

BYLAWS
OF
LA Chinatown Community Land Trust,
A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION

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Article 1: General

Section 1.01. Name

The name of this corporation shall be LA Chinatown Community Land Trust (the “corporation”).

Section 1.02. Purpose

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

The specific purposes of this corporation are:

- A. To acquire, oversee, and maintain land and property to ensure that low-income residents of the Chinatown neighborhood of Los Angeles and surrounding areas have access to housing that is truly affordable, safe, healthy, and controlled by the community in perpetuity;
- B. To preserve and support the community and prevent gentrification and displacement by providing affordable housing to low-income, long-term, immigrant, and senior residents;
- C. To promote a healthy built environment for residents that may include access to green spaces, community needed resources, and accessible and safe pedestrian walkways;
- D. To advocate for affordable, community-serving amenities that provide access to nutritious food, and social and health services; and
- E. To promote equitable, fair, and just economic development of land that serves the interests and needs of the community.

Section 1.03. Offices

- A. The principal office of the corporation shall be located at 165 N Michigan Ave, #114, Pasadena, CA 91106. The Directors may change the principal office from one location to another, and this section shall be amended accordingly.
- B. The Board of Directors may at any time establish branch offices, either within or outside the state of California, in order to advance the purposes of the corporation.

Article 2: Membership

Section 2.01. Regular Membership

The Regular Members of the corporation, with full voting rights, shall be:

- A. The Lessee Members, who shall be all persons who lease land or housing from the corporation or who lease or own housing that is located on land leased by another entity from the corporation; and
- B. The Community Members, who shall be all other persons, eighteen (18) years of age or older, who reside in Chinatown, who are interested in actively furthering the corporation's purposes. Community members must also fall under an income limit and indicate so through self-attestation. The Board of Directors will use an Area Median Income (AMI) specific to the Chinatown community to determine income limits for community membership. Income limits will be reevaluated regularly.
- C. The General Members, who shall be all other persons, eighteen (18) years of age or older, who do not reside in Chinatown, who are interested in actively furthering the corporation's purposes.

To maintain Regular Membership, a person must declare their interest and commitment to the vision and mission of the corporation on a Membership form provided by the Board of Directors, as well as pay dues.

Section 2.02. Dues

Annual dues of twenty five dollars (\$25) are expected of each Member, to be fulfilled no later than the Annual Membership Meeting. Dues may be paid either in cash or through a contribution of twelve (12) hours of labor to the organization. The Board of Directors shall determine the types and amount of labor that may be credited. It is the intention of the corporation never to exclude a Member for lack of funds.

Section 2.03. Membership Rights

Every Regular Member shall have the right to participate in meetings of the Membership, to cast one vote on all matters properly put before the Membership for consideration, to nominate and participate in the election of the Board of Directors as provided by these Bylaws, to serve on the Board of Directors or on committees if chosen, and to receive notices and minutes of Membership Meetings and Annual Reports of the corporation.

Every Member has the right to view and inspect the corporation's Articles of Incorporation and these Bylaws. A copy shall be available at the corporation's principal office for inspection at all reasonable times during office hours. Copies shall also be provided upon a Member's written request.

Section 2.04. Membership Meetings

- A. *Notice of Membership Meetings.* Written notice of every Membership Meeting shall be given to all Members and shall include an agenda for the meeting, including specific items to be voted on. Except as otherwise provided, notice shall be given at least fourteen (14) days in advance.

Any Member who has not received notice of a meeting but has attended that meeting shall be considered to have waived notice of that meeting, unless they request that their protest be recorded in the minutes of the meeting.

- B. *Annual Membership Meetings.* Subsequent to the First Annual Membership Meeting, the Annual Membership Meeting shall be held as follows:

- i. *Time and Place.* The Annual Membership Meeting shall be held each year during the month of November. The location and specific time shall be determined by the Board of Directors.

- ii. *Business.* At the Annual Membership Meeting, the following shall occur:

1. The President shall report on the affairs of the corporation;
2. The Treasurer shall report on the financial condition of the corporation;
3. The Members shall conduct such business as may properly come before them;
4. The Members shall elect new Directors in accordance with Section 3.08 below. Notice of the Annual Membership Meeting shall include a list of those persons nominated for the Board of Directors.

- C. *Regular Membership Meetings.* Regular Membership Meetings may be scheduled by the Regular Membership or by the Board of Directors at such times and places as they shall establish.

- D. *Special Membership Meetings.* Special Membership Meetings may be called by the Board of Directors or by a written petition, addressed to the President of the corporation, signed by at least ten percent of the Regular Membership. At the Special Meeting, only those matters stated in the meeting notice may be acted upon by the Membership.

Special Membership Meetings for the election of Lessee Representatives and Community Representatives shall only require written notification to each Member entitled to vote for the replacement (i.e., Lessee Members for the selection of a Lessee Representative; Community Members for the selection of a Community Representative) and only affected Members shall be considered when determining quorum.

- E. *Open Meetings*. All Membership Meetings shall be open to any person, except the Board of Directors may exclude any person previously expelled from Membership pursuant to Section 2.08.

