

# CITY OF LOS ANGELES

CALIFORNIA

Richard H. Llewellyn, Jr.  
CITY ADMINISTRATIVE OFFICER



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MAYOR

ASSISTANT  
CITY ADMINISTRATIVE OFFICERS

PATRICIA J. HUBER  
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January 24, 2020

Council of the City of Los Angeles  
200 North Spring Street  
Los Angeles, CA 90012

0220-05291-0768

## RE: NOTICE OF THE APPROVAL OF THE AMENDED AND RESTATED BYLAWS OF THE MUNICIPAL IMPROVEMENT CORPORATION OF LOS ANGELES

Dear Honorable Members:

At the Annual Meeting of the Directors of the Municipal Improvement Corporation of Los Angeles (MICLA) held of December 20, 2019, the Directors unanimously approved Amended and Restated Bylaws (Amended Bylaws). The original Bylaws (Bylaws) were first adopted in 1984 in connection with the establishment of MICLA. Since then, the Bylaws have not been amended to include the various changes to applicable State laws. The Amended Bylaws, included here as Attachment A, incorporate necessary updates to ensure they remain compliant with the Ralph M. Brown Act, California Government Code Section 1090, and the Political Reform Act of 1976, as amended.

Notice of the MICLA Board's approval of the Amended Bylaws is being transmitted to the City Council pursuant to the Bylaws. The Bylaws provide that no amendment of the Bylaws shall be effective if it is disapproved by the City Council within forty-five (45) days of receipt by the City Council of the notice of such amendment. Therefore, if the City Council takes no action within such 45-day period to disapprove the Amended Bylaws, such Amended Bylaws shall be deemed approved by the City Council on the 45<sup>th</sup> day. Any questions or concerns regarding the Amended Bylaws should be directed to Natalie R. Brill at (213) 473-7526.

Sincerely,

Richard H. Llewellyn, Jr.  
City Administrative Officer

Cc: The Honorable Eric Garcetti, Mayor

Attachment  
RHL:AG:09200158



# AMENDED AND RESTATED BYLAWS OF

**NAME**

Section 1.1      Corporate Name

The name of this corporation is Municipal Improvement Corporation of Los Angeles (the "Corporation").

## OFFICES

## Section 2.1      Principal Office

The principal office for the transaction of the business of the Corporation shall be 200 North Main Street, City Hall East, 15<sup>TH</sup> Floor, Los Angeles California 90012. The directors of the Corporation ("Directors") may change the principal office from one location to another by resolution of the Board of Directors of the Corporation, and this section shall be amended accordingly and any such change of location shall not require an amendment to these Bylaws.

## **OBJECTIVES AND PURPOSES**

### Section 3.1 General Purpose

This Corporation has been formed under the California Nonprofit Public Benefit Corporation Law ("Nonprofit Public Benefit Law") for the purposes stated in the Articles of Incorporation ("Articles").

## MEMBERS

### Section 4.1 No Members

The Corporation shall not have members.

## ARTICLE 5

## DIRECTORS

### Section 5.1    Number and Qualifications

#### 5.1.1    Number

The number of Directors on the Board of Directors of the Corporation ("Board") shall be not less than three (3) or more than five (5), with the exact authorized number of Directors to be determined by the Board from time to time.

#### 5.1.2    Qualifications of Directors; City Council Approval of Directors

Every person elected or appointed as a Director after the initial Board shall meet the qualifications herein, which require that each such Director is approved by the City Council of the City of Los Angeles, California ("City Council") in accordance with the conditions in this Section 5.1.2(i) or (ii). Notice of the names of the persons elected or appointed to the office of Director after the initial Board shall be sent by the Office of the City Administrative Officer ("CAO") to the City Clerk of the City of Los Angeles, California on behalf of the City Council as soon as possible after such Directors are elected or appointed.

No Director (other than the Directors who were on the initial Board) elected or appointed as a Director shall be qualified to be a Director if the name of such Director is not either: (i) approved by a majority of the City Council within forty-five (45) days after the receipt by the City Clerk on behalf of the City Council of the name of such Director or, (ii) if, however, a majority of the City Council takes no action within such forty-five (45) day period to approve or not approve such director, such director shall be deemed approved by the City Council effective on the close of business on the last day of such forty-five (45) day period. If any person has been elected or appointed as a Director (other than a Director on the initial Board) and if such person is unable to qualify for the office of Director pursuant to this Section 5.1.2, the Directors shall thereupon call a special meeting in accordance with the Brown Act, after notice as required, to elect or appoint another person to become a Director.

### Section 5.2    Corporate Powers Exercised by the Board

Subject to the provisions of the Articles, the Nonprofit Public Benefit Law, the Brown Act (as defined in Section 5.6 herein) and any other applicable laws, the business and affairs of the Corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board.

### Section 5.3    Directors Standard of Conduct

A Director shall perform the duties of a Director, including duties as a member of any committee of the Board upon which such Director may serve, in good faith, in a manner the Director believes to be in the best interests of the Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

Except as provided: (i) in Section 5233 of the Nonprofit Public Benefit Law and, (ii) to the extent applicable, in Section 1090 and the Political Reform Act (as such terms are defined in Sections 8.1 and 8.2 herein, respectively), a person who performs the duties of a Director in accordance with subdivisions (a) and (b) of Section 5231 of the Nonprofit Public Benefit Law shall have no liability based upon any alleged failure to discharge the person's obligations as a Director, including without limiting the generality of the foregoing, any actions or omissions which exceed or defeat a public or charitable purpose to which the Corporation, or assets held by it, are dedicated.

