

OAK HILL CDC
BY-LAWS

TABLE OF CONTENTS

ARTICLE I: NAME AND AREAPage 2
ARTICLE II: FUNCTION, PURPOSE & MISSION.....Page 3
ARTICLE III: MEMBERSHIP.....Page 4
ARTICLE IV: BOARD OF DIRECTORSPage 7
ARTICLE V: OFFICERSPage 11
ARTICLE VI: BOARD COMMITTEESPage 13
ARTICLE VII: SPECIFIC OPERATING PROCEDURESPage 15
ARTICLE VIII: LIQUIDATION OF OHCDCPage 17
ARTICLE IX: CONFLICT OF INTEREST.....Page 17
ARTICLE X: BY-LAWSPage 22

ATTACHMENTS:

- MAP

OAK HILL COMMUNITY DEVELOPMENT CORPORATION
BY-LAWS

Adopted by the Board of Directors on October 22, 1991

(Revised July 25, 1995)
(Revised November 18, 1997)
(Revised and Adopted April 27, 1999)
(Revised and Adopted June 30, 2004)
(Article IX Revised and Adopted June 28, 2005)
(Article IX Revised and Adopted May 23, 2006)

ARTICLE I: NAME AND AREA

Section 1 - Name

The name of this organization shall be the Oak Hill Community Development Corporation, a private non-profit organization established under Chapter 180 of the General laws of Massachusetts, henceforth referred to as "OHCDC."

Section 2 - Area

OHCDC is defined as part or all of the neighborhoods commonly called Oak Hill, Union Hill, Vernon Hill and Grafton Hill. The Boundaries are as follows: the Conrail Railroad tracks to the Southwest Cutoff to Grafton Street, Blithewood Ave, Miscoe Road, Otto Avenue to Ballard Street, Vernon Street to 290 & Providence Street, which shall henceforth be referred to as "the Neighborhood." The Board of Directors may direct OHCDC activities to specific priority target areas within the Neighborhood as appropriate. Likewise, the Board of Directors may authorize OHCDC activity outside of the Neighborhood if they feel this will be of direct benefit to the OHCDC or the Neighborhood.

ARTICLE II: FUNCTION, PURPOSE & MISSION

Section 1 – Mission Statement

The Oak Hill CDC's mission is to empower, enable and support community members in their efforts to revitalize Worcester's Union Hill, Oak Hill and Upsala Street neighborhoods. OHCDC serves as a vehicle through which residents and businesses can work together to solve problems and improve life in their community.

To further the OHCDC's mission, the following activities may be carried out:

1. To initiate, promote and assist in the development of housing, economic development, and community improvement programs and activities.
2. To help neighborhood leaders and residents participate in planning and carrying out community improvement activities, such as the creation of home ownership opportunities, the promotion of rehabilitation programs, housing development and rehabilitation, housing management, open space projects and economic development projects.
3. To improve the circumstances of the neighborhood's low- and moderate-income residents by reducing the level of unemployment and underemployment through the creation of job opportunities.
4. To organize neighborhood residents of all ages to identify and respond to community issues.
5. To provide facilities, personnel and funds for studies, surveys and demonstration activities leading to effective programs to be carried out by private and public institutions and agencies directed toward the achievement of the goals of the OHCDC.
6. To work cooperatively with existing public and private agencies toward the effective utilization of human resources in the community.
7. To make contributions, grants or loans of funds or property, with or without interest, that will further the objective of the OHCDC and accomplish its purposes.

8. To acquire by purchase, gift, devise, bequest, lease or otherwise, to own, hold, use, maintain, improve, and operate, and to sell, lease and otherwise dispose of, real and personal property to the extent authorized by law.
9. In general, to perform and do all other acts and things incidental to or in furtherance of the accomplishment of the proposes of the OHCDC, and to use and exercise all powers conferred from time to time by the laws of the Commonwealth of Massachusetts upon corporations organized under chapter 180, of the General Laws.
10. All of the corporate activities shall be carried on within the meaning of Section 501(A) and Section 501(C)(3) of the Internal Revenue Code of 1954 as amended, and within the meaning of chapter 180 of the General Laws of the Commonwealth of Massachusetts, as amended.

