

**AMENDED & RESTATED BY-LAWS**  
**OF**  
**COMMUNITY PARTNERS FOR AFFORDABLE HOUSING**

An Illinois Not For Profit Corporation

(effective as of January 1, 2019)

**ARTICLE I – NAME AND PURPOSES**

**SECTION 1. NAME OF CORPORATION.** The name of the Corporation shall be Community Partners for Affordable Housing (the "Corporation"), formerly known as Lake County Residential Development Corporation.

**SECTION 2. PURPOSE AND POWERS.** The Corporation is organized and shall be operated as a not-for-profit corporation under Illinois law. The Corporation is organized exclusively for one or more of the purposes specified in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or a corresponding section of any future federal tax code (the "Code"). The Corporation shall have such powers as are now or may hereafter be granted by the State of Illinois General Not For Profit Corporation Act of 1986, as amended (805 ILCS 105/101.01, et seq.) (the "Act"). More specifically, the purpose of the Corporation is to provide decent, safe and sanitary housing that is affordable to low and moderate-income persons and to provide services that empower individuals and families to secure and retain quality housing. The Corporation shall administer programs that revitalize neighborhoods and increase and preserve affordable housing options in the northern section of the Chicago Metropolitan Statistical Area. Programs may include, but are not limited to: development and rehabilitation of properties, rental and sale of properties, new construction, management of rental properties, holding of land in perpetuity, administration of municipal housing programs including inclusionary housing, foreclosure prevention, mortgage and rental assistance, homelessness prevention and housing support, housing counseling, education and outreach.

No part of the net earnings or assets of the Corporation shall inure to the benefit of, or be distributable to, its members, trustees, directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purpose set forth in the Articles of Incorporation of the Corporation (the "Articles of Incorporation"). No substantial part of the activities of the Corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements concerning), any political campaign on behalf of (or in opposition to) any candidate for public office. Notwithstanding any other provision of these By-Laws, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code or (b) by a corporation contributions to which are deductible under Section 170(c)(2) of the Code.

## **ARTICLE II - MEMBERS**

**SECTION 1. MEMBERS.** In accordance with Section 107.03 of the Act, the Corporation elects to have no members; unless otherwise provided for by amendment to these By-Laws.

## **ARTICLE III - BOARD OF DIRECTORS**

**SECTION 1. POWERS.** The property, business and affairs of the Corporation shall be managed by or under the direction of its Board of Directors (the "Board of Directors"). The Corporation is not under the control or direction by any individual or entity seeking to derive profit or gain. Without limiting the generality of the foregoing, the Board of Directors may exercise all such powers of the Corporation as are provided by the Act, by the Articles of Incorporation of the Corporation (the "Article of Incorporation"), and by these By-Laws, as in effect from time to time, and include but are not limited to the following:

- 1.1 Interpreting the provisions of the Articles of Incorporation and Bylaws.
- 1.2 Controlling the funds of the Corporation and designating its depositories.
- 1.3 Authorizing expenditures from the funds of the Corporation to implement its goals and purposes.
- 1.4 Appointing or authorizing the appointment or employment of professional and administrative staff personnel, professional auditors and others to assist in carrying out the purposes and resolves of the Corporation.
- 1.5 Determining compensation for services rendered or to be rendered to the Corporation by persons other than directors and officers of the Corporation in such capacities.
- 1.6 Performing all other acts consistent with the Articles of Incorporation and Bylaws that may be needed to carry out the purposes and resolves of the Corporation.

**SECTION 2. NUMBER AND QUALIFICATION.** The number of directors of the Corporation shall not be less than eleven (11) nor more than nineteen (19). At least one-third of the Board of Directors shall be representatives of the low-income community, defined as a person who: (i) certifies personal income that does not exceed 80% of median family income as defined by the U.S. Department of Housing and Urban Development or (ii) documents residence in a low-income neighborhood in the community or (iii) is an elected representative of a low-income neighborhood organization as defined from time to time by the U.S. Department of Housing and Urban Development. The term "low-income neighborhood" is defined as

neighborhoods where at least fifty-one percent (51%) of residents are low-income. No more than one-third (1/3) of the Board of Directors shall be representatives of the public sector, which includes elected officials, appointed public officials, public employees, and appointees of public officials. All directors must submit a certificate stating whether they are low-income representatives, public officials, or neither for Certification as a Community Housing Development Organization. Directors shall be committed to furthering the purposes of the Corporation without material financial gain to themselves. The Board of Directors shall be the directors listed on Schedule A attached hereto.

