

**Downtown Lawrence, Inc.**  
**By Laws**  
**ARTICLE 1**  
**Organizational Goals**

**Section 1.** It shall be the purpose of this organization, which is known as “Downtown Lawrence, Inc.,” to preserve, protect, and improve downtown Lawrence as the cultural and commercial heart of the community.

**Section 2.** Downtown Lawrence is defined by the Corporation as the area, including five hundred feet in all directions surrounding the area bounded on the west by Kentucky Street, on the north by the Kansas River, on the east by Rhode Island Street, on the south by South Park. This area shall also include 9<sup>th</sup> Street from Mississippi on the west and Delaware on the east, 7<sup>th</sup> Street from Kentucky on the west and New Jersey on the east, Massachusetts including the bridge on the north to 19<sup>th</sup> on the south, and North 2<sup>nd</sup> Street from the bridge to Lyon Street on the north, all as set forth on a map attached to these Bylaws.

**ARTICLE II**  
**Offices**

**Section 1. Principal Office.** The principal office for the transaction of the business of the Corporation is hereby located at 833-1/2 Massachusetts, Ste A, Lawrence, Kansas 66044. The Corporation, by resolution of its Board of Directors, may change the location of its principal office to any other location in Downtown Lawrence.

**Section 2. Registered Office.** The registered office of the Corporation is hereby located at 833-1/2 Massachusetts, Ste A, Lawrence, Kansas 66044. The Corporation, by resolution of its Board of Directors, may change the location of its registered office as designated in the Articles of Incorporation to any other location in Downtown Lawrence. By like resolution, the resident agent at such registered office may be changed to any other person or Corporation, including itself. Upon adoption of such a resolution, a certificate certifying the change shall be executed, acknowledged, and filed with the Secretary of State, and a certified copy thereof shall be recorded in the office of the Register of Deeds for Douglas County Kansas.

**Section 3. Other Offices.** The Board of Directors at any place or places where the Corporation is qualified to do business may at any time establish branch or subordinate offices.

**ARTICLE III**  
**Membership**

**Section 1. Eligibility.** Any person, firm, financial institution, association, corporation, limited liability company, partnership or other business entity located

within Downtown Lawrence as described in Article 1, Section 2, who may be interested in advancing the welfare of Downtown Lawrence, is eligible for membership in the Corporation. Member representatives may reside anywhere; however, the member place of business or residence (where residence is the sole reason for membership) must be in Downtown Lawrence as described in Article 1, Section 2.

**Section 2. Application and Dues.** Each eligible potential member must file an application for membership in a form prescribed by the Board, must pay dues as outlined on the application form and in these By-Laws, and must not be delinquent in fully paying any prior year's dues in which they were a member. Dues commence January 1 of each year. The dues structure is as follows for the following eligible members, and can be changed through a resolution of a two-thirds majority vote of the Board of Directors:

- Premier Business (open to all Members). \$625.00 per year, Receives exclusive DLI promotion opportunities.
- Business (open to the Retail and Hospitality Sectors). \$400.00 per year.
- Service or Professional (open to the Service and Professional Sector). \$225.00 per year.
- Friend of Downtown Lawrence. \$150.00 per year.

A qualified multi-location member may be eligible for the following fee structure upon approval of the Board:

First Location:	Full Price
Additional locations:	Half Price

Any person with a business located within the City of Lawrence Kansas may apply to be a Friend of Downtown Lawrence, but such designation does not provide membership rights, voting or other rights to such person, and such person is not considered a "member" as that term is used in these By-Laws. Dues can be changed through a resolution of a two-thirds majority vote of the Board of Directors:

**Section 3. Membership.** Those eligible under Sections 1 and 2 of this Article, who have paid their dues under Section 2 of this Article shall become members of the Corporation for the calendar year determined by the Board of Directors, with the caveat that the Board of Directors retains the discretion to deny membership to anyone upon majority vote of the Board of Directors. Upon a two-thirds majority vote of the Board of Directors, a person who, in the discretion of the Board, has shown a long term and continual commitment to advancing the welfare of Downtown Lawrence and has other factors promoting their membership may be annually granted rights of membership as expressly enumerated in such vote each year, as determined in the discretion of the Board.