ARTICLE III: MEMBERSHIP

Section 1 – Voting Membership

Voting membership of the OHCDC shall be open to all people 18 years or older residing or working in the Neighborhood. Any eligible individual shall become a Voting Member by registering with the OHCDC and by paying annual dues. Each Voting Member shall be entitled to one vote on each matter submitted to a vote of the Voting Members.

Section 2 – Non-Voting Membership

Non-voting membership of the OHCDC shall be open to: (1) those who are between the ages of 10 and 18 and who live in the Neighborhood [Youth Members]; (2) groups or organizations that have an ongoing, working relationship with the OHCDC [Affiliate Members]; and (3) those who are 18 years or older, who work and live outside the Neighborhood but who support the work of the OHCDC [Friends of the CDC]. Any eligible individual or organization shall become a Non-Voting Member by registering with the OHCDC and by paying annual dues.

Section 3 – Membership Dues

The Board of Directors shall establish the dues to be paid by the members on a yearly basis.

Section 4 – Place of Meeting

All meetings of members shall be held at the principal office of the OHCDC unless a different place within the OHCDC's service area is designated by the Chairperson or by a majority of the Directors acting by vote or written instruments signed by them.

Section 5 – Notice of Meeting

A written notice of the place, date, and hour of all meetings of members stating the purpose of the meeting shall be given at least seven (7) days before the meeting to members entitled to vote thereat and to each member who is otherwise entitled to such notice by law or by the Articles of Organization. Such notice shall be given by leaving such notice with the member or at the member's residence or usual place of business, or by mailing it, postage prepaid, and addressed to such member at the member's address as it appears in the records of the OHCDC.

Section 6 – Special Meeting

A special meeting of the members may be called at any time by the Chairperson or by a majority of the Executive Committee or Board of Directors acting by vote or by written instrument or instruments signed by them. A special meeting of the members shall be called by the Secretary/Clerk, or in case of the death, absence, incapacity or refusal of the Secretary /Clerk by any other officer, upon written application of 10% or more of the Voting Membership. Such call shall state the time, place, and purpose of the meeting.

Section 7 – Annual Meeting

The annual meeting of members shall be held on the 4th Tuesday of the month of September or at another time to be determined by a vote of the Board of Directors. The purpose for which the annual meeting is to be held in addition to those prescribed by law, by the Articles of Organization, or by these By-Laws, may be specified by the Board of Directors or the Chairperson. Each Voting Member shall have the right to place any matter on the agenda of the annual meeting provided the Voting Member gives written notice of the same to the Clerk of the OHCDC at least ten (10) days prior to the date of the annual meeting. If no annual meeting has been held, any special meeting shall have,

for the purposes of the by-laws or otherwise, all the force and effect of an annual meeting. Any person who joins the OHCDC as a Voting Member within the ten (10) day period prior to the annual meeting shall not be entitled to vote at such meeting.

Section 8 – Quorum

At any meeting of the members, a quorum shall consist of five (5) percent of the Voting Membership, or 20 Voting Members, whichever is greater, except when a larger quorum is required by law, by the Articles of Organization, or by these By-Laws. Any meeting may be adjourned from time to time by a majority of the votes properly cast upon the question, whether or not a quorum is present, and the meeting may be held as adjourned without further notice.

Section 9 – Action by Vote

A majority of the votes properly cast for election to any office shall elect to such office, and a majority of the votes properly cast upon any question shall decide the question except when a larger vote is required by law, by the Articles of Organization, or by these By-Laws.

ARTICLE IV: BOARD OF DIRECTORS

Section 1 - Powers

There shall be a Board of Directors that shall have the authority to conduct the affairs of OHCDC, which shall always be consistent with OHCDC's educational and charitable purposes. This authority includes but is not limited to the following:

