

Special Meeting of the Easter Hill Housing Corporation

**December 18, 2020, 7:50 a.m.
450 Civic Center Plaza, City Manager's Conference Room
Richmond, CA 94804**

This meeting is being held online virtually by Zoom. To request disability-related accommodation(s) to participate in the meeting, including auxiliary aids or services, please contact Bruce Soublet, ADA Coordinator, at (510) 620-6509 prior to the meeting date.

Access Meeting by Computer, Tablet or Mobile Device

Please click the link below to join the webinar:

<https://zoom.us/j/92448620708?pwd=QkROa3QxTHVwRW5kdnU3ZlFCZk8xQT09>

Passcode: 237623

**By Telephone: +1 669 900 6833 or +1 253 215 8782 or +1 346 248 7799 or +1 929 205 6099 or
+1 301 715 8592 or +1 312 626 6799**

Webinar ID: 924 4862 0708

Passcode: 237623

CORONAVIRUS DISEASE (COVID-19) ADVISORY

Due to the coronavirus (COVID-19) pandemic, Contra Costa County and Governor Gavin Newsom have issued multiple orders requiring sheltering in place, social distancing, and reduction of person-to-person contact (See, for example, Contra Costa County Health Order extending the shelter-in-place order and statewide shelter-in-place order). Accordingly, Governor Gavin Newsom has issued executive orders that allow cities to hold public meetings via teleconferencing (Executive Order N-29-20).

Both <https://www.coronavirus.cchealth.org/> and <http://www.ci.richmond.ca.us/3914/Richmond-Coronavirus-Info> provide updated coronavirus information.

DUE TO THE SHELTER IN PLACE ORDERS, attendance at the Easter Hill Housing Corporation Meeting will be limited to Easter Hill Housing Corporation members, essential Richmond Housing Authority (RHA) and City of Richmond staff, and members of the news media. Public comment will be confined to items appearing on the agenda and will be limited to the methods provided below. Consistent with Executive Order N-29-20, this meeting will utilize teleconferencing only. The following provides information on how the public can participate in this meeting.

Public comments may be submitted in multiple ways:

1. Via email to NBeacham@rhaca.org **by 7:00 a.m. on December 18, 2020** or during the meeting as set forth below. Email must contain in the subject line public comments – not on the agenda or public comments – agenda item. Email must contain in the subject line **public comments – not on the agenda or public comments – agenda item**.

Comments received via email or telephone during the meeting will be handled as follows:

Comments received via email during the meeting and up until the public comment period on the relevant agenda item is closed, will be read into the record and will be limited to a maximum of three minutes, depending on the number of commenters, as more fully described in the meeting procedures

below. For public hearing items, the time will be limited to a maximum of three minutes. The staff will stop reading comments into the record after the allotted time of three minutes for such comments.

Comments received by telephone 510-621-1300, during the public comment period shall not to exceed the allotted time of three minutes – for such comments as provided above.

2. Via mail received by 5:00 p.m. Thursday, December 17, 2020 sent to Easter Hill Housing Corporation, 330 24th Street, Richmond, CA 94804.

3. Via phone voice message received by 5:00 p.m. Thursday, December 17, 2020, phone: 510-621-1300. Please leave your comment on the voicemail or with staff member that answers the phone.

4. Via Telephone. If you would like to give your public comment via telephone, please email your telephone number with area code to NBeacham@rhaca.org during the public comment period. You will be called during the public comment period and you will be given the opportunity to verbally submit public comment (not to exceed the allotted time – three minutes – for such comments as provided below).

The Easter Hill Housing Corporation cannot guarantee that its network will be uninterrupted. To ensure that the Easter Hill Housing Corporation receives your comments, you are strongly encouraged to submit your comments in writing in advance of the meeting.

Comments received by 5:00 p.m. by December 17, 2020 will be handled as follows:

All email, phone, and mail comments received **by 5:00 p.m. on Thursday, December 17, 2020**, will be provided to the Directors.

Record of all public comments:

All public comments will be considered a public record, put into the official meeting record, and considered before Commission action. All public comments will be available after the meeting as supplemental materials and will be posted as an attachment to the meeting minutes when the minutes are posted.

