

# **ABINGTON TOWNSHIP ECONOMIC DEVELOPMENT CORPORATION**

## **Introduction**

The objective of all community development activity is area revitalization through the creation and retention of business, employment opportunities and improvement of the overall quality of life for its residents. While there are a number of factors involved with economic revitalization, the two essential components are commercial economic development and community development. The newly created Abington Township Economic Development Corporation (the “Corporation”) will work closely with the Montgomery County Redevelopment Authority with respect to commercial and residential development. The efforts of the Corporation should represent a realistic economic development strategy based on local needs and resources. An economic development corporation can become a vital tool for implementing a comprehensive plan that makes Abington Township, Montgomery County, Pennsylvania (the “Township”) an attractive community to prospective businesses, as well as enhancing the quality of life for all residents.

## **Mission Statement**

The Corporation is a community based Pennsylvania non-profit corporation whose purpose is to promote economic growth, neighborhood revitalization, the creation of employment opportunities and the enhancement of the quality of life in the Township.

## **Vision**

1. Develop and implement programs that will coordinate with established programs to promote economic revitalization and enforce quality of life.
2. Build coalitions of business men and women, merchants, professionals, educators, civic leaders, county and state representatives and volunteers.
3. Initiate and spearhead a real estate development program that will revitalize the Township.
4. Encourage and inspire a significant number of our citizens to become involved in the revitalization of the Township.
5. Work with and develop cooperative activities with other local economic development organizations, community organizations and non-profit agencies committed to improving the quality of life in the Township.
6. Identify funding sources (private and public) and acquire funding for appropriate, worthwhile community development projects and programs including the operation of the Corporation.

7. Encourage public awareness, community informational and educational opportunities and inspire public pride.

8. Provide a mechanism to transform vacant or tax delinquent properties into productive properties as an opportunity for the community to modernize, revitalize and grow, and to improve the quality of life for residents of the Township.

9. Ease traffic flow and congestion issues by promoting development projects which increase the general livability of the Township.

10. Identify other projects that the community and the Corporation believe to be in the best interest of the community, with due consideration given to the needs and desires of residents, community groups and general public.

**BY-LAWS  
OF  
ABINGTON TOWNSHIP  
ECONOMIC DEVELOPMENT CORPORATION  
(a Pennsylvania Nonprofit Corporation)**

Adopted on \_\_\_\_\_, 2019

---

**ARTICLE I  
Purpose and Limitations**

**Section 1.01. Governmental Function and Purpose.** The purpose for which the Abington Township Economic Development Corporation (the “Corporation”) is organized shall be the furtherance of neighborhood and economic development within Abington Township, Montgomery County, Pennsylvania (the “Township”), in accordance with the particular purposes set forth in the Articles of Incorporation. In addition, the Corporation is organized as a government instrumentality by the Township in accordance with Section 115 of the Internal Revenue Code of 1986, as amended (the “Code”), and shall be operated in accordance with the limitations and restrictions of such entity.

**Section 1.02. Limitations.** This Corporation shall be Pennsylvania non-profit, non-partisan and non-sectarian in its activities.

**Section 1.03. No Private Inurement.** No part of the income or assets of the Corporation shall be paid, distributed, or otherwise inure to the benefit or use of its Directors or officers or other private persons, except for when such private benefit is merely incidental to the governmental function and purpose. However, the Corporation shall be authorized to pay compensation in a reasonable amount to its officers and other persons for services rendered and to make payments and distributions in furtherance of its general corporate purposes.

**ARTICLE II  
Offices**

**Section 2.01. Name.** The name of the Corporation shall be the “Abington Township Economic Development Corporation.”

**Section 2.02. Offices.** The Corporation may have such principal and other business offices, either within the Township or the Commonwealth of Pennsylvania, as the Board may designate, or as the business of the Corporation may require from time to time.

**Section 2.03. Authorization of Corporation.** The Corporation has been established and authorized to operate pursuant to Ordinance Number \_\_\_\_ of 2019 enacted by the Board of Commissioners of Abington Township (the “Commissioners”).

### **ARTICLE III Membership**

**Section 3.01.** The sole member of the Corporation shall be Abington Township (the “Member”). No additional Members may be added except by an official act of the Township.