Section 2.05. Quorum

The quorum required for any action of the Regular Membership or a voting subset thereof (i.e., Lessee Members for the selection of a Lessee Representative; Community Members for the selection of a Community Representative) shall be twenty-five percent of the Members entitled to vote.

Section 2.06. Action in Lieu of Meeting

The Regular Membership may take any action which it might lawfully take at any Membership Meeting in the absence of such a meeting but with the same effect as if adopted or taken at such a meeting by causing a written statement of the action to be written into the records of the corporation over the signature of each and every Member of the corporation, and such statement shall specify the effective date of such action.

Section 2.07. Veto

The Membership may veto any action of the Board of Directors by calling a Special Membership Meeting for the purpose of doing so within fourteen (14) days of the taking of such action by the Board of Directors. Any decision by the Membership to nullify any action by the Board of Directors must be expressed by a quorum of Members in accordance with the decision-making procedures outlined in these Bylaws.

Section 2.08. Termination of Membership

A Member may have their Membership terminated for acting in a manner seriously detrimental to the corporation. Such termination shall be done in good faith and in a fair and reasonable manner.

Any Member may initiate the termination of another Member's Membership by submitting a short written or recorded statement to the Board of Directors. The Member initiating the termination must then collect signatures totaling ten percent (10%) of the Members entitled to vote as of the date the statement is submitted to the Board of Directors. The complete list of signatures must be submitted to the Board of Directors within fourteen (14) days of the submission of the statement. The Board of Directors will then review the submitted statement and signatures, and vote within three (3) days whether or not to proceed with termination.

If the Board of Directors votes to move forward with termination, the Member at risk of termination shall be given notice at least fifteen (15) days prior to the proposed date of termination. This notice may be given by any method reasonably calculated to provide actual notice. The Member shall be given an opportunity to be heard by the Board of Directors at least five (5) days prior to the proposed date of termination. This hearing may be in person or in writing, at the discretion of the Board of Directors. The Board's final decision shall be communicated to the Member in writing.

A Member who is terminated is still liable for his or her pro rata share of yearly dues and any other liabilities to the corporation.

Section 2.09. Decision Making

Except where otherwise noted, decisions of the Regular Membership or a subset thereof (i.e., Lessee Members for the selection of a Lessee Representative; Community Members for the selection of a Community Representative) require an affirmative vote of a majority the Members present at a meeting where quorum is assembled.

Article 3: Board of Directors

Section 3.01. Number of Directors

The number of Directors shall be between three (3) and 15, with the exact number fixed by the Board of Directors from time to time.

Section 3.02. Composition of Board

There shall be three (3) categories of elected Directors, each consisting of approximately one third (1/3) of the total elected board: "Lessee Representatives" representing Lessee Members, "Community Representatives" representing members who live within the Chinatown-City of Los Angeles boundary, and "General Representatives" representing the interests of the general public. If the total number of Directors is fixed by the Board of Directors such that equal representation between these three (3) elected categories is not possible, the unequal seats shall be allocated first to the Lessee Representatives, then to the Community Representatives.

In addition to these three (3) elected categories of Directors, the Board may appoint up to two (2) special board members to assist and advise the board. These Board-Appointed Representatives shall have all of the rights and responsibilities of Directors of this corporation. Their appointment shall specify when their term begins and ends, consistent with Section 3.06. Board-Appointed Members need not be drawn from a specific category.

Section 3.03. Compensation

Directors shall serve without compensation. In addition, they shall be allowed reasonable advancement or reimbursement of expenses actually incurred in the performance of their duties. Any decision to compensation Directors beyond reasonable advancement or reimbursement of expenses actually incurred in the performance of their duties must be approved by seventy five percent (75%) of the Regular Members present at a Regular or Special Membership Meeting, a quorum being assembled, provided that written notice of such meeting has described the proposed compensation. Any payments to directors shall be approved in advance in accordance with this corporation's Conflict of Interest Policy and any these Bylaws.

Section 3.04. Nomination of Elected Directors

For all regular elections, Directors shall be nominated as follows:

- A. *Lessee Representatives.*

- i. Lessee Members may nominate Lessee Representatives to the Board from among themselves. These nominations must either be submitted in writing to the Secretary of the corporation at least ten (10) days prior to the Annual Membership Meeting or be made at the Annual Membership Meeting.
- ii. In the event that, at the time when the notice of the Annual Membership Meeting is to be sent out, the number of nominations for Lessee Representative is less than the number of Lessee Representative seats to be filled, the Board of Directors shall nominate enough candidates so that the total number of candidates is sufficient to fill the number of seats to be filled. To achieve this end, the Board may, at any time prior to the sending out of such notice, approve a list of candidates for Lessee Representative to be nominated in such event. In making such nominations, the Board shall select actual Lessee Members to the extent that they are available to serve on the Board of Directors. Otherwise the Board shall select persons who can reasonably be expected to represent the normal interests and concerns of Lessee Members.