#### Section 5.4    Terms of Office of Directors; Election of Successors

After the terms of office of the last of the initial Directors ended in or about 1988, subsequent Directors shall be elected for four-year terms by a majority vote of the Directors of the Corporation at the annual or other meeting of the Board held at or about the time of the expiration of the term(s) of office of one or more of the predecessor Directors or upon the election and qualification of a successor (or upon a vacancy on the Board under Section 5.5). The term of office of the subsequent Directors as described above, including a Director elected to fill a vacancy, shall be effective and begin on the earlier of: (i) the date a majority of the City Council approves such Director pursuant to Section 5.1.2(i) or (ii), provided, however, if a majority of the City Council takes no action to approve or not approve such director within the forty-five (45) day period referred to in Section 5.1.2(i), such director shall be deemed approved by the City Council effective on the close of business on the last day of such forty-five (45) day period.

Such Directors shall hold office until the expiration of the term for which he or she was elected and qualified pursuant this Section 5.4 and until the election and qualification of a successor thereto, or until that Director's earlier resignation or removal in accordance with these Bylaws and the Nonprofit Public Benefit Law. By resolution, the Board may arrange for terms to be staggered. Directors may serve any number of consecutive terms.

#### Section 5.5    Vacancies

##### 5.5.1    Events Causing Vacancy

A vacancy or vacancies on the Board shall be deemed to exist on the occurrence of any of the following: (i) the death, resignation, or removal of any Director, (ii) the declaration by resolution of the Board of a vacancy in the office of a Director who has been declared of unsound mind by a court order or convicted of a felony, or who has been found by final order or judgment of any court to have breached a duty under Sections 5230-5239 of the Nonprofit Public Benefit Law, (iii) the failure of the Board, at any meeting of the Board at which any Director or Directors are to be elected, to elect the full authorized number of Directors, (iv) the increase of the authorized number of Directors, or (v) upon the unexcused absence by a Director for four (4) consecutive meetings of the Board.



#### 5.5.2 Removal

Any Director may be removed, with or without cause, by a vote of the majority of the members of the entire Board, at a special meeting called for that purpose, or at a regular or annual meeting, provided notice of that meeting and of the removal questions are given as provided in these Bylaws and in accordance with the Brown Act.

#### 5.5.3 No Removal on Reduction of Number of Directors

No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires unless the reduction also provides for the removal of that specified Director in accordance with these Bylaws and the Nonprofit Public Benefit Law.

#### 5.5.4 Resignation

Except as provided in this paragraph, any Director may resign, which resignation shall be effective upon receipt of written notice by the Board, the President, the Secretary or the Chair, if any, unless the notice specifies a later effective date for the resignation. No Director may resign if the Corporation would then be left without a duly elected Director or Directors in charge of its affairs, except upon notice to the California Attorney General (the "Attorney General").

#### 5.5.5 Election to Fill Vacancies

If there is a vacancy on the Board under Section 5.5.1 herein, the Board may fill such vacancy by electing an additional director as soon as practicable after the vacancy occurs by a majority vote of the Board at an Annual Meeting, regular or special meeting where a quorum is present and such meeting is in compliance with the Brown Act.

#### Section 5.6 Brown Act Applies to All Board Meetings

All meetings of the Board of the Corporation, or any committee thereof, shall be called, noticed, held and conducted in accordance with applicable provisions of the Ralph M. Brown Act (commencing at Section 54950 of the Government Code of the State of California) ("Brown Act").

All meetings of the Board and any committee thereof shall be open and public, and all persons shall be permitted to attend any meeting of the Board or any committee thereof except as provided by the Brown Act. The Brown Act provides for three different types of meetings: regular meetings (which include annual meetings), special meetings and emergency meetings. Emergency meetings are extremely rare and shall comply with the Brown Act.

Section 5.7    **Annual and Regular Meetings; Time and Place; Notice; Agenda; Public Posting; Public Participation; Regulations; Criticism and Brown Act Requirements for All Meetings**

(a) **Time and Place of Annual and Regular Meetings under the Brown Act**

The Board shall hold an Annual Meeting of the Board every year at 10:00 am on the third Tuesday in May at the Office of the City Administrative Officer, 200 N. Main Street, City Hall East, Room 1500, Los Angeles, CA. In addition, the Annual Meeting may also be held at such time and place as the Board may from time to time determine by resolution in accordance with the Brown Act.

Should such day fall upon a legal holiday, the Annual Meeting shall be held on the next business day thereafter at the same hour and place. Regular meetings of the Board include the Annual Meeting. In the discretion of the Board if and when the Board determines that it is necessary or desirable, other regular meetings may be held on a pre-adopted schedule that provides the time and place of the regular meeting in accordance with the Brown Act as the Board may determine by resolution from time to time.

(b) **Regular Meetings; Notice; Agenda; Public Posting Requirements of the Brown Act**

Notice to the public of each Annual Meeting and regular meeting of the Board (collectively a "regular meeting") shall comply with the Brown Act. At least 72 hours before a regular meeting of the Board, the Board shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the regular meeting of the Board, including items to be discussed in closed session. Closed sessions shall comply with the Brown Act. A brief general description of an item generally need not exceed 20 words.

The agenda shall specify the time, date and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public. The notice and agenda above that is posted to the public shall also be sent to the Directors not less than 72 hours' before the regular meeting by email pursuant to Section 12.2.

