

**CODE OF REGULATIONS  
OF  
WILLARD COMMUNITY IMPROVEMENT CORPORATION**

**ARTICLE I**

**CORPORATION**

**Section 1.1 – Corporate Name**

The name of the corporation shall be “Willard Community Improvement Corporation” (hereinafter referred to as “CIC”)

**Section 1.2 – Principal Office**

The place in the State of Ohio (the “State”) where the principal office of the CIC is located is the City of Willard, Huron County, Ohio.

**Section 1.3 – Non-Profit Corporation**

CIC has been organized as a community improvement corporation under Chapters 1724 (“Community Improvement Corporations”) and Chapter 1702 (the “Non-Profit Corporation Law”) of the Ohio Revised Code. CIC shall carry on only such activities as are consonant with the purposes set forth in Section 1.4 of this Code of Regulations and in its Articles of Incorporation and in the laws of the State applicable to CIC. It is intended the CIC shall have the status of an organization which derives its income from the exercise of essential governmental functions and the income of which if not used by CIC for the continuance of its purposes, accrues to the City of Willard, Ohio (the “City”) and is not included in the gross income for federal income tax purposes under Section 115 (1) of the Internal Revenue Code of 1986 and all regulations issued thereunder (the “Code”). All authority and activities of CIC shall be limited accordingly. Notwithstanding any other provision of CIC’s Articles of Incorporation or this Code of Regulations, CIC shall not directly or indirectly carry on any activity which would prevent it from claiming or maintaining exemption from federal income taxation. CIC is not organized for profit and shall not have the authority to issue capital stock. CIC shall have perpetual existence.

**Section 1.4 – Corporate Purposes; Powers**

CIC is a community improvement corporation, as defined in Chapter 1724.01 (A)(2) and Chapter 1724.01 (B)(2) of the Ohio Revised Code and shall be operated for the purposes of exercising the essential governmental purposes provided for under ORC Chapter 1724. In furtherance thereof, CIC shall have and may exercise powers granted to it in Revised Code Chapters 1724 and 1702 and any other section of the Ohio Revised Code in which it is expressly given, whether specifically as a community improvement corporation or a nonprofit corporation as principal or agent, the power to take any action or refrain from taking any action, including but not limited to, the following powers:

- a. To borrow money for any of the purposes of the community improvement corporation by means of loans, lines of credit, or any other financial instruments or securities, including the issuance of its bonds, debentures, notes, or other evidences of indebtedness, whether secured or unsecured, and to secure the same by mortgage, pledge, deed of trust, or other lien on its property, franchises, rights, and privileges of every kind and nature or any part thereof or interest therein.
- b. To make loans to any person, firm, partnership, corporation, joint stock company, association, or trust, and to establish and regulate the terms and conditions with respect to any such loans; provided that an economic development corporation shall not approve any application for a loan unless and until the person applying for said loan shows that the person has applied for the loan through ordinary banking or commercial channels and that the loan has been refused by at least one bank or other financial institution. Nothing in this division shall preclude a community improvement corporation from making revolving loans to community development corporations, private entities, or any person for the purposes contained in the corporation's plan under section 1724.10 of the Revised Code.
- c. To purchase, receive, hold, manage, lease, lease-purchase, or otherwise acquire and to sell, convey, transfer, lease, sublease, or otherwise dispose of real and personal property, together with such rights and privileges as may be incidental and appurtenant thereto and the use thereof, including but not restricted to, any real or personal property acquired by the community improvement corporation from time to time in the satisfaction of debts or enforcement of obligations, and to enter into contracts with third parties, including the federal government, the state, any political subdivision, or any other entity.
- d. To acquire the good will, business, rights, real and personal property, and other assets, or any part thereof, or interest therein, of any persons, firms, partnerships, corporations, joint stock companies, associations, or trusts, and to assume, undertake, or pay the obligations, debts, and liabilities of any such person, firm, partnership, corporation, joint stock company, association, or trust; to acquire, reclaim, manage, or contract for the management of improved or unimproved and underutilized real estate for the purpose of constructing industrial plants, other business establishments, or housing thereon, or causing the same to occur, for the purpose of assembling and enhancing utilization of the real estate, or for the purpose of disposing of such real estate to others in whole or in part for the construction of industrial plants, other business establishments, or housing; and to acquire, reclaim, manage, contract for the management of, construct or reconstruct, alter, repair, maintain, operate, sell, convey, transfer, lease, sublease, or otherwise dispose of industrial plants, business establishments, or housing.
- e. To acquire, subscribe for, own, hold, sell, assign, transfer, mortgage, pledge, or otherwise dispose of the stock, shares, bonds, debentures, notes, or other securities and evidences of interest in, or indebtedness of, any person, firm,

corporation, joint stock company, association, or trust, and while the owner or holder thereof, to exercise all the rights, powers, and privileges of ownership, including the right to vote therein, provided that no tax revenue, if any, received by a community improvement corporation shall be used for such acquisition or subscription.