Accessibility for Individuals with Disabilities

Upon request, the Easter Hill Housing Corporation will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services and sign language interpreters, to enable individuals with disabilities to participate in and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, service or alternative format requested. Requests should be emailed to NBeacham@rhaca.org or submitted by phone at 510-620-1300. Requests can be made by mail to Nannette Beacham 330 24th Street, Richmond, CA 94804. Requests will be granted whenever possible and resolved in favor of accessibility.

Effect of Advisory on In-person public participation

During the pendency of the Executive Order N-29-20, the language in this Advisory portion of the agenda supersedes any language below in the meeting procedures contemplating in-person public comment.

Special Meeting of the Easter Hill Housing Corporation

December 18, 2020, 7:50 a.m.

<https://zoom.us/j/92448620708?pwd=QkROa3QxTHVwRW5kdnU3ZlFCZk8xQT09>

Board of Directors

**Laura Snideman,
President**

City Director
(City Manager)

**Belinda Brown, Chief
Financial Officer**

City Director
(City Finance Director)

**Nannette J. Beacham,
Secretary**

Housing Authority Director
(RHA Executive Director)

Vacant

Housing Authority Director
(RHA Assisted Housing
Manager)

Vacant

Director
(Community Resident)

AGENDA

1. Call to Order: (1 min.)
2. Roll Call: (1 min.)
3. Welcome and Meeting Procedures: (1 min.) – Individuals who would like to address the Board of Directors on matters not listed on the Agenda may do so under Open Forum. Please file a speaker's card with the note taker prior to the commencement of Open Forum. Individuals, who want to comment on an individual item, please file a speaker's card before the item is called. The standard amount of time for each speaker will be three minutes.
4. Agenda Review and Adoption: (4 min.)
The order in which items will be heard may be adjusted at this time. Items may be removed from the Agenda at this time.
5. Information/Discussion Items:
 - Easter Hill Housing Corporation Role in Richmond Village (Michelle Brewer)
 - Confirmation of directors and officers (Carlos Privat)
 - Discussion of RHAHC's statuses
 - Tax returns (Belinda Brown)
 - Federal and state tax exempt status of Easter Hill Corporation (Michelle Brewer)
 - Corporate status (Michelle Brewer)
6. New Business
 - Resolution to Adopt/Ratify Conflict of Interest Policy (Michelle Brewer)
 - Designate annual meeting time (Laura Snideman)
7. Board of Director(s) Comments:
8. Open Forum: (Limit to 3 minutes per person)
9. Next Scheduled Meeting:

The next meeting will be determined and noticed in accordance with the Brown Act at 450 Civic Center Plaza, Third Floor, City Manager's Conference Room, Richmond, CA 94804
10. Adjournment

**EASTER HILL HOUSING CORPORATION
CORPORATE AUTHORIZING RESOLUTION**

Re: Conflict of Interest Policy

At a duly constituted meeting held on _____, 20____, the following resolution was adopted by the Board of Directors of Easter Hill Housing Corporation, a California nonprofit public benefit corporation (the "Corporation"):

WHEREAS, in this resolution, when it states that the Corporation acts, the Board of Directors of the Corporation (the "Board") is authorizing such action on behalf of the Corporation and deems such action to be in the best interests of the Corporation;

WHEREAS, the Corporation desires to adopt a conflict of interest policy in the form attached hereto as Exhibit A (the "Conflict of Interest Policy") as the conflict of interest policy of the Corporation;

NOW, THEREFORE, BE IT RESOLVED: That the Corporation hereby adopts the Conflict of Interest Policy as the conflict of interest policy of the Corporation.

FURTHER RESOLVED: That Belinda Brown, Chief Financial Officer, acting alone on behalf of the Corporation, or any other officer, acting alone on behalf of the Corporation, is hereby authorized and directed to execute any and all necessary documents necessary to evidence the Corporation's adoption of the Conflict of Interest Policy.

FURTHER RESOLVED: That all actions taken by the officers of the Corporation with respect to the foregoing are hereby approved, confirmed, and ratified.