No action or discussion shall be taken at a regular meeting of the Board on any item not appearing on the posted agenda, except that members of the Board or the staff of the Corporation may briefly respond to statements made or questions posed by persons exercising their public testimony rights under Government Code Section 54954.3. In addition, the Board may take action on items of business not appearing on the posted agenda under the other conditions set forth in Government Code Section 54954.2 and the Brown Act.

If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability as required by the Brown Act.

(c) Public's Right to Address the Board; Brown Act Requirements for All Board Meetings; Reasonable Regulations; Public Criticism of Policies; Other Requirements

All meetings of the Board shall be held and conducted in accordance with the Brown Act. Government Code Section 54954.3 ("Section 54954.3") provides an opportunity for the public to directly address the Board as part of the public comment process. Section 54954.3(a) provides that every agenda for regular meetings shall provide an opportunity for members of the public to directly address the Board on any item of interest to the public, before or during the Board's consideration of the item, that is within the subject matter jurisdiction of the Board, provided that no action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized by subsection (b) of Government Code Section 54954.2.

However, the agenda need not provide an opportunity for members of the public to address the Board on any item that has already been considered by a committee, composed exclusively of members of the Board, at a public meeting wherein all interested members of the public were afforded the opportunity to address the committee on the item, before or during the committee's consideration of the item, unless the item has been substantially changed since the committee heard the item, as determined by the Board.

The Board may adopt reasonable regulations to ensure that the intent of Section 54954.3(a) is carried out for all meetings of the Board, including, but not limited to, regulations limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker, subject to the provisions of the Brown Act including for a member of the public who uses a translator or uses simultaneous translation equipment. For example, the Board may adopt reasonable regulations on public testimony and the conduct of public meetings, including measures to address disruptive conduct and irrelevant speech.

A member of the public shall not be required as a condition of attendance at any meeting of the Board to register his or her name, to provide other information, to complete a questionnaire or otherwise to fulfill any condition precedent to attend. No meeting of the Board can be held in any facility that prohibits attendance based on race, religion, color, national origin, ethnic group identification, age, sex, sexual orientation or disability, or that is inaccessible to the disabled. All meetings of the Board shall meet the protections and prohibitions of the Americans with Disabilities Act as set forth in the Brown Act.

At any meeting of the Board the Board shall not prohibit public criticism of the policies, procedures, programs or services of the Corporation, or of the acts or omissions of the Corporation as provided by the Brown Act. Nothing in Section 54954.3(c) shall confer any privilege or protection for expression beyond that otherwise provided by law. Also, the Board may not prohibit any person including individuals, lobbyists and members of the news media attending any open meeting from video recording, audio recording or broadcasting the proceedings, absent a reasonable finding that such activity would constitute a disruption of the proceedings.

The Board shall publicly report any action taken at any meeting of the Board and the vote or abstention on that action of each member of the Board present for the action. The Board shall not take any action at any meeting of the Board by secret ballot, whether preliminary or final.

Section 5.8    **Special Meetings: Call; Notice; Agenda; Posting; Public Participation under the Brown Act**

(a) **Call; Notice; Agenda; Public Posting Requirements under the Brown Act**

Special meetings of the Board for any purpose or purposes permitted by the Brown Act and the Nonprofit Public Benefit Law may be called at any time by the presiding officer of the Corporation or by a majority of the members of the Board, by delivering written notice to each member of the Board and to each local newspaper of general circulation and radio or television station that has requested such notice in writing. The notice shall be delivered personally or by any other means including email and shall be received at least 24 hours before the time of the meeting as specified in the notice.

The call and notice shall be posted at least 24 hours prior to the special meeting in a location that is freely accessible to members of the public. The call and notice shall also be sent in writing by email to the Directors at such time pursuant to Section 12.2. Such call, notice to the public and agenda shall specify the time and place of the special meeting in the City of Los Angeles, except as permitted by the Brown Act, and the business to be transacted or discussed.

No other business shall be considered at the special meeting of the Board except what is in the call and notice. Notices of special meetings of the Board may be waived by any member of the Board who, at or prior to the time the special meeting convenes, files with the clerk or secretary of the Board a written waiver of notice, which waiver may be given by email or telegram. The written notice of any special meeting may also be dispensed with as to any Board member who is actually present at the special meeting at the time it convenes. All waivers of such notice shall be a part of the minutes of the Board or filed with the corporate records.

(b) **Public Participation under the Brown Act**

Every notice for a special meeting shall provide an opportunity for members of the public to directly address the Board concerning any item that has been described in the notice for the special meeting before or during consideration of that item.

Section 5.9    **Board Meetings by Teleconference; Brown Act Requirements for Teleconference Meetings**

The Board may use teleconferencing in connection with any meeting or proceeding authorized by law and may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the Board. All Directors who participate in a Board meeting by teleconference shall be deemed to be present in person at any such meetings. For purposes of this Section 5.9, "teleconference" means a meeting of the Board, the members of which are in different locations, connected by electronic means through either audio, video or both.