- f. To mortgage, pledge, or otherwise encumber any property acquired pursuant to the powers contained in this section.
- g. Nothing in this section shall limit the right of a community improvement corporation to become a member of or a stockholder in a corporation formed under Chapter 1726 ("Development Corporations) of the Revised Code.
- h. To serve as an agent for grant applications and for the administration of grants, or to make applications as principal for grants for community improvement corporations.
- i. To charge fees or exchange in-kind goods or services for services rendered to political subdivisions and other persons or entities for whom services are rendered.
- j. To purchase tax certificates at auction, negotiated sale, or from a third party who purchased and is a holder of one or more tax certificates issued pursuant to sections 5721.30 to 5721.46 of the Revised Code.
- k. To act as a portal operator for purposes of an OhioInvests offering under sections 1707.05 to 1707.058 of the Revised Code.
- l. To do all acts and things necessary or convenient to carry out the purposes of section 1724.01 of the Revised Code and the powers especially created for a community improvement corporation in Chapter 1724 of the Revised Code, including, but not limited to, contracting with the federal government, the state or any political subdivision, a board of county commissioners pursuant to section 307.07 of the Revised Code.

The powers enumerated in this chapter shall not be construed to limit the general powers of a community improvement corporation. The powers granted under this chapter are in addition to those powers granted by any other chapter of the Revised Code.

Ownership of real property by an economic development corporation does not constitute public ownership unless the economic development corporation has applied for and been granted a tax exemption for the property under section 5709.08 of the Revised Code.

## ARTICLE II

### MEMBERSHIP

#### **Section 2.1 – Designation of Membership**

The Directors named by the Incorporator of the Corporation shall be the first members.

#### **Section 2.2 – Number and Term of Office for Board of Directors**

The CIC shall be governed by a Board of Directors having seven (7) or more members as shall be fixed by the members from time to time.

In accordance with Chapter 1724 of the Ohio Revised Code, not less than two-fifths (2/5s) of the governing board shall be composed of appointed or elected officials of the City of Willard.

#### **Section 2.3 – Term of Office for Board of Directors**

Directors shall serve for a term of three (3) years and are eligible for re-election.

A Director may be removed for good cause shown by the vote of ninety percent (90%) of the remaining members of the Board of Directors or may resign at any time by notice in writing delivered to any officer of the Corporation other than himself.

Meeting attendance is a factor in determination of good cause. Absence (with or without notice) at three consecutive meetings will constitute poor attendance and may be considered good cause for removal from the Board of Directors.

Except in case of death, removal, or resignation, a Director shall serve until his successor has been elected.

## ARTICLE III

### OFFICERS

#### **Section 3.1 – Officers**

The Board of Directors shall elect a President, Vice President, Secretary, and Treasurer. Any two of the offices may be held by one person, but no officer shall execute, acknowledge, or verify any instrument in more than one capacity.

#### **Section 3.2 – President**

The President shall preside at meetings of the Board of Directors and may designate the date, time, and place of the meetings. He/she may execute all authorized instruments, including without limitation, contracts, bonds, notes, debentures, deeds, mortgages, and other obligations in the name of the Corporation and shall perform such other duties as the Board of Directors may require. The President shall have the authority to sign checks on behalf of CIC.

### **Section 3.3 – Vice President**

In the case of the absence or disability of the President, or when circumstances prevent the President from acting, the Vice President shall perform all of the duties of the President, and in such case shall have all the powers and obligations of the President, and any such instruments so executed by the Vice President shall be as valid and binding as though executed by the President. The Vice President shall also perform such other duties as the Board of Directors may require. The Vice President shall have the authority to sign checks on behalf of CIC.

### **Section 3.4 – Secretary**

The Secretary shall attend and cause the minutes of all meetings of the directors to be kept. He/she shall cause such books to be kept as may be required by the directors and shall cause all notices of meetings of directors be given, provided however, that any persons calling such meetings may, at their option, themselves give such notice. He/she shall have such other powers and duties as may be prescribed by the directors. The Secretary shall have the authority to sign checks on behalf of CIC.

### **Section 3.5 – Treasurer**

The Treasurer shall provide oversight of the receipt of all money, bills, notes, bonds, stock in other corporations, and similar property belonging to CIC. The Directors shall direct actions to be taken. He/she shall cause accurate financial accounts to be kept and assure the same open for inspection and examination of the directors or public records requests. He/she shall have such other powers and duties as may be prescribed by the directors. The Treasurer shall have the authority to sign checks on behalf of CIC.

### **Section 3.6 – Delegation of Duties**

The directors are authorized to delegate the duties of any officers to any other officer, non-officer, or agent of CIC provided, however, that the delegating officers shall retain responsibility for the proper performance of such delegated duties.

## **ARTICLE IV**

### **MEETINGS, NOTICES, QUORUM**

#### **Section 4.1 – Annual Meeting**

The Board of Directors shall hold an annual meeting each year in conjunction with a regular meeting following the close of the CIC fiscal year but no later than the date in which CIC is required to file with the Auditor of State the financial report as defined in Ohio Revised Code Section 1724.05.

The purpose of the annual meeting shall be to release the annual report of CIC pursuant to Ohio Revised Code Section 1724.05 and any other annual or special

reports to the Board of Directors and to transact such other business as may properly come before the Board of Directors at the annual meeting.

**Section 4.2 – Notice to Directors – Annual Meeting**

Notice of the annual meeting of CIC shall be given to each Director not less than seven (7) days and not more than thirty (30) days prior to the meeting. Notice will state the date, time, and location (within the City of Willard) of the meeting.

Notice will be given to the Directors in writing which shall be personal delivery, mail, facsimile, email, or other written media addressed to the Directors at their respective email or business address as they appear on the records of CIC.

**Section 4.3 – Regular Meetings**

In addition to the annual meeting, the Board of Directors shall hold at least one regular meeting per calendar quarter on such dates and at such times and locations as the Board of Directors will determine.

The purpose of regular meetings of the Board of Directors is to receive reports from the Administrator, Officers, and Committees, if any; to approve or disapprove actions, if any; and to consider and act upon any other matter requiring action by the Board of Directors.

**Section 4.4 – Notice to Directors – Regular Meetings**

Notice of the regular meetings of CIC shall be given to each Director not less than seven (7) days and not more than fourteen (14) days prior to the regular meeting. Notice will state the date, time, and location (within the City of Willard) of the meeting.

Notice will be given to the Directors in writing which shall be personal delivery, mail, facsimile, email, or other written media addressed to the Directors at their respective email or business address as they appear on the records of CIC.

**Section 4.5 – Special Meetings**

The President or a majority of the Directors may call a special meeting of the Board.

**Section 4.4 – Notice to Directors – Special Meetings**

Notice of special meetings of CIC shall be given to each Director at least twenty-four (24) hours prior to such special meeting. Notice will state the date, time, and location (within the City of Willard) of the meeting.

Notice will be given to the Directors in writing which shall be personal delivery, mail, facsimile, email, or other written media addressed to the Directors at their respective email or business address as they appear on the records of CIC.

**Section 4.5 – Quorum; Voting; Adjournment**

A majority of the members present shall constitute a quorum for the transaction of business at any meeting of the members.

Any action which may be taken at a meeting of the members at which a quorum is present may be taken by a majority affirmative vote. Any member may authorize another member by written proxy to vote for him/her on one or more matters voted on at a meeting.

Any member may designate an alternate to attend any meeting on behalf of the member by completing an alternate designee form and submitting it to the Administrator. Administrator will present alternate designee for advance approval by the Board. Alternate designee assignments will be for a term of one year.

Members are permitted to participate in any meeting by telephone, video, or other electronic format, to vote, and to be considered present in determining a quorum.

Upon authorization by, and pursuant to procedure prescribed by the Board of Directors, votes may be cast by email in any election to be held, or as to any other matter which is to be acted upon at a meeting.

Members voting at a meeting by proxy or by email on any one or more matters, in accordance with this section, shall be deemed to be present at the meeting for the purposes of determining the presence of a quorum.

#### **Section 4.6 – Waiver of Notice by a Director**

Notice of the time, place, and purpose of any meeting of the Board of Directors may be waived in writing by any Director, either before or after the holding of such meeting. The attendance of any Directors at any such meeting, without protesting the lack of proper notice prior to or at the commencement of the meeting, shall be deemed to be a waiver by such Director of the requirement hereunder for notice of such meeting.

#### **Section 4.7 – Open Meeting Requirement**

Except as otherwise provided in Section 1724.11 (B)(1) of the Ohio Revised Code, all meetings of the Board at which a determination of the Board is required shall be open to the public. In connection with compliance with this provision, notice to the public, including the news media, of meetings of the Directors for the purpose of conducting the public business of CIC shall be given as provided in this section.

#### **In General**

Any notification provided herein to be given by CIC may be given by any person acting on behalf of or under the authority of CIC. CIC shall maintain a record of the date and time of all notices and notifications given or attempted to be given under this Article.

**Posted or Published Notice of Meetings**

Notice of all meetings, specifying the time, place and purpose thereof, shall be given not later than twenty-four (24) hours in advance thereof 1) by posting at the office of CIC and at Willard City Hall and 2) by publishing the notice on the publicly accessible website for the City of Willard.

**Email Notice to News Media of Meetings**

Notice of all meetings, specifying the time, place and purpose thereof, shall be given to local news media via email not later than twenty-four (24) hours in advance thereof.

**Posting of Agenda for Public Meetings of CIC**

CIC shall post or cause to be posted on the publicly accessible website of the City of Willard, the agenda for all meetings of CIC at least twenty-four (24) hours in advance of such meetings, provided; however, that nothing in this Section shall be construed as to prohibiting a change to such agenda, whether by way of addition of an item or to deletion of an item from such agenda.

**ARTICLE V**

**COMMITTEES**

**Section 5.1 – Appointment**

The Board of Directors may appoint certain members or non-members to act as a committee or committees in the intervals between meetings of the Directors and may delegate to such committee or committees the powers that may be exercised under the control and direction of the Directors and in accordance with the applicable provisions of Ohio law. Each such committee shall serve at the pleasure of the Directors.

**Section 5.2 – Executive Committee**

The Executive Committee shall consist of the Officers of the Corporation. During the intervals between meetings of the Board of Directors, the Executive Committee shall possess and may exercise all of the powers of the Board in the management and control of the business of CIC to the extent that the exercise of such powers is expressly permitted by law or otherwise do not constitute an unlawful delegation of fiduciary responsibility. All action taken by the Executive Committee shall be reported to the Board at its next meeting. All meetings of the Executive Committee shall comply with the provisions of Section 4.7 of this Code of Regulations.

**Section 5.3 – Committee Action**

Unless otherwise provided by the Board of Directors, a majority of the members of any committee pursuant to this Article shall constitute a quorum at any meeting. Any such committee shall prescribe its own rules for calling and holding meetings and its method



of procedure, subject to any rules prescribed by the Directors. Each committee shall keep a written record of all actions taken by it.

## **ARTICLE VI**

### **INDEMNIFICATION**

#### **Section 6.1 – Rights of Indemnification**

Each member of the Board of Directors, each Officer, and each employee or agent of CIC (and his or her heirs, executors, and managers) who is made a party to any litigation, action suit or proceeding, whether civil, criminal, or administrative, by reason of his/her being or having been a Director, Officer, employee, or agent of CIC shall be entitled to be indemnified, to the fullest extent permitted by law, by CIC against the reasonable expenses actually incurred by him/her in connection with the defense of such litigation, except in relation to the following matters:

- a. Those as to which he/she shall be finally adjudged in such litigation to be liable because of material dereliction in the performance of his/her duties as Director, Officer, employee, or agent of CIC or
- b. Those which have resulted in a judgment in favor of CIC and against him/her, or which are settled by any payment by him/her to CIC.

The right of indemnification shall not be exclusive of other rights to which such person, his/her heirs, executors, or administrators, may be entitled.

#### **Section 6.2 – Purchase of Insurance**

The CIC may purchase and maintain insurance on behalf of any person who is or was a Director, Officer, employee, or agent of CIC against any liability asserted against such Director, Officer, employee, or agent and incurred by him/her in any capacity, or arising out of his/her status as such, whether or not the CIC would have the power to indemnify him/her against such liability under provisions of this Article or of the Nonprofit Corporation Law.

#### **Section 6.3 – Determination of the Directors in Regard to Article VI**

In connection with the provisions of Sections 6.1 and 6.2 hereof, the Board of Directors hereby determines that such provisions are necessary, or if a court of competent jurisdiction should find otherwise, then convenient, to carry out the purposes of Section 1724.01 of the Ohio Revised Code and the powers especially created for a community improvement corporation in Chapter 1724 of the Ohio Revised Code.

## **ARTICLE VII**

### **FISCAL MATTERS; CONTRACTS; RECORDS**

#### **Section 7.1 – Fiscal Year End**

The fiscal year of CIC shall be the same as the fiscal year for the City of Willard – calendar year.

### **Section 7.2 – Annual Budget**

Prior to the end of each fiscal year, CIC will prepare a budget for the next succeeding fiscal year. The Board of Directors shall adopt the annual budget which shall govern the expenditures of CIC during the fiscal year to which such budget applies. The annual budget adopted may be amended or supplemented by the Board as circumstances warrant. No binding monetary obligation of CIC shall be entered into unless there are sufficient funds to cover the obligation. If, due to unforeseen circumstances, the annual budget has not been adopted and is not ready for adoption by the last day of the fiscal year immediately preceding the year for which such budget is to be effective, the Board of Directors may adopt a temporary budget governing fiscal matters for the first three (3) months of the new fiscal year.

### **Section 7.3 – Contracts**

The Board shall have the authority to execute contracts on behalf of CIC subject to any limitations provided in this Section and any other limitations adopted by resolution of the Board. In addition, the Board may authorize by resolution other Officers or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of CIC, with such authority being either general or confined to specific instances.

### **Section 7.4 – Loans & Indebtedness**

No loans shall be contracted on behalf of CIC and no evidence of indebtedness shall be issued in its name unless authorized by the Ohio Revised Code and by a resolution of the Board of Directors with such authorization being either general or confined to a specific instance. When a line or lines of credit have been authorized by the Board of Directors, drawdowns upon the signature of two (2) Officers are deemed authorized by the Board of Directors unless expressly prohibited by Board resolution.

### **Section 7.5 – Signatories on Checks, Drafts, and Evidence of Indebtedness**

All checks, drafts, or other orders for payment of money issued in the name of CIC, shall be signed by two (2) Officers who shall be an authorized signatory on the account against which such check, draft, or other order for the payment of money is drawn. All notes, bonds, or other evidence of indebtedness of CIC for borrowed money shall be signed by two (2) Officers if so authorized in the resolution of the Board approving the borrowing of money and the issuance of notes, bonds, or other evidence of indebtedness.

### **Section 7.6 – Signatories on Deeds and Transfers of Real Property Interests**

All deeds and other documents transferring an interest in real property of CIC shall be executed by the President and Vice President and shall otherwise be in compliance with the provisions of Ohio law applicable to disposition of real property.

**Section 7.7 – Deposits**

All funds of CIC not otherwise employed shall be deposited from time to time to the credit of CIC in such banks, trust companies, or depositories as the Board may select.

**Section 7.8 – Maintenance of Records; Open Records**

CIC shall keep accurate and complete books and records of account according to generally accepted accounting principles relating to any moneys received or expended in connection with its pursuit of its purposes and in such manner as to facilitate compliance with the requirements of ORC 1724.05. Maintenance of such books and record of account shall be the responsibility of the Administrator with oversight from the Secretary and Treasurer. The Secretary of the Board shall cause minutes of proceedings of the Board and any Committee. Maintenance of such minutes of the proceedings of the Board and any committee shall be the responsibility of the Administrator. To the extent provided in ORC 149.431 and except as provided therein and in ORC 1724.11, the books and records of shall be public records, open for inspection in accordance with the provisions of ORC 149.43.

**ARTICLE VIII**

**AMENDMENTS TO CODE OF REGULATIONS**

**Section 8.1 – Amending Code of Regulations**

The Code of Regulations may be amended when necessary, by a two-thirds (2/3s) majority vote of the Board of Directors.

Code of Regulations – adopted by CIC Directors on September 8, 2022.

Amendment to Code of Regulations approved by CIC Directors on November 2, 2022.