**Section 4. Resignation from Membership.** A resignation from membership shall be presented to the Board of Directors, but shall not relieve any member from any liability for any dues, assessments, or other obligations to the Corporation which are unpaid at the time such resignation is filed, or which may arise prior to the acceptance of the resignation. Membership dues already paid are non-refundable.

**Section 5. Termination or Suspension.** If any member of the Corporation shall commit any act prejudicial to the conduct of the affairs of the Corporation, or the purposes for which it is formed, or any member who is late with the payment of dues, or shall have changed his or her status so as to be ineligible for membership, such person shall be notified in writing to restore their membership status at a designated time not more than thirty (30) days after such notification. The membership of said person in the Corporation will be terminated or suspended upon expiration of the notice period if the member does not remedy the condition leading to the notice. If either suspension or termination is decided upon, the terms and conditions of same shall be specified in writing and delivered to the suspended or terminated members. Written notices hereunder shall be delivered by mail to the member's last known address.

**Section 6. Transfer of Membership.** Membership in the Corporation shall be non-transferable. There shall be no transfer or alienation by intervivos or testamentary device or otherwise.

**Section 7. Inspection of By Laws.** The Corporation shall keep in its principal office for the transaction of business the original or copy of these Bylaws as amended or otherwise altered to date, certified by the secretary, which shall be open to inspection by the members at all reasonable times during ordinary business hours.

## **ARTICLE IV Board of Directors**

**Section 1. Number of Directors.** The affairs of the Corporation shall be governed by a Board of Directors consisting of seven to nine (7-9) members with a minimum of three (3) members from the retail sector, two (2) members from the hospitality sector, one (1) member from the service or professional sector, and three (3) members from any of those or other sectors. If after elected, a board member changes their sector, they shall continue to be allowed to serve until their term on the board ends. If they chose to run for reelection it must be in the appropriate sector. If the past president is serving a fourth year, there may be up to ten (10) members of the Board of Directors. The Board members shall enter upon the performance of their duties at the beginning of their term of office and shall continue in office until their successors shall be duly elected or appointed and qualified. Newly elected Board members shall attend the December meeting of the Board of Directors. The Downtown Director is not a member of the Board and otherwise has no voting rights within the Corporation except as expressly granted herein.

## Definitions.

- (a). **Retail Sector** is defined as those businesses that typically have a storefront and buy or manufacture a product that they resell to the general public in Downtown Lawrence or Near Downtown, and specifically include banks and other financial institutions, printing or copy centers.
- (b). **Service Sector** is defined as those businesses that typically have a storefront and provide a service to the general public in Downtown Lawrence or Near Downtown, such as a hair salon, barber, library, arts center, church, club, property owner, newspaper, television station, and media outlet.
- (c). **Professional Sector** is defined as those businesses that typically work out of an office environment and provide custom services to their customers in Downtown Lawrence or Near Downtown, such as attorneys, architects, accountants, health care providers, dentists, optometrists, insurance and real estate agents.
- (d). **Hospitality Sector** is defined as those businesses that typically have a storefront and buy or manufacture a product that they resell to the general public in Downtown Lawrence or Near Downtown, and specifically include hotels, restaurants, bars. A business selling food to be consumed on-site, preparing food for consumption off-site, or buying food to be resold for consumption off-site (such as a grocery store) would ordinarily be in this sector.

**Section 2. Election and Appointment of Board Members and Term.** The terms of office of the existing directors will carry forward. If any current Board Member fails to qualify as a member under the rules of membership, their seat on the Board will be filled under the terms of Article IV, Section 6, "Vacancies." Each year in November, new Board Members will be elected to fill expiring terms. The term of office is three years. Elected Board Members of the Corporation must be voting members of the Corporation. Should any Board Member cease to be eligible to so serve prior to the expiration of his/her term, his/her successor shall be elected as hereinafter provided under Article IV, Section 6, "Vacancies."