1. Appointment of an Executive Director to administer the organization, direct its daily operation and execute the policies of the Board. The Board shall set all personnel policies and determine the qualifications, duties and compensation of the Executive Director.
2. To enter into agreements and contracts to purchase, lease and sell property and the power to make loans or grants and purchase equity on behalf of OHCDC. Board members under the age of 18 may vote for such agreements, but may not be held liable for or legally enter into such agreements by signing said documents.
3. Set fiscal and program policy subject to applicable laws and regulations of the Federal and State governments.
4. Provide final approval of all program proposals and budgets.
5. Make contracts, give guarantees, and incur liabilities, borrow money at such rates of interest as the Board may determine, issue its notes, bonds and other obligations and secure any of its obligations by mortgage, pledge or encumbrance of, or secure interest in, all or any of its property or any interest therein, wherever situated.
6. Enforce compliance with all applicable conditions of grants and contributions.
7. Plan and implement a fundraising program that helps to insure continuous financial viability of the organization and its program.
8. All Board members are expected to participate as requested in working or ad-hoc committees formed to execute the day-to-day work of the CDC.

Section 2 - Membership

There shall be a Board of Directors consisting of not more than eighteen voting seats (18) and not less than fourteen (14) Voting Seats.

1. Up to twelve (12) members of the Board must be Voting Members of the OHCDC as defined in Article III, Section 1. These Directors shall be elected by the Voting Membership at the annual membership meeting.
2. Up to four (4) members of the Board shall be appointed by elected state or local government officials or by an organization or business which has a concern for the economic improvement of the Neighborhood and its residents. These Directors shall be appointed by Non-Voting Member organizations at the request of the Board Development Committee and shall be announced at the annual membership meeting. At least one Director shall be a representative from the City of Worcester and one Director a representative of a local business or banking institution.
3. Two voting seats shall consist of two (2) members of the Board who are elected from the CDC's Teen Group [currently named "Teen Inspirators, OTM (On The Move)"]. The election of these Directors shall be ratified at the annual membership meeting.
4. It is the goal of OHCDC to seek a fair representation of low income and minority residents to serve on the Board.
5. The Board may fill vacancies as needed by temporary appointment of Board members who will serve until the next appropriate election for the unexpired portion of the term.
6. The initial election, except for Youth, shall proceed as follows: one-third of the elected Board members will be elected to a three year term, one-third to a 2 year term and one-third to a one year term. Subsequent elections will be held annually for one-third of the elected Board members for a three-year term. With respect to Youth members, they shall serve a two-year term.
7. Appointed Board members will serve one-year terms and may be re-appointed for additional one-year terms.
8. All Board members must become members of the OHCDC either as a Voting or Non-Voting Member.

Section 3 – Election/Appointment

Election and appointment of the Board shall take place at the annual meeting.

Section 4 - Removal

1. The Executive Committee, as described in Article VI, of the Board shall be vested with the authority to remove any Director from office, for cause.
2. Board members shall not miss more than three Board meetings in any twelve (12) month period. In the event that a Board Member misses three meetings in a twelve (12) month period or in the event that the Board or Executive Committee seek to remove a Member for cause, that Member shall meet with the Executive Committee to review the status of his/her membership. Such review may result in the termination or suspension of that membership.

Section 5 – Meetings

1. Quorum - At any meeting of Board of Directors, a majority of the Directors then in office shall constitute a quorum. For purposes of determining a quorum, attendance of one or both Youth members shall constitute the attendance of one (1) Voting Director. Less than a quorum may adjourn any meeting from time to time, and the meeting may be held as adjourned without further notice. One or more Directors may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can communicate with each other at the same time. Participation in a meeting pursuant to the foregoing sentence shall constitute presence in person at such meeting.
2. Action at Meeting - At any meeting of the Board of Directors at which a quorum is present, a majority of those present may take any action on behalf of the Board of Directors, except to the extent that a larger number is required by law, the Articles of Organization, or these By-Laws.
3. Action Without Meeting - Any action by the Board of Directors may be taken without a meeting if a written consent thereto is signed by all the Directors then in office and filed with the records of the meetings of the Board of Directors.

4. Place of Meeting - All meetings of members shall be held at the principal office of the OHCDC unless a different place within the OHCDC's service area is designated by the Chairperson or by a majority of the Directors acting by vote or written instruments signed by them.
5. Notice of Meeting - A written notice of the place, date and hour of all meetings of members stating the purpose of the meeting shall be given at least seven (7) days before the meeting to members entitled to vote thereat and to each member who is otherwise entitled to such notice by law or by the Articles of Organization. Such notice shall be given by leaving such notice with the member or at the member's residence or usual place of business, or by mailing it, postage prepaid, and addressed to such member at the member's address as it appears in the records of the OHCDC.

