

RESOLUTION APPROVING AMENDMENT OF BYLAWS PROVISIONS
GOVERNING MEMBERSHIP

WHEREAS, in 2013 members of San Rafael Business Improvement District, a California nonprofit mutual benefit corporation, (the “Corporation”) requested that the City Council of the City of San Rafael (i) disband the City’s then existing original downtown parking and business improvements district governed by the provisions of San Rafael Municipal Code Chapter 10.08 (“Chapter 10.08”), consisting of approximately 125 businesses, and (ii) replace the existing district with a larger one consisting of approximately 700 businesses; and

WHEREAS, on June 3, 2013, the City Council of the City of San Rafael repealed Chapter 10.08 and adopted Ordinance no. 1912, section 3 of which added to the San Rafael Municipal Code Chapter 10.09 entitled “Downtown San Rafael Business Improvement District.” (“Chapter 10.09”); and

WHEREAS, the provisions of Chapter 10.09, among other things, (i) expanded the geographical area of the downtown business improvement district; (ii) subjected to its provisions types of businesses not previously subject to the provisions of Chapter 10.08; and (iii) imposed an annual benefit assessment on businesses within the Downtown Business Improvement District; and

WHEREAS, it is in the best interests of the Corporation to extend membership rights in the Corporation to all businesses subject to the provisions of Chapter 10.09 and to amend the membership provisions in the Corporation’s bylaws to conform to the provisions of Chapter 10.09 governing which businesses are required to pay an annual benefit assessment;

NOW, THEREFORE, BE IT RESOLVED:

1. Sections 3.1; 3.2; 3.3; and 3.4 of Article III of the Corporation’s bylaws are amended to read as follows:

Article III
Boundaries and Membership

3.1 District Boundaries. The geographical boundaries of the District are as specifically set forth in City of San Rafael Municipal Code Chapter 10.09, entitled “Downtown San Rafael Business Improvement District,” and specifically, section 10.09.04 of that chapter, as such boundaries are defined as of the date of the

adoption of this section 3.1 of these Bylaws. or as such boundaries may hereafter be expanded, contracted, or otherwise amended by action of the City of San Rafael.

3.2 Membership. This corporation shall have one class of voting members, designated in these Bylaws as a “Member” in the singular and as “Members” in the plural. Each business current in the payment of any annual benefit assessment due the City of San Rafael under City of San Rafael Municipal Code Chapter 10.09 and any adopted ordinance or resolution related thereto shall be a Member in good standing of this corporation: provided, however, any business located outside the geographical boundaries of the District that may elect to voluntarily pay an assessment shall not be a Member of this corporation.

3.3 Nonvoting Members. The corporation’s board of directors may, in its discretion, admit a business or an individual to one or more classes of nonvoting members. The nonvoting class or classes shall have such rights and obligations as the board finds appropriate.

3.4 Appointment of Individual Representatives. Each Member may appoint an individual who shall be its authorized representative ("Member Representative"). The Member Representative shall have the sole authority to vote on the Member's behalf and to take any other action required or permitted to be taken by such Member pursuant to these Bylaws. The Member shall notify the President, in writing, of the identity of its Member Representative. The Member may change its designated Member Representative at any time, provided that prior written notice is given to the President of such change.

2. The secretary of this corporation be and hereby is authorized to certify as to the continuing authority of this resolution and the approval of the minutes, of the meeting on December 2, 2021, or any excerpt thereof, at which this resolution was adopted.