

**BYLAWS
OF
EAST NEW YORK CLT, INC.**

Table of Contents

ARTICLE I	3
PURPOSE	3
Article II Membership	3
<i>Section 2.1 Membership Eligibility.</i>	<i>3</i>
<i>Section 2.2 Rights of Members</i>	<i>4</i>
<i>Section 2.3 Membership Requirements.</i>	<i>4</i>
(a) Attendance.	4
(b) Membership Dues	4
(c) Membership Certificate.....	4
<i>Section 2.4 Meetings.</i>	<i>4</i>
<i>Section 2.5 Meeting Procedures.....</i>	<i>5</i>
<i>Section 2.6 Voting.....</i>	<i>5</i>
<i>Section 2.7 Notice of Membership Meetings.....</i>	<i>6</i>
<i>Section 2.8 Removals & Suspensions</i>	<i>7</i>
<i>Section 2.9 Transfer of Membership.....</i>	<i>8</i>
<i>Section 2.10 Liability for Debts or Obligations</i>	<i>8</i>
Article III Board of Directors	8
<i>Section 3.1 Director Qualifications.....</i>	<i>8</i>
<i>Section 3.2 Composition of the Board.....</i>	<i>8</i>
<i>Section 3.3 Initial Board of Directors</i>	<i>8</i>
<i>Section 3.4 Transitional Board</i>	<i>8</i>
(a) Ally Directors	8
(b) Resident Directors	8
<i>Section 3.5 Duties of the Board of Directors.....</i>	<i>8</i>
<i>Section 3.6 Limitation on the Powers of the Board of Directors</i>	<i>10</i>
<i>Section 3.7 Nomination of Directors</i>	<i>10</i>
<i>Section 3.8 Election of Directors.....</i>	<i>11</i>
<i>Section 3.9 Terms of Directors.....</i>	<i>12</i>
<i>Section 3.10 Vacancies</i>	<i>12</i>
<i>Section 3.11 Removals and Suspensions.....</i>	<i>12</i>
(b) Removal For Cause.....	13
(c) For Cause, Community Directors and Resident Directors	13
(d) For Cause, Ally Directors	14
<i>Section 3.12 Meetings of the Board of Directors</i>	<i>15</i>
<i>Section 3.13 Procedure for Board Meetings.</i>	<i>16</i>
<i>Section 3.14 Notice.....</i>	<i>17</i>
<i>Section 3.15 Compensation.....</i>	<i>18</i>
Article IV Officers	18
<i>Section 4.1 Election.....</i>	<i>18</i>
<i>Section 4.2 Tenure</i>	<i>18</i>

Section 4.3	President Emeritus	18
Section 4.4	Removal	18
Section 4.5	Resignation	18
Section 4.6	Duties of the President	18
Section 4.7	Duties of the Vice President	19
Section 4.8	Duties of the Secretary:	19
Section 4.9	Duties of the Treasurer	20
Article V Committees		21
Section 5.1	Establishment of Committees	21
Section 5.2	Tenure of Committee Chairs	21
Section 5.3	Quorum and Manner of Acting	21
Section 5.4	Ad Hoc Committees	21
Section 5.5	No Compensation	22
Section 5.6	Other Standing Committees of the CLT	22
Section 5.7	Executive Committee	22
Section 5.8	Governance Committee	22
Section 5.9	Finance Committee	22
Article VI OWNERSHIP OF HOUSING AND IMPROVEMENTS ON CLT'S LAND		23
Section 6.1	Preservation of Affordability	23
Section 6.2	The Resale Formula	23
Section 6.3	Procedures for the Adoption of the Resale Formula	23
Section 6.4	Procedures for Altering the Resale Formula	23
Article VII Stewardship of land		24
Section 7.1	Principles of Land Use	24
Section 7.2	Encumbrance of Land	24
Section 7.3	Sale of Land	24
Section 7.4	Acquisition of Land	25
Article VIII Financial Matters and Records		25
Section 8.1	Fiscal Year	25
Section 8.2	Execution of Instruments	25
Section 8.3	Books and Records	25
Article IX Indemnification and Insurance		25
Section 9.1	Indemnification	25
Section 9.2	Expenses	26
Section 9.3	Insurance	26
Article X Amendments to Bylaws		26
Section 10.1	Amendments	26
Section 10.2	Notice of Amendments	26

ARTICLE I PURPOSE

We are an organization of community leaders and activists dedicated to preserving affordability for future generations and providing a vehicle to create generational wealth. The CLT seeks to own land and lease the land to the owners of the buildings and other uses on the land.

Our vision is for a healthy, self-sustaining community where our needs are provided ‘for us, by us’ and where we can build the generational wealth of the whole community.

Our mission is to protect, stabilize and expand the stock of affordable homes, locally-owned small businesses and green spaces in East New York and Brownsville for the benefit of low-to moderate-income, BIPOC (black, indigenous and people of color) residents. The CLT exerts control over the built, social and natural environment through community organizing, education, and property ownership.

ARTICLE II MEMBERSHIP

Section 2.1 **Membership Eligibility.** Any one of the three types of Members (Resident Members, Community Members, and Ally Members) of the CLT. All types of membership require that an individual (a) submits a membership application including a signed Membership Agreement; (b) completes new member orientation; and (c) is issued a Membership Certificate by the Board of Directors. Each class of members has additional qualifications:

- a) **Resident Member.** Any person aged 16 or older from a household that lawfully resides in a private home or apartment unit on CLT owned or stewarded land may apply to become a Resident Member. Owners and tenants of CLT units are eligible but subtenants of privately-owned units are not. Individuals, businesses, and organizations that are commercial tenants on CLT owned land are also eligible to become Resident Members.
- b) **Community Member.** Any person aged 16 or older who does not have a lease with the CLT but does live in East New York or Brownsville is eligible to become a Community Member. Additionally, someone who is part of the senior leadership of an organization that serves East New York or Brownsville is eligible for Community Membership. The boundaries of Brooklyn Community Districts 5 and 16 shall constitute the boundaries of East New York and Brownsville for this purpose.
- c) **Ally Member.** Any person aged 16 or older who wants to support East New York CLT but does not live or work in the area is eligible to apply for Ally Membership.