I, the undersigned, hereby certify that the foregoing is a true copy of the Resolution adopted by the Board of Directors of the above mentioned Corporation at a meeting of said Board held on the aforementioned date, and that said Resolution is in full force and effect.

Dated: _____, 20__

Nannette J. Beacham, Secretary

Exhibit A
Conflict of Interest Policy

Easter Hill Housing Corporation Conflict of Interest Policy

Article I Purpose

The purpose of the conflict of interest policy is to protect the interests of Easter Hill Housing Corporation (the "Organization") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Article II Definitions

1. Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to

the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternative to the proposed transaction or arrangement.

c. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternative to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V Compensation

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and

- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII

Periodic Reviews

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefits or in an excess benefit transaction.

Article VIII

Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

**Easter Hill Housing Corporation
Director and Officer
Annual Conflict of Interest Statement**

1. Name: _____

2. Position:

Are you a voting director? Yes No

Are you an officer? Yes No

If you are an officer, which officer position do you hold:

_____.

3. I affirm the following:

I have received a copy of the Conflict of Interest Policy (the “**Policy**”) of
Easter Hill Housing Corporation (the “**Organization**”). _____(initial)

I have read and understand the Policy. _____(initial)

I agree to comply with the Policy. _____(initial)

I understand that the Organization is charitable and in order to maintain its federal tax
exemption it must engage primarily in activities which accomplish one or more of its
tax-exempt purposes. _____(initial)

4. Disclosures:

a. Do you have a financial interest (current or potential), including a compensation
arrangement, as defined in the Policy with the Organization? Yes No

i. If yes, please describe it: _____

ii. If yes, has the financial interest been disclosed, as provided in the Policy?
Yes No

b. In the past, have you had a financial interest, including a compensation arrangement, as
defined in the Policy with the Organization? Yes No

i. If yes, please describe it, including when (approximately):

ii. If yes, has the financial interest been disclosed, as provided in the Policy?
Yes No

Signature

Date: _____

**AMENDED AND RESTATED
BYLAWS
of
EASTER HILL HOUSING CORPORATION
A California Nonprofit Public Benefit Corporation**

ARTICLE 1.
NAME

Section 1.1 Name. The name of this corporation is Easter Hill Housing Corporation (the "Corporation").

ARTICLE 2.
OFFICE

Section 2.1 Principal Office. The principal office for the transaction of affairs and activities of the Corporation is located at 330 24th Street, Richmond, California 94804. The Board of Directors (the "Board") may change the principal office from one location to another. Any change shall be noted on these Bylaws, or this section may be amended to state the new location.

Section 2.2 Other Offices. The Board may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to conduct its activities.

ARTICLE 3.
MEMBERS

Section 3.1 Members. This Corporation shall have no members.

ARTICLE 4.
DIRECTORS

Section 4.1 Powers. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, all powers and activities of the Corporation shall be exercised directly by or under the ultimate direction of the Board.

Section 4.2 Number of Directors. The number of directors shall be five (5) unless a greater or lesser number is authorized by the Board.

Section 4.3 Compensation and Reimbursement of Directors. The directors shall serve without compensation though they may be reimbursed for their expenditure of monies on behalf

of the Corporation.

Section 4.4 Restriction on Interested Persons as Directors. No more than forty-nine percent (49%) of the persons serving on the Board of directors may be interested persons. An interested person is (a) any person compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the Corporation.

Section 4.5 Appointment and Qualification of Directors.

(a) Subject to the requirement that none of the Corporation's directors serve as members of the City Council or as commissioners of the Housing Authority, the directors shall be serve as follows:

(i) Two (2) directors (the "Housing Authority Directors") shall either (i) be appointed by the governing commission (the "Commission") of the Housing Authority of the City of Richmond (the "Housing Authority"); or (ii) subject to the Commission's right of removal under Section 4.8, serve as a director hereunder if he or she holds, in an "acting" or permanent capacity, one of the positions specified below:

Housing Authority Executive Director

Housing Authority Assisted Housing Manager

(ii) Two (2) directors (the "City Directors") shall be appointed and approved by the City Council (the "City Council") of the City of Richmond (the "City"); or (ii) subject to the City Council's right of removal under Section 4.8, serve as a director hereunder if he or she holds, in an "acting" or permanent capacity, one of the positions specified below:

City Manager

City Finance Director

(iii) One (1) director shall be a community resident not affiliated with, assisted by, or employed by either the City or the Housing Authority. The director shall be selected jointly by the other four directors on the Board, such person satisfying the criteria described herein.

