

BYLAWS
of
COMMUNITY MAIN STREET, INC.
An Iowa non-profit corporation

ARTICLE 1
Name and Principal Office of Corporation

Section 1. The name of this corporation shall be Community Main Street, Inc. (hereinafter referred to as "the Program"). The principal offices shall be determined from time to time by the Board of Directors of the Program.

ARTICLE 2
Purpose

Section 1. The purposes for which this corporation is organized are to stimulate downtown economic development in Cedar Falls, Iowa through organization and development (encouraging cooperation and building leadership in the business community); promotion (creating a positive image for downtown by promoting the downtown as an exciting place to live, shop and invest); design (improving the appearance of the downtown); and business improvement (strengthening and expanding the economic base of the downtown); and to receive, administer, and distribute funds in connection with any activities related to the above purposes; provided, however, that the Program shall only engage in activities that are in the purview of Section 501(c)(3) of the Internal Revenue Code of 1954 of corresponding sections of any prior or future law. No part of the net earnings of the Program shall inure to the benefit of any of its members or any other individual; and the Program shall not participate in, or intervene in, any political campaign on behalf of any candidate for public office.

Section 2. The corporation shall have all of the powers given it by the laws of the State of Iowa, except that only such powers shall be exercised as are in furtherance of tax-exempt purposes of the corporation, and as may be exercised by an organization exempt under the provisions of Section 501(c)(3) of the Internal Revenue Code, as amended, and its regulations as they now exist or as they may hereafter be amended.

Section 3. Upon dissolution of the corporation, the residual assets of the corporation shall be distributed to a private, non-profit corporation which is an exempt organization as described in Section 501(c)(3) of the Internal Revenue Code of 1954 or corresponding sections of any prior or future law, selection of which corporation may be designated prior to dissolution.

ARTICLE 3
Program Area

Section 1. The Program Area shall be that geographic area indicated as the Self Supporting Municipal Improvement District (SSMID) on the attached map.

ARTICLE 4
Membership

Section 1. The members of the Program shall be the business and property owners within the program area and only members shall have voting rights. All other organizations, entities, businesses or individuals with an interest in the continued growth and revitalization of the program area shall have the opportunity to participate in the organization through the Friends of Main Street programs.

ARTICLE 5
Membership Meetings

Section 1. An annual meeting of the membership shall be held in each calendar year at such time and place as may be determined by the Board of Directors for the purpose of electing officers and transacting such other business as may be properly brought before the meeting.

Section 2. Special meetings for the membership shall be held at any time and place as may be designated in the notice of said meeting, upon call of the President or the Board of Directors either at their own request or upon written petition by at least ten members.

Section 3. Written notice of every meeting of the membership, stating the place, date and hour of the meeting, shall be given to each member not less than one week nor more than fifty days before the date of the meeting. Electronic communication shall constitute written notice for all members that have not expressly requested personal or mailed notice. Such notice shall be deemed delivered when deposited in the United States mail with postage thereon prepaid, or when sent via electronic communication, addressed to the members at their mailing or electronic addresses as they appear on the Program's record of membership. Attendance of a member at a membership meeting shall constitute a waiver of notice of such meeting, or manner in which it has been called or convened, except when a member attends a meeting solely for the purpose of stating, at the beginning of the meeting, any such objection to the transaction of any business. Other interested parties shall be given such notice of meetings as the Board of Directors shall deem appropriate.

Section 4. - Ten percent (10%) of the members, present in person or represented by proxy, shall constitute a quorum for the transaction of the business at all meetings of the membership, except as otherwise provided by statute, by Articles of Incorporation, or by these Bylaws. If a quorum is not present or represented at any meeting of the

membership, a majority of the members entitled to vote thereat, present in person may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be presented. If the adjournment is for more than 30 days, a notice of the adjourned meeting shall be given to each member.

Section 5. When a quorum is present or represented by proxy at any meeting, the vote of a majority of the members present in person or represented by proxy shall decide any questions brought before such meetings, unless the Articles of Incorporation or these Bylaws require a different vote, in which case such express provisions shall govern and control the decision.