Teleconference meetings of the Board shall comply with the requirements of Government Code Section 54953 and the Brown Act and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding, including:

- (i) A quorum of the Directors shall participate in the teleconference meeting from locations within the boundaries of the City of Los Angeles except as provided in the Brown Act;
- (ii) All votes taken during a teleconference call shall be by rollcall;
- (iii) The Board shall post agendas at all teleconference locations with each teleconference location identified in the notice and agenda of the meeting;
- (iv) All locations where a Director participates in a meeting via teleconference must be fully accessible to members of the public and listed on the notice and agenda;
- (v) Members of the public must be able to hear what is said during the meeting and shall be provided with the opportunity to address the Board directly pursuant to Section 54954.3 at each teleconference location; and
- (vi) Teleconference meetings shall be conducted in a manner that protects the statutory and constitutional rights of the parties or public appearing at the Board.

Section 5.10 Public Access to Agendas and Meeting Materials under the Brown Act

The public shall have access to agendas and other public meeting materials of the Board in accordance with Government Code Section 54957.5 ("Section 54957.5") and the Brown Act. Notwithstanding Government Code Section 6255 of the Public Records Act (as defined in Section 11.5 herein) or any other law, agendas of public meetings of the Board and any other writings, when distributed to all, or a majority of all, of the members of the Board by any person in connection with a matter subject to discussion or consideration at an open meeting of the Board shall comply with the Brown Act and are disclosable public records under the Public Records Act, and shall be made available upon request without delay. However, Section 54957.5 shall not include any writing exempt from public disclosure under the Brown Act.

If a writing that is a public record under subdivision (a) of Section 54957.5, and that relates to an agenda item for an open session of a regular meeting of the Board, is distributed less than 72 hours prior to that meeting of the Board, the writing shall be made available for public inspection pursuant to paragraph (b)(2) of Section 54957.5 at the time the writing is distributed to all, or a majority of all, of the members of the Board.

The City shall make any writing described in paragraph (b)(1) of Section 54957.5 available for public inspection at a public office or location that the City shall designate for this purpose. The City shall list the address of this office or location on the agendas for all meetings of the Board. The City may also post the writing on its website in a position and manner that makes it clear that the writing relates to an agenda item for an upcoming meeting of the Board.

Writings that are public records under subdivision (a) of Section 54957.5 and that are distributed during a public meeting of the Board shall be made available for public inspection at

the meeting of the Board if prepared by the City or a member of the Board, or after the meeting of the Board if prepared by some other person. These writings shall be made available in appropriate alternative formats upon request by a person with a disability in accordance with the Brown Act. The Board may charge a fee or deposit for a copy of a public record in accordance with the Brown Act.

#### Section 5.11 Quorum and Action of the Board

A majority of Directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 5.12. Every act or decision done or made by a majority of the all of the Directors of the Corporation shall be regarded as the act of the Board, subject to the provisions of the Nonprofit Public Benefit Law and the Brown Act.

#### Section 5.12 Adjournments and Continuances under the Brown Act

##### (a) Adjournments; Adjourned Meetings

Adjournments and adjourned meetings of the Board shall comply with Government Code Section 54955 ("Section 54955") and the Brown Act. The Board may adjourn any regular, adjourned regular, special or adjourned special meeting to another time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time.

If all members of the Board are absent from any regular or adjourned regular meeting the clerk or secretary of the Board may declare the meeting adjourned to a stated time and place and shall cause a written notice of the adjournment to be given in the same manner as provided in Government Code Section 54956 for special meetings, unless such notice is waived as provided for special meetings. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special or adjourned special meeting was held within 24 hours after the time of adjournment.

When a regular or adjourned regular meeting of the Board is adjourned as provided in Section 54955, the resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings by ordinance, resolution, bylaw or other rule.

##### (b) Continuances

Any hearing being held, or noticed or ordered to be held by the Board at any meeting may by order or notice of continuance be continued or re-continued to any subsequent meeting of the Board in the same manner and to the same extent set forth in Section 54955 for the adjournment of meetings. Provided, however, that if the hearing is continued to a time less than 24 hours after the time specified in the order or notice of hearing, a copy of the order or notice of continuance shall be posted immediately following the Board meeting at which the order or declaration of continuance was adopted or made. Continuances shall comply with the Brown Act.



### Section 5.13 Conduct of Meetings

Meetings shall be conducted in accordance with the Brown Act. Meetings of the Board shall be presided over by the President who shall exercise the duties of the chair of the Board at such meetings, or, if the President is absent, by the Vice President or, in the absence of each of these persons, by a chair of the Board of the meeting, chosen by a majority of the Directors present at the meeting. Except as may be provided by the President or the Board at any time, the Assistant Secretary shall act as the secretary of all Board meetings and prepare or caused to be prepared the notices, agendas and agenda posting and the minutes of Board meetings, or if such person is absent, the presiding officer of such Board meeting shall appoint another person to act as the secretary for that Board meeting.

### Section 5.14 No Board Action by Unanimous Written Consent

The Board may not take action by the unanimous written consent of all of the Directors without a meeting and without prior notice and in accordance with the Brown Act.

### Section 5.15 Fees and Compensation of Directors

The Corporation shall not pay any compensation to Directors for services rendered to the Corporation as Directors, except that, subject to the Political Reform Act (as such term is defined in Section 8.2 herein), Directors may be reimbursed for actual, necessary, and reasonable expenses incurred in the performance of their duties to the Corporation, including attending Board meetings and travel incident to their services as a Director in accordance with City travel policies and with the approval of such expenses by the Board. Any Director may elect, however, to decline such reimbursement. Directors may not be compensated for rendering services to the Corporation in a capacity of other than as Directors. No more than 49 percent of the Directors may be "interested persons" who shall also be subject to the provisions of Section 8.4 herein.