Section 2.2 **Rights of Members.** All members shall have the right to participate in all membership meetings. Residential and Community Members have the right to cast one vote on all matters properly put before the Membership for consideration. Every Member has the right to nominate and participate in the election of the Board of Directors as provided by these bylaws, under Article III and elsewhere, to serve on the Board of Directors or on committees, and to receive notices and minutes of membership meetings and Annual Reports of the CLT.

Section 2.3 **Membership Requirements.**

- (a) **Attendance.** Members must attend a percentage of membership meetings stipulated in the Membership Agreement, or may be subject to certain restrictions or penalties as per the Membership Agreement.
- (b) **Membership Dues.** The Board of Directors may establish and change from time to time the amount of annual membership dues. No individual shall be refused membership because of inability to pay the annual dues. In lieu of monetary dues, members may contribute volunteer hours as established in the Membership Agreement. Resident Members that are entities such as businesses, organizations, and institutions do not have the option of contributing volunteer hours in place of dues. Such members may also have different dues assigned than individual members.
- (c) **Membership Certificate.** Documentation provided by the Board of Directors to a Member of the CLT evidencing membership. The Membership Certificate shall include (i) the name of the Member; (ii) the Membership Class (i.e. Resident or Community) and (iii) the term of membership (annual). Membership Certificates may be provided electronically.
- (d) **Membership Agreement.** The Board of Directors may establish certain other criteria required for Membership in the Membership Agreement, a separate document which Members must agree to. The Membership Agreement may be changed from time to time with notice, as the Board of Directors deems appropriate, with such decisions being made in consultation with the Membership committee.

Section 2.4 **Meetings.**

- a) **Annual Meetings.** An Annual Meeting of the Membership shall be held no later than April 1st of each year. The location and specific time of the Annual Meeting shall be determined by the Board of Directors. The meeting will include reports to the Membership by the Board of Directors and Officers, the election of Directors, the assessment of dues, and the transaction of other business.

- b) **Membership Meetings.** Membership Meetings will be held on a quarterly basis i.e. four times per year. The location and specific time of Membership Meetings shall be determined by the Board of Directors.
- c) **Special Meetings.** Special meetings shall be held whenever called by resolution of the Board of Directors or by a written demand to the Secretary of ten percent of the Members eligible to vote. The Secretary upon receiving the written demand or resolution shall promptly give notice of such meeting as provided below, or if the Secretary fails to do so within five business days thereafter, any member signing such demand may give such notice.

Section 2.5 Meeting Procedures

- a) **Open Meetings.** All membership meetings shall be open to any person as long as order and decorum is kept.
- b) **Minutes.** Minutes of all membership meetings shall be recorded by the Secretary of the CLT or by another person designated by the Members. Minutes for every meeting shall be approved by the Membership at the next membership meeting.
- c) **Organization.** The President of the Board of Directors shall preside at all meetings of the Members or, in the absence of the President, the Vice President shall preside. The Secretary of the Board of Directors shall act as Secretary at all meetings of the Members, but in the absence of the Secretary, the presiding officer may designate someone to act as Secretary of the meeting.

Section 2.6 Voting.

- a) **Voting Rights.** Members in good standing who are present at any meeting shall be entitled to one vote. Community Members that are entities (such as businesses or organizations) are entitled to one vote per entity. Upon demand of any member, any vote for Directors or upon any question before the meeting shall be by ballot. No person who becomes a Member at any membership meeting may vote at that membership meeting. Proxy voting is permitted.
- b) **Good standing.** Being in good standing requires being current on dues or volunteer time, and being in compliance with the Membership Agreement. Additionally, for Resident Members good standing requires being in good standing with any applicable CLT lease agreement. The Board of Directors may consider exceptions for people who can prove that they are working with the property owner on a resolution.
- c) **Quorum.** If there are 30 members or fewer, quorum is a majority. If there are more than 30 members, quorum is 30% at the first meeting. If quorum is not met at the first meeting, quorum is 15% at the next meeting. If a quorum is

still not met at the third or subsequent meeting, the requirement for a quorum is reduced to the whatever the statutory minimum is at the time. Number of members is determined by the Secretary of the CLT.

- d) **Adjournment.** Any member meeting, whether or not a quorum is present, may be adjourned by the vote of the majority of the members at the meeting. No meeting may be adjourned for more than 30 days. When a member meeting is adjourned to another time or place, notice shall be given. At the reconvened meeting, the CLT may transact any business that these bylaws would have permitted to be transacted at the original meeting.
- e) **Decision-Making.** Whenever possible, decisions shall be arrived at using a modified consensus decision-making process. Modified consensus decision-making process involves the following steps:
 - 1) identifying the issue that requires a vote by the membership,
 - 2) holding general discussion of the issue and brainstorming solutions,
 - 3) making a proposal,
 - 4) holding discussion on the proposal and
 - 5) addressing concerns and attempting to reach a unanimous agreement.

In the event that unanimity cannot be attained, a decision shall be made by an affirmative vote of the majority of the members present and voting on the matter, a quorum being assembled, except as otherwise provided in these bylaws.

Before a vote is held on any motion, the exact language of the motion shall have been recorded and read to the membership, and all members present shall have a reasonable opportunity to express their opinions on the proposition. Each year during the Annual Meeting of the Membership the membership will review and decide whether to uphold or alter this decision-making procedure.

Section 2.7 Notice of Membership Meetings. Written notice of every membership meeting shall be given to all Members and shall include an agenda for the meeting. Written notice of Annual Membership Meetings shall be given with the agenda for the meeting. Notice shall specify the place, date and hour of the meeting. If Directors are to be elected, the notice must also state the names of those persons nominated for the Board of Directors as of the time notice is sent to the members. Notice shall be provided not less than ten days nor more than 90 days prior to a meeting. With the consent of the member, notice may also be sent by other means depending on the preference of the member, as signified in their membership application. Meetings, however noticed, are valid. Attendance of a person at a meeting shall constitute a waiver of notice unless at the beginning of the meeting that person objects to the transaction of any business because the meeting was not lawfully called.

- (a) **Notice Methods.** Written notice includes (i) Letter/Flyer delivered by mail delivery or courier service, (ii) Email, or (iii) Text. Signs posted on CLT property and/or throughout the neighborhoods of East New York and Brownsville may also be used in combination with one or more of the above measures of written notice. Other notice includes (i) Phone Call, (ii) Audio Recording, (iii) Voicemail, or (iv) YouTube/Social Media. Any of the first three methods alone constitute sufficient notice, though the Board of Directors may choose to provide more forms of notice.