Section 6 – Special Meetings

Notice of the date, hour and place of all special meetings of the Board of Directors shall be given to each Director. Notice shall be given either in person, by telephone, fax, or by telegram sent to the Director's home or business address at least twenty-four (24) hours in advance of such a meeting, or by written notice at least forty-eight (48) hours in advance. Notice need not be given to a Director if a written waiver of notice is executed by such Director before or after a meeting and is filed with the records of the meeting. Any Director who attends the meeting without protesting prior thereto or at its commencement is assumed to agree to such a notice waiver. A notice or waiver of notice of a meeting of the Board of Directors need not specify the purpose of the meeting.

Section 7 - Indemnification

The OHCDC shall indemnify each person now or hereinafter elected or appointed a director, officer, employee, or agent of the OHCDC (including each person who serves at its request as a director, officer, employee, or agent of any other organization in which the OHCDC has any interest as a stockholder, creditor, or otherwise) against all expense reasonably incurred or paid by him/her in connection with the defense or disposition of

any actual or threatened claim, action, suit, or proceeding (civil, criminal or other including appeals) in which he/she may be involved as a party or otherwise by reason of him/her having served in any such capacity, or by reason of any action or omission or alleged action or omission (including those antedating the adoption of these By-Laws) by him/her while serving in any such capacity; except for the expense incurred or paid by him/her (i) with respect to any matter as to which he/she shall have been adjudicated in any proceeding not to have acted in the reasonable belief that his/her action was in the best interest of the OHCDC, or (ii) with respect to any matter as to which OHCDC shall be ordered by any court of competent jurisdiction from indemnifying him/her. Such indemnification may include payment by the OHCDC of expenses incurred in defending a civil or criminal action or proceeding in advance of the final disposition of such action or proceeding upon receipt of an undertaking by the person indemnified to repay such payment if he/she shall eventually be adjudicated to be not entitled to indemnification under these By-Laws.

No matter disposed of by settlement, compromise or the entry of a consent decree, nor a judgment of conviction or the entry of any plea in a criminal proceeding, shall of itself be deemed an adjudication of not having acted in the best interests of the OHCDC. The term “expense” shall include, without limitation, settlements, attorney’s fees, costs, judgments, fines, penalties, and other liabilities. The right of such indemnification shall be severable, shall be in addition to any other right which any such director, officer, employee, or agent, has, and shall inure to the benefit of the heirs and personal representatives of any such person.

ARTICLE V: OFFICERS

Section 1 - Election

The Officers of the OHCDC shall be a Chairperson, Vice Chairperson, Clerk and Treasurer. No one person may hold two (2) Officer positions simultaneously. All Officers shall be elected by the Board from among its members after nomination by the Board Development Committee.

Section 2 - Duties

The duties of each Officer shall be:

1. The Chairperson, as chief officer and spokesperson for OHCDC, shall, in addition to fulfilling normal duties of the position, appoint such committees as may be needed. All such appointments shall be approved by a majority vote of the Board of Directors. In addition, the Chairperson shall sign, on behalf of OHCDC, all deeds, contracts and other formal instruments.
2. The Vice Chairperson shall fulfill the responsibilities of the Chairperson during the Chairperson's absence or incapacitation, assist the Chairperson in discharging responsibilities as the Chairperson may see fit, fulfill any duties that may be determined by the Board of Directors.
3. The Clerk shall be responsible for the taking and safekeeping of the official minutes of OHCDC, its records and any other responsibilities as may be required under the Statutes of the Commonwealth of Massachusetts. The Clerk of OHCDC shall be responsible for providing minutes of the prior meeting and the Notice of Meeting at least five (5) days prior to any Directors' meeting.
4. The Treasurer of OHCDC shall have charge of all papers and records of OHCDC and shall have the responsibility for the funds of OHCDC and for keeping full and accurate accounts and records of all receipts and disbursements of OHCDC. All such papers, records and accounts shall be kept at the principal place of business of OHCDC and be open to inspection by any Director, at intervals of not more than twelve (12) months and prior to the annual meeting. (No funds shall be expended by OHCDC except in furtherance of its educational and charitable purposes as outlined in Article II, Section 1.)

