

REDEVELOPMENT AUTHORITY  
OF THE CITY OF ERIE, PENNSYLVANIA

CHARTERED - 1955

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BY - LAWS

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REVISED AUGUST 21, 2006

**A R T I C L E    I.    THE AUTHORITY.**

Section 1. Name of the Authority.

The name of the Authority shall be: REDEVELOPMENT  
AUTHORITY OF THE CITY OF ERIE.

Section 2. Enabling Acts.

The Authority is chartered pursuant to the Pennsylvania  
Urban Redevelopment Law of 1945, 35 P.S. § 1701 et seq., as  
amended, and City of Erie Ordinance No. 82 of 1955.

Section 3. Purpose.

The purpose of the Authority are the promotion of the  
health, safety and welfare of the inhabitant of Erie, the  
elimination of blighted areas through economically and  
socially sound redevelopment for residential, recreational,  
commercial, industrial, or other purposes, and the  
encouragement of the provision of healthful homes, a decent  
living environment, and adequate places of employment.

Section 4. Seal.

The seal of the Authority shall be circular in form and  
shall bear the name of the Authority around the periphery  
and in the center shall bear the Word "Pennsylvania" and  
the date "1955," the date of issuance of the Charter.

Section 5. Office.

The office of the Authority shall be at 917 State Street,  
Erie, Pennsylvania, 16501, or at such other place as may be  
designated by the Authority.

## **A R T I C L E II. BOARD OF DIRECTORS.**

### Section 1. Members.

The Board of Directors ("Board") shall consist of five (5) members who are United States Citizens, a minimum of three (3) of whom shall be residents of the City of Erie, and no more than two (2) of whom may be nonresidents of the City of Erie who own and operate businesses in the City of Erie.

### Section 2. Appointment, Terms, and Tenure

The Mayor of the City of Erie shall appoint each member to a term of office of five years. Terms shall be staggered, with each term expiring in a successive year. A member shall hold office until a successor is appointed. The Mayor shall promptly fill all vacancies. A member appointed to the Board other than at the commencement of a full five year term shall serve the remainder of the unexpired term to which the member was appointed. Board Members shall receive no compensation for their services, but shall be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of their duties.

### Section 3. Removal for Absenteeism.

If a member is absent from three (3) consecutive regular or called meetings of the Authority without excuse, the Chair shall inform the Mayor and request that a replacement be made.

### Section 4. Powers.

The Board Members shall have all powers and duties for the conduct and activity of the Authority as set forth in law and in these By-Laws, and as may be set forth from time to time by the Board.

## **A R T I C L E   I I I .   O F F I C E R S .**

### Section 1. Officers.

The officers of the Authority shall be a Chair, Vice Chair, Secretary, Treasurer, and Assistant Secretary-Treasurer.

### Section 2. Chair.

The Chair shall preside at all meetings of the Authority. Except as otherwise authorized by Resolution of the Authority, the Chair is authorized to sign all contracts, deeds, and other instruments made by the Authority. At each meeting the Chair shall submit such recommendations and information as the Chair may consider proper concerning the business, affairs, and policies of the Authority.

### Section 3. Vice Chair.

The Vice Chair shall perform the duties of the Chair in the absence or incapacity of the Chair; and in case of the resignation or death of the Chair, the Vice Chair shall perform such duties as are imposed on the Chair until such time as the Board shall elect a new Chair.

### Section 4. Secretary.

The Secretary shall keep the records of the Authority, shall act as Secretary of the meetings of the Authority and record all votes, shall keep a record of all the proceedings of the Authority, shall prepare the meeting agenda, prepare correspondence, and prepare Board Resolutions. All of the foregoing duties may be delegated to an Executive Director of the Authority when so appointed, who shall also be known as Executive Director and Secretary, when so directed by Resolution of the Authority. In addition to the foregoing duties, the Secretary shall keep in safe custody the Seal of the Authority and shall have the power to affix such seal to all contracts and other written instruments authorized to be executed by the Authority.

### Section 5. Treasurer

The Treasurer of the Authority shall have the care and custody of all funds of the Authority and shall deposit the same in the name of the Authority in such banks or trust

companies as the Authority may by Resolution provide. The Treasurer shall keep regular books of accounts, showing receipts and expenditures, and shall render to the Authority an account of all transactions and also of the financial condition of the Authority at least twice annually, and oftener when so requested by the Authority.

The Treasurer shall be permitted to delegate the duties of keeping the books of accounts, showing receipts and expenditures, of presenting financial reports to the Board, or of the hiring of an independent auditor, to an Executive Director of the Authority or the Executive Director's designee, when so directed by Resolution of the Authority.

#### Section 6. Assistant Secretary-Treasurer

The Assistant Secretary-Treasurer shall perform the duties of the Secretary and/or the Treasurer in the absence or incapacity of either of those officers.

#### Section 7. Election of Officers.

The Chair, Vice Chair, and Secretary-Treasurer shall be elected at the Annual Meeting of the Authority from among the Board Members of the Authority, and shall hold office for the term of one year from the date of the third Monday of August of each year or until their successors are elected and qualified.