## ARTICLE 6

## COMMITTEES

### Section 6.1 Committees of Directors

The Board may, in its sole discretion, by resolution adopted by a majority of the Directors then in office, designate one or more committees ("Committees") consisting of two or more Directors, and only of directors, to serve at the pleasure of the Board. Any member of any Committee may be removed, with or without cause, at any time by the Board. Any Committee, to the extent provided in the resolution of the Board, shall have a portion but not all of the authority of the Board delegated to it by the Board in compliance with the Brown Act, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board. Any Committee of the Corporation shall be a committee to consider subjects of a particular class arising during a stated period and shall be a permanent committee of the Corporation and a standing committee under the Brown Act. In addition, no Committee, regardless of the Board resolution, may:

- (a) Fill vacancies on the Board or on any Committee;
- (b) Amend or repeal the Articles or Bylaws or adopt new Bylaws;
- (c) Amend or repeal any resolution of the Board;
- (d) Designate any other Committees of the Board or appoint the members of any Committee; and
- (e) Approve any transaction: (i) in violation of Section 1090 or the Political Reform Act (as such terms are defined in Article 8 herein), or (ii) to which the Corporation is a party and as to which one or more of its Directors has a material financial interest, or (iii) between the Corporation and one or more of its Directors or between the Corporation and any corporation or firm in which one or more of its Directors has a material financial interest.

#### Section 6.2 Meetings and Action of Committees

All Committee meetings shall be called, noticed, held and conducted in accordance with the Brown Act. All Committee meetings shall also be governed by, held and taken in accordance with the applicable provisions of Sections 5.7 through Sections 5.10 and 5.12 of these Bylaws concerning Annual Meetings, regular or special meetings of Directors, provided such provisions comply with the Brown Act and with such changes to such sections as are necessary or desirable to substitute the Committee and its members for the Board and its members.

Minutes shall be kept of each meeting of any Committee and shall be filed with the corporate records. The Committee shall report to the Board from time to time as the Board may require.

#### Section 6.3 Quorum Rules for Committees

A majority of the Committee members shall constitute a quorum for the transaction of Committee business, except to adjourn. A majority of the Committee members present, whether or not constituting a quorum, may adjourn any meeting to another time and place, subject to compliance with the Brown Act.

### **ARTICLE 7**

### **OFFICERS**

#### Section 7.1 Officers

The Corporation shall have the following Officers: a President, one or more Vice Presidents, a Secretary, a Treasurer and such Assistant Secretaries and Assistant Treasurers and other Officers as the Board may designate by resolution and appoint pursuant to Section 7.3. The President, Secretary and Treasurer shall be members of the Board of Directors of the Corporation. One person may hold two or more offices, except no person serving as Secretary,

Treasurer or chief financial officer (if any) may serve concurrently as the President or chair of the Board.

#### Section 7.2 Election of Officers

The Officers of the Corporation, including those appointed in accordance with Section 7.3 herein, shall be elected by the Board for a term of two years and each shall serve at the pleasure of the Board until his or her successor shall be elected and qualified, or his or her earlier resignation or removal and subject to the rights, if any, of any Officer under a contract of employment. Officers may serve any number of consecutive terms.

#### Section 7.3 Subordinate Officers

The Board of Directors may appoint, and may authorize the President or any other Officer to appoint, such Assistant Secretary and Assistant Treasurer and any other Officers that the business of the Corporation may require, each of whom shall have the title, hold office for the period, have the authority, and perform the duties as determined from time to time by the Board.

#### Section 7.4 Removal of Officers

Subject to the rights, if any, of an Officer under any contract of employment, any Officer may be removed, with or without cause, (i) by the Board, at any regular or special meeting of the Board or at the Annual Meeting of the Corporation, or except in the case of an Officer chosen by the Board, (ii) by an Officer on whom such power of removal may be conferred by the Board.

#### Section 7.5 Resignation of Officers

Any Officer may resign at any time by giving written notice to the Board, the President or the Secretary of the Corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the Officer is a party.

#### Section 7.6 Vacancies in Offices

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled only in the manner prescribed in these Bylaws for regular appointments to that office.

## Section 7.7 Responsibilities of Officers

### 7.7.1 President

The president of the Corporation ("President") shall be the chief executive officer of the Corporation and shall, subject to the control of the Board, have general supervision, direction and control of the business and Officers of the Corporation. He or she shall have such other powers and duties as may be prescribed by the Board or these Bylaws. The President shall preside at all meetings of the Board of Directors and exercise the duties of the chair of the Board at such meetings of the Board. Subject to compliance with these Bylaws, the President shall also be an ex-officio member of all standing Committees. The President shall see that the Board is advised on all significant matters of the Corporation's business and shall see that all orders and resolutions of the Board are carried into effect. The President shall be empowered to act, speak for, or otherwise represent the Corporation between meetings of the Board within the boundaries of policies and purposes that may be established by the Board and as set forth in the Articles and these Bylaws.

### 7.7.2 Vice President

In the absence or the disability of the President, the Vice President ("Vice-President") or the Vice-Presidents in order of their ranks as and if fixed by the Board, shall perform all the duties of the President and, when so acting, have all the powers of and be subject to all the restrictions upon, the President. The Vice President(s) shall have such other powers and perform such other duties as may from time to time be prescribed for him or her or for them by the Board.