Section 3 - Term

The term of office for all Officers shall be one (1) year. Officers are eligible for re-election to successive terms. Officers shall be elected at the first Board of Directors meeting following the Annual Meeting.

Section 4 – Interim Appointments

The Board of Directors may make interim appointments to fill Officer vacancies. These appointments will be effective until the first meeting of the Board following the Annual Meeting.

ARTICLE VI: BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

Section 1 - Definition

The Executive Committee shall be a standing committee. It shall consist of the Officers of OHCDC and the immediate past chairperson. The immediate past chairperson shall act in an advisory capacity only.

Section 2 - Powers

The Executive Committee shall be empowered to act on behalf of the Board of Directors between meetings. Any action taken by the Executive Committee shall be reported to the Board of Directors at the next scheduled Board meeting after such action.

Section 3 – Meetings

The Executive Committee shall hold meetings as required at the call of any of its members.

1. Place of Meeting - All meetings of the Executive Committee shall be held at the principal office of the OHCDC unless a different place within the OHCDC's service area is designated by the Chairperson.
2. Notice of Meeting - A written notice of the place, date, and hour of all meetings of the Executive Committee stating the purpose of the meeting shall be given at least seven (7) days before the meeting to members entitled to vote thereat and to each member who is otherwise entitled to such notice by law or by the Articles of Organization. Such notice shall be given by leaving such notice with the member or at the member's residence or usual place of business, or by mailing it, postage

prepaid, and addressed to such member at the member's address as it appears in the records of the OHCDC.

3. Special Meeting - A special meeting of the Executive Committee may be called at any time by the Chairperson or by a majority of the Executive Committee or Board of Directors acting by vote or by written instrument signed by them.

Section 4 - Quorum

A quorum of the Executive Committee shall be three.

Section 5 – Voting

A majority of the vote cast upon any question shall decide the question.

B. FINANCE COMMITTEE

The finance committee shall be a standing committee. It is advisory in nature and shall meet regularly to review financial status of the Oak Hill CDC. The finance committee shall consist of the Treasurer, one additional Board member and others as appointed by the Chairperson.

C. BOARD DEVELOPMENT COMMITTEE

Section 1 - Definition

A Board Development committee shall be a standing committee. It shall be advisory in nature. The members shall be appointed annually by the Chairperson of the Board of Directors of OHCDC.

Section 2 - Duties

The duties of the Board Development Committee are to make recommendations to the Board of Directors as follows:

1. To nominate persons as members of the Board of Directors for regular and vacant terms under Article IV.

2. To nominate persons as Officers: a slate of candidates for each office shall be drawn up by the committee and sent to each voting member of the CDC at least five (5) days prior to the election meeting.
3. To help the Board determine desired Board composition in terms of skills and diversity; identifies and cultivates prospective Board members; develops and oversees the orientation of new Board members and identifies training needs for Board members.
4. To design and implement trainings; to cultivate and recruit future Board Members. To ensure that the Board's membership composition requirements as outlined in Article IV, Section 2 are met.
5. To review the effectiveness and functioning of the Board on an annual basis.

D. OTHER COMMITTEES

Section 1 – Standing Committees

Additional standing committees shall be appointed by the Chairperson of the Board of Directors of OHCDC as needed and shall act in an advisory capacity.

Section 2 – Ad Hoc Committees

The Board Chairperson and/or Executive Director shall establish ad-hoc committees as necessary to work on specific, finite projects.

ARTICLE VII: SPECIFIC OPERATING PROCEDURES

Section 1

Roberts' Rules of Order shall govern the proceedings of the OHCDC.

Section 2 – Board Meeting Calendar

An annual calendar of Board meetings shall be established at the first Board meeting following the Annual Meeting. The Board of Directors shall be notified at least five (5) days in advance of any changes in meeting date, time, or place.

Section 3 – Annual Meeting

There shall be an Annual Meeting of the general membership to be held on the fourth Tuesday in September beginning 1998 for the purpose of the annual reports and other appropriate business. Furthermore, the Board of Directors may call a general meeting at any time.