### **ARTICLE IV Board of Directors**

**Section 4.01. Powers.** The business and affairs of the Corporation shall be governed by the Board of Directors (the “Board”, and each member of the Board a “Director” and collectively, the “Directors”).

**Section 4.02. Composition of the Board.** The Board shall be composed of five (5) Directors. Each Director shall be an individual of full age, who is a resident of the Commonwealth of Pennsylvania. In furtherance of the foregoing, the Board may, at the Member’s option, be comprised of individuals residing outside of the Township.

**Section 4.03. Term.** In order to establish staggered terms, the initial Directors shall be divided as equally as possible into three (3) groups. One (1) group shall serve an initial term of one (1) year. Another group shall serve an initial term of two (2) years. The remaining group shall serve an initial term of three (3) years. Thereafter, at each Annual Meeting of the Board, the Member shall appoint Directors to fill expiring terms, each Director shall hold office for a term of three (3) years, until the Director’s successor has been appointed by the Member and qualified, except as otherwise provided.

**Section 4.04. Appointment of Directors.** The Directors shall be appointed by the Member after reviewing applications submitted by interested candidates. The Directors may be appointed to a shorter term as may be appropriate to maintain balance of staggered terms and shall serve pursuant to Section 4.03 until their successors are appointed.

**Section 4.05. Director Resignation/Removal.** Any Director may resign from the Board by serving written notice to the Chairperson who shall then present the resignation to the other Directors. Such resignation shall take effect at the time specified therein, or at the time of the next Board meeting. Further, any Director who is absent from three (3) consecutive Board meetings without notice, neglects or refuses to discharge duties assigned to him or her, or is guilty of any willful act or misconduct detrimental to the interest of the Corporation, may be removed from office and said office shall be declared vacant in the sole and absolute discretion of the Member.

**Section 4.06. Director Compensation.** Directors shall serve without compensation.

## **ARTICLE V Board Meetings**

**Section 5.01. Annual Meeting.** The Annual Meeting of the Board shall be held during the month of \_\_\_\_\_ each year for the purpose of installing Directors, appointing officers and for the transaction of any business to come before the Directors. Annual Meetings of the Corporation shall be held within the Township, at a location and time to be determined by the Chairperson.

**Section 5.02. Regular Quarterly Meetings and Special Meetings.** Regular quarterly meetings of the Board shall be held at such time as the Directors, by resolution or consensus, may direct. Special meetings of the Directors may be called at any time and for any purpose or purposes by the Chairperson, or upon the direction of the Board. Written notice of special meetings shall state the time, location and purpose of the special meeting.

**Section 5.03. Action by Written Consent.** Any action which may be taken at a regular quarterly meeting and/or special meeting may be taken without a meeting if all Directors consent and execute a statement setting forth the action so taken. Such statement shall be filed with the Executive Director.

**Section 5.04. Notice.** All Directors shall be given at least five (5) business days' notice of Board meetings personally, or by mail, to each Director not personally notified. Such notices shall be addressed to each Director at the address that appears upon the records of the Corporation, and such notice will state the purpose for the meeting and the time and location where said meeting will be held. Notice of the meeting by telephone, fax or email shall constitute personal notice.

**Section 5.05. Quorum, Manner of Acting, and Adjournment.** A majority of Directors shall constitute a quorum for the transaction of business by the Board. Each Director shall be entitled to one (1) vote. Except as otherwise specified in the Articles of Incorporation or by these By-Laws or provided by statute, the affirmative vote of fifty-one (51%) of the Directors present at a meeting at which a quorum is present shall be the act of the Board. In absence of a quorum, fifty-one (51%) of the Directors present at a meeting may adjourn the meeting, from time to time, until a quorum is present. The Directors shall act only as a Board, and the Directors, in their individual capacities, shall have no such power.

