

KEYPORT BID, INC.

BY-LAWS

ARTICLE I

Section 1: OFFICES

The principal office of the corporation shall be located at such location or locations in the Borough of Keyport, New Jersey, as the Board of Directors may hereafter designate. The registered office of the corporation designated in the Certificate of Incorporation is 70 West Front Street, Keyport. The initial principal office will be the same as the registered office. The principal office of the corporation does not need to be the registered office of the corporation. The principal office may be changed by an act of the Board of Directors in a manner consistent with these Bylaws.

Section 2: NAME

This corporation shall be known as the "Keyport Bid, Inc" doing business as "Keyport Bayfront Business Cooperative."

ARTICLE II

Section 1: PURPOSE

The corporation is to serve as the District Management Corporation of the Business Improvement District (a.k.a., Special Improvement District) of the Borough of Keyport, New Jersey ("BID") and shall therefore strive:

- a) To foster the economic development and revitalization of the business community and strengthen its contributions to residents and property owners within the Borough of Keyport
- b) To establish a public/private partnership through a business improvement district and a district management corporation to allow all those who live, work or invest in the District to contribute to the improvement of the Borough and its business community.
- c) To create and foster self-help programs to improve the local business environment.
- d) To organize and coordinate community activities with other agencies, commissions, committees, organizations and other persons within the Borough.
- e) To establish the procedures for the imposition of a special assessment and its collection by the Borough with the regular property tax payment or payment in lieu of taxes or otherwise, and for the transfer of all or a portion of these payments to the District Management Corporation to effectuate the purposes of Chapter XXI of the Revised General Ordinances of the Borough of Keyport and to exercise the powers given to it by this Chapter.
- f) To provide for the administrative, planning and other services necessary to properly use the special assessment imposed and collected by the Borough to the maximum benefit of the business community and residents of the Borough of Keyport.
- g) To ensure that the business community has the resources required over and above the services regularly provided by the Borough to meet the unique needs of the District or Zone.

Section 2: ORGANIZATIONAL STRUCTURE

A. Description

- 1) Keyport Bid, Inc. shall be composed of:
 - a. commercial property owners
 - b. business operators
 - c. interested residents of the Borough of Keyport
 - d. interested institutions and corporations located in and around Keyport
- 2) Keyport Business Improvement District (BID) shall utilize a committee structure to implement its programs thereby involving in the affairs of the Keyport Bid, Inc., as many participants as practical.

B. Membership

- 1) Membership in the Keyport Bid Inc. is open to all registered commercial property owners and registered business operators in the blocks and lots in the Borough of Keyport. For the purposes of these Bylaws and Ordinance No. 22-11 the terms "commercial property owners" and "business property owners" shall be considered fully synonymous and the term "business operators" shall have the same meaning as "occupants of assessed properties," except that "business operators" shall exclude residents of mixed-use commercial/residential properties who do not operate a business on that property.
- 2) Members of the Board of Directors appointed pursuant to Ordinance 22-11, Subsection 21-7(d), Paragraphs i, ii, iii, iv, and v, *i.e.*, the Members appointed by the Mayor and Council, shall be considered members of Keyport BID, Inc. while they are members of the Board of Directors, but are not eligible to vote for members of Class vi of the Board of Directors unless they qualify as commercial property owners or business operators under Subsection 3(A)6 of these Bylaws and Subsection 21-7(d)vi of Ordinance 22-11.
- 3) Residents, nonresidents and organizations may be affiliated with the Keyport BID, Inc. as associate members, but may not attain the status of a voting member unless they independently qualify as set forth herein.

C. Zones and Financing.

- 1) The Following three zones will be established for the purpose of election to the Board of Directors;
 - a. Downtown
 - b. Highway
 - c. Noncontiguous Zone or Central Zone.
- 2) Boundaries of the zones are to be established and changed, if needed, by the Board based upon the recommendations by the Board's Zone Committee.
- 3) Financing shall be based on an assessment method to be determined by the Board in conjunction with the Finance, Budget and the Zone Committees.

D. Property.

All property acquired by the Keyport BID, Inc. whether by purchase, gift or bequest, or whether purchased with funds received through the assessment or through other payments, shall be considered the property of the Borough of Keyport and any titled property shall be titled in the Borough of Keyport.