Section 2.8 **Removals & Suspensions.** A member may be suspended or removed under these bylaws, based on a good faith determination by a majority vote of those present of the board of directors, that the member has failed in a material and serious degree to observe the CLT's rules of conduct, has violated the terms of the Membership Agreement, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of the CLT. A person whose membership is suspended shall not be considered a member during the period of suspension, which in no event shall exceed one year. Before such removal can occur, the following procedure must be followed.

- (a) Written charges specifying the conduct considered to be detrimental must be signed by at least three Members of the CLT.
- (b) The Chair (or Vice Chair) shall deliver a copy of the charges to the Member charged via postal service, hand delivery or electronic delivery.
- (c) A Special Committee (the "Committee") consisting of at least three Members of the CLT shall be created to consider the charges.
- (d) The Committee shall hold a hearing, at which both the Member charged and the Members who have filed charges may present evidence in the presence of each other. Following the hearing, the Committee shall prepare a written report of its findings and its recommendation for or against removal. The recommendation shall be based on a majority vote of the Committee if consensus cannot be reached. The report shall contain a statement of how each member of the Committee voted. The report shall be completed and submitted to the Chair of the CLT no later than one week following the selection of the third member of the Committee.
- (e) If the Committee recommends removal of the Member, the recommendation shall be presented to the Members of the charged Member's class who shall then have sole authority to decide the question of removal. A Membership meeting for this purpose shall be called by the Chair for a time no later than one month following the Chair's receipt of the Committee's recommendation for removal. Notice of this meeting shall include a complete copy of the Committee's report.

Section 2.9 **Transfer of Membership.** No membership or right arising from membership shall be transferred. All membership rights cease on the member's death or dissolution or termination of membership pursuant to these bylaws.

Section 2.10 **Liability for Debts or Obligations.** A member of the CLT is not, as a member, personally liable for the debts, liabilities, or obligations of the CLT.

ARTICLE III BOARD OF DIRECTORS

Section 3.1 **Director Qualifications.** All board members shall be at least 18 years of age.

Section 3.2 **Composition of the Board.** The Board of Directors shall be a three-part board consisting of 15 directors, when all positions are filled. The three categories shall be Resident Directors, Community Directors, and Ally Directors. Each category shall have five directors, representing members of each corresponding type of membership.

Section 3.3 **Initial Board of Directors.** The Initial Board of Directors are named in the Certificate of Incorporation and shall serve until five Resident Directors are appointed to replace them, at which point they will be up for election as Community Directors.

Section 3.4 **Transitional Board.**

- (a) **Ally Directors.** The initial board shall appoint at least 3 of the 5 Ally Member Directors by December 2022 and appoint the last two Ally Member Directors once all five Resident Directors have been appointed.
- (b) **Resident Directors.** After lease agreements are made, Resident Directors will be elected. For every 5 new Resident Members, 1 Resident Director shall be elected. Once there are 25 Resident Members, all 5 Resident Directors positions may be filled.

Section 3.5 **Duties of the Board of Directors.** The Board of Directors shall carry out the purposes of the CLT, implement the decisions of the Membership, and be responsible for the general management of the affairs of the CLT in accordance with these bylaws. Specifically, the Board may do, but is not limited to doing, the following:

- (a) Approve a written Annual Report to the Membership and make this report available to all Members.
- (b) Adopt an annual operating budget prior to the beginning of each fiscal year and approve any expenditures not included in the budget.
- (c) Select all officers of the CLT.

- (d) Supervise the activities of all officers, agents, and committees of the CLT in the performance of their assigned duties and investigate any possible conflicts of interest within the CLT.
- (e) Adopt and implement personnel policies providing for the hiring, supervision and evaluation of employees.
- (f) Provide for the deposit of funds.
- (g) Determine by whom and in what manner deeds, leases, contracts, checks, drafts, endorsements, notes and other instruments will be signed on behalf of the CLT.
- (h) Acquire such parcels of land, with or without buildings and other improvements, through donation, purchase, or otherwise, as the Board shall determine that it is useful and prudent to acquire in furtherance of the purposes of the CLT.
- (i) Convey the right to use land, through leases or other limited conveyances.
- (j) Convey ownership of housing and other improvements on the CLT's land to qualified lessees, as possible, in accordance with the terms of the ground lease.
- (k) Exercise, as appropriate, the CLT's option to repurchase (or arrange for resale of) housing and other improvements belonging to ground lessees in accordance with the terms of the ground lease.
- (l) Develop the resources necessary for the operation of the CLT and for the acquisition and development of land and housing.
- (m) Ensure sound management of the CLT's finances.
- (n) Perform any and all duties imposed on them collectively or individually by law, the Articles of Incorporation, the Membership Agreement, or these Bylaws.
- (o) Appoint and remove, employ and discharge, prescribe the duties and fix the compensation of all officers, agents, and employees of the CLT. All votes taken on compensation must be recorded in meeting minutes with the vote of each Director recorded.
- (p) Meet at such times and places as required by these Bylaws
- (q) Register their addresses with the Secretary of the CLT.
- (r) Create such committees as are necessary or desirable to further the purposes of the CLT. Any member of the CLT may be appointed to any

committee. No committee may take action on behalf of the CLT except as authorized by the Board of Directors in a manner that is consistent with these bylaws, the Articles of Incorporation and the Law.

- (s) Approve the borrowing and lending of money as necessary to further the purposes of the CLT.

This list shall in no way limit the duties or powers of the Board of Directors.

Section 3.6 Limitation on the Powers of the Board of Directors. Action taken by the Board of Directors on any motion for the assessment of membership dues, the removal of directors, the establishment or alteration of the “Resale Formula,” the amendment of the Articles of Incorporation or these bylaws, or dissolution of the CLT shall not become effective unless and until such action is approved by the Membership in accordance with these bylaws.

Section 3.7 Nomination of Directors. Directors shall be nominated as follows:

(a) **Resident Directors.**

- (i) Resident Members may nominate Resident Directors to the Board from among themselves. These nominations must either be submitted in writing to the Secretary at least 15 days prior to the Annual Meeting of the Membership or be made from the floor of the Annual Meeting of the Membership.
- (ii) Only one individual from a household per private home, organization, business, or apartment unit may serve on the Board of Directors.