**Section 5.06. Attendance at Meetings Via Electronic Communication.** Directors who desire to participate in a meeting by means of speaker phone, teleconferencing and/or videoconferencing shall notify the Chairperson at least one (1) business day in advance of the meeting in question. The non-present Director must, at all times during the meeting, be able to hear the comments and speak to all those present at the meeting, including other Directors. Any Director who is participating remotely must be able to contemporaneously access all Board documents for the meeting's agenda, whether electronically or with hard copies mailed in advance, for the duration of the meeting. A Director attending a meeting via electronic communication shall be considered physically present at the meeting for purposes of establishing a quorum.

**Section 5.07. Committees.** The Board shall have the authority to create ad-hoc committees, from time to time, as it deems necessary. No committee of the Board shall possess and/or exercise any of the powers or authority vested by these By-Laws or the Nonprofit Corporation Law of 1988 in the Board, but any committee of the Board may make recommendations to the Board concerning the exercise of such powers and authority. The establishment of any committee of the Board and the delegation of power thereto and authority, shall not alone relieve any Director of his or her fiduciary duty to the Corporation. Each committee shall keep regular minutes of its proceedings and report such proceedings periodically to the Board. Section 5.05 hereof shall be applicable to the committees of the Board.

## **ARTICLE VI Officers**

**Section 6.01. Number.** The principal officers of the Corporation shall be a Chairperson, an Executive Director and an Assistant Executive Director, each of whom shall be appointed by the Member. With regard to the foregoing officers, only the Chairperson shall be required to be a Director. Any number of offices may be held by the same person.

**Section 6.02. Appointment and Term of Office.** The officers of the Corporation shall be appointed annually by the Member at its Annual Meeting or at a later time as determined by the Board. If the appointment of officers is not held at the Annual Meeting, such appointment shall be held as soon thereafter as conveniently possible. Each officer shall hold office until his/her successor has been duly appointed, or until his/her prior death, incapacity, resignation or removal.

**Section 6.03. Removal Any Officer.** Any officer may be removed by the Member or by the Board whenever, in its judgment, the best interests of the Corporation will be served thereby.

**Section 6.04. Vacancies.** A vacancy in any principal office because of death, resignation, removal, disqualification or otherwise, shall be filled by the Member for the unexpired portion of the term.

**Section 6.05. Chairperson.** The Chairperson, when present, shall preside at all meetings of the Board. He/she and one (1) other officer, designated by the Member, shall have the power to execute legal documents and other obligations with the prior approval of the Board in the name of the Corporation.

**Section 6.06. Executive Director.** The Executive Director shall be responsible for the day-to-day activities and operations of the Corporation. In the absence of the Chairperson or in the event of the Chairperson's death, inability or refusal to act or in the event it shall be impracticable for the Chairperson to act personally, the Executive Director shall perform the duties of the Chairperson, and when so performing the duties thereof, shall have all the powers of, and be subject to, all restrictions upon the Chairperson. The Executive Director shall also have such other authority, and perform such other duties, as may be determined by the Board, including, without limitation, the following duties: (i) to keep the minutes of the meetings of the Board; (ii) to keep such books as may be required by the Board; (iii) to ensure all notices are

given in accordance with the provisions of these By-Laws or as required by law; (iv) to safeguard all of the funds received by the Corporation; (v) to ensure the proper disbursement of all funds from the Corporation; (vi) to prepare and present monthly financial reports to the Board; and (vii) to prepare the Corporation's annual budget.

**Section 6.07. Assistant Executive Director.** The Assistant Executive Director shall perform all tasks necessary to assist the Executive Director in the completion of his/her duties hereunder, and shall perform such other duties as may be determined by the Board.

**Section 6.08. Officer Compensation.** Officers may be reasonably compensated for their services as determined by the Board.

## ARTICLE VII

### Contracts, Loans, Checks and Deposit; Special Corporate Acts

**Section 7.01. Statement as to Source of Funding.** It's anticipated that the initial funding received by the Corporation shall come from the Township and/or other government or municipal entities. The Corporation is not financially independent of the Township or its political subdivisions, or the County of Montgomery, or its political subdivision, or the Commonwealth of Pennsylvania or Federal Governmental sources.