**SECTION 3. ELECTION; CLASSES; TERM.** Directors shall be elected by a plurality of the votes cast by the Board of Directors at its annual meeting. The Board of Directors shall be divided into three classes, Class A, Class B and Class C. Each class shall consist, to the extent possible, of one-third of the total number of directors constituting the entire Board of Directors. The initial division of the Board of Directors into classes shall be made by the decision of the affirmative vote of a majority of the entire Board of Directors. The term of the initial Class A, Class B and Class C directors is set forth on Schedule A. The initial terms of Class A and Class B directors shall not count towards the term limits of these directors. At each annual meeting beginning in 2019, successors to the class of directors whose term expires at that annual meeting shall be elected for a three-year term and serve until their successors are duly elected and qualified. If the number of directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible. Any additional director of any class who is elected to fill a vacancy resulting from an increase in another class or decrease in such class which may be due to a directors removal from office, death, disability, resignation, disqualification or other cause shall hold office for a term that shall coincide with the remaining term of that class, but in no case will a decrease in the number of directors have the effect of removing or shortening the term of any incumbent director. Each director shall hold office until such director's three-year term expires and until such director's successor is duly elected and qualified, or until the earlier of such director's death, resignation or removal. Directors may serve up to two consecutive terms as a director, with the option of a third term if the director will be serving as an officer during his or her third term. Prior to expiration of a term, the Board of Directors will review an individual director's attendance, involvement and commitment levels and must justify the offer of an additional term; automatic renewal shall not be granted.

**SECTION 4. RESIGNATION.** Any director of the Corporation may resign at any time by giving notice in writing or by electronic transmission to the Chair of the Board (the "Board Chair"), the President or the Secretary of the Corporation. Such resignation shall take effect at the time therein specified or, if no time is specified, immediately. Unless otherwise specified in the aforementioned notice, the acceptance of such resignation shall not be necessary to make it effective.

**SECTION 5. REMOVAL OF DIRECTORS.** One or more of the directors may be removed, with or without cause, by the affirmative vote of a majority of the directors then in office, present and voting at a meeting of the Board of Directors at which a quorum is present. If the vote of directors is to take place at a special meeting of directors, written notice of the proposed removal shall be delivered to all directors no less than twenty (20) days prior to such meeting.

**SECTION 6. VACANCIES.** Any vacancy occurring in the Board of Directors, or any directorship to be filled by reason of an increase in the number of directors, shall be filled by the Board of Directors at the annual meeting, any regular meeting or at a special meeting of the Board of Directors called for that purpose. Each director elected to fill a vacancy shall hold office for the unexpired term of his predecessor in office. If the predecessor's remaining unexpired term is less than eighteen months, then the replacement director's first term shall not count towards the term limits of the director.

**SECTION 7. MEETINGS.** The regular annual meeting of the Board of Directors (the "Annual Meeting") shall be held in the third quarter of each year. At the Annual Meeting, the Directors shall elect officers, pass upon reports for the previous fiscal year and transact other business as may come before the meeting. Failure to hold the Annual Meeting at the designated time shall not work for forfeiture or dissolution of the Corporation and in the event of such failure the annual meeting shall be held within a reasonable time thereafter. Regular meetings of the Board of Directors will be held no less than four (4) times per year to insure adequate governance of the Corporation. Special meetings of the Board of Directors may be called by the Board Chair, President or by any two (2) directors, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. The President or the directors calling the meeting shall fix the time and place (which may or may not be in Lake County, Illinois) for the holding of the meeting.

**SECTION 8. NOTICE.** Except as otherwise required by statute, notice of any meeting of the Board of Directors shall be given at least five (5) days prior thereto by written notice, facsimile or electronic mail to each director at their address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. Notice of any meeting of the Board of Directors may be waived in writing signed by the person or persons entitled to the notice either before or after the time of the meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Except as otherwise required by law or provided in these Bylaws, neither the business to be transacted at, nor the purpose of, a regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Written notice of the time, place and purpose of any special meeting of the Board of Directors shall be delivered to each director not less than three (3) days prior thereto by written notice, facsimile or electronic mail to each director at their address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid.