#### Section 8. Vacancies.

Should any of the offices provided herein become vacant, the Authority shall elect a successor from its membership at the next regular meeting to serve for the unexpired term of said office.

#### Section 9. Appointments.

The Authority may employ legal counsel and may employ other advisors, and may determine the qualifications for and fix the compensation of such persons or firms. The Authority may hire an Executive Director to implement projects and programs following the Board's policies. The Executive Director may hire professional, administrative, and technical staff as necessary to carry out projects and programs, and may determine the qualifications for and fix the compensation of such persons. No member of the Authority shall be appointed to any such position. The

Authority may delegate to the Executive Director or the Executive Director's designee such of its powers as it shall deem necessary to carry out the purposes of this Authority, subject always to the supervision and control of the Authority.

## **A R T I C L E IV. COMMITTEES AND ADVISORY BOARDS.**

### Section 1. Establishment of Committees.

The Board may from time to time establish and/or dissolve Committee(s) of the Board. Each such Committee shall consist of at least one (1) Board Member, and may include individuals who are not Board Members.

### Section 2. Powers of Committees.

Each Committee shall have the powers delegated to it by the Board, which powers may specifically include the ability to bind or obligate the Authority by contract or otherwise. All Committees shall regularly report to the Board.

### Section 3. Appointment of Members.

The Chair or the Chair's designee shall appoint the members of Committee, to such terms as the Chair or Chair's designee shall determine.

### Section 4. Establishment of Advisory Boards.

The Board and/or the Executive Director may from time to time establish and/or dissolve Advisory Board(s). Each such Advisory Board shall consist of at least one (1) Board Member or Authority staff member, and may include individuals who are not Board Members or staff members.

### Section 5. Powers of Advisory Boards.

Each Advisory Board shall regularly advise the Board and/or the Executive Director on matters assigned to the Advisory Board. No Advisory Board shall have the power to bind or obligate the Authority by contract or otherwise.

### Section 6. Appointment of Members.

The Chair and/or the Executive Director may appoint the members of an Advisory Board, to such terms as the Chair and/or Executive Director shall determine.

## **A R T I C L E V. MEETINGS.**

### Section 1. Annual Meeting.

The Annual Meeting of the Authority shall be held on the third Monday of August, at the offices of the Authority, or at such place within the City of Erie, Pennsylvania, as the Authority may designate, provided that if the Annual Meeting is not held at the offices of the Authority, ten (10) days notice of the place of holding of the Annual Meeting shall be mailed to the members of the Board by the Secretary-Treasurer. In the event that the date of the Annual Meeting shall fall on a legal holiday, the Annual Meeting shall be held on the next succeeding business day.

### Section 2. Regular Meetings.

The regular meetings of the Authority shall be held monthly as determined by the Board at its annual meeting; however, at any regular meeting, the Board of the Authority may reschedule any regular meeting to another date. The Board of the Authority may recess any regular meeting to another date without the need for additional public notice.

### Section 3. Special Meetings.

The Chair of the Board may, when deemed expedient, and shall, upon the written request of at least two (2) members of the Board, call a special meeting of the Authority for the purpose of transacting any business designated in the call. The call for a special meeting may be personally delivered to each member of the Board or may be mailed, sent by facsimile, or e-mailed to the business or home address of each member of the Board at least two (2) days prior to the date of such special meeting. At such special meeting no business shall be considered other than that designated in the call, but if all the members of the Board are present at a special meeting, they may, by unanimous waiver of this requirement, transact any and all business of the Authority at such special meeting. The Board of the Authority may recess any special meeting to a later date without the need for additional public notice.

#### Section 4. Public Notice.

The Authority shall give public notice of all annual, regular, special, and rescheduled meetings as required by the Sunshine Act, 65 Pa.C.S.A. § 701 et seq., as amended.

#### Section 5. Quorum.

Three members of the Board shall constitute a quorum for its meetings. A smaller number of members may recess a meeting from time to time until a quorum is obtained. When a quorum is in attendance, action may be taken by the Authority upon a vote of a majority of the members present.

#### Section 6. Order of Business.

At the regular meetings of the Authority, the following shall be the order of business:

1. Roll Call
2. Citizens' Comment on Agenda Items
3. Report of the Secretary
4. Report of the Executive Director
5. Report of the Treasurer
6. Reports of Committees and Boards
7. Unfinished Business
8. New Business
9. Adjournment

#### Section 7. Form of Resolution

All Resolutions moved at any meeting shall be submitted in writing signed by the parties moving and seconding same and shall be copied in a Journal of the proceedings of the Authority.

#### Section 8. Manner of Voting and Recording Vote.

The voting on all questions shall be by Roll Call, and the yeas and nays shall be entered upon the minutes of the meeting or on the official copy of the Resolution.

**A R T I C L E VI. FINANCIAL MATTERS.**

Section 1. Financial Reports.