**Sections 3. Meeting of the Board.** Regular meetings of the Board of Directors shall be held following the annual election in November and shall be held monthly per a schedule set by the President of the Board. The President, or Downtown Director may, when he/she deems necessary, issue a call or special meeting of the Board. The Board may, upon agreement of at least three (3) members in writing or e-mail, issue a call for a special meeting of the Board. At least two (2) days written notice, which may be sent by email, shall be given to all members of the Board for any special meeting.

**Section 4. Quorum.** A majority of the Board of Directors at a meeting of the Board shall constitute a quorum for the transaction of business.

**Section 5. Absence.** Should any member of the Board absent himself/herself unreasonably from three consecutive meetings of the Board without sending a communication to the Downtown Director stating his/her reason for so doing, and if his/her excuse should not be accepted by the members of the Board, that member's seat on the Board may be declared vacant, to be filled under the Section hereinafter entitled "Vacancies."

**Section 6. Vacancies.** Whenever any vacancy occurs on the Board by death, resignation, or otherwise, it shall be filled without undue delay by a majority vote of the remaining members of the Board. The vote shall be held within thirty (30) days after the occurrence of the vacancy. The person so chosen shall hold office for the remainder of the unexpired term. Eligible candidates for the Board shall be a member in good standing. Any member of the Board, during their term of office, who changes employment or moves employment (or business) from the Downtown area as defined under the terms of Article 1, Section 2, may be grandfathered in and continue to serve their term on the Board upon the resolution of two-thirds (2/3) majority vote of the Board of Directors. The President shall serve an additional year as a past president member of the Board.

**Section 7. Powers.** Subject to limitations of the Articles of Incorporation, of the By Laws and of the Kansas Corporation Code as to action which shall be authorized or approved by the members, and subject to the duties of the Board as prescribed by the By Laws, all corporate powers shall be exercised by or under the authority of, and the conduct and affairs of the Corporation shall be controlled by, at least a majority vote of a quorum of the Board of Directors. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Board shall have the following powers, to wit:

**First** – To alter, amend or repeal the ByLaws of the Corporation.

**Second** – To select and remove all the other officers, agents, employees and contractors of the Corporation, prescribe such powers and duties for them as may not be inconsistent with law, or with the Articles of Incorporation or the By Laws, fix their compensation, and require from them security for faithful service.

**Third** – To conduct, manage, and control the affairs and conduct of the Corporation, and to make such rules and regulations therefore not inconsistent with the law, or with the Articles of Incorporation or the By Laws, as they may deem best.

**Fourth** – To change the principal office and registered office for the transaction or the conduct of the Corporation from one location to another as provided in Articles 1 and 2 hereof; to fix and locate from time to time one or more subsidiary offices of the Corporation within or without the State of Kansas, as provided in Article 2, Section 3 hereof; to designate any place within or without the State of Kansas for the holdings of any members' meeting or meetings; to adopt, make and use a corporate seal, to prescribe the forms of certificates of membership, and to alter the forms of such seal and of such certificates of membership, and to alter the forms of such seal and of such certificates from time to time, as in their judgment they may deem best, provided such seal and such certificates shall at all times comply with the provisions of the law.

**Fifth** – To appoint an Executive Committee and other committees, and to delegate to such committees any of the powers and authority of the Board in the management and of the conduct and affairs of the Corporation, except the power to adopt, amend or repeal By Laws. Any such committee shall be composed of one or more Board members.

**Section 8. Note of Adjournment.** Note of the time and place of holding an adjourned meeting need not be given to absent Board members if the time and place be fixed at the meeting adjourned.

**Section 9. Meetings by Telephone.** Members of the Board of the Corporation, or any committee designated by such Board, may participate in a meeting of the Board by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear one another, and such participation in a meeting shall constitute presence in person at the meeting.