**Section 7.02. Contracts.** The Board may authorize any officer or officers of the Corporation to enter into any contract or execute or deliver any instrument in the name of and/or on behalf of the Corporation, and such authorization may be general or confined to specific instances. In the absence of other designation, all deeds, mortgages and instruments of assignment or pledge made by the Corporation shall be executed in the name of the Corporation by the Chairperson or Executive Director when acting pursuant to Section 6.06 hereinabove, along with One (1) other Director in accordance with Section 6.05 hereinabove. The officers or Directors, as authorized by the Member, pursuant to Section 6.05, when necessary or required, shall attest to said signatures, and when so executed, no other party to such instrument or any third party shall be required to make any inquiry into the authority of the signing officer or officers.

**Section 7.03. Loans.** No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by or under the authority of a resolution of the Board. Such authorization may be general or confined to specific instances. In furtherance of the foregoing, the Member shall not, under any circumstances, be required to approve indebtedness to the Corporation; provided, however, the Board shall promptly provide written notice to the Member upon the issuance of indebtedness to the Corporation. No Director or Officer shall have authority to execute any loan or memorialization of indebtedness except as provided pursuant to Sections 6.05 and/or 6.06 hereinabove.

**Section 7.04. Checks Drafts, etc.** Revenue generated from Corporation's activities shall be utilized solely in furtherance of the Corporation's statutory purpose in accordance with the laws of the Commonwealth of Pennsylvania. All checks, drafts, or other orders for payment of

money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers of the Corporation and in such manner as defined by Sections 6.05 and 6.06.

**Section 7.05. Deposits.** All funds of the Corporation shall be deposited in a timely manner to the credit of the Corporation in such banks, trust companies or other depositories as may be selected by or under the authority of a resolution of the Board.

**Section 7.06. Fiscal Year.** The Fiscal year of the Corporation shall begin on January 1 and last until December 31 of the same year.

**Section 7.07. Financial Review.** The accounts of the Corporation shall be reviewed annually by the Executive Director and he/she shall prepare an annual report of the activities and accomplishments of the Corporation. The annual report shall be presented to the Directors at their Annual Meeting. Corporation shall act in accordance with the laws of the Commonwealth of Pennsylvania and the Township with regards to open meetings and public records rules. Further, the Corporation is required to submit an Annual Financial Report to the Auditor General of the Commonwealth of Pennsylvania, or its official designee and/or agent. The annual financial report shall be posted on the Corporation's official website in accordance with the laws of the Commonwealth of Pennsylvania.

**Section 7.08. Corporate Policies and Procedures.** The Corporation shall hereafter create and adopt written policies and procedures governing the acquisition and disposition of residential and commercial properties in order to provide consistency, transparency, standards and safeguards to prevent abuse.

### **ARTICLE XIII Indemnification and Liability**

**Section 8.01. Fidelity Bonds Insurance Indemnification of Board, Officers and Other Persons.**

**Section 8.01.1. Fidelity Bonds.** Such officers, employees, and agents of the Corporation, as the Board or Member shall designate in accordance with these By-laws, shall be covered by bonds of fidelity, secured from a guaranty company, in amounts determined and approved by the Board. The Corporation shall defray the cost of any fidelity bond so required.

**Section 8.01.2. Liability Insurance.** Liability insurance may be secured covering the officers, employees and agents of the Corporation, as the Board shall designate, and Abington Township as an additional insured, in amounts determined and approved by the Board. In furtherance of the foregoing, the Board shall obtain an errors and omissions insurance policy.

**Section 8.01.3. Indemnification.**



a) This Corporation shall, to the fullest extent permitted by the Not-For-Profit Corporation Code and the Directors Liability Act and any other laws of the Commonwealth of Pennsylvania, as amended from time to time, pay the expenses incurred by any officer, director, employee or agent, in defending a civil or criminal action, suit or proceeding brought by any third party or brought by, or in the right of, the Corporation, in advance of the final disposition of such action, suit or proceeding, upon receipt of an undertaking by, or on behalf of such person, to repay such amount, if it shall ultimately be determined that he/she is not entitled to be indemnified by the Corporation.