B. *Community Representatives.*

- i. Community Members may nominate Community Representatives to the Board from among themselves. These nominations must either be submitted in writing to the Secretary of the corporation at least ten (10) days prior to the Annual Membership Meeting or be made at the Annual Membership Meeting.
- ii. In the event that, at the time when the notice of the Annual Membership Meeting is to be sent out, the number of nominations for Community Representative is less than the number of Community Representative seats to be filled, the Board of Directors shall nominate enough candidates so that the total number of candidates is sufficient to fill the number of seats to be filled. To achieve this end, the Board may, at any time prior to the sending out of such notice, approve a list of candidates for Community Representative to be nominated in such event. In making such nominations, the Board shall select actual Community Members to the extent that they are available to serve on the Board of Directors. Otherwise the Board shall select persons who can reasonably be expected to represent the normal interests and concerns of Community Members.

C. *General Representatives.*

- i. General Members may nominate General Representatives to the Board from among themselves. These nominations must either be submitted in writing to the Secretary of the corporation at least ten (10) days prior to the Annual Membership Meeting or be made at the Annual Membership Meeting.
- ii. In the event that, at the time when the notice of the Annual Membership Meeting is to be sent out, the number of nominations for General Representative is less than the number of General Representative seats to be filled, the Board of Directors shall nominate enough candidates so that the total number of candidates is sufficient to fill the number of seats to be filled. To achieve this end, the Board may, at any time prior to the sending out of such notice, approve a list of candidates for General Representative to be nominated in such event. In

making such nominations, the Board shall select actual Lessee Members to the extent that they are available to serve on the Board of Directors. Otherwise the Board shall select persons who can reasonably be expected to represent the normal interests and concerns of General Members.

- D. *Notice of Nominations.* A list of all persons nominated in each of the three (3) categories shall be included with the notice of the Annual Membership Meeting. A person may only be nominated in one (1) category.

Section 3.05. Election of Directors

Directors shall be elected by the Regular Members present and voting at the Annual Membership Meeting, a quorum being assembled, in accordance with the following procedures:

Positions on the Board of Directors shall be filled by those candidates receiving the largest numbers of votes in the category, though such numbers may constitute less than a majority of the total votes cast in the category. If there is a tie for the last remaining seat in any category, a run-off election between those tied for that seat shall occur immediately. Only the Members qualified to vote in a category shall vote in the run-off election.

- A. *Separate Voting by Category.* A separate vote shall be taken first for Lessee Representatives, second for Community Representatives, and third for General Representatives in that order. If a person has been nominated in more than one category and is then elected in one category, their name shall be removed from the list of nominees in the remaining category(s).
- B. *Election of Lessee Representatives.* Only Lessee Members may vote to elect Lessee Representatives unless no Lessee Members are present at the Annual Membership Meeting. If no Lessee Members are present, then Community Members may vote to elect Lessee Representatives. Each Member qualified to vote for Lessee Representatives may vote for as many nominees in this category as there are Lessee Representative seats to be filled.
- C. *Election of Community Representatives.* Only Community Members may vote to elect Community Representatives unless no Community Members are present at the Annual Membership Meeting. If no Community Members are present, then Lessee Members may vote to elect Community Representatives. Each Member qualified to vote for Community Representatives may vote for as many nominees in this category as there are Community Representative seats to be filled.
- D. *Election of General Representatives.* All Regular Members may vote to elect General Representatives. Each Regular Member may vote for as many General Representative nominees as there are General Representative seats to be filled.

Section 3.06. Terms of Directors

- A. *Terms of First Elected Directors.* The first elected Board of Directors shall wholly replace the Interim Board of Directors appointed pursuant to Section 12.01, below. Upon election, each Director shall be assigned, by mutual agreement or by lot, to a one (1)

year or two (2) year term, the goal being to elect approximately half of each category of Directors each year.

- B. *Terms of Successor Directors.* Except as otherwise provided in these Bylaws, each Director shall serve a full term of two (2) years.
- C. *Commencement of Terms.* The term of office of a regularly elected Director shall commence at the adjournment of the Annual Membership Meeting in which he or she is elected. The term of office of a Director elected by the Board to fill a vacancy shall begin at the time of his or her acceptance of the position.
- D. *Reelection.* No person shall serve as a Director for more than three (3) consecutive elected terms. After two (2) years of absence from the Board, however, a person who has served three (3) consecutive elected terms may return to the Board, if reelected, and may serve up to three (3) consecutive elected terms, in perpetuity.

Section 3.07. Vacancies

Any person elected to fill a vacancy on the Board of Directors does not have to come from among the category (Lessee, Community, or General) he or she represents, but must be reasonably expected to represent the interests of the constituents in the category in which the vacancy occurs. Replacement Directors shall serve out the remaining term of the person who has vacated the position.

- A. If a Lessee Representative vacates his or her term or is removed from the Board, a Special Membership Meeting may be called to select a new Lessee Representative within thirty (30) days from the date on which the position is vacated. The Special Membership Meeting itself does not need to happen within the thirty (30) days.

If a Special Membership Meeting is not called, all remaining Directors (though they may constitute less than a quorum) may elect a person to fill the vacancy via a vote of two-thirds of the remaining Directors, or may, by unanimous agreement, decide to leave the position vacant until the next Annual Membership Meeting

- B. If a Community Representative vacates his or her term or is removed from the Board, a Special Membership Meeting may be called to select a new Community Representative within thirty (30) days from the date on which the position is vacated. The Special Membership Meeting itself does not need to happen within the thirty (30) days.