Section 3: BOARD OF DIRECTORS

A. The Keyport Bid Inc. shall have a Board of Directors consisting of eleven voting members as follows:

- 1) The Mayor or Mayor's Designee;
- 2) Two members of the Borough Council appointed by the Mayor with the approval of the Council;
- 3) The Borough Business Administrator or Business Administrator's Designee;
- 4) One member of the Recycling Committee, Environmental Commission or a Code Enforcement Official appointed by the Mayor with the approval of the Council;
- 5) One resident or property owner not assessed under this Chapter, who is not an employee or tenant of a business or property owner assessed under this Chapter, appointed by the Mayor with the approval of the Council;
- 6) Five business property owners or occupants of assessed properties located within the District, with at least one Director representing each Zone. These business property owners or occupants of assessed properties shall not be employees or tenants of another Director on this Board. The initial "business" members of the Board of Directors shall be nominated by the Mayor with the approval of the Council.

B. The Terms of office for the members of the Board of Directors are as follows:

- 1) The term of the Mayor shall be coterminous with his term in office. The term of the Mayor's Designee shall be for a period of one year and shall be at the pleasure of the Mayor.
- 2) The term of the Directors appointed pursuant to Section 3 paragraphs 2, 4 and 5 shall be for a period of one year and shall be at the pleasure of the Mayor and Council.
- 3) The five Directors who are business property owners or occupants of assessed properties located within the District shall serve a term of two years. The terms of three of the initial "business" members shall be for one year and the terms of two of the initial "business" members shall be for two years.

C. Eligibility for Nomination and Election of Class VI Directors.

- 1) To be eligible to vote for a Class VI Member of the Board of Directors a person must be:
 - a) a **commercial property owner** in good standing - not be delinquent in payments of assessment, tax, water and sewer accounts, license(s) from the Borough of Keyport and have obtained a currently valid certificate of occupancy or change of occupancy if applicable;
 - b) a **business operator** who occupies commercial property in good standing - not be delinquent in license(s) from the Borough of Keyport and have obtained a currently valid certificate of occupancy or change of occupancy if applicable; a business operator whose landlord is not in good standing is eligible to vote, endorse petitions or hold office unless the noncompliance's are the responsibility of the business operator under the lease or contract with the commercial property owner.

- 2) Each assessed property is entitled to one vote. The owner will have the prior right to vote. If the owner waives the right to vote or does not vote a business operator located within the assessed property may vote. If more than one party in an assessed commercial property votes priority will be given to that of the commercial property owner or, if the owner does not vote, then to that of the largest business by occupied square feet located therein and the other votes will be disqualified.
- 3) Any person who is eligible to vote for a Class VI Member of the Board of Directors may:
 - a) endorse petitions for nomination to the Board of Directors;
 - b) be nominated for a vacant position on the Board of Directors;
 - c) serve as a member of the Board of Directors.

Section 4: ELECTION OF CLASS VI MEMBERS OF THE BOARD OF DIRECTORS

A. Terms of Office.

- 1) The terms of the Class VI members of the Board of Directors shall be for two years. Each term will commence on January 1.
- 2) Vacancies on the Board of Directors shall be filled by appointment of the Mayor with the approval of the Council until the next election scheduled pursuant to these Bylaws at which time a Director will be elected to serve for the balance of the unexpired term. A Director elected to fill an unexpired term shall take office immediately upon certification of election.

B. Nomination Process.

- 1) A nominating committee, appointed by the Board of Directors in July of each year, shall review the eligibility of potential candidates for the office of Board of Director for the positions becoming vacant the following January 1. The nominating committee may recommend that certain eligible candidates be nominated and shall report such recommendations to the full Board of Directors no later than September 15. The Board will review the recommendations and will prepare the final list of nominations.
- 2) Within (10) ten days of the report of the nominating committee the Board shall communicate the nominations to the general eligible membership and shall advise the membership that additional nominations may be made by petition.
- 3) Nominations by Petition.
 - a. Petitions for nomination shall be on a form prescribed by the Board of Directors which will be provided upon request to any eligible member. Requests for petitions must be made no later than five (5) days after the nominations of the Board are reported to the general eligible membership.
 - b. Each petition submitting an additional nominee must be signed by a minimum of eight (8) eligible Keyport Business Improvement District members and one of the signatories must certify under oath or affirmation that (s)he personally observed the other signatories sign the petition.
 - c. The eligibility of candidates nominated by petition shall be determined by the nominating committee and confirmed by the Board.