**Section 10. Adjournment.** A two-thirds majority of the Board present may adjourn any Board meeting to meet again at a stated day and hour or until the time fixed for the next regular meeting of the Board.

**Section 11. Fees and Compensation.** Board members shall not receive any salary for their services as members of the Board. Nothing herein contained shall be construed to preclude any Board member from serving the Corporation in any other capacity as an agent or employee, or from receiving compensation therefore.

**Section 12. Removal and Resignation.** Any Board Member may be removed, either with or without cause, by a majority of the remaining Board at the time in office, at any regular or special meeting of the Board. Resignation shall be in writing, delivered to the President and Downtown Director. The Board Member shall be notified by Certified Mail and Return Receipt Requested of their removal or acknowledgement of resignation as a Board Member effective the date of the postmark.

## **ARTICLE V Meetings of Members**

**Section 1. Membership Meetings.** There shall be an annual meeting of the membership for the purpose of receiving reports of Board and Officers, and the transaction of other business. Notice of the meeting shall be either mailed to the last recorded address or emailed to the last known email address of each member at least fourteen (14) days before the time appointed for the meeting.

**Section 2. Special Meeting.** The Board of Directors at their discretion may call special meetings. Upon the written request of ten percent (10%) of the members, the Board of Directors shall call a special meeting to consider a specific subject. Notice of any special meeting is to be given within ten (10) days of the time appointed for the meeting. Every member requesting the said meeting shall be in attendance of said meeting. Failure to attend said meeting by any member requesting the said meeting, shall result in no action being taken by the Board. No business other than that specified in the notice of meeting shall be transacted at any special meeting of the members of the Corporation.

**Section 3. Waiver.** Notwithstanding the provisions of any of the foregoing sections, a meeting of the members of this Corporation may be held at any place within or without the State of Kansas, and any action may be taken thereat, if every member having the right to vote at the meeting waives notice in writing.

**Section 4. Quorum.** No membership quorum shall be required provided that proper notice of the meeting and its agenda is mailed or emailed to each member of the Corporation at least fourteen (14) days prior to the meeting.

**Section 5. Voting.** Any member of its staff delegated by it in writing for that purpose may represent any member at any meeting. Each member shall be entitled to only one vote and only one speaker regardless of the number of representatives present.

**Section 6. Proxies.** Every member entitled to vote at any meeting thereof may vote in proxy. A proxy shall be in writing and revocable at the pleasure of the member executing it. No such proxy shall be valid after the expiration of sixty (60) days from the date of its execution, unless the person executing it specified therein the length of time for which such proxy is to continue in force.

## **ARTICLE VI Fiscal Year**

**Section 1. Fiscal Year.** The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year. The Board of Directors shall have the power to fix and from time to time change the fiscal year of the Corporation. In the absence of action by the Board of Directors, however, the fiscal year of the Corporation shall end each year on the date which the Corporation

treated as the close of its first fiscal year, until such time, if any, as the fiscal year shall be changed by the Board of Directors.

## **ARTICLE VII Officers**

**Section 1. Number.** The officers of the Corporation shall be a president, a vice president, a treasurer, a secretary, and the downtown director.

**Section 2. Method of Election.** By majority vote of a quorum of board members, the Board of Directors shall elect all officers for a term of one year, the president, the treasurer being elected from the Board of Directors. Officer's terms shall not end until new Officers are selected. A short transition period is authorized to occur where Officers who have not been reelected as Board of Directors still serve as Officers and Board Members with full voting rights until the new Board of Directors has met and elected new Officers.

### **Section 3. Duties of Officers.**

**President.** The President shall preside at the meeting of the Board of Directors, communicate to the Board of Directors such matters and make such suggestions as may in his or her opinion tend to promote the interests and welfare of the Corporation, and shall perform such other duties as a necessarily incident to the office of the President. The President is the "Human Resources Manager" for the Downtown Director. The President will be responsible for vacation requests, raise increase requests, et al., and will bring these requests to the Board for approval.