If a Special Membership Meeting is not called, all remaining Directors (though they may constitute less than a quorum) may elect a person to fill the vacancy via a vote of two-thirds of the remaining Directors, or may, by unanimous agreement, decide to leave the position vacant until the next Annual Membership Meeting

- C. If a General Representative vacates his or her term or is removed from the Board, all remaining Directors (though they may constitute less than a quorum) may elect a person to fill the vacancy via a vote of two-thirds of the remaining Directors, or may, by unanimous agreement, decide to leave the position vacant until the next Annual Membership Meeting

Section 3.08. Resignation

Any Director may resign at any time by giving written notice to the President. Unless otherwise specified, such resignation shall be effective thirty (30) days after receipt of notice by the President.

A Director shall be considered to have given notice of resignation and his or her position shall be declared vacant by the Board of Directors if he or she fails to attend three (3) consecutive Meetings of the Board with the exception of Emergency Meetings, unless good cause for absence and continuing interest in participation on the Board are recognized by the Board.

When a Director has failed to attend three (3) consecutive meetings, the President shall notify him or her in writing that, at the next Regular Board Meeting, his or her position will be declared vacant unless the Board determines that there has been good cause for the Director's absences and that the Director continues to be interested in participating on the Board of Directors. The notification by the President shall be mailed no later than seven (7) days prior to the Board Meeting at which the position may be declared vacant. At this meeting, the Director in question shall be given the opportunity to show good cause for past absences from meetings and continuing interest in participating on the Board. The resignation of a Director who has missed three (3) consecutive meetings shall not become effective until the Board has declared the position vacant as provided herein.

Section 3.09. Removal

A Director of the corporation may be removed for good cause by the Regular Members of the corporation when such Director is judged to have acted in a manner seriously detrimental to the corporation. Such removal shall be done in good faith and in a fair and reasonable manner.

Any Member may initiate the removal of a Director by submitting a short written or recorded statement to the Board of Directors. The Member initiating the removal must then collect signatures totaling ten percent (10%) of the Members entitled to vote as of the date the statement is submitted to the Board of Directors. The complete list of signatures must be submitted to the Board of Directors within fourteen (14) days of the submission of the statement. The Board of Directors will then review the submitted statement and signatures, and vote within three (3) days whether or not to proceed with removal. The Director at risk of removal shall not be counted for purposes of voting or determining quorum.

If the Board of Directors votes to move forward with removal, the Director at risk of removal shall be given notice at least fifteen (15) days prior to the proposed date of removal. This notice may be given by any method reasonably calculated to provide actual notice. The Director shall be given an opportunity to be heard by the Board of Directors at least five (5) days prior to the proposed date of removal. This hearing may be in person or in writing, at the discretion of the Board of Directors. The Board's final decision shall be communicated to the Director in writing.

Removal of a Director does not automatically terminate that Director's Membership in the corporation. However, removal and termination may happen simultaneously.

Section 3.10. Meetings of the Board of Directors

- A. *Notice of Board Meetings.* Except as provided below, written notice of every Board Meeting shall be given to all Directors and shall include an agenda for the meeting.

Except as otherwise provided, notice shall be given at least fourteen (14) days in advance.

- B. *Waiver of Notice.* Any Director may waive any notice required by these Bylaws. Any Director who has not received notice of a Board meeting but has attended that meeting shall be considered to have waived notice of that meeting, unless he or she requests that his or her protest be recorded in the minutes of the meeting.
- C. *Annual Board Meetings.* The Annual Board Meeting shall be held as follows:
- i. *Time and Place.* The Annual Board Meeting shall be held each year during the first quarter of each fiscal year. The location and specific time shall be determined by the Board of Directors.
 - ii. *Business.* At the Annual Board Meeting, the following shall occur:
 1. The President shall report on the affairs of the corporation;
 2. The Treasurer shall report on the financial condition of the corporation;
and
 3. The Board of Directors shall conduct such business as may properly come before them.
- D. *Regular Board Meetings.* The Board of Directors shall meet at least once during the second, third, and fourth quarters of each fiscal year, at such times and places as the Board of Directors may determine.
- E. *Special Board Meetings.* Special Board Meetings may be called by any two (2) Directors, or by a written petition, addressed to the President of the corporation and signed by at least ten (10) percent of the Regular Membership. Notice must be given as provided in Section 3.10(A), above, and cannot be waived.
- F. *Open Meetings.* All meetings of the Board of Directors shall be open to any person except when the Board has voted, during an open meeting, to go into Executive Session.
- G. *Executive Session.* A motion to go into executive session shall state the nature of the business of the Executive Session, and no other matter may be considered in the Executive Session. No binding action may be taken in Executive Session except actions regarding the securing of real estate purchase options or contracts in accordance with Section 3.09(G)(ii), below. Attendance in Executive Session shall be limited to the Directors and any persons whose presence is requested by the Board of Directors. Minutes of an Executive Session need not be taken; however, if they are taken, they shall be recorded as a part of the minutes of the meeting in which the Board has voted to go into Executive Session. If they are not taken, the minutes shall record that the Board held an Executive Session, and the topic of discussion. The Board shall not hold an Executive Session except to consider one or more of the following matters:

- i. Contracts, labor relations agreements with employees, arbitration, grievances, or litigation involving the corporation when premature public knowledge would place the corporation or person involved at a substantial disadvantage;
- ii. Real estate purchase offers and the negotiating or securing of real estate purchase options or contracts;
- iii. The appointment or evaluation of an employee, and any disciplinary or dismissal action against an employee (however, nothing in this section shall be construed to impair the right of the employee to a public hearing if action is taken to discipline or dismiss);
- iv. The consideration of applications from persons seeking to lease land and/or housing, purchase housing or other improvements, or arrange financing from the corporation; or
- v. Relationships between the corporation and any party who might be harmed by public discussion of matters relating to the relationship.