(b) **Community Directors.**

- (i) Community Members may nominate Community Directors to the Board from among themselves. These nominations must either be submitted in writing to the Secretary of the CLT at least 15 days prior to the Annual Meeting of the Membership or be made from the floor at the Annual Meeting of the Membership.
- (ii) To be eligible to be a Community Director, a Community Member must have resided in or worked in the community for at least five years.

(c) **Ally Directors.**

- (i) Ally Directors will be nominated by the Board of Directors, with nominations to be confirmed by a vote by a majority of the Members present, a quorum being assembled. In the event that the

Members do not confirm one or more of the Board's nominees, then the Board may, but is not required to, convene an additional formal Membership Meeting, to submit new nominations for confirmation by the Membership. The Board may choose to re-nominate the Ally Director for confirmation by the Members for an additional three-year term, based on a positive evaluation of their contribution.

- (ii) Ally Directors will represent the interests of the general public. Ally Directors:
 - a) Do not have an active land lease agreement with the East New York Community Land Trust.
 - b) Are not required to live in East New York or Brownsville.
 - c) Do have professional knowledge and expertise that will be used for the advancement of the ENY CLT's efforts.
 - d) Must pledge to make at least 80% of meetings during their term.
 - e) Cannot be in public office.
- (d) **Notice of Nominations.** A list of all persons nominated in each of the three categories shall be included with the notice of the Annual Meeting of the Membership or Special Membership Meeting where directors will be elected.

Section 3.8 **Election of Directors.** With the exception of the Ally Directors, the directors shall be elected by the Members present and voting at the Annual Meeting of the Membership or a Special Membership Meeting, a quorum being assembled, in accordance with the following procedures:

- (a) **Separate Voting by Category.** A separate vote shall be taken for (1) Resident Directors, and (2) Community Directors. In each of the two categories, positions shall be filled by candidates voted on in a ranked choice voting system.
 - (i) **Election of Resident Directors.** Only Resident Members may vote to elect Resident Directors unless no Resident Members are present at the membership meeting. Each member qualified to vote for Resident Directors may vote for as many nominees in this category as there are Resident Director seats to be filled.
 - (ii) **Election of Community Directors.** Only Community Members may vote to elect Community Directors unless no Community Members are present at the membership meeting. Each Member

qualified to vote for Community Directors may vote for as many nominees in this category as there are Community Director seats to be filled.

- (b) **Confirmation of Ally Member Director Nominees.** The Board's nominees for Ally Member Directors must be confirmed by a majority of the Members present at a properly convened Membership Meeting, a quorum being assembled.

Section 3.9 **Terms of Directors.** Except as otherwise provided in these bylaws, each director shall serve a full term of three years.

- (a) **Commencement of Terms.** The term of office of a regularly elected Director shall commence at the adjournment of the membership meeting in which he or she is elected. The term of office of a Director elected to fill a vacancy shall begin at the time of his or her acceptance of the position.
- (b) **Re-election.** No elected director shall serve more than two consecutive terms. After a three-year absence from the board, however, a person who has served two consecutive elected terms may return to the board, if re-elected, and may serve up to two consecutive elected terms.

Section 3.10 **Vacancies.**

- (a) **Election to Fill Vacancies.** Except for a vacancy created by the removal of a director by the members, if any director vacates his or her term or is removed from the Board, the remaining directors, though they may constitute less than a quorum, may elect a person to fill the vacancy, or may, by unanimous agreement, decide to leave the position vacant until the next Annual Meeting of the Membership, provided the Board still includes at least three Directors in each category (Resident, Community, or Ally). The members may fill any vacancy not filled by the directors at either the Annual Meeting of the Membership or a Special Membership Meeting.
- (b) **Vacancy Created by Removal.** In the event of a vacancy created by the removal of a director by the members, the vacancy shall be filled by the membership at either the Annual Meeting of the Membership or a Special Membership Meeting.
- (c) **Term of Replacements.** Replacement directors elected by the Board shall serve out the remaining term of the person who has vacated the position.

Section 3.11 **Removals and Suspensions.**

- (a) Resident Directors may be removed if the household member no longer occupies the private dwelling or dwelling unit as their primary residence or is in violation of the terms and conditions of any regulatory agreement or any other written agreement with the CLT, including but not limited to the ground lease or declaration of covenants.
- (b) **Removal For Cause.** Any director may be removed or suspended for cause when such Director is judged to have acted in a manner seriously detrimental to the CLT. Between the time that charges are submitted and a vote regarding removal is completed, the Director charged shall have no access to CLT records and shall not be entitled to carry out any CLT business nor vote on CLT matters.
- (c) **For Cause, Community Directors and Resident Directors.** A Community Director or a Resident Director may be removed or suspended for cause by the Members of the CLT entitled to vote for that Representative. Removal or suspension of a Community or Resident Director shall follow this procedure:
 - (i) **Charges.** At least three Members of the CLT entitled to vote for the subject Director must sign and submit written charges specifying the conduct considered to be detrimental to the Chair (or, if the Chair is the Director charged, to the Vice Chair). Any Member of the CLT entitled to vote for the subject Director may submit such charges. The Chair (or Vice Chair) shall deliver a copy of the charges to the Director charged via postal service, hand delivery or electronic delivery.
 - (ii) **Special Committee Selection.** A Special Committee (the “Committee”) consisting of at least three Members of the CLT entitled to vote for the subject Director shall be created to consider the charges. One member of the Committee shall be selected by the Board of Directors, but without the participation of the Director charged, within ten days following the delivery or mailing of the charges to the Director charged. In making its selection, the Board shall endeavor to select a person who will consider the charges without bias. No later than ten (10) days following the Board’s selection of the first member of the Committee, a second member may be selected by the Director charged. In the event that the Director charged fails to select a second member of the Committee within ten (10) days, the Board may select a second member who, in the judgement of the Board, will consider the charges without bias. Within ten (10) days following the selection of the second member of the Committee, the first and second members shall select a third member of the Committee. If the first and second members cannot agree upon a third member within this ten (10) day period, the Board shall select a third member.

- (iii) **Special Committee Hearing and Report.** The Committee shall hold a hearing, at which both the Director charged and the Members who have filed charges may present evidence in the presence of each other. Following the hearing, the Committee shall prepare a written report of its findings and its recommendation for or against removal. The recommendation shall be based on a majority vote of the Committee if consensus cannot be reached. The report shall contain a statement of how each member of the Committee voted. The report shall be completed and submitted to the Chair of the CLT no later than one week following the selection of the third member of the Committee.
 - (iv) **Confirmation Vote.** If the Committee recommends removal of the Director, the recommendation shall be presented to the Members of the same class as the subject Director who are present, who shall vote on the question of removal. Two-thirds of voting members present must vote in favor of removing or suspending the director for such action to be taken. A Membership meeting for this purpose shall be called by the Chair for a time no later than one month following the Chair's receipt of the Committee's recommendation for removal. Notice of this meeting shall include a complete copy of the Committee's report.
- (d) **For Cause, Ally Directors.** An Ally Director may be removed or suspended for cause using the following process:
- (i) **Charges.** Any Board Member or any Voting Member may sign and submit written charges specifying the conduct considered to be detrimental to the Chair (or, if the Chair is the Director charged, to the Vice Chair). The Chair (or Vice Chair) shall deliver a copy of the charges to the Ally Director charged via postal service, hand delivery or electronic delivery.
 - (ii) **Special Committee Selection.** A Special Committee shall be formed that includes the President, at least two of each type of Director, not including the Director charged, and two Members of each type. The Special Committee shall consider this action.
 - (iii) **Special Committee Hearing and Report.** The Committee shall hold a hearing, at which both the Director charged and the Board Member who submitted the charges may present evidence in the presence of each other. Following the hearing, the Committee shall prepare a written report of its findings and its recommendation for or against removal. The recommendation shall be based on a majority vote of the Committee if consensus cannot be reached. The report shall contain a statement of how each

member of the Committee voted. The report shall be completed no later than one week after formation of the Committee.

- (iv) **Confirmation Vote.** If the Committee recommends removal of the Director, the recommendation shall be presented to the Membership. This vote shall occur at a Special Membership Meeting no later than one month following the Chair's receipt of the Committee's recommendation for removal. Notice of this meeting shall include a complete copy of the Committee's report.

Section 3.12 **Meetings of the Board of Directors.**

- (a) **Place of Board Meetings.** The Board of Directors may hold its meetings at the principal office of the CLT or at such other place (physical or virtual) as the Board of Directors may from time to time by resolution determine unless otherwise provided by the Certificate of Incorporation or these By-Laws.
- (b) **Annual Board Meeting.** As soon as practical after each Annual Meeting of Members, the Board of Directors shall meet for the purpose of organization and the transaction of other business.
- (c) **Regular Board Meetings.** Regular meetings of the Board of Directors may be held at such times scheduled by the Board of Directors. Minutes from prior meetings will serve as notice in addition to the CLT calendar. The Board of Directors shall meet at least once per fiscal quarter.
- (d) **Special Board Meetings.** Special meetings may be called by the Chair or by at least three (3) Directors upon written request to the Secretary. At any special meeting of the Board, only those matters included in the meeting notice may be acted upon.
- (e) **Organization.** The Chair shall preside at each meeting of the Board of Directors. If the Chair is absent, then a Vice Chair or a chair chosen by a majority of the Directors shall preside. The Secretary shall act as secretary of each meeting of the Board of Directors. If the Secretary is absent, the presiding officer shall select a secretary from those in attendance at the meeting.
- (f) **Minutes.** Minutes of all Board meetings may be recorded by the Secretary or by such other person as the Board may designate, and to the extent taken, shall be corrected as necessary and approved by the Board at the next Board meeting. All duly approved minutes of Board meetings shall be kept on permanent record by the CLT, and subject to the best interests of the CLT, may be open for inspection by any Member of the CLT, with confidential information redacted as needed at the Board's discretion.

Section 3.13 **Procedure for Board Meetings.**

- (a) **Open Meetings.** All Board Meetings shall be open to any Member except when the Board has voted, during an open meeting, to go into Executive Session.
- (b) **Executive Session.** A motion to go into Executive Session shall state the nature of the business of the Executive Session, and no other matter may be considered in the Executive Session. No binding action may be taken in the Executive Session except actions regarding the securing of real estate purchase options or contracts in accordance with Paragraph 10(b)(ii) below. Attendance in Executive Session shall be limited to the directors and any persons whose presence is requested by the Board of Directors. Minutes of an Executive Session shall be recorded as a part of the minutes of the meeting in which the Board has voted to go into Executive Session. The Board shall not hold an Executive Session except to consider one or more of the following matters:
 - (i) Contracts, labor relations agreements with employees, arbitration, grievances, or litigation involving the CLT when premature public knowledge would place the CLT or person involved at a substantial disadvantage;
 - (ii) Real estate purchase offers and the negotiating or securing of real estate purchase options or contracts;
 - (iii) The appointment or evaluation of an employee, and any disciplinary or dismissal action against an employee (however, nothing in this section shall be construed to impair the right of the employee to a public hearing if action is taken to discipline or dismiss);
 - (iv) The consideration of applications from persons seeking to lease land and/or housing, purchase housing, or arrange financing from the CLT; and
 - (v) Relationships between the CLT and any party who might be harmed by public discussion of matters relating to the relationship.
- (c) **Decision-Making.** Whenever possible, decisions shall be made at Board meetings by the unanimous consent of the directors present, a quorum being assembled, and arrived at using modified consensus decision-making process. Modified consensus decision-making process, as described above in section 2.6 (e) shall be employed. In the event that unanimous agreement cannot be achieved, a decision may be made by a majority (50% + 1) of the directors present and voting.

If one or more directors has strong objections to the proposal, his or her position should be acknowledged and noted in the minutes. Every act done or decision made in accordance with this Subsection (d) of the bylaws at a meeting duly held at which a quorum is assembled shall be regarded as the act of the Board of Directors. Directors may not vote by proxy. If a majority of the board is present for a vote, including one of each type of director if five of each type of director has been appointed, then a majority of those present and voting, including at least one of each type of director, is needed to approve an action. If less than half of board member are present, or not one of each class of director is present, then a vote may pass if at least a third of the Board of Directors is in attendance, and a majority (50%+1) thereof vote in favor.