**Vice President.** In the case of the death or absence of the President, the Vice President shall perform the duties of that office until the President returns or a new President is elected by the Board of Directors.

**Treasurer.** It shall be the duty of the Treasurer and independent Accountant to review the record of the Corporation's business transactions and activities, which include reconciliation of bank statements on a monthly basis. The Treasurer or independent Accountant shall report to the Board of Directors at the normal monthly Board meeting on the profit and loss statement, balance sheet, and all other financial information discussed between the independent Accountant and Treasurer each month. Checks of the Corporation under three thousand dollars (\$3,000.00) and Downtown Director payroll checks shall be drawn upon the signature of the Treasurer or President and/or authorized independent Accountant. Checks in excess of three thousand dollars (\$3,000.00) may be drawn only upon two authorized signatures. Checks over ten thousand dollars (\$10,000.00) may be drawn only upon a resolution of a majority of the Board of Directors. The Board of



Directors may establish other accounts, which require only one authorization signature.

**Secretary.** It shall be the duty of the Secretary to maintain a written and electronic record of the Corporation's Board of Directors meetings, Executive board meetings, Annual meetings, as well as compile the records of all monthly committee meetings. These records shall be transcribed as official minutes that will be placed on file in the Principal Office and will be provided to all board members at each monthly Board meeting. The Secretary shall not act as a Secretary for all Committees. The Secretary shall also schedule Board of Directors meetings and create an agenda for each Board of Directors meeting.

**Downtown Director.** It shall be the duty of the Downtown Director to attend all meetings of the Corporation and all committees, and keep a record of their activities; to conduct all correspondence and to carry into execution all orders, votes, and resolutions not otherwise committed; to keep a list of the members of the Corporation; to collect the fees and dues; to work to maintain and improve the image of Downtown Lawrence within the City of Lawrence; to attend meetings of any kind that pertain to and/or affect Downtown Lawrence and/or the Corporation; to relay any information relating to Downtown Lawrence and/or the Corporation to the President and the Board of Directors; to relay any other relevant information to the President that comes directly to the Principal Office; to be in charge of recruiting members, answering member's questions, answering correspondence; to be the contact person for all committee chairs; to be responsible for sharing financial information with the independent Accountant in a timely manner; to be the contact person for the Farmers Market manager and share any Farmers market information with the President and Board of Directors monthly; to carry out such other duties or otherwise attending to any and all matters as may be assigned by the Board of Directors or the President; and generally to devote his or her best efforts to forwarding the business and advancing the interests of the Corporation. The above duties may be temporarily assigned to other persons through a written order of the president or a proper resolution of the board of Directors. At Board of Directors' meetings the Downtown Director shall provide a written report of his/her activities during the previous month in a concise fashion, and answer any questions. All expenditures shall be accompanied with a receipt and turned over to the independent Accountant weekly, and the Downtown Director shall answer any questions pertaining to all expenditures. The Downtown Director serves at the will and pleasure of the Board of Directors.

**Section 4. Compensation.** Employees of the Corporation shall receive such salaries or other compensation as shall be determined by resolution of the Board of Directors, adopted in advance or after the rendering of the services, or by employment contracts entered into by the Board of Directors.

**Section 5. Officer Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these By Laws for regular appointments to such office.

**Section 5. Removal and Resignation.** Any officer may be removed, either with or without cause, by a majority of the remaining Board at the time in office, at any regular or special meeting of the Board, or except in case of an officer chosen by the Board of Directors, by any officer upon whom such power of removal may be conferred by the Board of Directors or these By-Laws. The officer shall be notified by Certified Mail and Return Receipt Requested of their removal or acknowledgement of resignation as an officer effective the date of the postmark. Removed or resigned officers remain Board members unless also expressly removed or resigned as a Board member under these By-Laws.