b) This Corporation shall to the fullest extent permitted by the Not-For-Profit Corporation Code and the Directors Liability Act and any other laws of the Commonwealth of Pennsylvania, as amended from time to time, indemnify any person who was, or is, a party, or is threatened to be made a party, to 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), by reason of the fact that he/she is or was a representative of another corporation, partnership, joint venture, trust or other enterprise against judgments, fines and amounts paid in settlement, actually and reasonably incurred by him/her in connection with such action, suit or proceeding, if he/she acted in good faith and in a manner he/she reasonably believes to be in, or not opposed to, the best interest of the Corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe his/her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not of itself, create a presumption that the person: (1) did not act in good faith and in a manner which he/she reasonably believed to be in, or not opposed to, the best interest of the Corporation; OR (2) with respect to any criminal action or proceeding, had reasonable cause to believe that his/her conduct was unlawful.

c) This Corporation shall to the fullest extent permitted by the Directors Liability Act of the Commonwealth of Pennsylvania, as amended from time to time, indemnify a Director for monetary damage, including judgments and amounts paid in settlement, for any action taken, or any failure to take any action, whether or not the indemnified liability arises and/or arose from any threatened, pending or complete action by, or in the right of, the Corporation, unless the Director has breached or failed to perform the duties of his/her office and the breach constitutes self-dealing, willful misconduct or recklessness; provided that indemnification will not be provided for any responsibility or liability under a criminal statute, or for the payment of taxes pursuant to local, state or federal law.

d) The indemnification and advancement of expenses provided by, or granted pursuant to this Article XIII shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a Director, officer, employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such person.

e) It is the intent of this Corporation, to the fullest extent permitted by the Not-For-Profit Corporation Code and the Directors Liability Act, and any other laws of the Commonwealth of Pennsylvania, as amended from time to time, to defend and indemnify against any liability not covered by errors and omissions and/or professional liability insurance and/or other insurance, any person who was, or is, a party, or is

threatened, or made party to, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, including anti-trust, civil rights and punitive damage claims, by reason of the fact that he/she is, or was, a Director, officer, employee or agent designated to receive this protection.. This Article shall not be deemed exclusive of any rights to which those seeking indemnification or advancement of expenses may be entitled under any by-law, agreement, contract, vote by members or disinterested directors or pursuant to the direction, howsoever embodied, of any court of any competent jurisdiction or otherwise, both as to action in his/her official capacity and as to action in another capacity by holding such office.

f) Unless ordered by a court, any indemnification under this Article shall be made by the Corporation only upon the determination that indemnification is proper in the circumstances presented. Such determination of indemnification shall be made by disinterested members of the Board.

g) Indemnification shall not be made under this Article, where the act or failure to act giving rise to the claim has been determined by a court of competent jurisdiction to have constituted willful misconduct or gross negligence.

h) This Corporation shall have the authority to create a fund of any nature, or otherwise secure or insure, in any manner, its indemnification obligations under these By-Laws or otherwise, including, and/or other policy of insurance, but not limited to, securing errors and omissions and/or professional liability insurance covering the Board, the officers and such employees/agents as the Board shall designate, in amounts determined and approved by the Board.

**Section 8.02. Liability.** Upon receipt of a written request for indemnification against liabilities and an advancement of expenses pursuant to this provision, a prompt determination shall be made by a disinterested quorum of the Board, if available, or by other means recognized by law, to determine the requesting party's right to indemnification and advancement. If no such determination is made within thirty (30) days from the date of the request, it shall be conclusively presumed for all purposes that the requesting party has rights to indemnification and advancement unless, by proper resolution of the Board, said thirty (30) day deadline is extended. The Corporation may, but shall not be obligated or required to, supplement the foregoing rights to indemnification against liabilities and advancement of expenses by purchasing insurance on behalf of any one (1) or more Directors, officers or agents, regardless of whether the Corporation would be obligated to indemnify against liability or advance expenses to the Director, officer or agent covered by said insurance.

### **Section 8.03. Conflicts of Interest.**

**Section 8.03.01. Designation.** A conflict of interest exists with respect to a given matter if a Director, any committee of the Board, officer of the Corporation or employee has a financial, or fiduciary interest in another organization, business or individual that would be affected by any action of the Board, officer, committee or employee, or if an individual has a close personal relationship with an individual who would have such a conflict if serving as a Director. An individual shall be construed to have a financial interest in any organization, business or individual from which he/she derives an income.