(b) Each of the Housing Authority positions and City positions described in 4.5(a)(i) and (ii) above shall be deemed a "Specified Position", for purposes of these Bylaws. At the time any director ceases to hold a Specified Position or is removed pursuant to Section 4.8, that director's membership on the Board shall automatically cease and the successor to such Specified Position shall become a director. If there is no successor to a Housing Authority

Specified Position or if any such position shall be vacant, the Commission may select a replacement director. If there is no successor to a City Specified Position or if any such position shall be vacant, the City Council may select a replacement director. In the event a Specified Position ceases to exist, the Commission or the City Council, as applicable, may designate a comparable position to replace the Specified Position.

Section 4.6 Term. Each director shall serve a term of one (1) year, which shall be renewed automatically at the end of the term, unless he or she is replaced by a new director appointed in accordance with these Bylaws.

Section 4.7 Vacancies on the Board. A vacancy shall be deemed to exist in the event that the actual number of directors is less than the authorized number for any reason.

Section 4.8 Removal of Directors. The Commission may remove any and all Housing Authority Directors with or without cause and the City Council may remove any and all City Directors with or without cause. If the Commission or City Council, as applicable, directs or approves the removal of any director holding a Specified Position, the Board shall amend these Bylaws, with Commission and City Council approval, as necessary to effect such Commission or City Council actions. The Board may remove any director holding a Specified Position with cause if such removal is approved by the Commission or the City Council, as applicable, and may remove any director not holding a Specified Position with or without cause. Cause shall include, but shall not be limited to, absence of a director from three (3) or more consecutive board meetings.

Section 4.9 Resignations of Directors. Except as provided below, any director may resign by giving written notice to the president or secretary of the Board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a director's resignation is effective at a later time, the Board shall appoint a successor to take office as of the date when the resignation becomes effective. Except on notice to the Attorney General of California, no director may resign if the Corporation would be left without a duly elected director or directors.

Section 4.10 Filling Vacancies. Vacancies shall be filled as provided for in Section 4.5.

Section 4.11 Meetings of the Directors. Regular meetings shall be held at least twice a year at such time and place as shall from time to time be fixed by the directors for the purpose of organization, election of officers and the transaction of other business.

Section 4.12 Special Meetings. Special meetings of the Board for any purpose may be called at any time by the president, the secretary, or any two (2) directors.

Section 4.13 Notice. Subject to public law requirements, notice of regular and special meetings shall be given to the directors not less than four (4) days prior to the meeting if delivered by first class mail or not less than seventy-two (72) hours prior to the meeting if the notice is delivered personally or by telephone. The notice must state the date and time of the meeting and the place of the meeting if it is other than the principal office of the Corporation. In

addition, public notice of each meeting shall be posted at the principal office of the Corporation not less than seventy-two (72) hours prior to such meeting.

Section 4.14 Waiver of Notice. Notice of a meeting need not be given to any director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

Section 4.15 Quorum. A majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn. Every action taken or decision made by a majority of the directors present at a duly held meeting of which a quorum is present shall be the act of the Board.

Section 4.16 Adjournment. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of any adjournment to another time and place shall be given to the directors who were not present at the time of the adjournment.

Section 4.17 Action Without a Meeting. Any action that the Board is required or permitted to take may be taken without a meeting if all members of the Board consent in writing to the action. Such action by written consent shall have the same force and effect as any other validly approved action of the Board. All such consents shall be filed with the minutes of the proceedings of the Board.

Section 4.18 Meetings by Conference Telephone. Members of the Board may participate in a meeting through use of conference telephone or similar communications equipment, so long as all persons participating in the meeting can hear one another. Participation by directors in a meeting in the manner provided in this section constitutes presence in person at the meeting.

