

Brown County Community Investment Corporation Charter

(Draft Document)
2021

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Article I: Name & Establishment

Section 1.01 The name of this corporation shall be the Brown County Community Investment Corporation (hereinafter referred to as the "Corporation")

Section 1.02: Per IC 36-7-38-2, The Corporation shall be established and operational upon the adoption of an ordinance by the legislative body Brown County that directs the Commissioners to organize a nonprofit corporation under IC 23-1-7

Section 1.03: Startup Inventory: Per IC 36-7-38-13, Within six (6) months of the establishment of the Corporation, the County shall furnish the Corporation with a list of real property that:

- (a) Is located in Brown County for which a tax sale certificate has been issued under IC 6-1.1-24 or a tax deed has been issued under IC 6-1.1-25 and that has not been committed to a redevelopment project for another purpose

1.03.1: Per IC 36-7-38-13, At the time the County furnishes the list to the Corporation, the county shall offer to assign the tax sale certificates and convey the real property described on the list to the Corporation at no cost to the Corporation. For each tract or item of real property on the list, the offer expires six (6) months after the offer is made to the Corporation, unless the County specifies a longer period in the offer. If the Corporation accepts the offer, the county may assign the tax sale certificate or convey the real property. If the Corporation rejects the offer, the eligible unit may dispose of the real property as otherwise provided by law.

1.03.2 Per IC 6-1.1-24-6.7 The county commissioners may transfer tax delinquent property that it holds certificates of sale for, to the Corporation and shall cause all delinquent taxes, special assessments, penalties, interest, and costs of sale to be removed.

1.03.02(a) The Corporation shall be entitled to a tax deed prepared by the county auditor per the procedures set forth in the code.

Article II: Mission Statement, Purpose & Powers

Section 2.01 Mission Statement: The mission of the Corporation is to revitalize, redevelop, and maximize the efficient use of land in Brown County through strategically acquiring, developing, managing, and disposing of vacant, abandoned, and tax delinquent properties in cooperation with the community, developers, and the localities.

Section 2.02 Purposes: the Corporation is organized and shall be operated exclusively for charitable, educational, and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “code”). In furtherance thereof, the specific and primary purposes of the Corporation, whether undertaken independently by the

Corporation or in collaboration with public, private, or governmental entities shall include, without limitation, the following:

2.02.1 General Purpose: The corporation shall endeavor to acquire and dispose of a diverse portfolio of properties for the purpose of managing and improving the marketability of distressed, vacant, abandoned, or tax delinquent properties located within the Corporations territory; as well as furthering the corporations Mission Statement

2.02.02 Objective: The corporations priorities concerning the disposition of properties from the land bank must support the mission of the land bank, which include the sale or transfer of properties for one or more of the following:

- (a) For redevelopment that will act as a catalyst for further development, that supports the Brown County Comprehensive Plan or Brown County Economic Strategic Plan for county revitalization
- (b) For the reduction of vacant, abandoned, or unused dilapidated parcels
- (c) For the revitalizing or returning of residential or commercial properties to productive, tax paying status or other productive uses that are available for immediate ownership or occupancy without a need for substantial rehabilitation
- (d) For the creation of attainable housing as defined as housing at a price point that is suitable and achievable for moderate income residents especially those in the 20-40 year old demographic.
- (e) To create and manage portfolios of residential units at diverse prices
- (f) That will generate operating support for the corporation

2.02.03 Responsibilities: The corporation shall maintain an inventory of real property held by the corporation; develop policies, guidelines, and procedures for the acquisition, redevelopment, and disposition of property by and from the land bank; the policies, guidelines, and procedures developed under this subdivision must be formulated in plain language with the objective of being clearly understood and transparent; make information described in policies, guidelines, and procedures available for inspection both physically and on the corporations website; coordinate the Corporations activities with any land use plans that affect real property held by the corporation.

Section 2.03 Powers: The corporation shall have all the general rights, privileges, immunities, franchises, and powers conferred upon corporations created under the Indiana Nonprofit Corporations Act of 1991 (:Act"), but shall be limited to the exercise of only such powers as are:

(a) in furtherance of activities permitted to be carried on by a corporation exempt from federal

income tax under Section 501 (c) (3) of the Code; and (b) in furtherance of activities permitted to be carried on by a corporation, contribution to which are deductible under Section 170 (c) (2) of the Code. Notwithstanding any other provision of these articles, the corporation shall not, except to an insubstantial degree, engage in activities or exercise any powers that are not in furtherance of the purpose of the Corporation set forth in Article II

In accordance with IC 36-7-38, the corporation shall have all the powers necessary, convenient, or appropriate to carry out and effectuate the corporations public and corporate purposes, which include the power to do the following: sue or be sued in the land banks own name; enter into contracts, establish accounts with financial institutions; acquire, lease, improve, repair, renovate, and dispose of property; borrow money, including issue bonds; pledge collateral; make investments, hire employees, including an executive director; procure insurance. The corporation may enter into an interlocal agreement under IC 36-1-7-38-11 with another government entity; or otherwise contract with another governmental entity in Indiana to perform services for the governmental entity. Per IC 7-38-20 the land bank is not subject to taxation under IC 6-3-1 through IC 6-3-7

2.03.01: The territory of the Corporation shall be all of Brown County

2.03.02: Per IC 36-7-38-2, the Corporation does not have the power of eminent domain and may not rescind the ordinance adopted under IC 36-7-9-3

Article III: Board of Directors

Section 3.01 Powers: The Board of Directors (the “Board”) shall manage the property and affairs of the Corporation and shall exercise all powers of the Corporation that are not prohibited by law, by the Articles of Incorporation, of the Corporation, or by this Charter.