An individual shall be construed to have a fiduciary interest in any organization, business or individual for which he/she acts in the capacity of a Director, trustee, or employee. The following are examples of financial and fiduciary interests, but are not intended to be all inclusive.

Financial Interest

Owner  
Officer  
Professional Staff Affiliate  
Employee  
Professional Advisor (e.g., lawyer, accountant, architect, underwriter or other consultant)

Fiduciary Interest

Director  
Trustee

**Section 8.03.02. Limitation on Action.** No Director, or any member of any committee of the Board, any officers of the Corporation, or staff members shall act upon, or decide, any matter with respect to which he/she has a conflict of interest.

**Section 8.03.03. Resolving Conflicts of Interest.** A Director, member of any committee of the Board, officer of the Corporation or employee who believes that he/she has a conflict of interest with respect to any matter, shall announce to Board, committee or the other body, the existence of the conflict of interest prior to the beginning of any discussion on the matter and shall abstain from such discussion and from voting on the matter.

A Director, or any member of any committee of the Board, officer of the Corporation, or staff member who believes that another member of the Board, committee, or other body has a conflict of interest, may so advise the Chairperson, who shall decide whether a conflict of interest exists, subject to an appeal, which shall be decided by a vote of a majority of the members of that body present and entitled to vote, excluding the member whose interest is in question and any other members who have already been disqualified by reason of the same conflict of interest.

In the event a conflict of interest is later determined to have existed at the time of final vote, and the body has authorized action on any given transaction or matter which is still pending and uncompleted, a challenge to the validity of that transaction may be made in the forum in which the conflict of interest first arose, by a Director, officer, member of any committee, or any staff member, and the challenge shall be resolved in the following manner:

a) The Chairperson shall decide if a conflict of interest existed at the time of the final vote authorizing the transaction, or action subject to an appeal, which shall be decided by a vote of a majority of the Directors present and entitled to vote, excluding any Director whose interest is in question and any other Directors who have already been disqualified by reason of the same conflict of interest.

b) Where a conflict of interest is found to have existed, the Board shall review the transaction or action taken, on the basis of the facts and circumstances as they existed at the time of the challenged vote, and either ratify or void the transaction or action taken, by majority vote, excluding any Director whose interest is in question and any other Directors who have already been disqualified by reason of the same conflict of interest; provided, however, that such review shall be unnecessary if the challenged vote was carried by more than the requisite number of the Directors voting under these By-laws, excluding those Directors having the same conflict of interest.

**Section 8.03.04. Annual Conflict of Interest Policy.** Directors and officers of the Corporation shall file an annual form stating that they understand and agree to comply with Corporation's "Conflict of Interest Policy" by or before each Annual Meeting of the Board.

**Section 8.04. Arm's Length Transactions.** Any and all transactions and compensation arrangements shall be on market terms and conditions and shall be the product of an arm's length transaction.

## **ARTICLE IX Amendment and Dissolution**

**Section 9.01. Power to Amend.** These By-Laws may be amended at any time by the Member, in its sole absolute discretion, without the consent of the Board.

**Section 9.02. Dissolution.** Upon dissolution of the Corporation, any assets remaining after the payment of debts and the satisfaction of liabilities are to be distributed to the Member, which is a local government entity whose income is excludable from gross income under Section 115 of the Code. Under no circumstances shall any assets be distributed to any Directors, officers, employees or agents of the Corporation. Any assets not distributed as above shall be disposed of by a court of competent jurisdiction in the county in which the principal office of the Corporation is then located, exclusively for such purposes, and to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes. The Member may dissolve Corporation at any time in accordance with the laws of the Commonwealth of Pennsylvania.

## **ARTICLE X Miscellaneous**

**Section 10.01. Seal.** No official seal shall be required to consummate any transaction to which the Corporation is a party.

**Section 10.02. Parliamentary Procedure.** Unless otherwise stated in the rules, policies or the By-Laws of this Corporation, the proceedings of all meetings of the Board and its committees shall be governed by, and conducted according to, the latest edition of Robert's Rules of Order.