- (d) **Quorum.** A Quorum is considered met when a majority of the board is present and, in the event that at least two of each category of Director has been appointed and confirmed, then One Resident Director, One Community Director and One Ally Director must also be present for a quorum to be met. If a quorum is not met, agenda items requiring a vote will be addressed at the next board meeting where a quorum is met.

Section 3.14 **Notice.**

- (a) **Annual Board Meeting.** Notice of such meeting need not be given if held immediately following the Annual Meeting of Members. Such first meeting may be held at any other time and if it is held at another time, notice shall be given as hereinafter provided for special meetings of the Board of Directors.
- (b) **Regular Board Meetings.** All Meetings will be listed on the CLT monthly calendar.
- (c) **Special Meetings.** Notice of a special meeting shall be provided using the methods decided upon by the board and shall state the purposes, time and place of the meeting. Notice of a special meeting shall be given not less than three (3) days before the meeting. Notices of special board meetings will be kept on file by the Secretary of the Board.
- (d) **Waivers of Notice.** Notice of a meeting need not be given to any Director: (a) who submits a signed waiver of notice either before or after the meeting; or (b) who attends the meeting without protesting the lack of notice to him prior to or at the start of the meeting. Waivers may be provided: (i) in a writing signed by the Director either in hard copy or by affixing a signature by any reasonable means (e.g., fax signature); or (ii) by e-mail that includes information from which the recipient can reasonably determine that the transmission was authorized by the individual submitting the waiver.

Section 3.15 **Compensation.** Directors shall serve without compensation. The Board may authorize the CLT to pay directors for the reasonable expenses they incur in performing their duties.

ARTICLE IV OFFICERS

Section 4.1 **Election.** The officers of the CLT shall be elected by a majority vote of the Board of Directors, from among themselves, at the Annual Meeting of the Board of Directors. Any vacancies occurring in any of these offices shall be filled by the Board for the unexpired term.

Section 4.2 **Tenure.** The officers shall hold office until their replacements are elected, unless, before such time, they resign or are removed from their offices, or unless they resign or are removed from the Board of Directors. Any officer who ceases to be a member of the Board of Directors shall thereby cease to be an officer. In order to encourage the development of skills and leadership among the Membership, no officer shall serve in the same position for more than two full, consecutive terms of three years each.

Section 4.3 **President Emeritus.** The President Emeritus is not an officer, but an as needed assistant to the current President to the incoming President transition into the new role. This position shall only be filled by any past President, who may or may not be a current member of the Board of Directors. There shall only be a President Emeritus during the first term of a President who has not previously served as President. There are no consecutive term limits. Similarly, the outgoing Vice President, Secretary, Treasurer, and other Directors with such positions are expected to help incoming Directors transition into their new roles.

Section 4.4 **Removal.** The officers shall serve the Board of Directors and may be removed from office at any time by an affirmative vote of two thirds present of the Board of Directors, a quorum being assembled.

Section 4.5 **Resignation.** Any Officer may resign from his/her office at any time by giving notice to the Board. Unless otherwise specified, such resignation shall be effective upon delivery of notice to the Board.

Section 4.6 **Duties of the President.** The President shall:

- (a) Preside at all meetings of the Board of Directors and the Membership or properly delegate such duty.
- (b) Consult with the other officers and the Committees of the CLT regarding the fulfillment of their duties.
- (c) Assure that an agenda is prepared for every meeting of the Membership and provided to the Secretary in a timely fashion.

- (d) Assure that an agenda is prepared for every meeting of the Board of Directors and provided to the Secretary at least eight days in advance of the meeting.
- (e) Report on the affairs of the CLT to the Membership at their Annual Meeting and at any other time they may require.
- (f) Perform such other duties as the Board of Directors may assign.

Section 4.7 Duties of the Vice President. The Vice President shall:

- (a) Perform all duties of the President in the event that the President is absent or unable to perform these duties.
- (b) Perform all duties of the Secretary and Treasurer in the event that these officers are unable to perform these duties.
- (c) Assure that up-to-date copies of these Bylaws (incorporating any duly approved amendments) are maintained by the CLT; answer all questions from the Board and Membership regarding these Bylaws or direct them to the appropriate individual or committee for answers; and assure that all actions of the Membership and Board of Directors comply with these Bylaws.
- (d) Assure that any and all Committees established by the board of directors are constituted as the board has directed and meet as necessary and appropriate.
- (e) Call special meetings of the Membership or Board of Directors when petitioned to do so in accordance with these Bylaws.
- (f) Perform such other duties as the Board of Directors may assign.
- (g) Ensure that parliamentary procedures are followed.

Section 4.8 Duties of the Secretary. The Secretary shall:

- (a) Assure that a list of all Members and their mailing addresses or other contact information is maintained by the CLT, kept confidential, and shared with the Membership committee as needed.
- (b) Assure that proper notice of all meetings of the Membership is given.
- (c) Assure that proper notice of all meetings of the Board of Directors is given, including an agenda provided by the President.

- (d) Assure that motions and votes in meetings of the Membership and Board are accurately represented to those present and are accurately recorded in the minutes.
- (e) Assure that minutes of all meetings of the Membership and the Board of Directors are recorded and kept on permanent record and provide copies of the minutes as required by these Bylaws, and share them with the appropriate committees.
- (f) Assure that all Committees have a Committee member who appropriately records all meeting minutes and keeps those minutes on permanent record.
- (g) Give notice to any Director who has been absent from three consecutive meetings or 50% of all meetings in a twelve-month period, as required by these Bylaws.
- (h) Compare the list of properties and business interests of the Board of Directors meeting agendas and report any potential conflicts of interest at Board Meetings.
- (i) Maintain on permanent record a list of all organizations leasing nonresidential facilities from this CLT, which shall be open to inspection to any Member as appropriate.
- (j) Perform all duties of the Vice President in the event that the Vice President is absent or unable to perform these duties.
- (k) Perform such other duties as the Board of Directors may assign.