Section 4 – Open Meetings

All meetings shall be open to the public, except as determined by the Executive Committee or the Board of Directors. Records and minutes of said meetings shall be available for public inspection at the OHCDC's normal place of business upon request, within a reasonable period of time. By a majority vote, when needed to protect privacy rights of individuals or when it is determined to be in the best interest of OHCDC, the Executive Committee or the Board of Directors may vote to enter into executive session, at which point the meeting would no longer be open to the public. Records and minutes of said executive sessions shall not be available for public inspection as long as public inspection would contradict the purpose of the executive session.

Section 5

The Board of Directors shall meet at least eight (8) times per year. Duration between meetings shall not exceed sixty-five (65) days, unless otherwise approved by the Board of Directors.

Section 6

No Officer or Director shall receive any compensation or remuneration from OHCDC, for service on the Board. However, the Board of Directors and Officers may choose to be reimbursed for any reasonable and necessary expenses incurred. Members of the Board of Directors are prohibited from accepting gifts, monies, or gratuities from the following:

1. from persons receiving benefits or services under any program financed by local, state, or Federal funds;
2. From any person or agency performing services under contract;

3. From persons who are otherwise in a position to benefit from the actions of a Board member.

Section 7 – Fiscal Year

The fiscal year of OHCDC shall extend from July 1 - June 30.

ARTICLE VIII: LIQUIDATION OF OHCDC

If, in the opinion of two-thirds (2/3) of the Board of Directors, and upon satisfaction of all requirements for dissolution set by statute, it becomes necessary or desirable to dissolve OHCDC, the assets of OHCDC shall be applied and distributed as follows:

- A. All liabilities and obligations of OHCDC shall be paid, satisfied, and discharged or adequate provision shall be made thereof.
- B. Assets held by OHCDC under conditions requiring return, transfer, or conveyance, which condition occurs by reason of the dissolution shall be returned, transferred, or conveyed in accordance with such requirements.
- C. All other assets shall be transferred to corporations, persons, groups, or organizations engaged in activities which substantially carry out the purposes of the OHCDC, as then stated in its charter and By-laws (and which are exempt from taxation under section 501 (c)(3) of the Internal Revenue Code of 1954, or successor provisions thereto).

ARTICLE IX: CONFLICT OF INTEREST (revised and adopted May 23, 2006)

Oak Hill CDC, as a not-for-profit, tax-exempt organization, depends on charitable contributions and financial support from public and private resources.

Section 1. Interested Person

Any director, officer, or member of a committee with governing board-delegated powers, who has a direct or indirect Financial Interest, as defined below, is an “Interested Person.”

Section 2. Financial Interest

A person has a Financial Interest if the person has, directly or indirectly, through business, investment, or family: (1) the potential to benefit or profit as a result of any transaction or agreement with the OHCDC; (2) an ownership or investment interest in any entity with which OHCDC has a transaction or arrangement; (3) a compensation or employment arrangement with any entity or individual with which the OHCDC has a transaction or arrangement; (4) a potential ownership or investment interest in, or compensation or employment arrangement with, any entity or individual with which the OHCDC is negotiating a transaction or arrangement. A person employed by OHCDC has a Financial Interest in matters pertaining to that person's employment or compensation.

Section 3. Duty To Disclose.

In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of the Financial Interest and be given the opportunity to disclose all material facts to the Board of Directors and/or members of committees with governing board-delegated powers.

Section 4. Determining Whether a Conflict of Interest Exists

Whenever an Interested Person has disclosed a Financial Interest, the question of whether an actual conflict exists shall be decided by a majority vote of the board or committee members present excluding the Interested Person (who shall physically remove himself or herself from the room during such discussion and vote) and excluding any other board or committee members present who have already been disqualified from discussing or voting on the issue because of their own conflict of interest.