Section 3.11. Quorum

At any meeting of the Board, a quorum shall consist of two-thirds (2/3) of the Board of Directors, provided that at least one (1) representative from each of the three (3) categories of representatives is present.

Section 3.12. Decision Making

Decisions of the Board of Directors require a majority vote of the Directors present at a meeting where quorum is reached, except where otherwise specified in these Bylaws.

Section 3.13. Duties of the Board of Directors

The Board of Directors shall:

- A. Be responsible for the general management of the affairs of the corporation;
- B. Determine the compensation and duties (in addition to those imposed by law and these Bylaws) of the Officers, employees and agents of the corporation;
- C. Select all Officers of the corporation; and
- D. Determine by whom and in what manner deeds, contracts and other instruments shall be executed on behalf of the corporation.

Section 3.14. Powers of the Board of Directors

The Board of Directors may:

- A. Create such offices in addition to those created pursuant to the provisions of Article IV of these by-laws as it may determine to be necessary and desirable for the conduct of the affairs of the corporation;

- B. Appoint the Officers to fill such offices, establish the term of service and duties, if any, of such Officers and discharge such Officers;
- C. Create such committees as it may determine to be necessary and desirable for the conduct of the affairs of the corporation and delegate authority to such committees;
- D. Appoint the member(s) of any committee(s) so created; and
- E. Exercise all other powers necessary to conduct the affairs and further the purposes of the corporation in accordance with the Articles of Incorporation and these Bylaws.

Article 4: Officers

Section 4.01. Designation

The Officers of the corporation shall be a President, a Treasurer, and a Secretary. Officers shall be ultimately responsible for their duties as assigned in these Bylaws, but may delegate tasks on an ad hoc or ongoing basis.

Section 4.02. Duties of the President

The President shall:

- A. Call to order and preside over all of the meetings of the Board of Directors and of the Membership;
- B. Consult with the other Officers and committees of the corporation regarding the fulfillment of their duties;
- C. Work with the Secretary to ensure an agenda is prepared and distributed for every Membership Meeting and Board Meeting;
- D. Act in the role of facilitator for consensus decision-making, and where necessary to decide when consensus is not achieved; and
- E. Perform such other duties as the Board of Directors may assign.

Section 4.03. Duties of the Treasurer

The Treasurer shall:

- A. Have custody of the funds of the corporation;
- B. Deposit all money of the corporation in the name of the corporation in such banks or depositories as the Board of Directors may designate;
- C. Maintain all assets of the corporation other than money in the name of the corporation;
- D. Disburse such funds of the corporation as the Board of Directors may order and/or authorize;

- E. Assure that all deeds, title papers, leases, and other documents establishing the corporation's interest in property and rights in particular matters and systematically and securely maintained;
- F. Keep full and accurate accounts of receipts and disbursements in books of the corporation maintained for that purpose;
- G. Prepare or cause to be prepared accurate financial reports at the close of each quarter of the fiscal year;
- H. Render an accounting of his or her transactions as Treasurer and of the financial condition of the corporation at the Annual Membership Meeting, the Annual Board Meeting, and, whenever else the Board of Directors may request;
- I. Assure that an annual operating budget is prepared and presented to the Board for its approval prior to the beginning of each fiscal year; and
- J. Perform such other duties as the Board of Directors may assign.

Section 4.04. Duties of the Secretary

The Secretary shall:

- A. Assure that motions and votes in meetings of the Board and of the Membership are accurately represented to those present and are accurately recorded in the minutes;
- B. Maintain custody of the records of the discussion of and of the action taken on all issues coming before meetings of the Board and of the Membership;
- C. Assure that a list of all Members and their mailing addresses is maintained by the corporation;
- D. Give notice or cause notice to be given of all meetings of the Board of Directors; and
- E. Perform such other duties as the Board of Directors or the President may assign.

Section 4.05. Tenure

The Officers shall hold office until the next Annual Meeting of the Board after their election, unless they resign or are removed from office. Any Officer who ceases to be a Director shall thereby cease to be an Officer.

Section 4.06. Removal

The Board of Directors may remove any Officer at any time by a vote of the Board of Directors.

Section 4.07. Election

For the first three (3) years of the corporation's existence, the Officers of the corporation shall be elected by a majority vote of the Board of Directors, from among themselves, at the Annual Board Meeting.