Section 4.9 **Duties of the Treasurer.** The Treasurer shall oversee the finances of the CLT. Specifically, the Treasurer shall:

- (a) Assure that the financial records of the CLT are maintained in accordance with sound accounting practices.
- (b) Assure that funds of the CLT are deposited in the name of the CLT in accordance with these Bylaws.
- (c) Assure that all deeds, title papers, leases, and other documents establishing the CLT's interest in property and rights in particular matters are systematically and securely maintained.
- (d) Assure that all money owed to the CLT is duly collected and that all gifts of money or property to the CLT are duly received.
- (e) Assure the proper disbursement of such funds as the Board of Directors may order or authorize to be disbursed.

- (f) Assure that accurate financial reports (including balance sheets and revenue and expense statements) are prepared and presented to the Board at the close of each quarter of each fiscal year.
- (g) Assure that such reports and tax returns as may be required by various government agencies are prepared and filed in a timely manner.
- (h) Assure that an annual operating budget is prepared and presented to the Board for its approval prior to the beginning of each fiscal year.
- (i) The Board may require that the Treasurer be bonded, in any amount satisfactory to the Board.

ARTICLE V COMMITTEES

Section 5.1 **Establishment of Committees** . The Board may establish such standing and ad hoc committees as it sees fit, and may appoint board and non-board members to these committees. The Board shall, when establishing any committee, set out the purposes of the committee, its procedures and its powers, provided that the committee shall not exercise any of the powers or carry out any duties that are legally required to be exercised or carried out by the Board of Directors. Each board committee shall elect a Committee Chair, who will provide a report at each meeting of the Board. Committees elect committee chairs amongst themselves via a majority vote (50% +1). A Board Member must be a co-chair of some committees at the discretion of the Board of Directors. Non-board members sitting on board committees shall be entitled to vote on motions before the committees on which they sit. Each committee chair shall serve three-year terms. The board may by resolution dissolve any committee at any time.

Section 5.2 **Tenure of Committee Chairs**. Each committee chair shall serve three year terms

Section 5.3 **Quorum and Manner of Acting**. Unless otherwise provided by resolution of the Board of Directors: (a) a majority of all the members of a committee shall constitute a quorum for the transaction of business; and (b) the act of the committee means actions taken at a meeting of the committee at which a quorum is present by vote of a majority of all of the members of the committee.

Section 5.4 **Ad Hoc Committees**. To accomplish a specific task or address a specific issue, the Executive Board may form a Committee that will cease to function once the task or issue has been addressed or when the Committee has not met in over three (3) months. Ad Hoc Committees can be made a standing committee by resolution of the board. The creation and dissolution of the Committee must be recorded in the minutes.

Section 5.5 **No Compensation.** No advisor to the CLT shall receive, directly or indirectly, any salary or compensation for any service rendered to the CLT as a member of a committee of the CLT, except that the Board may authorize reimbursement of expenditures reasonably incurred on behalf of activities for the benefit of the CLT

Section 5.6 **Other Standing Committees of the CLT.** The Board, by resolution adopted by a majority of the entire Board, may establish and appoint other committees of the CLT with such powers and duties as the Board may prescribe. Any member of the Membership may apply to be members of committees, subject to the approval of the Board.

Section 5.7 **Executive Committee.** The Board may appoint an Executive Committee, whose members will include officers of the CLT who are Directors, whose duties shall include board management powers and exercising powers delegated to it by the Board of Directors, including acting in the event of an emergency, and any other duties set out by the Board of Directors into the Committee's terms of reference. All decisions of the Executive Committee shall be reported to the Board at the next meeting, but no ratification of decisions is necessary.

Section 5.8 **Governance Committee.** The Board shall appoint a Governance Committee, whose duties shall include recruiting members to the Board of Directors, considering nominations for board elections and board committees, organizing the annual meeting and the elections for directors, being responsible for the orientation of new directors, and any other duties set out by the Board of Directors.

Section 5.9 **Finance Committee.** The CLT may appoint a Finance Committee. The Finance Committee shall assist and advise the Board with respect to financial aspects of the CLT. The Treasurer shall be the chair of the Finance Committee. The Finance Committee, with the assistance of CLT management, may undertake the following:

- (a) Monitoring the fiscal management and financial health of the CLT including adherence to budget/financial operations;
- (b) Reviewing and recommending Board approval of an annual operating and annual/multi-year capital budgets as well as long-range financial goals consistent with the Board-approved strategic plan;
- (c) Review and recommend Board approval of financial policies related to fiscal management and budgeting;
- (d) Reviewing management recommendations and advise the Board regarding resources necessary to manage the CLT's financial matters; and
- (e) Monitoring the CLT's fundraising initiatives.

The Board of Directors may adopt a Finance Committee Charter to govern the operations of the Finance Committee.

ARTICLE VI
OWNERSHIP OF HOUSING AND IMPROVEMENTS ON CLT'S LAND

In accordance with the purposes of the CLT, the Board shall adopt policies intended to promote and preserve the ownership and affordability of housing and other improvements for low-income people.

Section 6.1 Preservation of Affordability. It is a purpose of the CLT to preserve the affordability of housing and other improvements for low-income people in the future. Accordingly, when land is leased for such purpose, the Board of Directors shall ensure that as a condition of the lease, housing on the land may be resold only to the CLT or to another Income Qualified Person and only for a price limited by a "Resale Formula" as described in Section 6.2 below. However, notwithstanding the foregoing, the Board of Directors may choose, for reasons consistent with the charitable purposes of the CLT, to lease certain parcels of land for uses that do not require continued affordability for low-income people, and in such cases the resale restrictions described above shall not be required as a condition of the lease. Any resale will also be subject to the policies and procedures adopted by the Board.

Section 6.2 The Resale Formula. Whenever its purpose is to preserve affordability, the CLT shall restrict the price that ground lessees may receive when they sell housing and other improvements located on the land that is leased to them by the CLT. A policy establishing such restrictions in the form of a "Resale Formula" shall be adopted by the Board of Directors and the Members of the CLT, in accordance with the following principles:

- (a) To the extent possible, the Resale Formula shall allow the seller to receive a price based on the value that the seller has actually invested in the property being sold.
- (b) To the extent possible, the Resale Formula shall limit the price of the property to an amount that will be affordable for other Income Qualified People, being people whose income falls within the income guidelines established by the Board of Directors for persons eligible to rent or buy housing on land owned and leased by ENY CLT, at the time of transfer of ownership.