### 7.7.3 Secretary

The secretary of the Corporation ("Secretary") or his or her designee shall keep or cause to be kept, at the principal executive office of the Corporation or such other place as the Board may direct, a book of minutes of all meetings of the Directors and Committees of Directors since the date the Corporation was incorporated, with the time and place of holding annual, regular and special meetings, and if special, how authorized, the notice given of all Board meetings, the names of those present at such meetings and the proceedings of such meetings. The Secretary shall keep in safe custody these Bylaws as amended. The Secretary shall have such other powers and perform such other duties as prescribed by the Board or the Bylaws.

### 7.7.4 Treasurer

The treasurer of the Corporation ("Treasurer") shall be the chief financial officer and shall attend to the following:

#### (a) Books of Account

The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses,

capital and other matters customarily included in financial statements. The books of account shall be open to inspection by any Director at all reasonable times.

(b) Deposit and Disbursement of Money and Valuables

The Treasurer shall render to the President and Directors, whenever they request it, an account of the financial condition of the Corporation; and shall have other powers and perform such other duties as may be prescribed by the Board or the Bylaws.

7.7.5 Assistant Secretary

The Assistant Secretary shall: (i) perform the duties and exercise the powers of the Secretary in the event of the Secretary's absence or unavailability, and (ii) perform such other duties to assist the Secretary or the Corporation, as determined by the Board from time to time.

7.7.6 Assistant Treasurer

The Assistant Treasurer shall: (i) perform the duties and exercise the powers of the Treasurer in the event of the Treasurer's absence or unavailability, and (ii) perform such other duties to assist the Treasurer or the Corporation, as determined by the Board from time to time.

Section 7.8 Compensation of Officers

If the Board determines that it is necessary or desirable to retain an Officer or Officers, including to provide unique or specialized services that are needed by the Corporation for any period of time and/or that City staff is not able to provide such services, the Board shall determine by resolution to pay a salary to any such Officer(s) and the salaries of such Officer(s), if any, shall be fixed from time to time by resolution of the Board or by the person or Committee to whom the Board has delegated this function. No Officer who is also a Director shall receive a salary.

**ARTICLE 8 COMPLIANCE WITH SECTION 1090 AND POLITICAL REFORM ACT; LOANS TO DIRECTORS AND OFFICERS; RESTRICTIONS ON INTERESTED DIRECTORS**

Section 8.1 Application of Government Code Section 1090

The Corporation and its Officers and Directors including City officers and employees and other persons designated by Section 1090 shall be subject to the provisions of California Government Code Section 1090 et seq., as amended from time to time ("Section 1090"). Section 1090 provides that the Officers and Directors of the Corporation including City officers and employees and other persons designated by Section 1090 shall not be financially interested in any contract made by them in their official capacity, or by any body or board of which they are members. In addition, Section 1090 provides that Officers and Directors of the Corporation including City officers and employees and other persons designated by Section 1090 shall not be a purchaser at any sale or vendors at any purchase made by him or her in his or her official

capacity. The purpose of Section 1090 is to preclude persons subject to Section 1090 from using his or her position to obtain a business or financial advantage through the approval of contracts by the public entities on which he or she serves.

#### Section 8.2    Application of Political Reform Act.

The Corporation and its Officers and Directors shall be subject to, and comply with, the provisions of the Political Reform Act of 1976, as amended from time to time, at California Government Code Section 81000 et seq. ("Political Reform Act"). The Political Reform Act prohibits a public official, including Officers and Directors of the Corporation, from making, participating in making, or attempting to use his or her official position to influence any government decision if it is reasonably foreseeable that the decision will have a material financial effect on the official's economic interests.

#### Section 8.3    Loans to Directors and Officers

The Corporation shall not make any loan of money or property to or guarantee the obligation of any Director or Officer, unless approved by the Attorney General and, to the extent applicable, such loan or guarantee shall comply with Section 1090 and the Political Reform Act.

#### Section 8.4    Restrictions on Interested Directors

Not more than 49 percent of the persons serving on the Board at any time may be "interested persons," provided, however, that "interested persons" shall, to the extent applicable, comply with Section 1090 and the Political Reform Act. An "interested person" is:

(a) Any person compensated by the Corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor, or otherwise;

(b) Any shareholder, employee or officer of any corporation, or partner or employee of any partnership, which has rendered compensated services to the Corporation within the previous 12 months; and

(c) Any brother, sister, ancestor, descendent, spouse, brother-in-law, sister-in-law, mother-in-law or father-in-law of any person described in (a) or (b) of this Section 8.4.

Any violation of the provisions of this Section 8.4 shall not, however, affect the validity or enforceability of any transaction entered into by the Corporation, except, however, for any such violation which does not comply with Section 1090 and/or the Political Reform Act.

### ARTICLE 9            INDEMNIFICATION OF OFFICERS AND DIRECTORS

#### Section 9.1    Right to Indemnification

This Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any action or proceeding by reason of the fact that such person is or was an



Officer, Director or agent of this Corporation, or is or was serving at the request of this Corporation as a director, officer, employee or agent of another corporation or other enterprise, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if the person acted in good faith and in a manner the person reasonably believed to be in the best interests of the Corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of the person was unlawful, to the fullest extent permitted under the Nonprofit Public Benefit Law.