Following the first three (3) years of the corporation's existence, the Officers of the corporation shall be elected by a majority vote of the Regular Membership, immediately following the election of the Directors at the Annual Membership Meeting, in accordance with the following procedures:

- A. A separate vote shall be taken for each of the three (3) Officer positions in the following order: (1) President, (2) Treasurer, and (3) Secretary.
- B. For each vote, nominations shall be solicited from the Directors and Members present. Only Directors may be nominated. Directors must accept the nomination.
- C. All Regular Members may vote for each Officer.
- D. A person nominated for an Officer position, but not elected, is eligible to be nominated in a following category.
- A. In each of the three (3) categories, positions shall be filled by those candidates receiving the largest numbers of votes in the category, though such numbers may constitute less than a majority of the total votes cast in the category. If there is a tie in any category, a run-off election between those tied for that seat shall occur immediately.

Any vacancies occurring in any of these offices shall be filled by the Board for the remainder of the unexpired term.

Article 5: Standard of Care

Section 5.01. General

A Director, acting in good faith, shall perform the duties of a Director, including duties as a committee member, in a manner the Director believes is in the corporation's best interest, and with the care, including reasonable inquiry, that an ordinary prudent person in a like situation would exercise under similar circumstances.

In performing corporate duties, a Director, acting in good faith and after reasonable inquiry, is entitled to rely on information, opinions, reports, or statements that are within the authority and expertise of the corporation's Officers, employees, committees, or of the independent attorneys, accountants, or others who prepare and present them.

Section 5.02. Loans

This corporation shall not loan money to, nor guarantee the obligation of, its Directors or Officers. But the corporation may advance its Directors and Officers money for expenses it reasonably anticipates them to incur in performing their duties and for which it would otherwise reimburse them.

Section 5.03. Self-Dealing Transactions

Except as allowed by Section 5.04, below, the Board shall not approve a self-dealing transaction. A self-dealing transaction is one to which the corporation is a party and in which one or more of the directors has a material financial interest as defined in Section 5233 of the

California Corporations Code. A Director shall not be deemed to have a “material financial interest” in a contract or transaction that implements a charitable program solely because the contract or transaction results in a benefit to a director or his or her family by virtue of their membership in the group or class of low-income persons intended to be benefited by the charitable program, as long as the contract or transaction is approved or authorized by the corporation in good faith and without unjustified favoritism.

Section 5.04. Approval

The Board of Directors may approve a self-dealing transaction if the Board determines that the transaction is in the best interests of, and is fair and reasonable to, this corporation and, after reasonable investigation under the circumstances, determines that this corporation could not have obtained a more advantageous arrangement without reasonable effort under the circumstances. Such determinations must be made by the Board:

- A. In good faith, with knowledge of the material facts concerning the transaction and the Director’s interest in the transaction; and
- B. By a vote of the majority of the Directors then in office, provided that a quorum is present, without counting the vote of the interested Director or Directors.

An interested Director shall recuse himself or herself from any participation in or discussion of the matter in which he or she is interested.

Section 5.05. Restriction on Interested Directors

Not more than forty nine percent (49%) of the persons serving on the Board of Directors at any time may be interested persons. An interested person is:

- A. Any person currently being compensated by the corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; or
- B. Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any person described in Section 5.05(A).

Any violation of the provisions of this section shall not affect the validity or enforceability of any transaction entered into by the corporation.

Section 5.06. Conflict of Interest Policy

The corporation shall create and implement a Conflict of Interest Policy. Once a year, all Directors shall be given a copy of the current Conflict of Interest Policy and shall sign an acknowledgement that it was read and received, a record of which shall be maintained by the Secretary of the corporation.

Section 5.07. Nonliability of Directors

The Directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

Section 5.08. Right to Indemnification

The 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 the corporation, or is or was serving at the request of this corporation as a Director, Officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, or other enterprise, against expenses, judgements, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding, to the fullest extent permitted under the California Nonprofit Corporation 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 Corporations Code Section 5238 has been met shall be made by a majority vote of a quorum of Directors who are not parties to the proceeding. If the number of Directors who are not parties to the proceeding is less than two-thirds of the total number of Directors seated at the time the determination is to be made, 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.

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.

Section 5.09. Insurance for Corporate Agents

Except as may be otherwise provided under provisions of law, the Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a Director, Officer, employee, or other agent of the corporation) against liabilities asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the Articles of Incorporation, these Bylaws, or provisions of law.

Article 6: Stewardship of Land

Section 6.01. Principles of Land Use

The Board of Directors shall oversee the use of land owned by the corporation and shall convey the right to use such land so as to facilitate access to land and affordable housing by low-income people. In so doing, the Board shall be guided by the following principles:

- A. The Board shall consider the needs of potential lessees and shall attempt to effect a just distribution of land use rights;
- B. The Board shall convey land use rights on terms that will preserve affordable access to land and housing for future low-income residents of the community; and
- C. The Board shall convey land use rights in a manner that will promote the long-term well-being of the community and the long-term health of the environment.

Section 6.02. Encumbrance of Land

The decision to mortgage or otherwise encumber land owned by the corporation shall require the approval of two-thirds (2/3) the Board of Directors and subsequent approval by two-thirds (2/3) of the Regular Members present at a Regular or Special Membership Meeting, a quorum being assembled, provided that written notice of such meeting has described the proposed action. Any such encumbrance shall be subordinated to any ground leases relating to such land.

