

THE BY LAWS
OF
THE BIRMINGHAM SHOPPING DISTRICT BOARD OF DIRECTORS

(A BSD formed pursuant to Act No. 120 of 1961 , MCL 125.981,
Code of Ordinances, City of Birmingham Ordinance Chapter 82, Article IV —

ARTICLE I

NAME, OFFICE, REGISTERED AGENT, GOALS AND POWER

Section 1. Name. The name of this principal shopping district shall be the Birmingham Shopping District (BSD).

Section 2. Goals. The goal of the BSD shall be to promote economic activity in the principal shopping district of the City of Birmingham by undertakings including, but not limited to, conducting market research and public relations campaigns, developing, coordinating and conducting retail and institutional promotions, and sponsoring special events and related activities. The Board may expend funds it determines reasonably necessary to achieve its goal, within the limits of those monies made available to it by the City Commission from the financing methods specified in City of Birmingham Ordinance 82-77 and 82-78. In furtherance of its goal, the Board may recommend to the City Commission that the City undertake one or more the following activities in the principal shopping district:

- 1) Open, widen, extend, realign, pave, maintain or otherwise improve highways and construct, reconstruct, maintain or relocate pedestrian walkways.
- 2) Prohibit or regulate vehicular traffic where necessary to carry out the purposes of a development or redevelopment project.
- 3) Regulate or prohibit vehicular parking on highways.
- 4) Acquire, own, maintain or operate off-street parking lots or structures.
- 5) Contract for the operation or maintenance by others of city off-street parking lots or structures, or appoint agents for the operation or maintenance of those lots or structures.

- 6) Construct, maintain and operate malls with bus stops, information centers and other buildings that will serve the public interest.
- 7) Acquire by purchase, gift or condemnation, and own, maintain, or operate real or personal property necessary to implement the goals of the board.
- 8) Provide for the maintenance, security and operation of a district.

ARTICLE II

BOARD OF DIRECTORS

Section 1. General Powers. The BSD shall be under the supervision and control of the Board of Directors, except as otherwise provided by Act No. 120 of 1961 and Code of Ordinances—City of Birmingham Ordinance Chapter 82, Article IV. Division 2 - Shopping District Board, as amended.

Section 2. Board Composition: Appointments, Replacement and Vacancies. The Board shall consist of 12 members. One member shall be the city manager, one shall be a resident of an area designated as part of the BSD, and one shall be a resident of an adjacent residential area. A majority of the members shall be individual businesses located within the BSD who have an interest in property located in the district. The remaining members shall be representatives of businesses located in the district.

Members shall be appointed to the Board for a four-year term by the City Manager with the concurrence of the City Commission. However, if all the following requirements are met, a business may appoint a member of the Board, which member shall be counted toward the majority of members required to be nominees of businesses located within the BSD:

- (1) The business is located within a principal shopping district.
- (2) The business is located within a special assessment district established by the city commission to defray all or a portion of the costs of the board's activities under this article.

(3) The special assessment district is divided into special assessment rate zones reflecting varying levels of special benefits.

(4) The business is located in the special assessment rate zone with the highest special assessment rates.

(5) The square footage of the business is greater than five percent of the total square footage of businesses in the special assessment rate zone.

If a member is appointed by a business meeting the requirements at a time all 12 positions on the board are filled, the city commission shall, by resolution, remove one or more members of the board in order that its membership not exceed 12 in number.

The Board may nominate and elect non-voting emeritus members for two year terms. An emeritus member must either currently or have previously served the BSD Board with distinction and excellence, and shall be entitled to receive all written notices and information which are provided to the board of directors, to attend all board meetings, to participate in meetings of the committees in which they serve, and encouraged to attend all other events conducted by the BSD. A board member emeritus shall not be subject to any attendance policy counted in determining if a quorum is present at a meeting, entitled to hold office, or entitled to vote at any board meeting.

An appointment to fill a vacancy shall be made by the City Manager, with the concurrence of the City Commission, for the unexpired term only. A Member whose term of office has expired shall continue to hold office until a successor is appointed. A Member may be appointed to additional terms in accordance with the provisions hereunder.

Section 3. Removal. Pursuant to notice and after having been given an opportunity to be heard, a member of the Board may be removed for cause by the City Manager with concurrence from the City Commission upon recommendation from the Board.

Section 4. Conflict of Interest. A Member who has a conflict between a personal interest and the public interest shall fully disclose the nature of the interest prior to the

BSD taking any action with respect to the matter. Such disclosure shall become a part of the record of the BSD's official proceedings. Such declaration shall be made before discussion on the item begins. Except as provided by law, or Birmingham Ethics Ordinance, Chapter 2 Article IX, no Member may participate in, act upon, or vote upon any matter if a conflict exists. Any Board member is permitted to inquire about potential conflicts that may exist among other members.

Section 5. Meetings. The BSD shall hold at least one regular public meeting each month. At the October meeting of the calendar year, the BSD shall set the dates, times, and places of the BSD's regular meetings for the coming year. Special meetings of the BSD may be called by the secretary at the written request of the Chairperson of the Board or any three Members on at least two days' notice. All business which the Board may perform shall be conducted at a public meeting of the Board held in compliance with the Open Meetings Act, Act. No. 267 of 1976, as amended.