Section 4.19 Committees of Directors. The Board may, by resolution adopted by a majority of the directors then in office, designate one (1) or more committees, each consisting of two (2) or more directors, to serve at the pleasure of the Board. Appointments to such committees shall be by majority vote of the directors then in office. Any committee, to the extent provided in the resolution, shall have all the authority of the Board, except that no committee, regardless of Board resolution, may:

- (a) Fill vacancies on the Board or on any committee;
- (b) Fix compensation of directors for serving on the Board or any committee;
- (c) Amend or repeal bylaws or adopt new bylaws;

(d) Amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable;

(e) Appoint any other committees of the Board or the members of these committees; or

(f) Spend corporate funds to support a nominee for director after there are more people nominated for director than can be elected.

Section 4.20 Committee Meetings. Meetings and actions of committees shall be governed by and held and taken in accordance with the provisions of this Article IV concerning meetings of directors, with such changes in the context of these Bylaws as are necessary to substitute the committee and its members for the Board and its members. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The Board may adopt rules for the governance of any committee not inconsistent with the provisions of these Bylaws concerning meetings of directors.

Section 4.21 Standard of Care – General. A director shall perform the duties of a director, including duties as a member of any committee of the Board on which the director may serve, in good faith, in a manner such director believes to be in the best interest of this Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances.

In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

(a) One (1) or more officers or employees of the Corporation whom the director believes to be reliable and competent in the matters presented;

(b) Counsel, independent accountants, or other persons as to matters which the director believes to be within such person's professional or expert competence; or

(c) A committee of the Board upon which the director does not serve, as to matters within its designated authority, which committee the director believes to merit confidence, so long as in any such case, the director acts in good faith, after reasonable inquiry when the need thereof is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

Except in the case of a self-dealing director, as described in Section 4.23 of these Bylaws, a person who performs the duties of a director in accordance with the above shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a director, including, without limiting the generality of the foregoing, any actions or omissions which exceed or defeat a public or charitable purpose to which the Corporation, or assets held by it, are dedicated.

Section 4.22 Standard of Care—Investments. Except with respect to assets held for use or used directly in carrying out this Corporation's charitable activities, in investing, reinvesting, purchasing, acquiring, exchanging, selling and managing this Corporation's investments, the Board shall avoid speculation, looking instead to the permanent disposition of the funds, considering the probable income, as well as the probable safety of this Corporation's capital. The provisions of Section 4.21 of these Bylaws shall apply to this Section.

Section 4.23 Self-Dealing Transactions. Except as provided below, the Board shall not approve a self-dealing transaction. A self-dealing transaction is one in which the Corporation is a party and in which one (1) or more of the directors has a material financial interest or a transaction between this Corporation and any entity in which one (1) or more of its directors has a material financial interest. The Board may approve a self-dealing transaction if a majority of the Board, not including the self-interested director, determines that the transaction is fair and reasonable to this Corporation and, after reasonable investigation under the circumstances, determines that it could not have secured a more advantageous arrangement with reasonable effort under the circumstances.

Section 4.24 Inspection. Every director shall, at his or her own expense, have the absolute right at any reasonable time during the business hours of the Corporation to inspect and copy all books, records, and documents, and to inspect the physical properties of this Corporation.

ARTICLE 5. OFFICERS

Section 5.1 Officers of the Corporation. The officers of the Corporation shall be a president, a secretary, and a chief financial officer. The Corporation may also have, at the Board's discretion, one (1) or more vice presidents, one (1) or more assistant secretaries, one (1) or more assistant financial officers and such other officers as may be appointed in accordance with Section 5.3 of these Bylaws. Any number of offices may be held by the same person, except that neither the secretary nor the chief financial officer may serve concurrently as the president.

Section 5.2 Designation of Officers. The officers of the Corporation shall be those directors holding the following Specified Positions, subject to Section 5.5 below:

- (a) President – City Manager
- (b) Secretary – Housing Authority Executive Director
- (c) Chief Financial Officer – City Finance Director

Section 5.3 Other Officers. The Board may appoint or may authorize the president, or other officer, to appoint any other officers that the Corporation may require. Each officer so appointed shall have the title, hold office for the period, have the authority, and perform the

duties specified in the Bylaws or determined by the Board.