Section 5. Procedures for Addressing a Conflict of Interest

1. An Interested Person may make a presentation at the governing board or committee meeting, but after such presentation, he or she shall leave the meeting

- during the discussion of, and the vote on, the transaction or agreement involving the possible conflict of interest.
2. The chairperson of the Board of Directors or the committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or agreement.
 3. After exercising due diligence, the Board of Directors or the appropriate committee shall determine whether the OHCDC can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
 4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Directors or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the best interests of the OHCDC, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement. No Interested Person shall discuss or vote on any matter, which would involve a conflict of interest except that said Interested Person shall discuss such a matter when so requested by the remaining members of the Board of Directors or applicable committee.
 5. If the Board of Directors or any committee or member thereof has reasonable cause to believe that an Interested Person has failed to disclose a Financial Interest that is an actual or potential conflict of interest, the Interested Person shall be informed of the basis for such belief and shall be afforded the opportunity to explain the alleged failure to disclose. If, after hearing the Interested Person's response and after making further investigation as may be warranted under the circumstances, the Board of Directors or committee determines that the Interested Person has failed to disclose an actual or potential conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 6. Records of Proceedings.

The minutes of the Board of Directors and all committees with board-delegated powers shall contain: (1) the names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present, and the Board's or committee's decision as to whether a conflict of interest in fact existed; and (2) the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 7. Annual Statements.

Each officer, director, and member of any committee with board-delegated powers shall annually sign a statement which affirms that such person: (1) has received a copy of the conflicts of interest policy; (2) has read and understands the policy; and (3) has agreed to comply with the policy.

Section 8

No contact or other transaction of OHCDC shall, in the absence of fraud, be affected or invalidated by the fact that any member, member of office of OHCDC, or any corporation firm or association of which he may be a Director, Officer, stockholder, or member may be party to or may have an interest, pecuniary or otherwise, in any such contract or other transaction, provided that the nature and extend of his/her interest was disclosed to, or known by, the entire Board of Directors before acting on such contract or other transaction. Except in the case of any or other transaction between OHCDC and any other corporation controlling, controlled by, or under common control with officer, stockholder, or member of any corporation, firm or association with which OHCDC proposes contract or transacts any business, or other transaction, may not be counted in determining the existence of a quorum at any meeting of the members of Board of

Directors which shall authorize any such transaction, and such Director shall not participate in the vote to authorize any such contract or transaction.

Section 9 – Federal Funds

As a subrecipient of HOME funds and as an owner/developer and sponsor of projects assisted with HOME funds, Oak Hill CDC adheres to the following conflict of interest policy:

- (a) **Persons covered:** Employees, agents, consultants, officers, elected officials or appointed officials of the participating jurisdiction, State recipients or subrecipients who receive HOME funds.
- (b) **Applicability:** In the procurement of property and services by participating jurisdictions, State recipients, or subrecipients, the conflict of interest provisions in 24 CFR 85.36 and 24 CFR 84.42, respectively, apply. In all cases not governed by 24 CFR 85.36 and 24 CFR 84.42, the provisions herein apply.
- (c) **Conflicts prohibited:** No persons described above who exercise or have exercised any functions or responsibilities with respect to activities assisted with HOME funds or who are in a position to participate in a decision-making process or gain inside information with regards to these activities, may obtain a financial interest or benefit from a HOME-assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

In addition, no owner, developer or sponsor of a project assisted with HOME funds (or officer, employee, agent or consultant of the owner, developer or sponsor) whether private, for profit or non-profit (including a community housing development organization (CHDO) when acting as an owner, developer or sponsor) may occupy a HOME-assisted affordable housing unit in a project. This provision does not apply to an

owner-occupant of a single-family house or to an employee or agent of the owner or developer of a rental housing project who occupies a HOME-assisted unit as the project manager or maintenance worker.

ARTICLE X: BY-LAWS

Section 1 - Amendment

The power to make, amend, or repeal these By-laws, on whole or in part, shall be in the Board of Directors. Such power may be exercised by the Board of Directors by vote of two-thirds (2/3) of the Directors then in office, provided that:

1. The Board of Directors may not make any new by-law, or amend or repeal any provision of these by-laws, which by law, the Articles of Organization, or these by-laws requires action of the Members.
2. The Board of Directors may not make any by-law or amend or repeal any provision of these by-laws, which alters the procedure for making, amending, or repealing these by-laws, without the approval of Voting members.

Section 2 - Review

These by-laws shall be reviewed at least once every three years by an ad hoc by-laws committee, which shall recommend to the full Board any changes that should be made.