Section 6. Robert Rules of Order Newly Revised shall govern the parliamentary procedures of the Program when not in conflict with these Bylaws. The order of business may be altered or suspended at any meeting by a majority vote of the members present.

ARTICLE 6 Board of Directors

Section 1. The Program shall be governed by a Board of up to 15 Directors elected by the members. The term of each office for each Director shall be three (3) years.

One third of the Directors shall be elected at each annual meeting of the members. Nomination to the Board shall be made by the Nominations Committee appointed by the Board and shall be set forth in the notice of the annual meeting. Each Director shall hold office for the term for which he or she is elected. Directors in office may be re-elected for one consecutive term, except that the Immediate Past President's term as a member of the Board of Directors shall commence at the normal termination date of his or her term as President and shall continue to the next annual meeting of the membership thereafter.

All Directors must support the purpose of the Program and shall actively support and work for the renewal of the Self Supporting Municipal Improvement District ordinance. Failure to support the program as set forth above shall be cause for immediate removal from the Board of Directors, and such removal shall require only a majority vote of the remaining Directors.

Section 2. Any vacancy occurring in the Board of Directors (other than a vacancy resulting from the normal expiration of a term of office) may be filled by the affirmative vote of a majority of the current members of the Board of Directors. A director elected to fill a vacancy shall be elected for the un-expired term of his or her predecessor in office. Any Director may resign by submitting written notice of resignation to the Secretary. Any Director may be removed from office at any time with or without cause by the affirmative vote of two-thirds of the Directors in office. Any member of the Board of Directors who is absent from two consecutive regular meetings without just cause for such absence may be removed as a member of the Board of Directors by a vote of a majority of the remaining Directors.

Section 3. The Executive Director of the Program shall be a non-voting member of the Board of Directors and shall be present at all meetings of the Board of Directors unless absence is approved by the board president.

Section 4. The board shall have two or more ex-officio members. One ex-officio member representing the City of Cedar Falls shall be the City Admin or the Director of Community Development, the other representing the Cedar Falls Utilities. These two and any other appointed ex-officio members shall not be voting members of the Board and shall not count towards a quorum at Board meetings. Ex-officio board member positions shall be filled by an affirmative vote by a majority vote of the voting members of the board. No term ending

Section 5. Other non-voting members may include representatives of other interested business associations defined by the Board.

Section 6. The Board of Directors of the Program may hold regular and special meetings. Regular meetings shall be held no less than six times each year. Special meetings of the Board may be called by the President, or by the Executive Committee, or by four or more Directors. Written notice of the time and place for both regular and special meetings shall be given to each director either by personal delivery or by mail, phone, or any means of electronic communication at least 48 hours before the meeting.

Section 7. At all meetings of the Board, a majority of the voting members thereof shall constitute a quorum for the transaction of business. If a quorum shall not be present at any meeting of the Board, the Directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 8. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting, if all members of the Board consent thereto in writing, setting forth the action so taken, and the writing or writings are filed with the minutes of the proceedings. Such consent shall have the same force and effect as a unanimous vote of the Board.

Section 9. All new members of the Board of Directors shall participate in an orientation program familiarizing them with the goals and objectives of the Program and with their responsibilities.

Section 10. Any member of the board who has a financial, personal, or official interest in, or conflict (or appearance of a conflict) with any matter pending before the Board, of such nature that it prevents or may prevent that member from acting on the matter in an impartial manner, will offer to the Board to voluntarily excuse him/herself and will vacate his seat and refrain from discussion and voting on said item.

Section 11. A director, officer, member or other volunteer is not personally liable in that capacity for any action taken or failure to take any action except liability for any of the following: (1) the amount of any financial benefit to which the person is not entitled; (2) an intentional infliction of harm on the corporation or members; (3) a violation of the unlawful distribution provision; and (4) an intentional violation of criminal law.

ARTICLE 7 Committees

Section 1. Committee Chairperson: All committee chairpersons, unless otherwise provided for, shall be elected by the committee members subject to ratification of the Board. Appointment will be limited to 3 consecutive years.