Section 5.4 Removal of Officers. Any officer may be removed with cause by the Board.

Section 5.5 Resignation of Officers. Any officer may resign at any time by giving written notice to the president or secretary of the Corporation. The resignation shall take effect as of the date the notice is received or at any later time specified in the notice and, unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall not affect the rights, if any, of the Corporation under any contract to which the officer is a party.

Section 5.6 Vacancies in Office. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to that office, provided, however, that vacancies may be filled as they occur.

Section 5.7 Reimbursement of Expenses. The Corporation shall provide reimbursement for monies expended on behalf of the Corporation by its officers.

Section 5.8 President. The president shall preside at meetings of the Board and shall exercise and perform such other powers and duties as may from time to time be assigned to the president by the Board. Subject to the control of the Board, the president shall be the general manager of the Corporation and shall supervise, direct, and control the Corporation's activities, affairs, and officers.

Section 5.9 Vice Presidents. If the president is absent or disabled, the vice presidents, if any, in order of their rank as fixed by the Board, or, if not ranked, a vice president designated by the Board, shall perform all duties of the president. When so acting, a vice president shall have all powers of and be subject to all restrictions on the president. The vice presidents shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

Section 5.10 Secretary. The secretary shall have the following duties:

(a) The secretary shall keep or cause to be kept, at the Corporation's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board and of committees of the Board. The minutes of the meetings shall include the time and place that meeting was held, whether the meeting was annual, regular, or special, and, if special, how authorized and the notice given.

(b) The secretary shall keep or cause to be kept at the Corporation's principal office, a copy of the Articles of Incorporation and Bylaws of the Corporation, as amended to date.

(c) The secretary shall give, or cause to be given, notice of all meetings of the Board and of committees of the Board required by these Bylaws to be given. The secretary shall keep the corporate seal in safe custody and shall have such other powers and perform such other

duties as the Board or the Bylaws may prescribe.

Section 5.11 Chief Financial Officer. The chief financial officer shall have the following duties:

(a) The chief financial officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Corporation's properties and transactions. The chief financial officer shall send or cause to be given to the directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The books of account shall be open to inspection by any director at all reasonable times during the business hours of the Corporation.

(b) The chief financial officer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Corporation with such depositories as the Board may designate, shall disburse the Corporation's funds as the Board may order, shall render to the president and the Board, when requested, an account of all transactions as chief financial officer and of the financial condition of the Corporation, and shall have other powers and perform such other duties as the Board or the Bylaws may prescribe.

ARTICLE 6. MISCELLANEOUS

Section 6.1 Fiscal Year. The fiscal year of this Corporation shall end each year on December 31.

Section 6.2 Corporate Seal. This Corporation may have a seal which shall be specified by resolution of the Board. The seal may be affixed to any corporate instruments, as directed by the Board or any of its officers, but failure to affix it shall not affect the validity of the instrument.

Section 6.3 Contracts. All contracts entered into on behalf of this Corporation must be authorized by the Board, or, where the contract is for less than Five Thousand Dollars (\$5,000), by the president.

Section 6.4 Execution of Checks. Except as otherwise provided by law, every check, draft, promissory note, money order, or other evidence of indebtedness of the Corporation shall be signed by such individuals as are authorized by the Board.

Section 6.5 Indemnification. This Corporation shall indemnify its directors, officers, employees, and agents, including persons formerly occupying any such position, to the fullest extent permitted by law, against all expenses, judgments, fines and other amounts actually and reasonably incurred by them in connection with any threatened, pending or completed action or proceeding, whether it is civil, criminal, administrative or investigative.

In all cases where indemnification is sought, the Corporation shall be subject to the

following restrictions and requirements:

(a) Where the action or proceeding is brought on behalf of the Corporation or involves self-dealing transactions, as defined in Section 4.23 of these Bylaws, the Corporation shall not indemnify against amounts paid in settlement or judgment amounts, but shall, upon the express authorization of the Board, indemnify the director, officer, employee or agent against expenses incurred in defense of an action arising from his or her relation to the Corporation. To indemnify in such cases the Board must find the person met the statutorily prescribed standard of care by acting (1) in good faith, (2) in the best interests of the Corporation, and (3) with the care of an ordinarily prudent person.