The Treasurer shall present financial reports to the Board on a quarterly basis or as requested by the Board.

Section 2. Audits.

The Treasurer shall hire an independent auditor to conduct an annual audit of the Authority's financial activities, to be presented to the Board.

Section 3. Checks.

All checks for the disbursement of funds on deposit in the name of the Authority at any Bank or Trust Company shall be signed by any Authority member, and shall be countersigned by either the Executive Director of the Authority or by the Finance Director of the Authority.

**A R T I C L E VII. LIMITATION OF LIABILITY;  
INDEMNIFICATION.**

Section 1. Limitation of Personal Liability of Members.

A member of the Authority shall not be personally liable for monetary damages as such for any action taken, or any failure to take any action, unless:

(a) The member has breached or failed to perform the duties of his or her office as defined in Section 2 below; and

(b) The breach or failure to perform constitutes self-dealing, misconduct in office, willful misconduct, or recklessness.

The provisions of this Section shall not apply to (a) the responsibility or liability of a member pursuant to any criminal statute; or (b) the liability of a member for the payment of taxes pursuant to local, state, or federal law.

Section 2. Standard of Care and Justifiable Reliance.

(a) A member of the Authority shall stand in a fiduciary relationship to the Authority, and shall perform his or her duties as a member, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interest of the Authority, and with such care, including reasonable inquiry, skill, and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, a member shall be entitled to rely in good faith on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

(i) One or more officers or employees of the Authority whom the member reasonably believes to be reliable and competent in the matters presented; and

(ii) Legal counsel, public accountants, or other persons as to matters which the member reasonably believes to be within the professional or expert competence of such person; and

(iii) A committee of the Board upon which he or she does not serve, duly designated in accordance with

law, as to matters within its designated authority, which committee the member reasonably believes to merit confidence.

A member shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

(b) In discharging the duties of their respective positions, the Board, committees of the Board, and individual members may, in considering the best interest of the Authority, consider the effects of any action upon employees, upon persons with whom the Authority has business and other relations, and upon the community in which the Authority is located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of Subsection (a) of this Section.

(c) Absent breach of fiduciary duty, misconduct in office, lack of good faith, or self-dealing, actions taken by a member or any failure to take any action shall be presumed to be in the best interests of the Authority.

### Section 3. Indemnification.

The Authority shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed litigation, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Authority) by reason of the fact that he or she is or was a representative of the Authority, or is or was serving at the request of the Authority as a representative of another corporation or other enterprise, against expenses (including reasonable attorney's fees), judgment, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding if he or she acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interest of the Authority, and, with respect to any criminal action or proceedings, had no reasonable cause to believe his or her conduct was unlawful. Determination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner

which he or she reasonably believed to be in, or not opposed to, the best interest of the Authority, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

#### Section 4. Mandatory Indemnification.

Notwithstanding any contrary provision of the Charter or these By-laws, to the extent that a representative of the Authority has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Section 3 above, he or she shall be indemnified against expenses (including reasonable attorney's fees) actually and reasonably incurred by him or her in connection therewith.

#### Section 5. Determination of Entitlement to Indemnification.

Unless ordered by a court, any indemnification under Section 3 above shall be made by the Authority only as authorized in the specific case upon a determination that indemnification of the representative is proper under the circumstances because he or she has met the applicable standard of conduct set forth in such section. Such determination shall be made (a) by the Board by a majority vote of a quorum consisting of members who were not parties to such action, suit or proceeding; or (b) if such a quorum is not obtainable, or, even if obtainable, a majority vote of a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.

#### Section 6. Advancing Expenses.

Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Authority in advance of the final disposition of such action, suit, or proceeding as authorized by the Board in a specific case upon receipt of an undertaking by or on behalf of the representative to pay such amount unless it shall ultimately be determined that he or she is entitled to indemnification by the Authority as authorized hereinabove.

Section 7. Indemnification of Former Representatives.

Each such indemnity may continue as to a person who has ceased to be a representative of the Authority and may enure to the benefit of the heirs, executors, and administrators of such person.

Section 8. Insurance.

The Authority shall have the power to purchase and maintain insurance on behalf of any person who is or was a member, officer, employee, or agent of the Authority, or is or was serving at the request of the Authority as a director, officer, employee, or agent of another corporation or enterprise, against any liability asserted against such person and incurred by such person in any capacity or arising out of such person's status as such, whether or not the Authority would otherwise have the power to indemnify such person against such liability.

Section 9. Reliance on Provisions.

Each person who shall act as an authorized representative of the Authority shall be deemed to be doing so in reliance upon the rights of indemnification provided in this Article.

**A R T I C L E VIII. AMENDMENTS.**

Section 1. Amendments to the By-Laws.

The By-Laws of the Authority shall be amended only with the approval of at least three members of the Authority at a regular or special meeting of the Authority, but no such Amendment may be adopted until at least seven (7) days written notice thereof has been previously given to all members of the Board.