- d. All petitions for nomination must be received by the Board of Directors by October 1.

C. Final Slate of Candidates

- 1) All elections shall be conducted by secret paper ballot. A ballot containing the final slate of all candidates for positions on the Board shall be sent to each commercial property owner and each business operator no later than October 15. The ballots sent to commercial property owners shall be yellow and the ballots sent to business operators shall be light green. If both ballots are returned only the yellow ballot will be counted. The ballot shall contain written instructions that it is to be returned no later than November 15.
- 2) All ballots are to be returned to the Office of the Borough Clerk and are to be held in confidence unopened by the Borough Clerk until November 20. After November 20 no further ballots will be accepted. Postmarks or other evidence of return by regular mail will not extend this deadline.

D. Certification of Election

- 1) The Borough Clerk and an additional judge of elections appointed by the Mayor and Council shall convene and count the ballots no later than December 5.
- 2) The recipient of the highest amount of votes for each position to be filled shall be deemed the winner. In the event of a tie, there shall be a run-off election held in the same manner as heretofore set forth with the dates to be set by the Board of Directors.
- 3) The Borough Clerk shall certify the results of the election to the Board of Directors no later than December 12.

E. Election Supervision.

All elections shall be supervised by the Borough of Keyport or an appropriate outside organization designated by the Mayor and Council.

Section 5: REMOVAL OF MEMBERS OF THE BOARD OF DIRECTORS

A. Members of the Board of Directors may be removed from office on the following grounds:

- 1) Failure to attend at least seventy-five (75) percent of the regularly scheduled meetings of the Board during a twelve (12) month period or two (2) consecutive meetings without notice and explanation.
- 2) Failure to diligently perform assigned duties; or
- 3) Actions or conduct which discredits the reputation or encumbers the purposes, goals or operations of the Keyport Business Improvement District.

B. Procedure for Removal:

- 1) The President of the Board or such other person as the Board shall designate shall notify the affected member in writing of the charges and the pending action and the regular or special meeting at which the action will be taken
- 2) The member shall have the right to be present at this meeting and provide additional information and testimony on the member's behalf.
- 3) A vote for removal must be adopted by 2/3rds (two-thirds) of the Board of Directors in attendance at the meeting.

ARTICLE III

Section 1: MEETINGS

- A. The Keyport Bid Inc. shall conduct its business in accordance with the Open Public Meetings Act, N.J.S.A. 10:4-6, *et seq.*, the Open Public Records Act, N.J.S.A. 47:1A-1, *et seq.*, and the Local Public Contracts Law, N.J.S.A. 40A:11-1, *et seq.*, except as modified in Section 8 of Ordinance 22-11.
- B. The Keyport Bid Inc. shall conduct regular meetings no less than quarterly. It shall regularly file copies of the minutes and recordings of its meetings with the Borough Clerk to ensure that the minutes will be conveniently accessible to the public for inspection. The Board will schedule its quarterly meetings during January of each year and shall publish the schedule pursuant to the Open Public Meetings Act, N.J.S.A. 10:4-6, *et seq.*
- C. *Parliamentary Authority, Robert's Rules of Order, Revised* shall constitute the ruling authority in all cases not covered by the Bylaws.
- D. Special Meetings may be called by the President or by a petition signed by at least four board members. A minimum of 72 hours notice must be given to all board members. Notice of meetings must be in accordance with the Open Public Meetings Act.
- E. The agenda and all copies of all items to be discussed must be given to all Board members at least 48 hours prior to the meeting. This can be accomplished by E-mail, Fax or by hand delivery. Items may be added to the agenda and discussed at the meeting with unanimous consent of those present.
- F. Quorum:
 - 1) Six (6) Directors shall constitute a quorum for the transaction of business.
 - 2) Except in cases in which it is by statute, by the Certificate of Incorporation, or by the bylaws otherwise provided, the vote of a majority of the established quorum, at a duly constituted meeting, shall be sufficient to pass any measure.

Section 2: OFFICERS

- A. The Keyport Bid Inc. shall have the following officers elected by the Board of Directors at the first meeting of each new fiscal year. The term of office shall be one year and no person may hold an office for more than three consecutive terms.