**SECTION 9. QUORUM.** A simple majority of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. Directors attending by phone or in an electronic capacity will be counted as present. If less than a quorum is present at said meeting, a majority of the directors present may adjourn the meeting to another

time without further notice. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by statute, these Bylaws, or the Articles of Incorporation.

**SECTION 10. PROCEDURES FOR MEETINGS OF THE BOARD OF DIRECTORS.**

All questions of parliamentary procedure shall be governed by “Roberts’ Rules of Order” whenever they are not inconsistent with the Articles of Incorporation or these By-Laws. All meetings of the Board of Directors shall be open to any person except when the Board has voted during an open meeting to enter a meeting that shall be limited to the directors and any persons whose presence is requested by the Board of Directors (“Executive Session”). A motion to go into Executive Session shall state the nature of the business of the Executive Session, and no other matter may be considered. No binding action may be taken in Executive Session except actions regarding the securing of real estate purchase options or contracts in accordance with paragraph ii below. Minutes of an Executive Session need not be taken, however, if they are taken, they shall be recorded as a part of the minutes of the meeting in which the Board of Directors has voted to go into Executive Session. The Board of Directors shall not hold an Executive Session except to consider one or more of the following matters:

- (i) Contract, labor relations agreements with employees, arbitration, grievances, or litigation involving the Corporation when premature public knowledge would place the Corporation or person involved at a substantial disadvantage.
- (ii) Real estate purchase offers and the negotiating or securing of real estate purchase options or contracts.
- (iii) The appointment or evaluation of an employee, and any disciplinary or dismissal action against an employee (however, nothing in this section shall be construed to impair the right of the employee to a public hearing if action is taken to discipline or dismiss).
- (iv) The consideration of applications from persons seeking to lease land, housing, or other structural improvements, purchase housing or other structural improvements, or arrange financing from the Corporation.
- (v) Relationships between the Corporation and any party who might be harmed by public discussion of matters relating to the relationship.

**SECTION 11. REMOTE PARTICIPATION AT MEETINGS.** Directors may participate in and act at any meeting of the Board of Directors through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with each other. Participation in such meeting pursuant to this Section 8 shall constitute presence in person at such meeting.

**SECTION 12. INFORMAL ACTION BY DIRECTORS.** Any action required by the Illinois General Not For Profit Corporation Act or these Bylaws to be taken at a meeting of the Board of

Directors, or any other action which may be taken at a meeting of the Board of Directors, may be taken without a meeting if consent is obtained by facsimile or written or electronic mail by all directors, and so ratified in meeting minutes.

**SECTION 13. COMPENSATION.** Directors shall not receive any salaries for their services nor for their expenses of attendance at any meeting of the Board of Directors or of any committee. Directors shall not work as independent contractors or employees for the Corporation and receive compensation for that work.

**SECTION 14. VOTING AND MEETING PARTICIPATION.** Each director is entitled to one vote at any meeting of the Board of Directors. No director may act by proxy on any matter or assign an alternate to act on his or her behalf. In-person attendance at all meetings of the Board of Directors is expected but directors may attend meetings and vote on action items remotely, as described in Section 8 of this Article III. Minutes of all Board meetings shall be recorded by the Secretary or by such person as the Board may designate, and shall be kept on permanent record by the Corporation and shall be open for inspection by any member of the Corporation.

#### **ARTICLE IV - COMMITTEES**

**SECTION 1. COMMITTEES.** The Board of Directors, by resolution adopted by a majority of the directors in office, may create one or more committees, which shall serve, to the extent provided in said resolution, the Articles of Incorporation of these Bylaws, to assist in the management of the Corporation. Committees shall consist of at least two (2) directors. Additional directors and non-directors may also participate in committees. The authority of a committee shall never exceed the authority of the Board of Directors. The designation and appointment of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed upon it or him or her by law, including, without limitation, Section 108.40 of the General Not For Profit Corporation Act of the State of Illinois. Subject to the foregoing, the Board of Directors may refer or assign any matter to any committee and discharge or terminate any such committee.

**SECTION 2. TERM OF OFFICE.** Each member of a committee shall continue as such until his or her successor is appointed, unless the committee shall be sooner terminated, or unless such member is removed from such committee, or unless such member shall cease to qualify as a member thereof. Each member of a committee is appointed by the Board Chair and shall serve at the pleasure of the Board of Directors.