Section 2. The President, with the committee chairpersons, shall annually review committee rosters and appoint all committee members. The Board shall authorize and define the powers and duties of all standing committees whose functions are set forth herein. It shall be the function of the committees to make recommendations to the Board of Directors and to carry on such activities as may be delegated to the committee by the Board.

ARTICLE 8 Officers of the Board of Directors

Section 1. The officers of the Program shall be elected annually by the membership and shall consist of a President, a Vice President, a Secretary, a Treasurer, and such other officers and assistant officers as may be deemed necessary.

Section 2. Officers shall be elected at the annual meeting. The person then serving as President shall automatically become Immediate Past President upon election of a new President. All officers shall be elected by a majority of the eligible voting members present in person.

Section 3. Except as hereinafter provided, the officers of the Program shall each have such powers and duties as generally pertain to their respective offices, as well as those that from time to time may be conferred by the membership or the Board of Directors.

- A. President. The President shall preside at all business meetings, but may at his or her discretion or at the suggestion of the Directors arrange for another officer to preside at other meetings. The President shall perform such duties as are usually incumbent upon that officer and such as may be directed by resolution of the Board of Directors.

- B. Vice President. The Vice President shall have such duties and responsibilities as the President may from time to time prescribe.
- C. Secretary. The Secretary shall record and maintain in good order Minutes of all meetings and all records and correspondence of the Program, and shall distribute copies of the Minutes of each membership meeting to all members within 60 days from the conclusion of each meeting. The Secretary shall also have such other duties as may be assigned by the membership or the Board of Directors.
- D. Treasurer. The Treasurer shall maintain in good order all financial records of the Program. The Treasurer shall also have such other duties as may be assigned by the membership or the Board of Directors.
- E. Immediate Past President. The Immediate Past President shall complete their term and act in an advisory capacity to the officers. If term has expired, the Immediate Past President shall serve as an ex-officio member of the Board of Directors and shall act in an advisory capacity to the President and to the Board of Directors.
- F. Temporary Officers. In case of the absence or disability of any officer of the Program and of any person authorized to act in his or her place during such periods of absence or disability, the President may from time to time delegate the powers and duties of such officer to any other officer or any other member.

ARTICLE 9 Executive Director

Section 1. The Executive Director of the Program shall manage the daily operations of the Program. The Executive Director shall be responsible for coordinating the implementation of the Program's policies and projects and such other duties as the Board of Directors may require. The Executive Director shall receive for his or her services such compensation as may be determined by the Board of Directors.

ARTICLE 10 Finances

Section 1. Except as the Board of Directors may generally or in particular cases authorize the execution thereof in some other matter, all checks, drafts, and other instruments for the payment of money and all instruments of transfer of securities shall be signed in the name and on behalf of the program by the Executive Director and other authorized persons.

Section 2. All funds of the Program shall be deposited from time to time to the credit of the Program in such banks, trust companies or other depositories as the Board of Directors may select.

Section 3. The Board of Directors may accept on behalf of the Program any contributions, gifts, bequest, or device for the general purposes or for any special purpose of the Program.

Section 4. On an annual basis, the Board shall approve a Program budget for the fiscal year. The approved budget may be reviewed and revised periodically as deemed necessary by the Board.

ARTICLE 11 General Provisions

Section 1. The fiscal year of the Program shall begin on the first day of July and end on the last day of June in each year.

Section 2. The corporation shall have no seal.

Section 3. Not later than three months after the close of each fiscal year, the Program shall prepare:

- A. A balance sheet showing in reasonable detail the financial condition of the Program at the close of the fiscal year;
- B. A statement of the source and application of funds showing the results of the operation of the program during the fiscal year.

ARTICLE 12 Amendments

Section 1. The Board of Directors shall have the power to alter, amend or repeal the Bylaws or adopt new Bylaws by a two-thirds vote of the Directors present at any duly called meeting of the Board, provided that no such action shall be taken if it would in any way adversely affect the Program's qualifications under Section 501(c)(3) of the Internal Revenue Code of 1954 or corresponding sections of any prior or future law.