policy that are consistent with its mission statement in the event that the issue requires immediate action. No such action shall be authorized by the Executive Committee if such action is politically sensitive or highly controversial. Any approval by the Executive Committee to publicly advocate, intervene or respond shall be submitted for ratification by the Board of Directors at the next regular meeting.

Section 2. The Chair, with the approval of the Board, shall appoint a Finance Committee, from among the Directors or the community at large as long as an absolute majority of committee members are Directors of REDC, which shall exercise oversight responsibility with respect to REDC's material and strategic financial matters, including those related to investment policies and strategies, and capital structure; to advise, and as appropriate authorize, Management with respect to such matters; and to advise, and as appropriate to make recommendations to, the Board with respect to such matters.

Section 3. The Chair, with the approval of the Board, shall appoint a Governance Committee, from among the Directors or the community at large as long as an absolute majority of committee members are Directors of REDC, which shall be responsible for keeping the Board informed of current best practices in corporate governance; reviewing corporate governance trends for their applicability to REDC; updated REDC corporate governance principles and governance practices; and advising the Board Development Committee on the skills, qualities and professional or educational experiences necessary to be effective Board members.

Section 4. The Chair, with the approval of the Board, shall appoint an Audit Committee, from among the Directors or the community at large as long as an absolute majority of committee members are Directors of REDC. The purpose of the audit committee shall be to assure that the authority's board fulfills its responsibilities for the authority's internal and external audit process, the financial reporting process and the system of risk assessment and internal controls over financial reporting; and provide an avenue of communication between management, the independent auditors, the internal auditors, and the board of directors.

Section 5. The Chair, with the approval of the Board, shall appoint a Board Development Committee, from among the Directors or the community at large as long as an absolute majority of committee members are Directors of REDC, which shall be responsible for making nominations to the Board of Directors, Officers, and as otherwise called for in these By-Laws.

Section 6. The Chair with the approval of the Board, may appoint other committees for such

particular purposes as may be deemed necessary or desirable to enhance or assist the Board in carrying out its duties and furthering the objectives of the REDC. These committees may be drawn from the Directors, or the community at large, as long as an absolute majority of committee members are Directors of the REDC. Any committee so appointed shall have such powers and authority as are explicitly delegated by the Chair, subject in all cases to the limitations enumerated hereinabove with respect to the Executive Committee.

Section 7. A Director shall join at least one committee and is encouraged to attend any other committee meetings.

## ARTICLE X - ADMINISTRATION

Section 1. The REDC shall have a full-time professional staff with a President and/or Chief Executive Officer, who shall administer the programs and business of the REDC under the direction of the Board of Directors.

Section 2. The REDC shall have professional management ability, including accounting and legal services.

Section 3. An Annual Certified Financial Report shall be prepared and completed no later than six months after the end of the fiscal year.

Section 4. The Board from time to time may consider and adopt resolutions on all matters necessary or convenient for management and regulation of its affairs subject to applicable law.

## ARTICLE XI - CONFLICT OF INTEREST

Section 1. All Directors shall remain free and unencumbered from any conflicts, which would affect their decision-making authority, ability and responsibility as Directors. The provisions of this policy and procedure shall apply to all Directors and all members of the Standing and Ad Hoc Committees established by the Board in furtherance of its work.

Section 2. A Director shall refrain from voting and shall not participate in any discussions or deliberations or use his/her personal influence with respect to any matters that will benefit such Director or any relative of such Director within the second degree of consanguinity in any monetary, fiduciary and/or agency capacity. No Director shall be permitted to vote on any matter directly concerning or affecting any corporation, association or other agency of which that member is either a Director, an Officer, shareholder (unless the corporation is publicly held, and the member owns less than 5% of the voting shares), paid consultant or an employee. The Director's presence may not be counted in determining a quorum for any vote for any matter in which he or she has a possible conflict of interest.

Section 3. Any Director who is or later becomes associated, as either a Director, an Officer, shareholder (unless the corporation is publicly held, and the member owns less than 5% of the voting shares), paid consultant or an employee, with any corporation, association or other agency that is or may be affected by the actions of the REDC, or who has or later acquires an interest in



any actual or proposed contract with such entity, shall publicly disclose the nature and extent of such interest, to the Executive Committee of the REDC Board of Directors as soon as the Director has knowledge of such actual or prospective interest. Such disclosure shall be reduced to writing and made part of the official record of the proceedings of the REDC.

ARTICLE XII SEAL -

The Seal of the Corporation shall be in the form of a circle and shall carry the name of the Corporation and the year of its incorporation.

ARTICLE XIII - AMENDMENTS

Upon five days written notice of proposed changes, these By-Laws may be altered, amended or repealed, and the Board of Directors may adopt new By-Laws. Changes to the By-Laws require the affirmative vote of a majority of the total number of Directors.

ARTICLE XIV - COMPLIANCE WITH ABO REGULATIONS

The Corporation shall not engage in any Authority Budget Office (ABO) program other than those stipulated in Code of Federal Regulations, Title XIII, Business Credit and Assistance.

ARTICLE XV - PARLIAMENTARY AUTHORITY

All procedures not covered by these By-Laws shall be subject to *Robert's Rules of Order*, as they may be revised from time to time.

ARTICLE XVI – INDEMNIFICATION OF DIRECTORS

Directors, officers and employees shall be indemnified to the fullest extent now or hereafter permitted by law against any claim or proceeding, including civil, criminal, administrative, or investigative proceeding, made or threatened to be made by reason that he or she is or was a director, officer or employee of the Corporation, or of any other organization served by him or her in any capacity at the request of the Corporation, against judgments, fines, amounts paid in settlement and reasonable costs and expenses including, but not limited to attorney's fees.

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