- 1) President
- 2) Vice President
- 3) Secretary
- 4) Treasurer

B. The Duties of the Officers are as Follows:

1) **President**

- a) The President shall preside at all meetings of the Board of Directors, at which he or she shall be present.
- b) He or she shall have and may exercise such powers as are from time to time assigned to him or her by the Board of Directors.
- c) The duties shall include, but not be limited to
 - i. Oversee board and executive committee meetings
 - ii. Serve as ex-officio member of all committees
 - iii. Work in partnership with executive director to make sure board resolutions are carried out
 - iv. Call special meetings if necessary
 - v. Assist executive director in preparing agenda for board meetings
 - vi. Assist executive director in conducting new board member orientation
 - vii. Coordinate executive's annual performance evaluation
 - viii. Act as an alternate spokesperson for the organization
 - ix. Periodically consult with board members on their participation and help them assess their performance

2) **Vice President**

- a) The Vice President, at the request of the President or in his or her absence, or during his or her inability to act, shall perform the duties and exercise the functions of the President, and when so acting shall have the powers of the President.
- b) The Vice President shall have such other duties as may be assigned to him or her by the President.

3) **Secretary**

- a) The Secretary shall cause minutes to be filed and maintained of the meetings of the Board of Directors in books provided for the purpose.
- b) He or she shall see that all notices are duly given in accordance with the provisions of the bylaws or as required by the Open Public Meetings Act;
- c) He or she shall be the custodian of the records of the corporation;
- d) He or she shall see that the corporate seal is affixed to all documents which require said seal and which he or she has been authorized to execute on behalf of the corporation and when so affixing may attest to the same; and,
- e) In general, he or she shall perform all duties, as from time to time, may be assigned to him or to her by the Board of Directors or the President.

4) **Treasurer**

- a) The Treasurer shall have charge of and be responsible for all funds, securities, receipts, and disbursements of the corporation;
- b) Shall deposit or cause to be deposit in the name of the corporation all monies within 3 banking days.
- c) Whenever requested, but at a minimum at each meeting, he or she shall provide an account of the financial condition of the corporation, and in general, shall perform all duties required;
- d) Serve as financial officer of the organization and as chairperson of the finance and budget committee;
- e) Work with the President and the Executive Director to ensure that appropriate financial reports are made available to the board on a timely basis

Section 3: COMPENSATION

Directors shall not receive any compensation for their services as such but, by resolution or approval of the Board of Directors, individual Directors may be reimbursed for actual pre-approved expenditures which they may incur while performing Keyport Bid Inc. business.

Section 4: CONFLICT OF INTEREST

All transactions with a business in which a Director has an interest must be accompanied by a full disclosure of the interest of the Director prior to the transaction taking place.

Section 5: PERSONNEL

- A. The Board of Directors may hire and/or retain an administrator, manager, staff and/or consultants as necessary to achieve the purposes of the Keyport Bid, Inc.
- B. Compensation for any personnel will be determined by a vote of the full Board of Directors.
- C. The administrator (if hired) will run the day to day operations of the Keyport Bid, Inc. and will report directly to the President.
- D. The administrator will be the Keyport Bid, Inc.'s representative and active in organizations with a common interest, (Chamber of Commerce, etc).

ARTICLE IV

Section 1: COMMITTEES GENERAL

- A) The Keyport Bid, Inc. will have the following standing committees:
 - 1) Finance and Budget
 - 2) Marketing
 - 3) Events
 - 4) Visual Improvements
- B) Ad Hoc or special committees may be established by the President with the approval of the Board of Directors to cover a specific topic or project and will exist only until the project is completed.
- C) The committee Chair will be appointed by the president with the approval of the Board of Directors.
- D) The Committee Chair will submit a list of the committee members to the Board of Directors for their approval.
- E) At least one member of each standing or special committee shall be a member of the Board of Directors; the remaining members of such committees may, but need not, be members of the Board of Directors.
- F) There will be a minimum of five members of each committee including the chairman.
- G) The finance committee must have the following as members at the minimum ; The treasurer, Chairman of each of the standing committees and at least one of the Keyport Council members that serve on the Board of Directors. The Committee Chair may appoint other members that they feel are necessary.
- H) Each committee shall cause full and fair accounts of its transactions and accurate minutes of all meetings.