In determining whether indemnification is available to the Director, Officer or agent of this Corporation under California law, the determination as to whether the applicable standard of conduct set forth in Section 5238 of the Nonprofit Public Benefit Law has been met shall be made by: (i) a majority vote of the Directors who are not parties to the proceeding, provided that such Directors constitute a majority of all Directors, or (ii) if the number of Directors who are not parties to the proceeding is less than a majority of all Directors, the determination as to whether the applicable standard of conduct has been met shall be made by the court in which the proceeding is or was pending upon application made by the Corporation.

The indemnification provided herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled, and shall continue as to a person who has ceased to be an agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

## **ARTICLE 10**

## **CORPORATE RECORDS AND REPORTS**

### **Section 10.1 Maintenance of Articles and Bylaws**

The Corporation shall keep at its principal executive office the original or a copy of the Articles and Bylaws as amended to date.

### **Section 10.2 Maintenance of Other Corporate Records**

The accounting books, records and minutes of the proceedings of the Board and any Committee(s) of the Board shall be kept at such place or places designated by the Board, or, in the absence of such designation, at the principal executive office of the Corporation. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept in either written or typed form or in any other form capable of being converted into written, typed or printed form.

### **Section 10.3 Annual Audit; Annual Report**

The affairs and financial condition of the Corporation shall be audited annually at the end of each fiscal year as a part of the annual audit of the City of Los Angeles and audited financial statements of the Corporation shall be prepared for each such fiscal year ("Audited Financial Statements"). The President shall furnish or cause to be furnished to all Directors annually: (i) the Audited Financial Statements which shall include the information in subsections

(a) through (d) below, and, (ii) if and only to the extent applicable, the reports required by subsections (e) and/or (f) below (“Reports”):

- (a) The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year;
- (b) The principal changes in assets and liabilities, including trust funds, of the Corporation during the fiscal year;
- (c) The revenue or receipts of the Corporation, both unrestricted and restricted for particular purposes, for the fiscal year;
- (d) The expenses or disbursements of the Corporation, for both general and restricted purposes, during the fiscal year;
- (e) Subject to compliance, to the extent applicable, with Section 1090 and the Political Reform Act, a statement of any transaction during the previous fiscal year involving more than \$50,000 in which the Corporation (or its parent or subsidiaries, if any) was a party and in which any Director or Officer of the Corporation has a direct or indirect financial interest, or any of a number of such transactions in which the same person has a direct or indirect financial interest and which transactions in the aggregate involved more than \$50,000; and
- (f) Subject to compliance, to the extent applicable, with Section 1090 and the Political Reform Act, the amount and circumstances of any indemnification or advances aggregating more than \$10,000 paid during the fiscal year to any Director or Officer of the Corporation.

For each transaction, the Report must disclose the names of the interested persons involved in such transaction and state such person’s relationship to the Corporation, the nature of such person’s interest in the transaction and, where practicable, the value of such interest.

The Audited Financial Statements shall be accompanied by the independent auditor’s report. The Audited Financial Statements and, if applicable, the Reports may be furnished to the Directors by electronic transmission in accordance with Section 12.2 of these Bylaws.

#### Section 10.4 Inspection by Directors

Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of every kind and the physical properties of the Corporation. This inspection by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

## **ARTICLE 11**

## **EXECUTION OF INSTRUMENTS; SIGNATURES; SEAL; FISCAL YEAR AND PUBLIC RECORDS ACT**

### **Section 11.1 Execution of Instruments**

The Board, except as otherwise provided in these Bylaws, may by resolution authorize any Officer or agent of the Corporation to enter into any contract or agreement or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances as determined by the Board from time to time. Unless so authorized or ratified by the Board, no Officer, agent, or employee shall have any power or authority to bind the Corporation by any contract, agreement or engagement or to pledge, guarantee, assign or encumber its credit or to render it liable monetarily in any way or for any purpose or in any amount.

### **Section 11.2 Payment of Money, Evidence of Indebtedness, Signatures**

Except as otherwise specifically determined by resolution of the Board, or as otherwise required by law, checks, drafts, letters of credit and related agreements, bonds, promissory notes, orders for the payment of money or other evidence of indebtedness issued by or in the name of or payable to the Corporation and any securities owned by or held by the Corporation requiring a signature for transfer shall be signed or endorsed by such person or persons and in such manner as from time to time shall be determined by the Board.

### **Section 11.3 Corporate Seal**

The corporate seal, if any, shall be in such form as may be approved from time to time by the Board and may change from time to time. Failure to affix the seal to instruments of the Corporation, however, shall not affect the validity of any such instrument.

### **Section 11.4 Fiscal Year**

The Corporation's fiscal year shall begin on July 1 of each year and end on the last day of June of the next succeeding year.

### **Section 11.5 Compliance with Public Records Act**

The Corporation shall comply with and be subject to the provisions of the California Public Records Act ("Public Records Act") at California Government Code Section 6250 et seq.

## **ARTICLE 12**

## **CONSTRUCTION AND DEFINITIONS; ELECTRONIC TRANSMISSION**

### **Section 12.1 Construction and Definitions**

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the Nonprofit Public Benefit Law, and, to the extent applicable, the Brown Act, the

Political Reform Act and Section 1090 shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural and the plural includes the singular.

#### Section 12.2 Electronic Transmission

Subject to any guidelines and procedures that the Board may adopt from time to time, the terms “written” and “in writing” as used in these Bylaws include any form of recorded message in the English language capable of comprehension by ordinary visual means and may include electronic transmissions, such as facsimile or e-mail, provided: (i) for electronic transmissions from the Corporation, the Corporation has obtained an unrevoked written consent from the recipient to the use of such means of communication; (ii) for electronic communications to the Corporation, the Corporation has in effect reasonable measures to verify that the sender is the individual purporting to have sent such transmission; and (iii) the transmission creates a record that can be retained, retrieved, reviewed, and rendered into clearly legible tangible form.