Section 6. Public Participation at Meetings. A reasonable opportunity shall be given for members of the public to be heard at any open meeting on agenda items before the BSD during discussion. In the interest of ensuring the orderly processing of items of business before the BSD, such public comments shall be heard at the end of the agenda item discussion. Any items not on the agenda shall be heard at the end of the meeting agenda. Consistent with the Open Meetings Act, the BSD may impose a time limitation up to three (3) minutes per person for public comment. All individuals who wish to address the BSD must identify themselves by name and address prior to speaking at the meeting.

Section 7. Notice. Public notice of all meetings of the Board or its Committees which provides the time, date, and location of the meeting shall be given in the manner required by the Open Meetings Act, Act No. 267 of 1976, as amended. There shall be a public notice posting within ten (10) days after the first meeting in each calendar year of the annual schedule of BSD meetings, stating the dates, times, and places of its regular meetings. For a rescheduled regular or a special meeting of the BSD, a public notice stating the date, time, and place of the meeting shall be posted at least eighteen (18)

hours before the meeting. The public notice shall contain the name of the BSD Board or Committee, its telephone number, its address, and shall be posted at the City Hall of the City of Birmingham and any other location considered appropriate by the BSD.

Section 8. Quorum. A majority of the members of the BSD then in office constitutes a quorum for the transaction of business at any meeting of the Board. An affirmative vote of the majority of a quorum shall be required to adopt any resolution. A 2/3 roll call vote of the Members on the Board at the meeting shall be required to call a closed session and the Board shall meet in closed session only for the purposes permitted by law pursuant to the Open Meetings Act, Act No. 267 of 1976, as amended.

Section 9. Participation by Communication Equipment. All meetings of the BSD must be open to the public and must be held in a place available to the general public. Only as permitted by law pursuant to the Open Meetings Act, Act No. 267 of 1976, as amended, an absent Member may participate in, and vote on, business before the BSD by way of a two-way electronic communication device wherein all discussions and deliberations are able to be heard by the public in attendance at the meeting. For any member attending the meeting remotely, a public announcement at the outset of the meeting to be included in the meeting minutes must be made, announcing that a Member is in fact attending the meeting remotely. Participation by communication equipment shall be permitted only in accordance with the Open Meetings Act, Act No. 267 of 1976, as amended.

Section 10. Attendance. Each Member is required to attend a minimum of two-thirds of the regularly scheduled Board meetings in a twelve (12) month period. If a Member has not fulfilled this requirement after a twelve (12) month period, the Board may recommend that the City Commission declare that Member's position vacant and remove the Member from the Board, in accordance with Section 3. The Board may grant a waiver, given a sufficient explanation of extenuating circumstances. Waivers shall be considered monthly by the Board or upon request.

Section 11 Committees. The Board may, by resolution, designate one or more committees, each committee shall consist of at least one of the Members. Each Member shall serve on a committee. The Board shall appoint all committee members and the chair of the committee. A committee, and each member thereof, shall serve at the pleasure of the Board. Committees shall consist of less than a quorum of Board Members and shall meet in accordance with the Open Meetings Act, Act No. 267 of 1976, as amended. Standing committees shall consist of Executive, Marketing and Advertising, Maintenance and Capital Improvements, Business Development and Special Events with up to eight (8) members per committee made up of Board members, BSD businesses and property owners, Birmingham residents and persons with business interest in the BSD. Committees shall only make recommendations to the Board on matters of the District, and shall not enter into agreements without Board approval. A majority of the committee members constitutes a quorum for the transaction of business at any committee meeting. If the committee lacks a quorum, the committee members may receive reports and comments from the public or staff and shall not make any recommendations to the Board.

Section 12 Personnel. The Board may employ personnel as deemed necessary. Such personnel may include, but is not limited to an executive director, treasurer, secretary, and legal counsel. The Executive Director, Treasurer, Secretary and Legal Counsel shall report to the Board. All other employees shall be appointed by, directed by and report to the Executive Director. Board Members shall not give direction to or interfere with the work of the employees under the direction of the Executive Director. The duties, rights and responsibilities of employees of the BSD shall be consistent with the provisions of the City of Birmingham Employee Handbook. The Board may employ and fix the compensation of an executive director, subject to the approval of the City Commission. The full-time employees of the BSD shall be eligible to participate in municipal retirement and insurance programs of the City of Birmingham.

ARTICLE III
OFFICERS

Section 1. Officers. The officers of the BSD shall be elected by the Board annually at its January meeting and shall consist of a Chairperson, Vice-Chairperson and Secretary. An officer shall not execute a contract on behalf of the BSD without a resolution adopted by the Board.

Section 2. Election and Term of Office. Each officer so elected shall hold office until December 31 of the year in which she or he is elected, or until his or her term expires, or upon resignation or removal, whichever occurs first.