**SECTION 3. COMMITTEE CHAIRS.** The Board Chair shall appoint one member of each committee to serve as Chair of the committee.

**SECTION 4. VACANCIES.** Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of original appointments.

**SECTION 5. QUORUM.** Unless a greater number shall be approved by resolution of the Board of Directors, a majority of the whole committee shall constitute a quorum and the act of a majority of the committee members present at a meeting at which a quorum is present shall be the act of the committee.

**SECTION 6. MEETINGS OF COMMITTEES.** Subject to action by the Board of Directors, each committee by majority vote of its members shall determine the time and place of meetings and the notice required therefore.

**SECTION 7. REMOTE PARTICIPATION AT MEETINGS.** Committee members may participate in and act at any committee meeting through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

**SECTION 8. RULES.** The Board of Directors may adopt rules for the government of any committee not inconsistent with these By-laws.

**SECTION 9. INFORMAL ACTION BY COMMITTEE.** Any action which may be taken at a meeting of a committee may be taken without a meeting if consent in written or electronic correspondence, setting forth the action so taken, is provided by all committee members.

## **ARTICLE V - OFFICERS**

**SECTION 1. EXECUTIVE OFFICERS.** The officers of the Corporation shall be a Chair, Vice Chair, President, Secretary, Treasurer and At Large Member and any other officers as may be chosen by the Board of Directors in its discretion. The Board of Directors may consolidate the Secretary and Treasurer positions at any time to create a Secretary-Treasurer position. All officers shall give such bond for the faithful performance of their duties as the Board of Directors may designate. Neither officers nor employees of any governmental entity may serve as an officer of the Corporation. The officers of the Company are listed on Schedule B, attached hereto.

**SECTION 2. ELECTION OF OFFICERS.** The officers shall be elected by a plurality of votes cast by the Board of Directors in the Annual Meeting. Officers of the Corporation may be directors of the Corporation.

**SECTION 3. TENURE OF OFFICERS.** The officers shall hold office for a one-year term until the next Annual Meeting and until such officer's successor is duly elected and qualified, or until such officer's earlier death, resignation or removal.

**SECTION 4. CHAIR.** The Chair shall preside at all meetings of the Board of Directors. Unless otherwise provided by the Board of Directors, the Chair, the Secretary or the President shall have the right to execute all deeds of conveyance, mortgages, notes, pledges, contracts and other instruments in the name of the Corporation and cause the Seal of the Corporation to be

affixed thereto. At each meeting of the Board of Directors, the Chair shall submit such recommendations and information concerning the business, affairs and policies of the Corporation.

**SECTION 5. 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 and until such time as a new Chair is elected. In the absence of the Chair, the Vice Chair shall preside at all meetings of the Board of Directors.

**SECTION 6. PRESIDENT.** Subject to the supervision of the Board of Directors, the President shall have general charge and supervision of the assets and affairs of the Corporation. The President shall be paid staff and see that all orders and resolutions of the Board of Directors are carried into effect. In addition to the Chair and Secretary, the President shall have the right, subject to Board of Directors approval through written resolution to execute all deeds of conveyance, mortgages, notes, pledges, contracts and other instruments necessary or convenient to the exercise of the corporate powers and cause the Seal of the Corporation to be affixed thereto. The President shall perform all duties incident to the office of the President, and such other duties as are from time to time assigned to the President by the Board of Directors.

**SECTION 7. SECRETARY.** The Secretary shall (a) oversee the records of the Corporation; (b) act as Secretary of the meetings of the Board of Directors, including the Annual Meeting, and record all votes; and (c) have the authority to certify the bylaws, resolutions of the Board of Directors and committees thereof, and other documents of the Corporation as true and correct copies thereof. The Corporation records will be kept at the office of the Corporation and will be reviewed annually by the Secretary and the President to ensure they are properly stored. The Secretary shall keep a record of the proceedings of the Corporation in a Journal of Proceedings to be kept for such purpose. The Secretary shall perform all other duties incident to this office of the Secretary. Unless otherwise provided by the Board of Directors, together with the Chair or President of the Corporation, the Secretary shall have the right to execute all deeds of conveyance, mortgages, notes, pledges, contracts and other instruments necessary or convenient to the exercise of the corporate powers.