Section 2: COMMITTEE REPORTS.

- a) Each Chairperson will be expected to give a report on the Committees activities at the Board of Directors meetings

- b) All recommendations by a committee shall be reported in writing to the Board of Directors.

Section 3: MEETINGS OF COMMITTEES

- a) Each committee shall meet at the call of the chairperson of the committee or any two members of the committee.
- b) The committee meetings are not required to be open to the public but the chair is encouraged to have them open so that greater input is received from the community.

Section 4: PARTICIPATION IN COMMITTEES

In selecting members of committees, the Board of Directors shall encourage widespread participation of members of the business community within the Borough of Keyport and others concerned about the purposes of the Business Improvement District (BID)

ARTICLE V

Section 1: CHECKS, DRAFTS, ETC.

- a) All checks, drafts and orders for the payment of money, notes and other evidence of indebtedness, issued in the name of the corporation, shall be signed by two officers.
- b) Officers designated to sign the above shall be determined by the Board of Directors.

Section 2: ANNUAL REPORTS.

There shall be prepared annually a full and correct statement of the affairs of the corporation, including a balance sheet and statement of operations for the preceding fiscal year audited and certified by an independent Certified Public Accountant.

- a) Which shall be submitted at the regular meeting of the Board of Directors and filed immediately thereafter at the principal office of the corporation.
- b) Such statement shall be prepared by the Board of Directors or such other Executive Officer of the corporation as may be designated by the Board of Directors.
- c) Within thirty (30) days after the close of each fiscal year, there shall be filed with the Mayor and Clerk of the Borough of Keyport an annual written report for the preceding fiscal year.
- d) Annual Audit shall be completed and filed with the governing body within four months after the close of the fiscal year of the corporation.
- e) Certified duplicate copy of the audit shall be filed with the Director of the Division of Local Government Services in the Department of Community Affairs, State of New Jersey, within five days of the filing of the audit with the governing body of the municipality.

Section 3: FISCAL YEAR.

The fiscal year of the corporation shall be the calendar year commencing January 1 and ending December 31, unless otherwise provided by the Board of Directors, by resolution.

Section 4: Dissolution

Upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) code;

- a) or the corresponding section of any future federal tax code;
- b) or shall be distributed to the federal government;
- c) or to a state or local government, with the Borough of Keyport having preference and right of first refusal as proprietor, for a public purpose designated by the Keyport Bid, Inc.;

- d) any such assets not so disposed of shall be disposed of by a Court of competent jurisdiction of the country in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations as said Court shall determine which are organized and operated exclusively for such purposes.

ARTICLE VI

Section 1: SEAL

The Board of Directors shall provide a suitable seal, bearing the name of the corporation, which shall be in the custody and charge of the Secretary.

Section 2: BONDS

The Board of Directors may require any officer, agent or employee of the corporation to give a bond to the corporation conditioned upon the faithful discharge of his or her duties with one or more sureties and in such amount as may be satisfactory to the Board of Directors.

Section 3: AMENDMENTS TO THE BYLAWS

A motion to amend, alter, repeal, or enact a new bylaw may be introduced, considered and discussed, but not voted on, at any meeting of the Board of Directors, provided that:

- a) At least ten (10) days prior to such meeting a full written statement of the exact language of the motion and,
- b) The time, place and date of the meeting when the motions will be introduced and, has been forwarded to every member of the Board of Directors by certified mail.
- c) Provided the above said motion is duly seconded, the President shall fix and announce a subsequent meeting date within a reasonable number of days when the motion shall be brought to a vote.
- d) An affirmative vote of 2/3 of the entire Board of Directors shall be required to carry said motion.
- e) The procedures and notice of requirements of this section shall apply irrespective of any contrary provisions which may be contained in these bylaws.
- f) Any modification to any bylaw must be approved by the governing body prior to enactment as required by Section 21-8(a)(i) of Chapter XXI of the Revised General Ordinances of the Borough of Keyport.

ARTICLE VII

Section 1: INDEMNIFICATION

Indemnification of any person who is a director, officer, employee or corporate agent of the corporation shall be provided to the fullest extent permitted by N. J. S. A. 15A:3-4 or any other applicable provision of law.