Section 6.03. Sale of Land

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

- A. A parcel of land may be sold pursuant to a resolution adopted by an affirmative vote by at least two thirds (2/3) of the entire Board of Directors at a Regular or Special Board Meeting, provided that:
 - i. The corporation has owned the parcel for no more than sixty (60) days at the time the vote is taken;
 - ii. The parcel is not leased to any party;
 - iii. The resolution states that the location or character of the parcel is determined to be such that the charitable purposes of the corporation are best served by selling the land and applying the proceeds to the support of other activities serving those purposes; and
 - iv. The sale is approved by two thirds (2/3) of the Regular Members present at a Regular or Special Membership Meeting, a quorum being assembled, provided that written notice of such meeting has described the proposed sale and the reasons for the proposal.
- B. In all other circumstances a parcel of land may be sold only with:
 - i. An affirmative vote by at least two thirds (2/3) of the entire Board of Directors at a Regular or Special Board meeting, provided that written notice of such meeting has described the proposed sale and the reasons for the proposal; and
 - ii. The approval of two thirds (2/3) of the Regular Members present at a Regular or Special Membership Meeting, a quorum being assembled, provided that written notice of such meeting has described the proposed sale and the reasons for the proposal.
- C. If any of the corporation's land is to be sold to any person or entity other than a nonprofit corporation or public agency sharing the purposes of the corporation, any ground lessees on that land shall have the opportunity to exercise a right of first refusal to purchase the land that they have been leasing from the corporation.

**Article 7: Ownership of Housing and Other
Improvements Located on the Corporation's Land,
and Limitations on Resale**

Section 7.01. Ownership of Housing and Improvements on the Corporation's Land

In accordance with the purposes of the corporation, the Board of Directors shall take appropriate measures to promote and facilitate the ownership of housing and other improvements on the corporation's land by low-income people. These measures may include, but are not limited to, provisions for the sale of housing to such people; provisions for financing the acquisition of housing by such people, including direct loans by the corporation; and provision for grants or other subsidies that will lower the cost of housing for such people.

Section 7.02. Preservation of Affordability

It is a purpose of the corporation to preserve the affordability of housing and other improvements for low-income people in the future. Accordingly, when land is leased for such purpose, the Board of Directors shall assure that, as a condition of the lease, housing on the land may be resold only to the corporation or to another low-income person and only for a price limited by a "resale formula" as described in Section 7.03, below. However, notwithstanding the foregoing, the Board of Directors may choose, for reasons consistent with the charitable purposes of the corporation, to lease certain parcels of land for uses that do not require continued affordability for low-income people, and in such cases the resale restrictions described above shall not be required as a condition of the lease.

Section 7.03. The Resale Formula

Whenever its purpose is to preserve affordability, the corporation shall restrict the price that ground lessees may receive when they sell housing and other improvements located on the land that is leased to them by the corporation. The same policy shall be applied in the case of condominium units stewarded by the corporation, regardless of whether the land is owned by the corporation. A policy establishing such restrictions in the form of a "resale formula" shall be adopted by the Board of Directors and the Regular Members of the corporation, in accordance with the following principles:

- A. To the extent possible, the formula shall allow the seller to receive a price based on the value that the seller has actually invested in the property being sold.
- B. To the extent possible, the formula shall limit the price of the property to an amount that will be affordable for other low-income people at the time of the transfer of ownership.

Section 7.04. Procedures for Adoption of the Resale Formula

The adoption of the resale formula shall require:

- A. An affirmative vote by at least two thirds (2/3) of the entire Board of Directors at any Regular or Special Board Meeting, provided that written notice of such meeting has set forth the proposed formula with an explanation thereof; and
- B. An affirmative vote by at least two thirds (2/3) of the Regular Members present at any Regular or Special Membership Meeting, a quorum being assembled, provided that

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

Section 7.05. Procedures for Altering the Resale Formula

The consistent long-term application of a resale formula is essential to the purposes of the corporation. Accordingly, the resale formula shall not be altered unless the Board of Directors and Regular Members of the corporation determine that the current formula presents an obstacle to the achievement of the purposes of the corporation. In such event, the resale formula may be altered only by a two-thirds vote of the entire Board of Directors and a two thirds (2/3) vote of the Regular Members present at a Membership Meeting, as described above for the adoption of the formula.

Article 8: Dissolution

Section 8.01. Dissolution

A decision to dissolve the corporation and to distribute the corporation's assets in a particular manner in accordance with the Articles of Incorporation shall require:

- A. An affirmative vote by seventy five percent (75%) of the entire Board of Directors at any Regular or Special Board Meeting, provided that written notice of such meeting has included a full description of a proposed plan of dissolution; and
- B. An affirmative vote by seventy five percent (75%) of the Regular Members present at a Regular or Special Membership Meeting, a quorum being assembled, provided that written notice of such meeting, including a full description of the proposed plan of dissolution, has been given to all Members of the corporation no later than three (3) weeks prior to the meeting.

Article 9: IRC § 501(c)(3) Provisions

Section 9.01. Limitations on Activities

No substantial part of the activities of this corporation shall be the carrying on of propaganda, or other attempting to influence legislation (except as otherwise provided by Section 501(h) of the Internal Revenue Code), and this corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office.