**SECTION 8. TREASURER.** The Treasurer shall (a) have charge and custody and be responsible for the maintenance of adequate books of account for the Corporation; (b) cause the Corporation's funds to be received and receipted for and deposited in the name of the Corporation in such banks, trust companies, or other depositories as the Corporation may select; and (c) provide updates and financial reports to the Board of Directors as requested. The Treasurer, or such other person or persons as may be designated by the Corporation, shall sign all orders and checks for the payment of money which shall be disbursed under the direction and with the approval of the Corporation. The Treasurer shall perform all the duties incident to the office of the Treasurer and such other duties as from time to time may be assigned to him or her by the President, Chair or Board of Directors.

**SECTION 9. AT LARGE MEMBER.** The At Large Member will represent the interests of the Board of Directors at Executive Committee Meetings.



**SECTION 10. ADDITIONAL DUTIES.** The officers of the Corporation shall perform such other duties and functions as may from time to time be required by the Board of Directors or by the By-Laws of the Corporation.

**SECTION 11. ADDITIONAL PERSONNEL.** The President may appoint such professional, technical and clerical assistants as are necessary for the proper performance of the duties and functions of the Corporation and define their duties and pay such salaries or compensation therefore as may be approved by the Board of Directors. The President is authorized to employ contractors, architects, surveyors, attorneys and other necessary assistants as may be required in the performance of its functions and pay such persons such compensation as may be approved by the Board of Directors.

**SECTION 12. RESIGNATION.** Any officer of the Corporation may resign at any time by giving notice in writing or by electronic transmission to the Chair of the Board, the President or the Secretary of the Corporation. Such resignation shall take effect at the time therein specified or, if no time is specified, immediately. Unless otherwise specified in the aforementioned notice, the acceptance of such resignation shall not be necessary to make it effective.

**SECTION 13. REMOVAL.** One or more of the officers may be removed, with or without cause, by the affirmative vote of a majority of the directors then in office, present and voting at a meeting of the Board of Directors at which a quorum is present. If the vote of directors is to take place at a special meeting of directors, written notice of the proposed removal shall be delivered to all directors no less than twenty (20) days prior to such meeting.

**SECTION 14. VACANCIES.** Any vacancy in any office because of death, resignation, removal, disqualification or any other cause, shall be filled by the Board of Directors at an annual or regular meeting or at a special meeting called for such purpose.

**SECTION 15. COMPENSATION.** With the exception of the President, all officer positions are voluntary. Voluntary officers shall not receive any salaries for their services nor for their expenses of attendance at any meeting of the Board or of any committee. Voluntary officers shall not work as independent contractors or employees for the Corporation and receive compensation for that work. The compensation of the President shall be fixed from time to time by the Board of Directors.

## **ARTICLE VI - AUDIT AND FISCAL YEAR**

**SECTION 1. AUDIT.** The President of the Corporation shall cause the accounts of the Corporation to be audited annually by a certified public accountant, and a report of such audit shall be prepared and distributed to each member of the Board of Directors and funders or lenders that request it.

**SECTION 2. FISCAL YEAR.** The fiscal year of the Corporation shall be the calendar year beginning on the first calendar day of each year, unless otherwise provided by the Board of Directors.

## **ARTICLE VII - INDEMNIFICATION OF DIRECTORS AND OFFICERS**

**SECTION 1. OBLIGATION TO INDEMNIFY.** The Corporation shall indemnify each director or officer of the Corporation against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the Corporation, in which he or she is named as a party or is threatened to be made a party by reason of the fact that he or she is or was a director or officer of the Corporation, if the person seeking indemnification acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of no contest or its equivalent, shall not, of itself, create a presumption that the person seeking indemnification did not act in good faith and in a manner in which he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

The Corporation shall also indemnify each director and officer of the Corporation against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor in which he or she is named as a party or is threatened to be made a party by reason of the fact that he or she is or was a director or officer of the Corporation, if the person seeking indemnification acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation, except that no indemnification may be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for gross negligence or willful misconduct in the performance of his or her duty to the Corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnification for expenses which the court deems proper.