Section 3. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled at any meeting of the Board for the unexpired portion of the term of such office, in accordance with Public Act No. 120 of 1961 and the Birmingham Code of Ordinances.

Section 4. Chairperson. The Chairperson shall perform all duties of the office as provided in these Bylaws, by Public Act No. 120 of 1961, and the Birmingham Code of Ordinances. The Chairperson shall preside over all meetings of the BSD and shall perform all duties as directed by the Board. The Chairperson shall be an ex-officio member of all standing committees, and shall have the general oversight of the Board. The Chairperson shall also act as Chair of the Executive Committee, assuming the same powers of the BSD as listed above, and further described in Article III, Section 8. To qualify to serve as the Chairperson, it is preferred that the Board Member have served at least one full year as an active Board Member.

Section 5. Vice-Chair. The Vice-Chair shall act as the Chair when the Chair is absent or unable to act, and otherwise be vested with the powers and shall perform such duties and exercise such other powers as may from time to time be imposed upon or vested by resolution of the Board.

Section 6. Secretary. The Board may employ and fix the compensation of a Secretary, and need not be a member of the Board. The Secretary shall attend meetings of the Board, and keep and maintain a record of its proceedings. The minutes of the BSD shall contain the date, time, place, members absent, any decisions made at a meeting open to the public, and the purpose or purposes for which a closed session is held. The minutes shall include all roll call votes taken at the meeting. The Secretary shall give, or cause to be given, notice of all meetings of the Board and shall perform such other duties as may be prescribed by the Board. The Secretary shall, when authorized by the Board, attest by signature to actions of the Board. The Secretary shall perform all other duties as may be delegated to him or her by the Board.

Section 7. Delegation of Duties and Officers. In the absence of any officer of the BSD, or for any other reason that the Board may deem sufficient, the Board may, by resolution, delegate from time to time and for such time as it may deem appropriate, the powers or duties, or any of them, of such officer to any other officer, or to any Member, provided a majority of the Board then in office concurs therein.

Section 8. Executive Committee. The Executive Committee shall consist of five Board Members including the Chair, Vice-Chair, City Manager, and two committee chairs). The Executive Committee shall be responsible for reviewing the agenda for the regular Board meetings and proposing the agenda for the Board. The committee shall meet as necessary and all such meetings shall comply with the notice requirements, as set forth in Article II, Section 7.

ARTICLE IV

CONTRACTS, DONATIONS, AND POWERS OF THE BOARD

Section 1. Contracts.

The Board may make and enter into contracts necessary or incidental to the exercise of powers and the performance of its duties. The Board may, by resolution, authorize an agent of the BSD to execute contracts and/or documents on behalf of the BSD. A copy

of the resolution approving such contracts must be attached to such contract and must adhere to any Purchasing/Procurement policies that the BSD may adopt.

Section 2. Checks, Drafts, etc. All orders for the payment of money, notes, or other evidences of indebtedness shall be signed by the Board's authorized agent and submitted to the Finance Department of the City of Birmingham for signature and for the issuance of payment.

Section 3. Grants and Donation. The Board may accept grants and donations of property, labor, or other things of value from a public or private source, consistent with Public Act No. 120 of 1961.

Section 4. Deposits. All funds of the BSD shall immediately be deposited into the appropriate fund or account to the credit of the BSD in such banks, trust companies, or other depositories as the BSD or Finance Director of the City of Birmingham may select. Report of these receipts shall be provided to its Executive Director for review and submission to the Board.

Section 5. Other Powers of the Board. The Board shall perform and exercise all such powers as provided in Public Act No. 120 of 1961.

Section 6. Budget

Pursuant to Birmingham City Charter, Section 7, the Executive Director of the BSD or designee shall prepare and submit for the approval of the Board a budget for the operation of the BSD for the ensuing fiscal year. The budget shall be prepared in the manner and contain the information required of municipal departments. Before the budget may be adopted by the Board, it shall be approved by the City Commission. The BSD shall submit an annual budget to the City Commission each year for inclusion in the City's annual budget presentation. The budget shall be adopted by the Board no later than by July 1 each year.

Section 7. Audit

The governing body of the City of Birmingham may assess a reasonable pro rata share of the funds for the cost of handling and auditing the funds against the funds of the BSD, other than those committed, which cost shall be paid annually by the board pursuant to an appropriate item in its budget.

ARTICLE V
FISCAL YEAR

The fiscal year of the BSD shall correspond at all times to the fiscal year of the City of Birmingham.


ARTICLE VI
REPORTING REQUIREMENTS

All expense items of the BSD shall be recorded monthly and financial records shall be open to the public. If the Board does not employ an Executive Director, the Board shall file any and all necessary reports. Annually, the Board shall submit to the City Commission a report on the status of any special assessments utilized by the BSD.

ARTICLE VII
AMENDMENTS

These Bylaws may be altered or amended or repealed by the affirmative vote of the Board then in office. Approved changes to these Bylaws take effect immediately.

I HEREBY CERTIFY that the above Bylaws were written by the Birmingham Shopping District, of the City of Birmingham on the 19th day of April, 2023.



CHAIRPERSON