### **ARTICLE 13 DISTRIBUTION OF ASSETS, DISSOLUTION AND MERGER**

#### Section 13.1 Distribution of Assets during the Continuance of Corporation

During the continuance of this Corporation, it may distribute any of its assets to the City of Los Angeles, California (“City”) subject to compliance with applicable California law. If for any reason the City is unable or unwilling to accept the assets of the Corporation, the assets will be distributed, as determined by a majority of the City Council and subject to compliance with applicable California law, to either the United States of America, the State of California or any political subdivision thereof or to a nonprofit fund, foundation or corporation which has established its tax-exempt status under Section 501(c)(3) or 501(c)(4) of the Internal Revenue Code.

#### Section 13.2 Dissolution

The Corporation may be dissolved by the vote of a majority of all the Directors of the Corporation and in accordance with applicable California law, provided, however, that no proposed dissolution shall become effective if such action is not approved by the City Council within forty-five (45) days of receipt by that City Council of notice of such proposed action, provided, however, if a majority of the City Council takes no action within such forty-five (45) day period to approve or not approve such dissolution, such dissolution shall be deemed approved by the City Council effective on the close of business on the last day of such forty-five (45) day period. Upon the dissolution or winding up of this Corporation in accordance with applicable California law, its assets remaining after payment of, or provision made for the payment of, all debts and liabilities of this Corporation, shall, subject to compliance with applicable California law, be distributed to the City. If for any reason the City is unwilling or unable to accept the assets of the Corporation, said assets will be distributed, as determined by a majority of the City Council and subject to compliance with applicable California law, to either the United States of America, the State of California, or any political subdivision thereof or to a

nonprofit fund, foundation or corporation which has established its tax-exempt status under Section 501(c)(3) or 501(c)(4) of the Internal Revenue Code.

### Section 13.3 Merger

The Corporation may merge with, subject to compliance with applicable California law, other corporations organized solely for nonprofit purposes, qualified and exempt from State taxation and from Federal taxation pursuant to Section 501(c)(3) or Section 501(c)(4) of the Internal Revenue Code upon compliance with the provisions of applicable California law relating to mergers, provided, however, that no proposed merger shall become effective if such action is not approved by the City Council within forty-five (45) days of receipt by that City Council, of notice of such proposed action, provided, however, if a majority of the City Council takes no action within such forty-five (45) day period to approve or not approve such merger, such merger shall be deemed approved by the City Council effective on the close of business on the last day of such forty-five (45) day period.

## ARTICLE 14

## AMENDMENTS

### Section 14.1 Amendment of Bylaws by Directors

These Bylaws may be adopted, amended or repealed by a majority vote of the Board. However, no proposed adoption, amendment or repeal to these Bylaws or amendment to the original Bylaws shall be effective if it is not approved by the City Council within forty-five (45) days of receipt by the City Clerk of notice of such proposed adoption, amendment or repeal, provided, however, if a majority of the City Council takes no action within such forty-five (45) day period to approve or not approve the adoption, amendment or repeal of these Bylaws, such adoption, amendment or repeal of these Bylaws shall be deemed approved by the City Council effective on the close of business on the last day of such forty-five (45) day period.

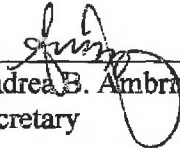
The powers of the Board to adopt, amend or repeal the Bylaws are also subject to the following limitations: (i) If any provision of these Bylaws requires the vote of a larger proportion of the Directors than otherwise is required by law, such provision may not be altered, amended or repealed except by the vote of such greater number, (ii) No amendment may extend the term of a Director beyond that for which such Director was elected, (iii) If Bylaws are adopted, amended or repealed at a meeting of the Board, such action is authorized only at a duly called and held meeting with notice of such meeting, setting forth the proposed bylaw revisions with any explanations in accordance with these Bylaws and the approval of such amendment or repeal by the City Council is obtained in accordance with this Section 14.1 and such Board meeting is held in compliance with the Brown Act.

### **CERTIFICATE OF SECRETARY**

I, the undersigned, the duly elected Secretary of the Municipal Improvement Corporation of Los Angeles, a California nonprofit public benefit corporation; do hereby certify:

That the foregoing Amended and Restated Bylaws, consisting of 20 pages, were adopted as the Amended and Restated Bylaws of the Corporation by the Directors of the Corporation on December 20, 2019 and that these Amended and Restated Bylaws do now constitute the Amended and Restated Bylaws of said Corporation and have not been amended or modified since that date, provided, however, that as required by Article 14 of the Amended and Restated Bylaws, no proposed amendment to the original Bylaws or to the Amended and Restated Bylaws shall be effective if it is not approved by the City Council within forty-five (45) days of receipt by the City Clerk of notice of such proposed amendment, provided, however, if a majority of the City Council takes no action within such forty-five (45) day period to approve or not approve the Amended and Restated Bylaws, such Amended and Restated Bylaws shall be deemed approved by the City Council effective on the close of business on the last day of such forty-five (45) day period.

IN WITNESS WHEREOF, I have hereunto subscribed my name this December 20, 2019 at Los Angeles, California.

  
\_\_\_\_\_  
Andrea B. Ambriz  
Secretary