**SECTION 2. MANNER OF DETERMINING ELIGIBILITY.** Any indemnification, unless ordered by a court, shall be made by the Corporation upon a determination that indemnification of such person is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Section 1 of this Article VII. Such determination shall be made (i) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, (ii) by a committee of the Board of Directors designated by majority vote of the directors, even though less than a quorum, or (iii) if there are no such directors, or if the directors so direct, by independent legal counsel in a written opinion.

**SECTION 3. ADVANCE PAYMENT OF EXPENSES.** Expenses incurred by an officer or director in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the person seeking indemnification to repay such amount unless it shall ultimately be determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Article.

**SECTION 4. CONTRACT RIGHTS.** The indemnification provided by this Article shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under any agreement, vote of disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director or officer of the Corporation and shall inure to the benefit of the heirs, executors and administrators of such person.

**SECTION 5. INSURANCE.** The obligation of the Corporation under this Article shall not be limited to the proceeds of liability insurance policies actually paid to the Corporation or directly to or for the benefit of the person claiming indemnification under this Article. The Corporation shall purchase and maintain insurance on behalf of any person who is a director or officer of the Corporation against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of this Article.

## **ARTICLE VIII - CONTRACTS, CHECKS, DEPOSITS AND FUNDS**

**SECTION 1. CONTRACTS.** The Chair of the Board of Directors and the President, and any other officers or individuals as maybe chose by the Board of Directors in its discretion, are authorized to enter into any contract or execute and deliver any instruments in the name of and on behalf of the Corporation. The staff administering loans and rental assistance programs are authorized to sign loan and rental subsidy security instruments.

**SECTION 2. CHECKS, DRAFTS, ETC.** The Chair of the Board of Directors and the President, and any other officers or individuals as may be chosen by the Board of Directors in its discretion, are authorized to sign and administer all checks, deposit and investment accounts, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation. The staff administering loans and rental assistance may be authorized to sign and administer certain checks, deposits, drafts, or other orders for the payment of money as resolved by the Board of Directors.

**SECTION 3. DEPOSITS.** All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

**SECTION 4. GRANTS, GIFTS AND CONTRACTS.** The Board of Directors may apply for and/or accept on behalf of the Corporation any grant, contribution, gift, bequest or contract, the proceeds of which will be used for the general purposes of the Corporation as described in the Articles of Incorporation or in these Bylaws, provided that it does not provide material financial gain to the contributor of funds. The Chair of the Board of Directors, the President and Vice Presidents are authorized to apply for and administer all such grants, gifts and contracts from any foundation, corporation, individual, or government entity.

## **ARTICLE IX - GENERAL PROVISIONS**

**SECTION 1. POWERS LIBERALLY CONSTRUED.** The powers, functions and authority of the Corporation defined in Paragraphs 5 and 6 of the Articles of Incorporation and in these By-Laws shall be liberally construed, and any power reasonably inferable from the Articles of Incorporation, By-Laws and the "General Not for Profit Corporation Act" of Illinois not inconsistent with law shall be considered to be within the authority of the Corporation, to the end that its objects and purposes may be accomplished and the housing shortage alleviated in the northeastern Illinois.

**SECTION 2. CORPORATE SEAL.** The corporate seal (if any) shall be in the form of a circle and shall bear the name of the Corporation and the words "Corporate Seal, Illinois."

**SECTION 3. PRINCIPAL OFFICE.** The Corporation shall maintain in the State of Illinois a registered office and a registered agent at such office and may have such other offices within or without the state as may from time to time be designated by its Board of Directors.

**SECTION 4. BOOKS AND RECORDS.** The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any authority of the Board of Directors. All books and records of the Corporation may be inspected by any director or any director's agent or attorney, for any proper purpose at any reasonable time. All of the Corporation's books and records shall be kept at the principal office.

**SECTION 5. CONFLICT OF INTEREST STATEMENT.** No director or officer of the Corporation shall derive any personal profit or gain, directly or indirectly, by reason of their membership on the Board or Directors or services to the Board of Directors. Each director and officer shall sign annually a conflict of interest statement and shall disclose to the Board of Directors any personal interest which they may have in any matter pending before the Board of Directors and shall refrain from participating in any decision on such matter.

**SECTION 6. POLITICAL CAMPAIGNS.** The Corporation shall not, at any time, directly or indirectly participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office or, except as an insubstantial part of its activities, attempt to influence the passage or defeat of legislative proposals. This provision shall not be construed to prevent any officer or director in his individual capacity from engaging in any of the foregoing activities.