Section 3.02 Number and Appointment of Directors: Per IC 36-7-38-4 The Board shall consist of at least most nine (9) directors. Directors shall be appointed in the following manner per IC 36-7-38-5:

- (a) One (1) director appointed by the county Treasurer.
- (b) One (1) directors appointed by the county Auditor
- (c) Five (5) directors appointed by the executives of the five (5) largest Municipalities in the county with the five (5) largest populations.
- (d) One (1) director appointed by the Brown County Community Foundation
- (e) One (1) director appointed by the Brown County Redevelopment Commission

3.02.01: All directors appointed must be a resident of the county except in subsection (d) which must be a resident of Nashville

Section 3.03 Term of Office: The terms of the initial directors shall be the remainder of the calendar year in which they are appointed plus their respective term of office. After the term of the initial directors, the term of directors is as follows:

- (a) A term of one (1) year for the directors appointed by the county Treasurer, Auditor, and the largest municipality.

- (b) A term of two (2) years for the directors appointed by the executives of the second through fourth largest populations in the county
- (c) A term of Three Calendar years for the director appointed by the executive of the fifth largest municipality in the county, and the directors appointed by the Brown County Community Foundation and the Brown County Redevelopment Commission

3.03.01: If a director is unable to complete the director's term, the authority that appointed the director shall appoint a successor for the remainder of the incomplete term

3.03.02: Any director may resign effective upon giving written notice to the Chair, Vice-Chair, or Secretary/Treasurer of the Board, unless the notice specifies a later time for the effectiveness of the resignation

3.03.03: All Directors shall retain their authority past their term until a new appointee is seated by the appointing authority

3.03.04: A Director may be removed from the Board by a two-thirds (⅔) majority vote of the board, for:

- (a) Conviction of a felony or misdemeanor involving moral turpitude;
- (b) Failure to meet attendance requirements set forth in Section 4.08 of this document;
- (c) Any other cause or reason agreed upon by a two-thirds (⅔) majority vote of the board;
- (d) And by the authority that appointed the director, provided the director shall be given reasonable notice and an opportunity to be heard before such action is taken.

Section 3.04: Compensation: Directors shall not receive any stated salaries or compensation for their services. However, Directors may be reimbursed for reasonable expenses actually incurred in fulfillment of their obligations on behalf of the Corporation, provided that all expenses are approved by the majority of the Board and are not in violation of the Corporations Conflict of Interest Policy. The Corporation shall not lend money to or guarantee the obligations of any officer or Director of the Corporation

Section 3.05 Conflicts of Interest: Whenever a Director has a financial or personal interest in any matter coming before the Board of Directors, the affected person shall: (a) fully disclose the nature of the interest and (b) recuse themselves from discussion, lobbying, and voting on the

matter. Any transaction or vote involving a potential conflict of interest shall be approved only when a majority of disinterested Directors determine that it is in the best interests of the Corporation to do so. The minutes of the meetings at which such votes are taken shall record such disclosures, abstention, and rationale for approval.

Article IV: Meetings of the Board of Directors

Section 4.01 Governance: The Board of Directors shall, at the first public meeting of the Calendar year elect one (1) director each to serve as President, Vice-President, Secretary, and Treasurer for a term of one (1) year with no limit on the number of years or sequential terms a director may serve in any position.

4.01.1: In all meetings of the Board, the President shall preside over the meeting. In the absence of the President, the Vice President shall preside over the meeting. In the case that neither the President or Vice-President can attend a meeting, the President may appoint any director to preside over a meeting.

Section 4.02 Meetings Open to Public: All meetings of the Board of Directors (annual and regular) shall be open to the public, except as otherwise provided by the applicable provisions of the Indiana Open Door Law

4.02.1: The Board may, when convenient and appropriate, make use of video conferencing to conduct meetings provided relevant links for public participation are posted in a reasonable time prior to the meeting and a recording of the meeting is posted publicly to the Corporations website and/or social media site.

Section 4.03 Regular Meetings: Regular Meetings of the Board of Directors shall be held at such places and at such times as determined by the Board pursuant to the following minimum guidelines: (a) The Board shall meet a minimum of six (6) times per year (b) Public notice shall be given in accordance with the applicable provisions of the Indiana Open Door Law. The first regular meeting of the Calendar Year shall be designated by the board as the Annual Organizing Meeting of the Board of Directors and at this meeting the Corporation Officers shall be elected

Section 4.04 Special Meetings: Special Meetings of the Board, including emergency votes, shall be held when called by the President, Vice President, or by any three (3) Directors. Officers must be present at any Special Meetings called by the Board

Section 4.05 Notice: Reasonable advance notice of all meetings of the Board shall be given to all Directors. Such notice shall be deemed sufficient if given by telephone, text message, mail, or electronic mail at least forty-eight (48) hours in advance of a meeting.

Section 4.06 Quorum: At any Board meeting, a majority of the Directors then in office shall constitute a quorum.

Section 4.07 Meeting By Other Means: Any or all of the members of the Board of Directors, or of any committee designated by the board, may participate in a meeting by or through the use of any means of communication by which all persons participating may simultaneously communicate with one another during the meeting. Participation in meetings using these means of communication constitutes presence in person at the meeting.

Section 4.08 Attendance Requirement: A Director must attend no less than two-thirds ($\frac{2}{3}$) of the regular board meetings in any 12 month period. Failure to satisfy this minimum requirement may result in removal from the Board of Directors. Failure of a Director to attend three (3) consecutive regular meetings may, at the discretion of a majority of the Board, be considered a voluntary resignation from the board.

Section 4.09 Voting: Each Director shall have one vote. All balloting of the Directors shall be open, except that secret ballots, upon approval of a motion to that effect, may be taken for the appointment or confirmation of key staff members of the Corporation. Proxy voting by directors is prohibited. When a Quorum is present at any meeting, a majority of the votes cast by all Directors present shall decide any question unless otherwise provided by this Charter.

Section 4.10 Action without Meeting: Action by the Board of Directors may be undertaken without meeting if two thirds of all Directors then in office consent to the action in writing or electronic mail, provided that a reasonable effort has been made to notify all members of such action. A record of all such consents shall be maintained at the offices of the Corporation and a copy shall be provided to all Directors within a reasonable time after any such consent is obtained.

Section 4.11 Parliamentary Procedure: The Board shall utilize the most recent Robert's Rules of Order to determine Parliamentary Procedure to govern its meetings unless specific procedures to the contrary are established by the Board.

Article V: Board of Director Officer Duties and Responsibilities

Section 5.01 Officers Generally: The Officers of the Board of Directors shall consist of a President, Vice President, Secretary, and Treasurer. The Officers shall be elected as outlined in Section 4.01 of this Charter.

Section 5.02 President The President shall preside over meetings of the Board of Directors. The President shall have such other powers and duties as the Board may assign.

Section 5.03 Vice President: The Vice-President shall, in the absence of the President, preside over meetings of the Board of Directors and exercise other powers of the President. The Vice President shall have such other powers and duties as the Board may assign.

Section 5.04 Secretary: The Secretary of the Board of Directors shall be responsible for:

- (a) Keeping Corporation Records,
- (b) Keeping Minutes of meetings of the Board of Directors,
- (c) Providing proper notice of meetings in accordance with this Charter
- (d) Filing annual reports with the Indiana Secretary of State
- (e) Performing such other duties and exercising such other powers as the President or Board may assign.

Section 5.05 Treasurer: The Treasurer of the Board shall be responsible for:

- (a) Care for and depositing of monies received in the name of the Corporation in banks or other depositories as directed by the Board,
- (b) Have charge of the disbursement of the monies of the Corporation in accordance with the direction of the Board of Directors or the President,
- (c) Enter or cause to be entered regularly in books, a complete and correct account of all monies received and disbursed by the Corporation,
- (d) Submit a full financial report to the Board of Directors of the Corporation at the Annual Meeting of the Board of Directors
- (e) File annually any and all fiscal reports with fiscal agencies including the Indiana Department of Revenue and the Internal Revenue Service;
- (f) Prepare a final Audit or Report of the Corporation books, records, and taxes,
- (g) Perform such other duties and exercise such other powers as the President or Board may assign.

Article VI: Offices and Employees

Section 6.01 Employees Generally: The Board may employ individuals to carry out the daily functions of the Corporation including but not limited to: (a) an Executive Director, (b) office staff, (c) maintenance

6.01.01: Employees of a land bank are not employees of Brown County Government

6.01.02: The Board may elect by resolution to provide programs of group health insurance for the Corporations employees and retired employees as provided under IC 5-10-8-2.6

6.01.03: The Board may elect by resolution to provide retirement and disability benefits for employees, which may be by means of participation on the Public employees' retirement fund as provided under IC 5-10.3-6

6.01.04: The Board shall create and review at the annual meeting, the job descriptions of all employees and consider raising compensations of any Corporation employee

Section 6.02 Executive Director: The Executive Director shall be an employee of the corporation and be nominated and appointed by the Board of Directors following a thorough search for an appropriate candidate. The Board of Directors may offer the Executive Director reasonable compensation for their services. The Executive Director, shall subject to the direction and supervision of the Board of Directors, serve at the Discretion of the Board

6.02.01: The Executive Director may not be an appointed member of the Board

6.02.02: The Executive Director shall serve as a non-voting member of the Board

Section 6.03 Operations: The Directors or Executive Director shall have any reasonable power to advertise, promote, market, or advance the business of the Corporation to the public and operate physical office spaces as needed.

Article VII: Committees

Section 7.01 Committees of the Board of Directors: The Board of Directors may, by resolution, create one (1) or more standing or ad hoc committees, each which must consist of at least two (2) directors and may also include members who are not on the Board of Directors to serve at the pleasure of the board.

Section 7.02: Purpose of Committees: Creation of Committees should be, but are not limited to: (a) the study or research of specific projects or initiatives and (b) the development, execution or implementation of specific initiatives

7.02.01 Committees that include voting members who are not on the Board of Directors may not be delegated the authority or power of the Board of Directors

7.02.02 Committees what consist entirely of Board members may act with the authority of the Board insofar as the Board approves by resolution the actions of the Committee

Section 7.03 Meetings and Actions of Committees: Meetings and actions of all committees shall be governed by, held, and taken in accordance with the provisions of Article IV of this Charter, concerning meetings and actions of the Board, with such changes in the context of the by-law as necessary to substitute the committee and its membership for the Board of Directors

7.03.01 Minutes shall be kept of all committee meetings and filed with the Board

Article VIII: Records and Reports

Section 8.01 Permanent Records: The Corporation shall keep as permanent records, in either paper or electronic version, a record of the following:

- (a) Minutes of meetings in the Corporation;s Board of Directors,
- (b) Actions taken by the Directors without a meeting,
- (c) Minutes and actions taken by the committees of the Board of Directors

Section 8.02 Records at the Primary Office: The Corporation shall keep a copy of the following records at the Corporations primary office:

- (a) The Corporations Articles of Incorporation and all amendments in effect
- (b) The Corporation's Charter and all amendments in effect
- (c) The Policies and Procedures of all initiatives promulgated by the Corporation
- (d) Resolutions adopted by the Board of Directors related to the Characteristics, qualifications, rights, limitations, and obligations of members of the Board of Directors
- (e) A list of the names and addresses of the Corporations Current Directors and Officers,
- (f) Copies of the Corporation's annual reports delivered to the Secretary of State
- (g) A copy of the Application for Recognition of Exemption from Gross Income Tax filed with the Internal Revenue Service (Form 1023)
- (h) A copy of the corporations annual information return filed with the Internal Revenue Service (Form 990 or 990-EZ)
- (i) A Copy of the Corporations annual information returns filed with the Indiana Department of Revenue
- (j) Copies of all employment tax documentation filed with State and Federal tax authorities
- (k) Copies of property tax exemption filed with the Brown County tax authority
- (l) Job descriptions of all employees of the Corporation

Section 8.03 Record Keeping Prior to Permanent Offices: Until such time that the Corporation has established a primary office, all record and Reports shall be kept and made public on the Corporations website

Section 8.04 Audits: The State Board of Accounts shall from time to time, audit the funds and accounts of the Corporation as provided under IC 5-11-1-25

Article IX Indemnification of Directors and Officers

Section 9.01 Rights of Indemnification: To the fullest extent permitted by law, the Corporation shall defend and indemnify its Directors, Officers, Employees, Agents, and Committees including persons formally occupying such position, and the theirs, executors, and administrators of such persons, against all attorney's fees and disbursements), judgements, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any action, suit, proceeding, including an action by or in the right of the Corporation, by reason of the fact that the person is or was a Director, Officer, Employee, or Agent of the Corporation.

Section 9.02 Indemnification Not Exclusive: The forgoing rights of indemnification shall not be deemed exclusive of any other rights to which such person(s) may be entitled apart from Section 9.01.

Section 9.03 Insurance: The Board of Directors shall have the power to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees, and other agents, against any liability asserted against or incurred by such persons in such capacity or arising out the person's status as such.

Section 9.04 Immunity from Civil Liability: Per IC 36-7-38-23, the corporation may not be held liable for damages or subjected to equitable remedies for: (1) breach of common law duty; (b) a violation of Indiana law; or (c) a violation of any order, permit, license, variance, or plan approval; concerning environmental damage to, or attributable to, a tract of item of real property held by the Corporation.

Article X: Transactions

Section 10.01 Execution of Contracts and Other Documents: Unless otherwise ordered by the Board, all written contracts and other documents entered into by the Corporation shall be executed on behalf of the Corporation by such officer, Agent, or Agents of the Corporation and

in such a manner, as shall from time to time be determined by resolution of the Board of Directors, In the absence of such determination by the Board, such instruments shall be signed by the Secretary and Treasurer and countersigned by such Officer, Agent, or Agents of the Corporation as designated by the Board

The Board of Directors must approve of any purchase, transfer, or lease or real property held by the corporation in an open meeting of the board, and consider any pertinent information before approving the purchase, transfer, or lease, including: the assessed value of the real property; any factors that may affect the current value of the real property, and the financial ability of the person to fulfil the conditions of the purchase, transfer, or lease.

Section 10.02 Checks, Drafts, Etc. All checks, drafts, or other orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the Corporation, shall be signed by such Officer, Agent, or Agents of the Corporation and in such manner, as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such transactions shall be: (1) limited to two thousand and five hundred dollars (\$2,500.00), and (b) signed by the Secretary and Treasurer and countersigned by the President or Vice-President of the Board of Directors

Section 10.03: Deposits: All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks or other depositories as approved by the Board of Directors

Article XI: Conflicts and Ethics Policy

Section 11.01 Purpose Generally: The purpose of this policy is to protect the interest of the Corporation when it is contemplating entering into a contract, transaction, or arrangement that might benefit the private interest of an Officer, Director, or employee of the Corporation.

11.01.01: A transaction that provides public benefit with which an Officer, Director, or employee is associated with is not in and itself a Conflict of interest under this policy. This policy is intended to supplement but not replace the provisions of Indiana Law where such provisions are determined by a court or other body with jurisdiction over such matters.

Section 11.02 Prohibited Interests and Actions of Directors, Officers, and Employees; Permitted Interests; Exceptions:

11.02.01 Prohibited interests in Corporation Contracts: No Director, Officer, or employee of the Corporation shall knowingly do any of the following:

- (a) Occupy any position of profit in the prosecution of a contract authorized by such person or by the Board of Directors of the Corporation when the person was a Director, Officer, or employee at the time of the authorization, unless the contract was let by informal competitive bidding to the lowest and best bidder
- (b) Have an interest in the profits of benefits of a contract entered into by or for the use of the Corporation.
- (c) Have an interest in the profits or benefits of a contract that is not let by informal competitive bidding if not required under the Corporations Acquisition and Procurement Policy and that involves more than one hundred fifty dollars.

11.02.02 Permitted Interests: In the absence of bribery or a purpose to defraud, a Director, Officer, or Employee of the Corporation, member of such persons family, or any business associates shall not be considered as having an interest in a Corporation contract or the investment of its funds, if all of the following apply:

- (a) The interest of the person is limited to owning or controlling shares of the organization, being a creditor of the organization, or that is the issuer of the security in which the funds are invested
- (b) The shares owned or controlled by the person so not exceed five percent
- (c) That person, prior to the time of the contract is entered into, files with the Board of Directors of the Corporation, an affidavit declaring that person's exact status in connection with the organization

11.02.03 Exceptions: Section 11.02 does not apply to a Corporation Contract in which a Director, Officer, or employee of the Corporation has an interest when any of the following apply:

- (a) The subject of the contract is deemed a necessary supply or service for the Corporation
- (b) The supplies or services are unobtainable elsewhere for the same or lower price or are being furnished as part of a continuing course of dealing established prior to the person becoming associated with the Corporation.

- (c) The entire transaction is conducted at arms length, with full knowledge of the Board and disclosure of the person, and such person takes no part in the deliberations or decision of the Corporation with respect to the contract.

Section 11.03 Soliciting or Accepting of Improper Compensation: No Director, Officer, or employee of the Corporation shall knowingly solicit or accept, and no person shall knowingly promise or give to a Director, Officer, or employee of the Corporation, either of the following:

- (a) Any compensation, other than as allowed by Indiana Law, to perform the persons official duties, to perform any other act or service in such person's official capacity, for the general performance of the person's office or employment, or as a supplement to such person's compensation
- (b) Additional or greater fees or costs than are allowed by rule or regulation of the Corporation to perform the person's official duties.

11.03.01: Excluded from this section are the acceptance of casual meals, entertainment, and reimbursement by a third party for travel expenses of a Director, Officer, or employee of the Corporation when traveling on or for official business of the Corporation for the purpose of educational or charitable purposes.

11.03.02: This section shall not be construed as prohibiting a Director, Officer, or Employee of the Corporation from accepting an Honorarium or payment in reimbursement of expenses related to the work of the Corporation if voluntarily offered by a third party. Any such Honorarium shall be deposited into the general fund of the Corporation. The person may retain payment in reimbursement of expenses so long as no reimbursement for the same expenses is sought from the Corporation

11.03.03 This section shall not be construed as prohibiting a Director, Officer, or employee of the Corporation from accepting a paid consulting engagement as professional consultant about the functions related to the Corporation and its mission so long as they are not paid by any person or entity that is doing business, or seeking to do business with, the Corporation

11.03.04 Any Director, Officer, or Employee of the Corporation who had previously accepted a paid consulting engagement by a third party that is presently seeking to do business with the Corporation shall be required to disclose the relationship as outlined in this article.

Section 11.04: Solicitation in Exchange for Consideration: No Director, Officer, or employee of the Corporation shall accept anything in value in consideration of the following:

- (a) Appointing, securing, maintaining, or renewing the appointment of any person to any office, employment, or agency with the Corporation
- (b) Preferring or maintaining the status of any Director, Officer, or employee of the Corporation with respect to compensation, duties, placement, location, promotion, or other material aspects of employment or service.

Section 11.05: Soliciting or Accepting Political Contributions: No Director, Officer, or employee shall accept anything of value in exchange of consideration that benefits a political party, campaign committee, legislative campaign fund, political action committee, or political contributing entity

Section 11.06: Duty to Disclose: Notwithstanding the provisions of Section 11.02, in connection with any actual or potential conflict of interest, a Director, Officer, or employee of the Corporation must disclose, in writing, the existence and nature of their interest to the Board of Directors prior to its formal approval of the proposed transaction or contractual arrangement

Section 11.07 Duty to Recuse Oneself: A Director or Officer that has, or will have, an interest in a transaction or contractual arrangement with the Corporation must recuse themselves from:

- (a) Participating in discussions whose purpose is to make a recommendation or selection of the transaction
- (b) Voting in the matter,
- (c) Both, as applicable

Section 11.08 Determining Whether A Conflict Exists: After disclosure of a potential conflict of interest, the person making such disclosure shall leave the board meeting while the Board discusses the nature of the interest and votes upon whether it believes such an interest constitutes a conflict. If such person is a Director, the remaining Board of Directors shall decide if a conflict exists.

Section 11.09 Procedures for Addressing Conflicts: If, pursuant to Section 11.08, a prohibited interest is deemed to exist: (a) the Board of Directors will appoint, if appropriate, a disinterested person or committee to investigate alternatives and may at its discretion, request verbal or written advice from the Indiana Ethics Commission on the matter, (b) After exercising due diligence, determine if the Corporation can obtain a more advantageous contract or transaction with reasonable effort from another person or entity that would not give rise to the conflict of interest, and (c) if a more advantageous contract or transaction is not reasonably

attainable, the Board shall determine by a majority vote of disinterested Directors whether the transaction is in the Corporations best interest and if the transaction is fair and reasonable before making the decision to accept the arrangement.

Section 11.10 Violations of the Conflicts of Interest Policy: If the Board of Directors has reasonable cause to believe that a Director, Officer, or Employee has failed to disclose an actual or possible prohibited interest, it shall:

- (a) Inform such person of the basis for such belief and afford such person an opportunity to explain the alleged failure to disclose in any regular or special meeting of the Board
- (b) If, after hearing the response of such persons and making such further investigations as may be warranted in the circumstances, the Board determines that such person has, in fact, willingly and knowingly failed to disclose a prohibited interest, it shall take the disciplinary and corrective action which it determines to be appropriate in the circumstances including, without limitation, compliance with Indiana law.

Section 11.11 Records of Proceedings: With respect to any proceedings of the Board when considering Conflicts of Interest, the minutes must reflect the following:

- (a) The names of persons who disclosed or otherwise were found to have a potential or actual prohibited interest
- (b) The nature of the interest
- (c) Any action taken to determine whether the interest is prohibited under this document or any law of the State of Indiana
- (d) The names of persons who were present for discussions and votes relating to the transaction or arrangement, content of discussion, and votes taken in connection therewith

Section 11.12 Annual Review: To ensure that the Corporation operates in a manner consistent with its governmental purpose and that it does not engage in activities that could jeopardize its status as an organization performing essential governmental functions and claiming exemption from federal income taxation pursuant to Section 501(c)(3) of the code, the President of the Board or their designee shall conduct an annual review.

11.12.01: The Annual Review will be Conducted prior to the end of the Fiscal year and presented to the Board in the Annual meeting

11.12.02: The Annual Review shall at the minimum include:

- (a) Whether compensation arrangements and benefits are reasonable and are the result of arm's-length bargaining

(b) Whether partnership and joint venture arrangements including property management organizations, if any, conform to written policies of the Corporation, are properly recorded with the Corporation, reflect reasonable payments for goods and services, further the MLB's governmental purposes, and do not result in personal inurement or impermissible private benefit.

Section 11.13 Prohibited Representations: A present or former Director, Officer, or employee of the Corporation is not permitted, during employment or for a period of one (1) year thereafter to represent a client or act in a representative capacity for any person or entity on any matter under consideration by the Corporation through recommendation, rendering of advice, investigation, or lobby

Section 11.14 Confidentiality: A present or former Director, Officer, or Employee of the Corporation is prohibited from disclosing or using confidential information acquired during their official duties with the Corporation, without appropriate authorization.

Section 11.15 Use of Authority or Influence: A Director, Officer, or employee of the Corporation is prohibited from using or authorizing the use of the authority or influence of their office or employment to secure anything of value or the promise or offer of anything of value.

11.15.01: A thing of Value is something that is of such characteristics as to manifest a substantial and improper influence upon the person in respect to that person's duties.

Article XII: Property Acquisition Policy

Section 12.01 Acquisition Generally: The Corporation shall assess the condition, marketability, potential holding and maintenance costs, and possible end uses of every subject property prior to its acquisition.

Section 12.02 Funding and Maintenance Plan: The Corporation must have available funds to hold and maintain each property in its inventory for an extended ownership period. Unless

otherwise provided herein, prior to acquiring a subject property, the Corporation must have a maintenance plan

Section 12.03 Pre-Acquisition: Prospective end users, community stakeholders, or other interested parties may submit a *Request for Property Investigation* to the Corporation. The Corporation will assess properties brought to its attention under such a request for potential acquisition.

Section 12.04 Properties Considered for Acquisition: Specific properties may be acquired by the Corporation when any of the following is true:

- (a) The subject property is eligible for a tax deed sale
- (b) The subject property is to be donated by the current property owner, free and clear of all liens and encumbrances, including delinquent taxes, assessments, penalties, interest, and fees
- (c) The subject property is requested by a qualified end user or community based organization for ultimate acquisition and redevelopment. Acquisition in this circumstance is prioritized when the Corporation's participation is necessary to move forward with a redevelopment project that (a) acts as a catalyst for further development; (b) is part of a comprehensive development plan; (c) supports infrastructure, public, and green space development; or (d) reduces dilapidation in the community
- (d) The subject property is located in a designated reinvestment area, such as an Opportunity Zone, or a Downtown Development Area, with the Corporation's acquisition of the property in direct support of strategic neighborhood or corridor stabilization and revitalization plans.
- (e) The subject properties inhabitable structures will be demolished upon acquisition and its demolition furthers blight elimination efforts in a neighborhood or corridor revitalization plan.
- (f) The subject property is mortgage-foreclosed or in receivership and is located in a neighborhood or corridor targeted by the local community for remediating blight, addressing disinvestment, or preventing further decline.
- (g) The subject property is available for immediate occupancy without need for substantial rehabilitation
- (h) The subject property is part of a land assemblage development plan by the Corporation or other community-based entities
- (i) The subject property advances the county plan for historic preservation
- (j) The subject property is likely to generate sale proceeds, representing revenue in support of the operations of the Corporation

12.04.01: No property shall be acquired by the Corporation if said property is currently occupied or is the full time primary residence of the property owner.

12.04.02: Properties acquired by the landbank which have, in the Directors sole discretion, a historical or cultural significance to Brown County shall not be demolished but referred to such programs as the community creates to rehabilitate and preserve the structures for the benefit of Brown County.

Section 12.05 Environmental Conditions: The Corporation must be aware of any environmental conditions on subject properties that may constitute adverse conditions. If any such conditions exist, a remediation plan must be in place before its acquisition by the Corporation

Section 12.06 Acquisition Through Tax Sale: Corporation Directors or Staff are to meet regularly with the Brown County Treasurer and Auditor and their respective staff to strategically coordinate acquisition of properties through Tax Sale

Section 12.07 Acquisition through Donation: To accept a subject property by private donation the following must be true:

- (a) A clean, marketable title has been verified
- (b) The Corporation requires the prospective donor to provide a competent title examination prior to acquisition and may request a current property owner's commitment of title as a condition of donation
 - (i) The Corporation shall expect all costs to be at the donors expense, but may negotiate as appropriate to share or accept costs if necessary
- (c) The Corporation has conducted a complete condition assessment of any structure on the property to be donated
- (d) If requested by the donor, the Corporation, as an eligible tax-exempt, charitable organization will acknowledge the donation per substantiation of a qualified appraiser
- (e) The donor will be solely responsible for reporting and determining the value of any property donated to the Corporation

Section 12.08 Acquisition through Purchase: The Corporation may acquire a subject property through purchase at or above market value if no other means of acquisition are available and acquiring the property is a priority.

Section 12.09 Post Acquisition: Upon acquiring a subject property on which a structure exists, the Corporation will:

- (a) Conduct a complete condition assessment (if not already performed), secure the property, add the property to the Corporations maintenance schedule, and prepare a marketability assessment
- (b) As soon as practicable following acquisition, the Corporation will move forward with property disposition, demolition, or marketing in accordance with the policies and procedures in this Charter

Section 12.10: Dividing Properties: Upon Acquisition, the Corporation shall make a determination as to if the property is appropriate to be subdivided into smaller tracts and, if deemed appropriate, will facilitate that action.

Article XIII: Property Maintenance Policy

Section 13.01: Maintenance Generally: It is the general position of the Corporation to return subject properties to productive, private ownership as soon as possible. The corporation acknowledges that it may acquire property requiring regular maintenance for an extended duration until qualified transferees are identified

13.01.01: The Corporation will keep a subject property in general upkeep and according to applicable local standards for the duration of the Corporation's ownership.

13.01.02: The Corporation prioritizes entering into maintenance service partnerships with not-for profit organizations whenever possible.

13.01.03: The Corporation shall create, keep, and update regularly, a list of private, for-profit businesses that wish to participate in property maintenance. Vendors shall be assigned properties on a rotating basis to ensure as many businesses as possible are granted access

13.01.03(i) The Corporation shall prioritize locally owned property maintenance businesses over out of county vendors

Section 13.02: Vendor Compensation: the Directors shall develop a reasonable compensation plan for all for-profit vendors

Section 13.03: Upon Acquisition: Upon acquiring a property, the corporation will engage a maintenance vendor to: (a) remove all trash and debris; (b) change-out locks, board up, or otherwise secure any structures; (c) terminate all utilities; (d) winterize (when necessary); (e) mow the grass; (f) stabilize any bare soils; (g) substantially remove weeds

Section 13.04: Continuing Maintenance Standards: The corporation, through its own Maintenance employees, non-profit organizations, or private vendors shall regularly maintain all corporation properties to include:

- (a) Mowing the property as needed to a length of 4-6 inches at each mowing
- (b) Trim any additional vegetation as needed
- (c) Keeping the property free of litter and debris
- (d) Removing brush, overgrowth, and trees as needed

Section 13.05: Demolition of Structures: Upon completion of a condition assessment, if it is deemed necessary to demolish any existing structures in order to return the site to its original condition for future construction, the Corporation will contract with private vendors for demolition work

13.05.01: The Corporation will maintain a list of bonded and insured vendors who will be offered a flat fee demolition contract on a rotating basis

13.05.02: The vendor shall be responsible for: (a) removing any identified structures, (b) returning the site to a flat grade; (c) disposing of materials in accordance with all environmental laws and statutes; (d) following any and all relevant state and local laws regarding toxic materials and the disposal of such materials

Article XIV: Property Disposition

Section 14.01 Brown County Private Residence Investment and Development Enterprise (BC PRIDE): The Corporation shall dispose of properties according to the BC PRIDE program which will improve the quality of the county, increase property values, assemble sites for future development, create diverse and attainable housing opportunities, and return properties to productive use.

Section 14.02 Holding Period: A property acquired through a delinquent tax sale must remain in holding for a period of one year until a new clear deed can be obtained through judicial approval

Section 14.03: Eligible Transferees: A prospective transferee must be one of the following:

- (a) A licensed and bonded contractor or builder whose intent is to construct, renovate, or rehabilitate a property for resale subject to BC PRIDE regulations contained within this Article.
- (b) A person(s) whose intent it is to make the property their primary, full time residence.

14.03.01: A prospective transferee listed under sub-section (a) of this section will submit an application, in a format designed by the Corporation, to purchase or acquire subject property owned by the Corporation. The transfer application will require the prospective transferee to describe their qualifications to rehabilitate and maintain the subject property in accordance with the Corporations minimum specifications in Section 13.04 of this Charter and other local Building Standards.

14.03.02: Anti-discrimination laws and policies notwithstanding, the Corporation shall prioritize transfer of PRIDE program homes to first time homebuyers, veterans, and families with minor children.

14.03.03: The Corporation reserves the right to deny transferring its subject properties to prospective transferees that, solely in the estimation of the Directors, are not eligible under these Policies and Procedures.

Section 14.04 Ineligible Transferees: Per IC 36-7-38-16, A person who:

- (A) owes:
 - (a) Delinquent taxes,
 - (b) Special assessments,
 - (c) Penalties,
 - (d) Interest,
 - (e) Costs directly attributable to a prior tax sale on a tract of real property listed under IN 6-1.1-24-1. or

- (B) is an agent of any person described in subsection (A)

May not purchase, receive, or lease a tract that is offered by the Corporation

14.04.01: Per IC 36-7-38-16(c) If a third party purchases, receives, or leases a tract from a person who was not eligible to purchase, receive, or lease under this section, the sale, transfer, or lease of the property is void and the landbank retains the interest in the property.

14.04.02: Individuals, groups, and business entities that were the prior owners of a subject property at the time of the tax sale transferring the title to the Corporation are ineligible transferees of such property. For this section ineligible transferees include shareholders, partners, members, officers of the business entity owner and the immediate family members of the individual owner. "Immediate family members" shall mean spouses/domestic partners, children, parents, grandparents, and siblings.

14.04.03: Transferees must not own any other real property within Brown County that

- (a) has any un-remediated citation or violation of Indiana statutes or local ordinances;
- (b) is tax delinquent; or
- (c) was transferred to a local government or the Corporation because of tax sale proceedings during the five (5) years preceding the application to the Corporation to acquire the subject property.

14.04.04: Per IC 36-7-38-17, a foreign business association (defined according to the Code) may not purchase, receive, or lease property from the Corporation unless at the time of the sale, transfer, or lease occurs: (a) the foreign business interest has obtained a certificate of authority from, or registered with, the Secretary of State in accordance

with the procedures described in IC 23, as applicable, and (b) the foreign business association is in good standing in Indiana as determined by the Secretary of State

Section 14.05 Marketing Properties: The Corporation shall maintain a list of properties available for acquisition by transferees that includes basic property information, and initial asking price. Such listings will be displayed in a manner determined by the Corporation to best reach the general public and may include a website listing or hard copy of lists maintained in the offices of the Corporation.

Section 14.06 Financial Considerations: In every transfer of real property, the Corporation will require good and valuable consideration in an amount for each property as determined by the Directors in their sole discretion and consistent with these policies. Unimproved real properties may be sold for their fair market value but not less than two thousand (\$2,000) per acre or fraction thereof. If a property is to be transferred under the PRIDE program for development, transfer of the property shall be subject to contractual requirements for a cost of one (\$1.00) dollar.

14.06.01: Consideration will be in Cash. The Corporation may accept deferred financing, performance of contractual obligations, or other obligations in lieu of cash at the Corporation's sole discretion. The Corporation will not accept cash considerations through installment payments.

Section 14.07 PRIDE Program Requirements for Residents: Potential transferees whose intent is to use the property as their primary residence shall apply to the Corporation

14.07.01: Potential Transferees may purchase an improved or unimproved parcel at fair market value from the Corporation

14.07.02: The Potential transferee must commit to residing on the property in a permanent home for at least three (3) years

14.07.03: The prospective transferee must not use the property as a rental property, bed and breakfast, homestay, or other such use.

14.07.04: Carry adequate fire and liability insurance on the property at all times.

14.07.05: The Corporation shall retain title to the property at closing, and the deed transferring title to the purchaser will be held in escrow with the closing agent. Title will

be transferred following completion of the program requirements. The buyers shall assume paying property taxes to the county at or after closing. After program requirements are complete, the Corporation shall instruct the closing agent to transfer title in the property to the buyers. After the program requirements have been fulfilled, the homeowner may sell or transfer the property at a fair market value.

Section 14.08 PRIDE Program Requirements for Contractors: Potential transferees who are Contractors or Builders acquiring the property for the purpose of renovating, rehabilitating, or Constructing a new residential structure must adhere to the following:

14.08.01: The Transferee and the Corporation shall enter into a contract designed by the Corporation which will include, but is not limited to the following:

- (a) The cost to the transferee for purchase of the property shall be one (\$1.00) dollar
- (b) Transferee must complete all work and present a fully habitable residence for inspection by the Corporation within sixteen (16) months of contract per IC 36-7-38-14(a)(2)
- (c) All necessary permitting will still be required, but fees shall be waived
- (d) Plans for the new residence must be approved by the Corporation prior to the start of construction and must fit the local aesthetic of the county and finished to the satisfaction of the corporation
- (e) The initial sale of the property shall not exceed the price set by the Corporation. The contractor must submit records of the sale to the Corporation
- (f) The property itself, as needed must be demolished or brought up to code within a period of Twelve (12 Months)
- (g) The initial sale of the property may not be to a shareholder, partner, member, officer of the contractor or the immediate family members of the aforementioned or of the contractor.

14.08.02: Transferee must demonstrate (a) secured funding sources and have the financial capacity to see the project through completion, (b) demonstrate sufficient qualifications to ensure project success.

14.08.03: Upon approval of the Corporation, a Contractor may subdivide a property into multiple parcels and construct residential units on each, so as far as they conform to program requirements herewith laid out in this section. The time requirement outlined in Section 14.07.01(b) shall be extended to 16 months per subdivided parcel.

Section 14.09 Enforcement: Per IC 36-7-38-14(b), any material failure of a person to fulfill any contract agreements that led to the transfer of property nullifies the agreement. Upon nullification the sale, transfer, or lease of the property is void and the Corporation will assume and retain the interest in the property that the Corporation possessed before the sale, transfer, or lease.

14.09.01: The Corporation shall retain title to the property at closing, and the deed transferring title to the purchaser will be held in escrow with the closing agent. Title will be transferred following completion of the program requirements. In this way, the subject property remains tax-free as a matter of law during the period of rehabilitation. When the work is complete the Corporation shall instruct the closing agent to transfer title in the property to the transferee.

Article XV: Fiscal Year

Section 15.01: The fiscal year of the Corporation shall run from the first day of January through the thirty-first day of December of each year.

Article XVI: Dissolution of Corporation

Section 16.01: In the event of that this Corporation should for whatever reason be dissolved, the Directors shall comply with all state and local laws pertaining to such dissolution and shall comply with all pertinent and current regulations, directives, and requirements of funding sources in terms of closeout procedures, timetables, and disposition of property and assets.

In the event this agreement is terminated by agreement of all parties, the Corporation shall dissolve and conclude its affairs in a manner provided in the Act and the Indiana non-profit Code. All assets of the Corporation shall be used to satisfy the then existing legal obligations of the Corporation. After satisfaction of said legal oblig, any personal property remaining shall be distributed pro rata to the appraised value to the Parties. All real property held by the Corporation at the the time of termination which was acquired by the Corporation through donation from a party shall be distributed to the donating party. Any other remaining real property shall revert to the governmental entity having jurisdiction over the property.

Article XVII: Amendment of Charter

Section 17.01 Amendments: These Bylaws may be amended, altered, repealed and new bylaws adopted by two-thirds ($\frac{2}{3}$) of the Directors present at any regular or special meeting of the Board of Directors, a quorum being assembled, provided that written notice of such meeting setting forth in detail the proposed revision with explanations given therefore are given to the Directors not less than seven (7) days prior to the meeting.