Section 6.3 Procedures for the Adoption of the Resale Formula. The adoption of the Resale Formula shall require an affirmative vote by at least two-thirds of the Voting Members present at any Regular or Special Membership Meeting, a quorum being assembled, provided that written notice of such meeting has set forth the proposed formula with an explanation thereof.

Section 6.4 Procedures for Altering the Resale Formula. The consistent long-term application of a Resale Formula is essential to the purposes of the CLT. Accordingly, the Resale Formula shall not be altered unless the Board of Directors and Voting Members of the CLT determine that the current formula presents an obstacle to the achievement of the purposes of the CLT. In such an event, the Resale Formula may be altered only by an affirmative vote by at least two-thirds of the Voting Members present at any Membership Meeting, a quorum being

assembled, provided that written notice of such meeting has set forth the proposed formula with an explanation thereof.

**ARTICLE VII
STEWARDSHIP OF LAND**

Section 7.1 Principles of Land Use. The Board of Directors shall oversee the use of land owned by the CLT and shall convey the right to use such land so as to facilitate access to land and affordable housing by low-income BIPOC. In so doing, the Board shall be guided by the following principles:

- (a) The Board shall consider the needs of potential lessees and shall provide for a just distribution of land use rights.
- (b) The Board shall convey land use rights on terms that will preserve affordable access to land and housing for future low-income residents of the community.
- (c) The Board shall convey land use rights in a manner that will promote the economic development of the community.
- (d) The Board shall convey land use rights in a manner that will promote the long-term well-being of the community and the long-term health of the environment.

Section 7.2 Encumbrance of Land. The decision to mortgage or otherwise encumber land owned by the CLT shall require approval of the Board of Directors by two-thirds vote of the entire board.

Section 7.3 Sale of Land. The sale of land does not conform with the philosophy and the purposes of the CLT. Accordingly, land shall not be sold except in extraordinary circumstances, and then only in accordance with the following guidelines:

- (a) A parcel of land may be sold pursuant to a resolution adopted by an affirmative vote by a majority of the entire Board of Directors at a Regular or Special Board Meeting, provided that (i) the CLT has owned the parcel for no more than sixty (60) days at the time the vote is taken, (ii) the parcel is not leased to any party, and (iii) the resolution states that the location or character of the parcel is determined to be such that the charitable purposes of the CLT are best served by selling the land and applying the proceeds to the support of other activities serving those purposes.
- (b) In all other circumstances a parcel of land may be sold only with:
 - (i) An affirmative vote by at least majority of the entire Board of Directors at a Regular or Special Board Meeting, provided that

written notice of such meeting has described the proposed sale and the reasons for the proposal;

- (ii) The written consent of any persons to whom the land in question is leased; and
- (iii) The approval of majority of the Voting Members present at a Regular or Special Membership Meeting, a quorum being assembled, provided that written notice of such meeting has described the proposed sale and the reasons for the proposal.

Section 7.4 **Acquisition of Land.** Land will be acquired by the East New York CLT through various means, in order to expand the CLT and its impact on the black community in East New York. Acquisition methods include, but are not limited to:

- (a) Donations from current owners in the community
- (b) Grants of public land
- (c) Purchases on the open market
- (d) Purchases of tax liens/deeds

ARTICLE VIII FINANCIAL MATTERS AND RECORDS

Section 8.1 **Fiscal Year.** The Board shall set the fiscal year of the CLT.

Section 8.2 **Execution of Instruments.** The Board shall select the banks or depositories it deemed proper for the funds of the CLT. The Board shall determine who shall be authorized from time to time and in what manner on the CLT's behalf to sign checks, drafts, or other orders for payment of money; to sign acceptances, notes, or other evidences of indebtedness; to enter into contracts; or to execute and deliver other documents and instruments.

Section 8.3 **Books and Records.** There shall be kept at the principal office of the CLT correct and complete books and records of the accounts, activities, and transactions of the CLT. These records shall include a current list of the directors and officers of the CLT and their addresses, and a minute book, which shall contain a copy of the Certificate of Incorporation, a copy of these Bylaws, and all minutes of meetings of the Board and the committees. Any of the books, records, and minutes of the CLT may be kept in written form or in an electronic form capable of being converted into written form within a reasonable time.

ARTICLE IX INDEMNIFICATION AND INSURANCE

Section 9.1 **Indemnification.** To the fullest extent permitted by law, the CLT may indemnify any person made, or threatened to be made, a party to, or is involved in (including as a witness), any action or proceeding by reason of the fact that he or she is or was a director,

officer, employee, or agent of the CLT, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees. No indemnification may be made to or on behalf of any such person if: (a) his or her acts were committed in bad faith or were the result of his or her active and deliberate dishonesty and were material to such action or proceeding; or (b) he or she personally gained a financial profit or other advantage to which he or she was not legally entitled in the transaction or matter in which indemnification is sought.

Section 9.2 **Expenses.** The CLT may pay expenses as incurred by any person in connection with any action, suit, proceeding or inquiry, provided that if these expenses are to be paid in advance of the final disposition (including appeals) of an action, suit, proceeding or inquiry, then the payment of expenses shall be made only upon delivery to the CLT of an undertaking, by or on behalf of the person, to repay all amounts so advanced if it is ultimately determined that the person is not entitled to be indemnified under this Article or otherwise.

Section 9.3 **Insurance.** The CLT may purchase and maintain all insurance policies deemed to be in the best interest of the CLT, including insurance to indemnify the CLT for any obligation or expenses which it incurs as a result of its indemnification of directors, officers, employees and agents pursuant to this Article, or to indemnify such persons in instances in which they may be indemnified pursuant to this Article.

**ARTICLE X
AMENDMENTS TO BYLAWS**

Section 10.1 **Amendments.** Directors may vote to amend the bylaws but amendments must be approved by the members. For an amendment to be considered approved by the Board of Directors a majority (50% + 1) of the directors present must vote in favor of it. For Members to approve or override amendments approved by the Board of Directors requires a majority (50% + 1) of members present to vote for it (proxy voting permitted).

Section 10.2 **Notice of Amendments.** Notice will be given to members in the same manner as for Membership Meetings as stated above in Section 2.11. Notice will include the existing language in the bylaws that the Board of Directors is proposing an amendment to, and the Board's proposed amended language.