(b) Where the person seeking indemnification under this section has been held liable to the Corporation, or has settled his or her liability to the Corporation, the Corporation shall not indemnify against expenses without the approval of the court or the Attorney General.

(c) The Board shall determine whether the person seeking indemnification has acted in accordance with the standard of care set forth in subsection (a) of this section by a majority vote of a quorum consisting of disinterested directors. The termination of any proceeding in a manner adverse to the defendant seeking indemnification shall not create a presumption that such person failed to meet the standard of care.

(d) Where the person seeking indemnification has been successful on the merits in defense of any action or proceeding brought on behalf of the Corporation or in defense of any claim or issue involved in such action or proceeding, the Corporation shall indemnify against all expenses actually or reasonably incurred.

(e) The Corporation shall not advance any money to the person seeking indemnification for the purpose of defending against any action or proceeding without the receipt of an undertaking by such person to repay all advances unless it is ultimately determined that he or she is entitled to indemnification.

Section 6.6 Insurance. The Board may adopt a resolution authorizing the purchase of insurance on behalf of any director, officer, employee or agent of this Corporation against any liability asserted against or incurred by the director, officer, employee or agent in such capacity or arising out of the director's, officer's, employee's or agent's status as such, whether or not this Corporation would have the power to indemnify the director, officer, employee, or agent against that liability under law; except, the Corporation may not purchase insurance to protect self-dealing directors (as defined in Section 4.23 of these Bylaws) from liability.

Section 6.7 Reports to Directors. If the Corporation has more than Twenty-Five Thousand Dollars (\$25,000) in gross receipts in any fiscal year, the president shall furnish a written report at the first regular meeting of the next fiscal year to all directors of this Corporation containing the following information:

(a) The assets and liabilities, including the trust funds, of this Corporation as of the end of the fiscal year;

(b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;

(c) The revenue or receipts of this Corporation both unrestricted and restricted for particular purposes, for the fiscal year;

(d) The expenses or disbursements of this Corporation, for both general and restricted purposes during the fiscal year.

Regardless of the gross receipts of the Corporation, the president must furnish a written report to all directors that lists any transaction during the prior fiscal year involving One Thousand Dollars (\$1,000) or more between this Corporation or a subsidiary and any director or officer of this Corporation or a subsidiary. The report must disclose the name of the director or officer and the person's relationship to the Corporation, the nature of such person's interest in the transaction and, where practicable, the amount of such interest. The president must also furnish an annual written report to all directors disclosing the amount and circumstances of any indemnifications or advances aggregating more than One Thousand Dollars (\$1,000) paid during the prior fiscal year to any officer or director of the Corporation.

Section 6.8 Amendment of Bylaws. The Bylaws may be amended or repealed and new Bylaws adopted by the vote of a majority of all the members of the Board, provided that any amendment to Section 4.5 or 4.8 hereof must receive the prior written consent of the Commission and the City Council. Such amended or newly adopted Bylaws shall take effect immediately.

Section 6.9 Applicable Law. This Corporation shall be subject to any and all applicable state, federal and local laws, including, but not limited to, such laws as may be applicable as a result of the Corporation's affiliation with the Housing Authority and the City.

Section 6.10 Ralph M. Brown Act. All meetings of the Board of Directors, or any committee thereof, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with Section 54950 of the California Government Code).

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

- (1) That I am the duly elected and acting Secretary of Easter Hill Housing Corporation, a California nonprofit public benefit corporation; and
- (2) That the foregoing Amended and Restated Bylaws, comprising ten (10) pages, constitute the Bylaws of such corporation as adopted by the directors of the Corporation at a duly constituted meeting held on July 23, 2019.

IN WITNESS THEREOF, I have hereunto subscribed my name, this July day of 31st, 2019.


Nannette J. Beacham, Secretary