Notwithstanding any other provisions of these Bylaws, this corporation shall not carry on any activities not permitted to be carried on:

- A. By a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code; or
- B. By a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

Section 9.02. Prohibition Against Private Inurement

No part of the net earnings of this corporation shall inure to the benefit of, or be distributable to, its Members, Directors, Officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this corporation.

Section 9.03. Distribution of Assets

Upon the dissolution of this corporation, its assets after payment, or provision for payment, of all debts and liabilities of this corporation, shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or shall be distributed to the federal government, or to a state or local government, for a public purpose. Such distribution shall be made in accordance with all applicable provision of the laws of this state.

Section 9.04. Private Foundation Requirements and Restrictions

In any taxable year in which this corporation is a private foundation as described in Section 509(a) of the Internal Revenue Code, the corporation:

- A. Shall make distributions at such time and in such manner as not to subject itself to tax under Section 4942 of the Internal Revenue Code;
- B. Shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code;
- C. Shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code;
- D. Shall not make any investments in such manner as to subject the corporation to tax under Section 4944 of the Internal Revenue Code; and
- E. Shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

Article 10: Amendments to the Articles of Incorporation and Bylaws

Section 10.01. Regular Amendments

Except as described in Section 10.02, below, the Articles of Incorporation may be amended and these Bylaws may be amended or may be repealed and new Bylaws adopted only by:

- A. An affirmative vote by two thirds of the Regular Members present at any Regular or Special Membership Meeting, a quorum being assembled, provided that written notice of such meeting has set forth the proposed amendment or replacement, with appropriate explanations thereof; or
- B. An affirmative vote by two thirds of the entire Board of Directors at any regular or special Board Meeting, provided that written notice of such meeting as set forth the proposed

amendment or replacement, with appropriate explanations thereof, followed by ratification by the Membership consistent with Section 10.01(A), above.

Section 10.02. Special Amendments

Any amendments to Article 2 (Membership), Sections 3.01-06 (relating to the Number, Composition, Compensation, Nomination, Election, and Terms of Directors), Sections 6.02-03 (relating to the Encumbrance and Sale of Land), Sections 7.03-05 (relating to the Resale Formula), Article 8 (Dissolution) or this Article 10 shall require:

- A. An affirmative vote by at least two thirds of the entire Board of Directors at any Regular or Special Board Meeting, provided that written notice of such meeting has set forth the proposed formula with an explanation thereof; and
- B. An affirmative vote by at least two thirds of the Regular Members present at any Regular or Special Membership Meeting, a quorum being assembled, provided that written notice of such meeting has set forth the proposed formula with an explanation thereof.

Article 11: Miscellaneous Provisions

Section 11.01. Fiscal Year

The corporation's fiscal year shall begin on January 1 of each year, and shall end on December 31 of each year.

Section 11.02. Deposit of Funds

All funds of the corporation not otherwise employed shall be deposited in such banks, trust companies, or other reliable depositories as the Board of Directors from time to time may determine.

Section 11.03. Checks

All checks, drafts, endorsements, notes and evidences of indebtedness of the corporation shall be signed by such Officers or agents of the corporation and in such manner as the Board of Directors from time to time may determine. Endorsements for deposits to the credit of the corporation shall be made in such manner as the Board of Directors from time to time may determine.

Section 11.04. Loans

No loans or advances shall be contracted on behalf of the corporation, and no note or other evidence of indebtedness shall be issued in its name, except as authorized by the Board of Directors. Any such authorization shall relate to specific transactions.

Section 11.05. Contracts

Any Officer or agent of the corporation specifically authorized by the Board of Directors may, on behalf of the corporation, enter into those contracts or execute and deliver those instruments that are specifically authorized by the Board of Directors. Without the express and specific authorization of the Board of Directors, no Officer or other agent of the corporation may enter into any contract or execute and deliver any instrument in the name of the corporation.

Section 11.06. Written Notice

Subject to any guidelines and procedures that the Board of Directors may adopt from time to time, the term “written notice” as used in these Bylaws include any form of recorded message capable of comprehension by ordinary visual means and may include electronic transmissions, such as facsimile, email, SMS text message, or electronic instant message, provided that:

A. 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;

B. For electronic transmissions *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

C. The transmission creates a record that can be retained, retrieved, reviewed, and rendered into clearly legible tangible form.

Article 12: Interim Board of Directors and Adoption of Bylaws

Section 12.01. Interim Board of Directors

An Interim Board of Directors and Interim Officers may be appointed by the Incorporator. The Interim Board of Directors and Interim Officers shall serve until the first elected Board of Directors has been seated upon the completion of the second Annual Membership Meeting, anticipated to be in November 2023. The Interim Board of Directors and Interim Officers shall have all the powers and duties outlined in these Bylaws and allowed by law.

Section 12.02. Adoption of Bylaws

The Interim Board of Directors shall have the power to adopt these Bylaws. The adoption of these Bylaws shall be ratified, or new Bylaws shall be proposed, by the Regular Membership no later than the first Annual Membership Meeting. New Bylaws shall require approval of the Interim Board of Directors and ratification by the Regular Membership.

Certificate of Adoption

I hereby certify that the foregoing bylaws were adopted and ratified by the members of this corporation on July 1, 2022.

Date: 7/1/22

Print name: Winnie Fong

Signature: Wm Jo
Incorporator