**SECTION 7. COMPLIANCE WITH FEDERAL FUNDING PROGRAMS.** In the furtherance of its work in providing affordable housing the Corporation shall at all times comply with all household income and rent restrictions required by the HOME Investment Partnership Program, Final Rule, 24 CFR Part 92 and any other restrictions required by law upon federal funds awarded to the Corporation.

**SECTION 8. FORMAL LOW-INCOME ADVISORY PROCESS.** As long as the Corporation remains a Community Housing Development Organization, the Corporation will provide a formal process for low-income program beneficiaries to advise the Corporation on design, location of sites, development and management of affordable housing. The Board of Directors may determine and amend this process from time to time by written resolution.

**SECTION 9. SALE OF LAND.** In the case of land held in the Community Land Trust, the sale of land does not conform to the philosophy and purposes of the Corporation. Accordingly, Community Land Trust land shall not be sold except in extraordinary circumstances and then only in accordance with the following guidelines:

- 9.1 A parcel of land may be sold pursuant to a resolution adopted by an affirmative vote by at least two-thirds of the Board of Directors at a regular or special Board meeting, provided that,
  - (i) The Corporation has owned the parcel for no more than ninety (90) days at the time the vote is taken,
  - (ii) The parcel is not leased to any party, and
  - (iii) the resolution states that the location and character of the parcel are determined to be such that the purposes of the Corporation are best served by selling the land and applying the proceeds to the support of other activities serving those purposes
- 9.2 In all other circumstances a parcel of land may be sold only with:
  - (i) An affirmative vote by at least three-quarters of the Board members at a regular or special Board meeting , and provided that written notice of such meeting has described the proposed sale and the reasons for the proposal; and
  - (ii) The written consent of any persons to whom the land in question is leased.

## **ARTICLE X - AMENDMENTS**

The power to alter, amend or repeal the Bylaws or adopt new Bylaws shall be vested in the Board of Directors. Such action may be taken at a regular or special meeting for which proper notice of such purpose must be given by the affirmative vote of two-thirds of the Directors then in office. The Bylaws may contain any provisions for which the regulation and management of the affairs of the Corporation not inconsistent with the law or the Articles of Incorporation.

## **ARTICLE XI – DISSOLUTION**

A decision to dissolve the Corporation and to distribute the Corporation's assets shall require an affirmative vote by two-thirds of the Board who are eligible to vote on the question at any regular or special Board Meeting, provided that written notice of such meeting has included a full description of the plan of dissolution. All of the properties and assets of the Corporation which may remain after the payment of all liabilities shall vest in and be transferred to an existing 501(c)(3) non-profit organization that is serving low and moderate-income households and individuals.

## **ARTICLE XII - MISCELLANEOUS**

Any words used in the singular shall mean, extend to and include the plural where applicable and vice versa, and all words used in any gender shall mean, extend to and include any other gender, all as the context may require.

## **APPROVAL AND ADOPTION**

These bylaws were approved by the Board of Directors of Lake County Residential Development Corporation on December 5, 2018, and are to be adopted and take effect on January 1, 2019, at which time the name of the Corporation will be Community Partners for Affordable Housing.

The above are hereby certified to be a true, correct and complete copy of the bylaws of the Corporation which are in full force and effect on the date hereof.

  
Eve Lee, Chair

1-16-19  
Date

## **Schedule A**

### Board of Directors

<b><u>CLASS A</u></b> <i>Term ends December 31, 2019</i>	<b><u>CLASS B</u></b> <i>Term ends December 31, 2020</i>	<b><u>CLASS C</u></b> <i>Term ends December 31, 2021</i>
Lee Smith	Jonathan Seiver	Eve Lee
Robert Helle	Fred Wilson	Johnnie Jenkins
Laurence Marks	Gillian Derbyshire	Kim Stone
Kathleen DeCaire-Aden	Pat Pappas	Joe Kinsella
Beth Alberts	Candance Chow	Bill Powers
Melissa Powers	Chris Truax	Gregg Handrich



## **Schedule B**

### Officers

Chair: Eve Lee

President: Rob Anthony

Vice-Chair: Lee Smith

Treasurer: Pat Pappas

Secretary: Jonathan Seiver

At Large Member: Bill Powers