## **ARTICLE VIII Committees**

**Section 1. Committee on Nominations.** During the month of October in each year, the Board of Directors shall appoint a nominating committee, consisting of the Downtown Director and two members of the Board, whose duty it shall be to nominate candidates for Board members to be elected by mail ballot in November in each year. The nominating committee shall notify the Board in writing of the names of such candidate, and the Downtown Director shall mail a ballot to the last recorded address of each member simultaneously, or post the election on the DLI web forum. Only the votes received at the Principal Office within two (2) weeks of mailing or posting shall be tabulated.

**Section 2. Independent Nomination.** Additional nominations for Board members may also be made in writing, by not less than ten percent of the members of the Corporation if forwarded to the Downtown Director at least five (5) days prior to the mailing or posting of the ballots.

**Section 3. Special Committees.** The President may and with consultation with the Downtown Director, at any time, appoint and fill committees on any subject deemed necessary. Any members shall be allowed to join any committee.

**Section 4. Committee Quorum.** A majority of any committee of the Corporation shall constitute a quorum for the transaction of business unless any committee shall by a majority vote of its entire membership decides otherwise.

## **ARTICLE IX Amendments**

In addition to the Board's powers in Article 4 Section 7, these By Laws may also be altered, amended or repealed by a two-thirds majority vote of the entire membership

at any regular or special meeting of the members, provided, however, that the time and place fixed by the By Laws for the annual election of Board members shall not be changed within the sixty (60) days next preceding the date on which such elections are to be held. The proposed change shall be mailed to the last recorded address of each member at least fourteen (14) days before the time of the meeting at which the change is to be considered. Notice of any change of the By Laws shall be given to each member having voting rights within ten (10) days after the date of the amendments under this Article.

## **ARTICLE X Miscellaneous**

**Sections 1. Indemnification of Directors and Officers.** Only to the extent not covered by insurance (which remains the primary source for indemnification et al), when a person is sued, either alone or with others, because he or she is or was a Director or Officer of the Corporation, in any proceeding arising out of his or her alleged malfeasance or nonfeasance in the performance of his or her duties or out of any alleged wrongful act against the Corporation, or by the Corporation, such person shall be indemnified by the Corporation for reasonable expenses, including attorney's fees incurred in the defense of the proceeding, if both of the following conditions exist:

- (a) The person sued is successful in whole or in part, or the proceeding against such person is settled with the approval of the court; and
- (b) The court finds that such person's conduct fairly and equitably merits such indemnity.

The amount of such indemnity which may be assessed against the Corporation, its receiver, or its trustee, by the court in the same or in a separate proceedings, shall be so much of the expenses, including attorney's fees, incurred in the defense of the proceeding, as the court determines and finds to be reasonable. Application for such indemnity may be made either by the person sued or by the attorney or other person rendering services to such person in connection with a defense, and the court may order the fees and expenses to be paid directly to the attorney or other person, although he/she is not a party to the proceeding. Notice of the application for such indemnity shall be served upon the Corporation, its receiver, or its trustee, and upon the plaintiff and other practices to be processing. Nothing contained in this Article creates any claims or rights against any member, officer, employee or other person connected with the Corporation.

**Section 2. Contracts, Deeds, Etc., How Executed.** The Board of Directors except as in these By Laws otherwise provided, may authorize by proper resolution any officer and officers, agents or agents, or employee to enter into contracts or execute any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances; and unless so expressly authorized by the Board of Directors by proper resolution, no officer, agent, or

employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose in any amount, provided, however, that any deeds or other instruments conveying lands or any interest therein shall be executed on behalf of the Corporation by the President or Treasurer, or by any agent or attorney so authorized under letter of attorney or other written power which was executed on behalf of the Corporation by the President. The Downtown Director is authorized to enter into contracts for the day to day affairs of the Company which call for the payment of money not to exceed \$500.00.

**Section 3. Annual Report.** No annual report to members shall be required, but the Board of Directors may cause to be sent to the members reports in such form and at such times as may be deemed appropriate by the Board of Directors.

THE FOREGOING BY LAWS include all amendments adopted by the Corporation as of this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary