

# City of Philadelphia



Council of the City of Philadelphia  
Office of the Chief Clerk  
Room 402, City Hall  
Philadelphia

(Resolution No. 190245)

## RESOLUTION

Initiating action to continue the East Passyunk Avenue Business Improvement District (“District”) beyond its termination date in an area that generally includes both sides of East Passyunk Avenue from the south side of Federal Street to the east side of South Broad Street, certain blocks of streets that intersect that portion of East Passyunk Avenue, both sides of South Broad Street from the north side of McKean Street to the north side of Snyder Avenue, and the west side of South Broad Street from the south side of Mifflin Street to the north side of McKean Street, and for which East Passyunk Avenue Business Improvement District, Inc., a Pennsylvania nonprofit corporation, is the Neighborhood Improvement District Management Association; approving a preliminary plan for and adopting a report concerning the District; and authorizing and directing the Committee on Rules and the Clerk of Council to take all actions that are required by the Community and Economic Improvement Act prior to enactment of an ordinance that would formally continue the District.

WHEREAS, Bill No. 020431 (approved December 17, 2002) established a business improvement district in the East Passyunk Avenue area, known as the East Passyunk Avenue Business Improvement District (“District”); designated the East Passyunk Avenue Business Improvement District, Inc., a Pennsylvania nonprofit corporation, as the neighborhood improvement district management association for the District; and approved a final plan for improvements within the District; and

WHEREAS, Bill No. 090128 (approved September 23, 2009) continued the term of the District until September 23, 2019; and

WHEREAS, On September 23, 2019, the term of the District will automatically terminate; and

WHEREAS, Council is authorized by the Community and Economic Improvement Act, act of December 21, 1998, P.L. 1307, No. 174 (“Act”) (53 P.S. §18101 *et. seq.*) to continue, by ordinance, neighborhood improvement districts beyond the date of their termination by reenacting the municipal enabling ordinance creating the original neighborhood improvement district, following a review of the neighborhood improvement district and the neighborhood improvement district management association programs and services provided within the district; and

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*RESOLUTION NO. 190245 continued*

WHEREAS, Council wishes to initiate action to continue the District for a term to expire on September 30, 2024; and

WHEREAS, The purpose of this resolution is to initiate action to continue the East Passyunk Avenue Business Improvement District beyond its termination date, approve the preliminary plan for the District, attached as Exhibit “A,” adopt as the City’s report concerning the District, the report included as part of that preliminary plan, and ensure that all actions required by the Act are taken prior to enactment of an ordinance formally continuing the district; now, therefore, be it

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That Council hereby initiates action continuing the East Passyunk Avenue Business Improvement District beyond its termination date in an area that generally includes both sides of East Passyunk Avenue from the south side of Federal Street to the east side of South Broad Street, certain blocks of streets intersecting that portion of East Passyunk Avenue, both sides of South Broad Street from the south side of McKean Street to the north side of Snyder Avenue, and the west side of South Broad Street from the south side of Mifflin Street to the north side of McKean Street, and for which East Passyunk Avenue Business Improvement District, Inc., a Pennsylvania nonprofit corporation, is the Neighborhood Improvement District Management Association. Council hereby approves as the preliminary plan for the District the preliminary plan attached as Exhibit “A”, and Council adopts as the City’s report concerning the District, the report included as part of that preliminary plan.

RESOLVED FURTHER, That the Committee on Rules is hereby authorized and directed to take all actions required by the Community and Economic Improvement Act ("Act") prior to enactment of an ordinance formally continuing the East Passyunk Avenue Business Improvement District, including the holding of any and all public hearings required by the Act. The Clerk of Council shall arrange for all mailings and publication of all notices required by the Act, as directed by the Chair of the Committee on Rules.

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EXHIBIT "A"

## PLAN FOR THE EAST PASSYUNK AVENUE BUSINESS IMPROVEMENT DISTRICT

1. The name of the neighborhood improvement district is the East Passyunk Avenue Business Improvement District ("District"). A map of the District is attached as Exhibit A-1 and an enlarged copy of the map shall be kept on file with the Chief Clerk of Council to be made available for inspection by the public during regular office hours.
2. The District and its service area includes approximately 300 taxable (for real estate purposes) properties on both sides of East Passyunk Avenue from the south side of Federal Street to the east side of South Broad Street, plus those properties on certain blocks of streets that intersect that portion of East Passyunk Avenue that are listed in Exhibit A-2, both sides of South Broad Street from the north side of McKean Street to the north side of Snyder Avenue, plus the west side of South Broad Street from the south side of Mifflin Street to the north side of McKean Street. Single-family owner-occupied residential properties will be exempt from assessment.
3. A list of all properties to be assessed is attached as Exhibit A-2.
4. A list of proposed improvements and services within the District and their estimated costs for the first fiscal year of operation are as follows:
  - (a) Promote the Avenue – The East Passyunk Avenue Business Improvement District, Inc. will spend a large portion of the budget promoting the Avenue via special events; including Flavors of the Avenue, the East Passyunk Antique Car Show and Street Festival, weekly summertime promotion which includes a farmers market, and Holiday promotional events; advertisements; marketing; website and e-mails; newsletters; and by partnering with organizations that tap into Philadelphia's tourist population. (\$122,500.00)
  - (b) Greening and Beautification - The East Passyunk Avenue Business Improvement District, Inc. will maintain an acceptable level of cleanliness by contributing to the costs of cleaning of the Avenue, providing seasonal lighting, and increasing the scope of greening and beautification projects through the length of the District. (\$60,000.00)
  - (c) Economic Development – The East Passyunk Avenue Business Improvement District, Inc. will actively seek new businesses to fill vacancies and work with property owners and realtors to identify appropriate spaces for businesses seeking to re-locate to the Avenue. (\$6,000.00)
  - (d) Personnel and General Operation – The East Passyunk Avenue Business Improvement District, Inc. will maintain its office on the Avenue, employ staff to manage all of the above programs, covers legal and safety costs, and provide insurance for special events on the Avenue. (\$150,247.40)

Total: \$338,747.40

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5. The proposed budget for the first fiscal year is \$338,747.40 and a budget for the five-year period is attached as Exhibit A-3.
6. The proposed revenue sources for financing all proposed improvements, programs and services include an assessment fee on all real property in the service area, except single-family owner-occupied residential and other exempt properties (paragraph #2 above), as well as event income, sponsorships and grant funding.
7. The estimated time for implementation and completion of all proposed improvements, programs and services is approximately five years to September 30, 2024 (the “Term”), which corresponds to the renewed term of the District.
8. The administrative body which will govern and administer the District is East Passyunk Avenue Business Improvement District, Inc.
9. The by-laws of the East Passyunk Avenue Business Improvement District, Inc. are attached as Exhibit A-4.
10. The method of determining the amount of the assessment fee to be levied on property owners within the District will be done by equitably apportioning costs among benefiting properties. The assessment fee for the five years of this plan will be calculated as .11% of the property value for all properties within the District based upon the property values established by the OPA for tax year 2020. Following the first year of this plan, the assessment fee may increase by up to 5% annually. The East Passyunk Avenue Business Improvement District, Inc. board may vote to reduce or eliminate such increases for any year.
11. The property values certified by the Office of Property Assessment for the tax year 2020, without reference to any tax abatement and/or exemption, shall be used in calculating the assessment fee for each year of the Term.
12. The specific duties and responsibilities of City of Philadelphia and East Passyunk Avenue Business Improvement District, Inc. with respect to the District are as follows:
  - (a) The City will be responsible for maintaining the same level of municipal programs and services within the District after its renewal as a neighborhood improvement district as before its initial designation.
  - (b) East Passyunk Avenue Business Improvement District, Inc. shall fulfill all the duties and responsibilities of a Neighborhood Improvement District Management Association as set forth in the Community and Economic Improvement Act. Such duties and responsibilities include: administering programs, improvements and services within the District; preparing planning or feasibility studies or contracting for the preparation of such studies to determine needed capital improvements or administrative programs and services within the District; imposing special assessment fees and soliciting in-kind services or financial contributions from tax- exempt property owners within the District in lieu of such assessment fees; hiring additional off-duty police officers or private security officers to support existing municipal and volunteer efforts aimed at reducing crime and

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

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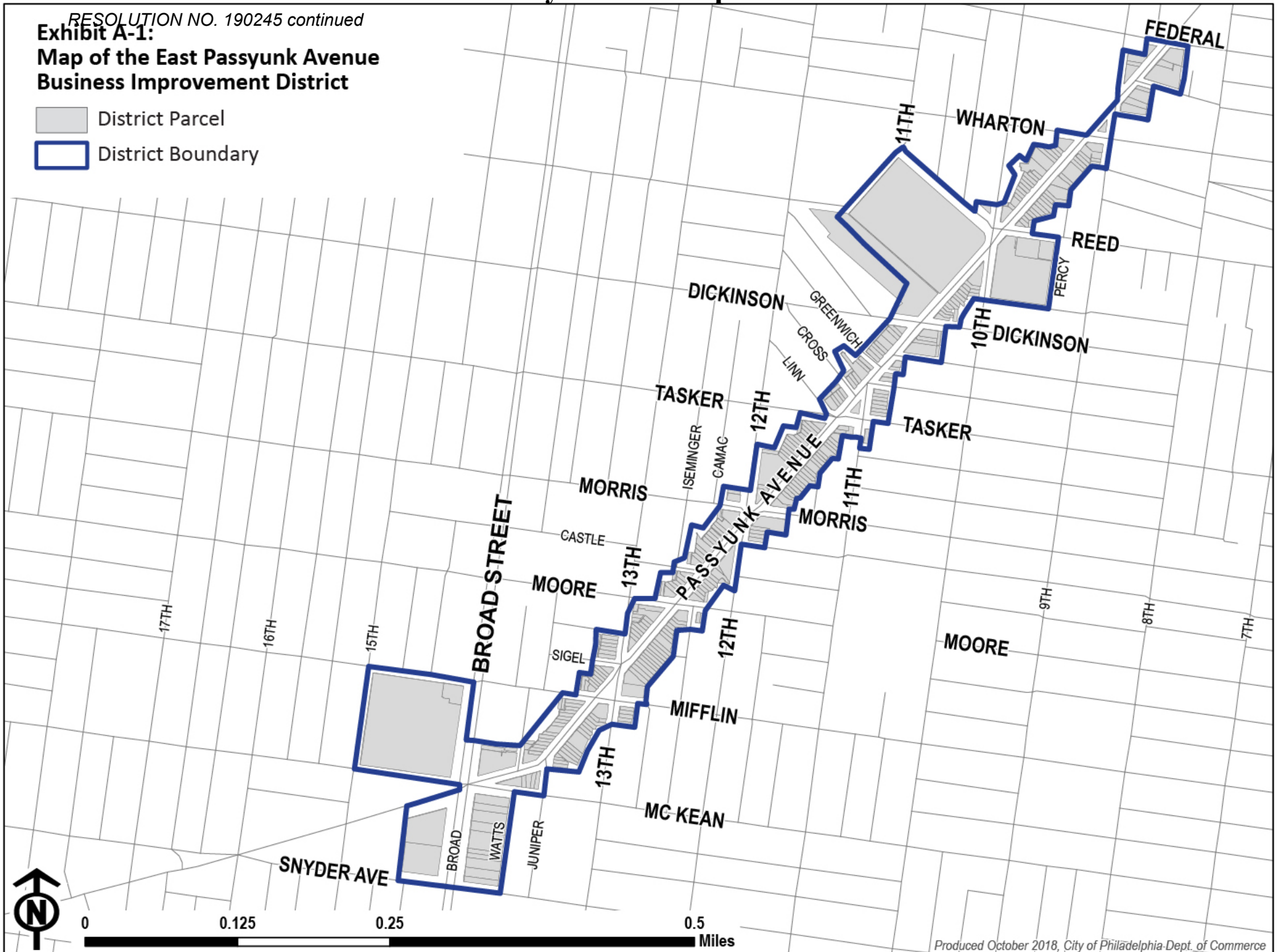
improving security in the District; designating an advisory committee for the District; submitting an audit of all income and expenditures to the Department of Community and Economic Development and to City Council within 120 days after the end of each fiscal year; and submitting a report, including financial and programmatic information and a summary of audit findings, to City Council and to all assessed property owners located in the District.

13. A written agreement will be signed by the City and East Passyunk Avenue Business Improvement District, Inc. containing the following provisions:
  - (a) The respective duties of the City and East Passyunk Avenue Business Improvement District, Inc. with respect to the District as set forth in paragraph 13 above;
  - (b) The City's agreement to maintain within the District the same level of municipal programs and services that were provided within the District before its establishment;
  - (c) A "sunset provision" under which the agreement will expire on September 30, 2024 and will not be renewed unless the District is continued beyond that date pursuant to reenactment of the Ordinance establishing the District; and
  - (d) East Passyunk Business Improvement District, Inc.'s agreement to be responsible for the collection of all property assessment fees levied within the District and the City's agreement to file any necessary liens for nonpayment of property assessment fees as set forth in the Act at 53 P.S. § 18107 (a)(10).
14. The District will allow for and encourage tax-exempt property owners, through voluntary agreements, to provide in-kind or financial contributions to the East Passyunk Avenue Business Improvement District, Inc., in lieu of a property assessment fee.
15. The negative vote of at least one-third (1/3) of the affected property owners within the District, or the negative vote of affected property owners within the District whose property valuation, as assessed for taxable purposes, amounts to at least one-third (1/3) of the total property valuation of property owned by affected property owners located within the District proposed in the final plan, shall be required to defeat the continuation of the proposed District by filing objections to the clerk for the governing body of the municipality within forty-five (45) days of presentation of the final plan.

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**Exhibit A-1:**  
**Map of the East Passyunk Avenue  
Business Improvement District**

-  District Parcel
-  District Boundary



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## EXHIBIT "A-2"

### LIST OF ALL PROPERTIES TO BE ASSESSED IN THE EAST PASSYUNK AVENUE BUSINESS IMPROVEMENT DISTRICT

**\*Properties which are determined to be owner-occupied residential will be exempt from assessment.**

1304-06	S	9th	ST
1338	S	10TH	ST
1401	S	10TH	ST
1525	S	11TH	ST
1527	S	11TH	ST
1529	S	11TH	ST
1531	S	11TH	ST
1533	S	11TH	ST
1535	S	11TH	ST
1537	S	11TH	ST
1646-48	S	12TH	ST
1709-17	S	12TH	ST
1711	S	12TH	ST
1713	S	12TH	ST
1814	S	13TH	ST
1816	S	13TH	ST
1818	S	13TH	ST
1820	S	13TH	ST
1822	S	13TH	ST
1824	S	13TH	ST
1831-37	S	13TH	ST
1901	S	13TH	ST
1903	S	13TH	ST
1905	S	13TH	ST
1900	S	BROAD	ST
1930	S	BROAD	ST
2000-12	S	BROAD	ST
2001-03	S	BROAD	ST
2005-07	S	BROAD	ST
2009-11	S	BROAD	ST
2013-15	S	BROAD	ST
2014-24	S	BROAD	ST
2017	S	BROAD	ST
2025	S	BROAD	ST
2027	S	BROAD	ST
2029-31	S	BROAD	ST

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2033-35	S	BROAD	ST
2037	S	BROAD	ST
1931-39	S	BROAD	St
1933	S	JUNIPER	ST
1939-43	S	JUNIPER	ST
1307		MIFFLIN	ST
1309		MIFFLIN	ST
1214		MOORE	ST
01200	E	PASSYUNK	AVE
01201	E	PASSYUNK	AVE
01207	E	PASSYUNK	AVE
01628	E	PASSYUNK	AVE
01930	E	PASSYUNK	AVE
1210	E	PASSYUNK	AVE
1211	E	PASSYUNK	AVE
1214	E	PASSYUNK	AVE
1216	E	PASSYUNK	AVE
1223	E	PASSYUNK	AVE
1225	E	PASSYUNK	AVE
1231	E	PASSYUNK	AVE
1235	E	PASSYUNK	AVE
1301	E	PASSYUNK	AVE
1304-08	E	PASSYUNK	AVE
1307	E	PASSYUNK	AVE
1309	E	PASSYUNK	AVE
1310	E	PASSYUNK	AVE
1311	E	PASSYUNK	AVE
1312	E	PASSYUNK	AVE
1313	E	PASSYUNK	AVE
1314	E	PASSYUNK	AVE
1315-21	E	PASSYUNK	AVE
1316	E	PASSYUNK	AVE
1318-22	E	PASSYUNK	AVE
1323	E	PASSYUNK	AVE
1324-26	E	PASSYUNK	AVE
1325-29	E	PASSYUNK	AVE
1328	E	PASSYUNK	AVE
1330	E	PASSYUNK	AVE
1331-33	E	PASSYUNK	AVE
1332	E	PASSYUNK	AVE
1334	E	PASSYUNK	AVE
1335	E	PASSYUNK	AVE
1336	E	PASSYUNK	AVE



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1337	E	PASSYUNK	AVE
1338	E	PASSYUNK	AVE
1339	E	PASSYUNK	AVE
1340	E	PASSYUNK	AVE
1341	E	PASSYUNK	AVE
1342	E	PASSYUNK	AVE
1343	E	PASSYUNK	AVE
1344	E	PASSYUNK	AVE
1345	E	PASSYUNK	AVE
1346-48	E	PASSYUNK	AVE
1347	E	PASSYUNK	AVE
1349	E	PASSYUNK	AVE
1350	E	PASSYUNK	AVE
1351	E	PASSYUNK	AVE
1352-56	E	PASSYUNK	AVE
1353	E	PASSYUNK	AVE
1355	E	PASSYUNK	AVE
1357	E	PASSYUNK	AVE
1400	E	PASSYUNK	AVE
1407-13	E	PASSYUNK	AVE
1417	E	PASSYUNK	AVE
1419	E	PASSYUNK	AVE
1421	E	PASSYUNK	AVE
1423	E	PASSYUNK	AVE
1425	E	PASSYUNK	AVE
1427	E	PASSYUNK	AVE
1429	E	PASSYUNK	AVE
1430	E	PASSYUNK	AVE
1431	E	PASSYUNK	AVE
1433	E	PASSYUNK	AVE
1435	E	PASSYUNK	AVE
1437	E	PASSYUNK	AVE
1439	E	PASSYUNK	AVE
1500	E	PASSYUNK	AVE
1501-03	E	PASSYUNK	AVE
1502	E	PASSYUNK	AVE
1504	E	PASSYUNK	AVE
1505	E	PASSYUNK	AVE
1506-08	E	PASSYUNK	AVE
1507	E	PASSYUNK	AVE
1509	E	PASSYUNK	AVE
1510-12	E	PASSYUNK	AVE
1514	E	PASSYUNK	AVE

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1515	E	PASSYUNK	AVE
1516	E	PASSYUNK	AVE
1517	E	PASSYUNK	AVE
1518	E	PASSYUNK	AVE
1519	E	PASSYUNK	AVE
1520	E	PASSYUNK	AVE
1521	E	PASSYUNK	AVE
1522	E	PASSYUNK	AVE
1523	E	PASSYUNK	AVE
1524	E	PASSYUNK	AVE
1526-30	E	PASSYUNK	AVE
1532	E	PASSYUNK	AVE
1534	E	PASSYUNK	AVE
1536	E	PASSYUNK	AVE
1538	E	PASSYUNK	AVE
1540	E	PASSYUNK	AVE
1542	E	PASSYUNK	AVE
1544	E	PASSYUNK	AVE
1548	E	PASSYUNK	AVE
1600	E	PASSYUNK	AVE
1601	E	PASSYUNK	AVE
1601	E	PASSYUNK	AVE
1602	E	PASSYUNK	AVE
1603	E	PASSYUNK	AVE
1604	E	PASSYUNK	AVE
1605	E	PASSYUNK	AVE
1606	E	PASSYUNK	AVE
1608	E	PASSYUNK	AVE
1609	E	PASSYUNK	AVE
1610	E	PASSYUNK	AVE
1611	E	PASSYUNK	AVE
1612	E	PASSYUNK	AVE
1613	E	PASSYUNK	AVE
1615-17	E	PASSYUNK	AVE
1616	E	PASSYUNK	AVE
1618	E	PASSYUNK	AVE
1619	E	PASSYUNK	AVE
1620	E	PASSYUNK	AVE
1621	E	PASSYUNK	AVE
1622	E	PASSYUNK	AVE
1623	E	PASSYUNK	AVE
1624	E	PASSYUNK	AVE
1625	E	PASSYUNK	AVE

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1626	E	PASSYUNK	AVE
1627-29	E	PASSYUNK	AVE
1631	E	PASSYUNK	AVE
1633	E	PASSYUNK	AVE
1635	E	PASSYUNK	AVE
1637	E	PASSYUNK	AVE
1639	E	PASSYUNK	AVE
1641	E	PASSYUNK	AVE
1643	E	PASSYUNK	AVE
1645	E	PASSYUNK	AVE
1646	E	PASSYUNK	AVE
1647	E	PASSYUNK	AVE
1648-52	E	PASSYUNK	AVE
1649	E	PASSYUNK	AVE
1651-53	E	PASSYUNK	AVE
1655	E	PASSYUNK	AVE
1700	E	PASSYUNK	AVE
1701-05	E	PASSYUNK	AVE
1704-06	E	PASSYUNK	AVE
1707	E	PASSYUNK	AVE
1708	E	PASSYUNK	AVE
1709	E	PASSYUNK	AVE
1710	E	PASSYUNK	AVE
1712	E	PASSYUNK	AVE
1714	E	PASSYUNK	AVE
1716	E	PASSYUNK	AVE
1718	E	PASSYUNK	AVE
1719	E	PASSYUNK	AVE
1720	E	PASSYUNK	AVE
1721-23	E	PASSYUNK	AVE
1722	E	PASSYUNK	AVE
1724	E	PASSYUNK	AVE
1725	E	PASSYUNK	AVE
1726	E	PASSYUNK	AVE
1727	E	PASSYUNK	AVE
1728	E	PASSYUNK	AVE
1729	E	PASSYUNK	AVE
1731	E	PASSYUNK	AVE
1733	E	PASSYUNK	AVE
1735	E	PASSYUNK	AVE
1736	E	PASSYUNK	AVE
1737	E	PASSYUNK	AVE
1738	E	PASSYUNK	AVE

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1739	E	PASSYUNK	AVE
1740	E	PASSYUNK	AVE
1742	E	PASSYUNK	AVE
1744	E	PASSYUNK	AVE
1746	E	PASSYUNK	AVE
1748	E	PASSYUNK	AVE
1800-02	E	PASSYUNK	AVE
1801-03	E	PASSYUNK	AVE
1804-08	E	PASSYUNK	AVE
1805	E	PASSYUNK	AVE
1807	E	PASSYUNK	AVE
1809	E	PASSYUNK	AVE
1810	E	PASSYUNK	AVE
1811	E	PASSYUNK	AVE
1812	E	PASSYUNK	AVE
1813	E	PASSYUNK	AVE
1814	E	PASSYUNK	AVE
1815	E	PASSYUNK	AVE
1816	E	PASSYUNK	AVE
1817-19	E	PASSYUNK	AVE
1818	E	PASSYUNK	AVE
1820	E	PASSYUNK	AVE
1821	E	PASSYUNK	AVE
1822	E	PASSYUNK	AVE
1823	E	PASSYUNK	AVE
1824	E	PASSYUNK	AVE
1825	E	PASSYUNK	AVE
1827	E	PASSYUNK	AVE
1828	E	PASSYUNK	AVE
1829	E	PASSYUNK	AVE
1830	E	PASSYUNK	AVE
1831	E	PASSYUNK	AVE
1832	E	PASSYUNK	AVE
1833	E	PASSYUNK	AVE
1834	E	PASSYUNK	AVE
1835	E	PASSYUNK	AVE
1836	E	PASSYUNK	AVE
1837	E	PASSYUNK	AVE
1838	E	PASSYUNK	AVE
1839	E	PASSYUNK	AVE
1840	E	PASSYUNK	AVE
1840R	E	PASSYUNK	AVE
1841	E	PASSYUNK	AVE

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1842	E	PASSYUNK	AVE
1843-45	E	PASSYUNK	AVE
1900	E	PASSYUNK	AVE
1901-05	E	PASSYUNK	AVE
1902	E	PASSYUNK	AVE
1904	E	PASSYUNK	AVE
1906	E	PASSYUNK	AVE
1907	E	PASSYUNK	AVE
1908	E	PASSYUNK	AVE
1909	E	PASSYUNK	AVE
1910	E	PASSYUNK	AVE
1911	E	PASSYUNK	AVE
1912	E	PASSYUNK	AVE
1913	E	PASSYUNK	AVE
1914	E	PASSYUNK	AVE
1915	E	PASSYUNK	AVE
1916-18	E	PASSYUNK	AVE
1917	E	PASSYUNK	AVE
1919	E	PASSYUNK	AVE
1920	E	PASSYUNK	AVE
1922	E	PASSYUNK	AVE
1924	E	PASSYUNK	AVE
1926	E	PASSYUNK	AVE
1927	E	PASSYUNK	AVE
1928	E	PASSYUNK	AVE
1929	E	PASSYUNK	AVE
1931	E	PASSYUNK	AVE
1932	E	PASSYUNK	AVE
1933	E	PASSYUNK	AVE
1934-36	E	PASSYUNK	AVE
1935	E	PASSYUNK	AVE
1937	E	PASSYUNK	AVE
1939	E	PASSYUNK	AVE
1941	E	PASSYUNK	AVE
1943	E	PASSYUNK	AVE
1945-49	E	PASSYUNK	AVE
922-32		REED	ST
1046		TASKER	ST
1100		TASKER	ST
901-03		WHARTON	ST

# City of Philadelphia

RESOLUTION NO. 190245 continued

EXHIBIT “A-3”

## 5 YEAR BUDGET FOR THE EAST PASSYUNK AVENUE BUSINESS IMPROVEMENT DISTRICT

Income	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Total Assessments (a)	\$188,855.60	\$198,298.38	\$208,213.30	\$218,623.96	\$229,555.16
Anticipated non-payment (b)	(\$30,108.20)	(\$31,613.61)	(\$33,194.29)	(\$34,854.01)	(\$36,596.70)
Events (c)	\$64,000.00	\$70,000.00	\$70,000.00	\$70,000.00	\$70,000.00
Supplemental Sponsorships (d)	\$30,000.00	\$30,000.00	\$32,000.00	\$32,000.00	\$35,000.00
Grants (e)	\$86,000.00	\$86,000.00	\$86,000.00	\$86,000.00	\$86,000.00
<b>Total Income</b>	<b>\$338,747.40</b>	<b>\$352,684.77</b>	<b>\$363,019.01</b>	<b>\$371,769.95</b>	<b>\$383,958.46</b>
<b>Expenses</b>					
Accounting (f)	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00
Cleaning, Greening, Beautification (g)	\$60,000.00	\$60,000.00	\$64,000.00	\$64,000.00	\$65,000.00
Economic Dev./New Business (h)	\$6,000.00	\$12,000.00	\$12,000.00	\$15,500.00	\$18,000.00
Insurance (i)	\$3,775.00	\$3,775.00	\$3,775.00	\$3,775.00	\$3,775.00
Legal (j)	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
Office Operations (k)	\$26,500.00	\$26,500.00	\$27,500.00	\$27,500.00	\$28,500.00
Personnel (l)	\$105,000.00	\$105,000.00	\$110,000.00	\$110,000.00	\$115,000.00
Events (m)	\$96,100.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00
Public Relations/Marketing (n)	\$26,400.00	\$30,000.00	\$30,000.00	\$35,000.00	\$37,000.00
Safety (o)	\$5,972.40	\$6,409.77	\$6,744.01	\$6,994.96	\$7,683.46
<b>Total Expenses</b>	<b>\$338,747.40</b>	<b>\$352,684.77</b>	<b>\$363,019.01</b>	<b>\$371,769.95</b>	<b>\$383,958.46</b>

a – Total assessments for all properties identified within the District’s boundaries

b – Includes exemptions from single-family owner-occupied residential properties

c – Income derived from festivals, special events, or other district promotion initiatives

d – Income generated from additional sponsorships

e - Income generated from grants, tax credit programs, or other third-party support

f – Annual operating cost of accounting expenses

g – Expenses related to landscaping, decorative and holiday lighting, and portion of annual cost of daily street cleaning and sweeping, trash collection and graffiti removal

h – Economic development and planning initiatives to attract and retain businesses

i – Annual expenses related to insurance

j – Annual expenses related to legal fees

k – Annual operating costs related to office management, supplies, and maintenance

l – Payroll-related expenses of EPABID staff

m – Annual calendar of festivals and events, including Fall Fest, Flavors on the Avenue, East Passyunk Car Show, etc.

n – Annual expenses related to media and marketing promotions

o – Annual expenses related to dedicated public safety and security efforts

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RESOLUTION NO. 190245 continued

EXHIBIT "A-4"

## BYLAWS OF EAST PASSYUNK AVENUE BUSINESS IMPROVEMENT DISTRICT, INC.

### ARTICLE 1 - DEFINITIONS

#### Section 1.1 Definitions.

The following terms used in these Bylaws shall have the meanings set forth below.

- A. "Act" means the Pennsylvania Nonprofit Corporation Law of 1988, as amended.
- B. "Board" means the Board of Directors of the Corporation.
- C. "Board Representative" means an individual appointed by the Board pursuant to Section 6.11 hereof.
- D. "Corporation" means the East Passyunk Avenue Business Improvement District, Inc.
- E. "Director" means an individual serving on the Board as a voting member and shall not include non-voting Board Representatives.
- F. "District" means the area within the boundaries of the Corporation.
- G. "Members" means owners of those tax paying commercial properties and owner-occupied residential properties located on both sides of East Passyunk Avenue from the south side of Federal Street to the east side of South Broad Street, including the contiguous commercial properties on intersecting streets, including both sides of South Broad Street from the south side of McKean Street to the north side of Snyder Avenue, also including the west side of South Broad Street from the south side of Muffin Street to the north side of McKean Street.

### ARTICLE 2 – OFFICES

#### Section 2.1 Offices.

The registered office of the Corporation shall be located at 1904 East Passyunk Avenue, Philadelphia, PA 19148. The Corporation may also have offices at such other places as the Board may from time to time appoint or the activities of the Corporation may require.

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## ARTICLE 3 – SEAL

### Section 3.1 Seal.

The Corporation may use a corporate seal. The corporate seal shall have inscribed thereon the name of the Corporation the year of its organization and the words “Corporate Seal, Pennsylvania.”

## ARTICLE 4 – MEMBERS

### Section 4.1 Classes of Members.

The Corporation shall have one class of members.

### Section 4.2 Termination of Membership.

The Board may terminate the membership of any Member who becomes ineligible for membership, as determined by the Board.

### Section 4.3 Transfer of Membership.

Membership in the Corporation is not transferrable or assignable.

### Section 4.4 Voting Rights.

Each Member shall be entitled to one (1) vote on each matter submitted to a vote of the Members.

### Section 4.5 Reserved Power of Members.

Except as provided in §5310(a) of the Act, the Board shall not have the authority to adopt or change a bylaw on any subject that is committed expressly to the Members by any of the provisions of the Act.

## ARTICLE 5 – MEETINGS OF THE MEMBERS

### Section 5.1 Annual Meeting.

The annual meeting of the Members shall be held at a time and place established by the Executive Committee of the Board.

### Section 5.2 Special Meetings of the Members.

Special meetings of the Members may be called at any time by the Board or by Members entitled to cast at least ten percent (10%) of the vote which all Members are entitled to cast at the particular meeting, for the transaction of such business as determined by the Board. Upon written request of the person calling the special meeting, the Secretary shall (a) fix the date and time of the meeting, which shall be held not more than sixty (60) days



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after receipt of the request, and (b) give notice to the Members. If the Secretary neglects or refuses to fix the meeting date or give notice of a special meeting, the person or persons calling the meeting may do so.

## **Section 5.3 Notice of Meetings of the Members.**

Written notice of every meeting of the Members shall be given to the Members by, or at the direction of, the Secretary at least ten (10) days prior to the date of the meeting, pursuant to Section 12.1 hereof. In the case of special meetings of the Members, the notice shall specify the general nature of the business to be transacted.

## **Section 5.4 Quorum.**

At any meeting of the Members, the presence of Members entitled to cast at least a majority of the votes which all Members are entitled to cast on the matters to be acted upon at the meeting shall constitute a quorum. The Members present at a duly organized meeting can continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than quorum. If a meeting cannot be organized because a quorum has not attended, those present may, except as otherwise provided in the Act, adjourn the meeting to such time and place as they may determine.

## **Section 5.5 Conduct of the Meetings of the Members.**

The Chairman of the Board, if a Chairman is elected, shall preside at all Members' meetings, or, in his absence, the President. The officer presiding over the Members' meetings may establish such rules and regulations for the conduct of the meetings as such officer may deem to be reasonably necessary or desirable for the orderly and expeditious conduct of the meeting.

## **Section 5.6 Place of Meetings**

The Executive Committee of the Board may designate any place within or without the Commonwealth of Pennsylvania as the place of meeting for any annual or special meeting of the Members.

## **Section 5.7 Consent of Members in Lieu of Meeting**

Any action which may be taken at a meeting of the Members may be taken without a meeting, if a consent or consents in writing, setting forth the action so taken, shall be signed by all of the Members who would be entitled to vote at a meeting for such purpose and shall be filed with the Secretary of the Corporation.

## **Section 5.8 Participation in Meetings**

One or more Members may participate in a meeting of the Members by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

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## ARTICLE 6 – BOARD OF DIRECTORS

### **Section 6.1 Board of Directors.**

The business, property and affairs of the Corporation shall be managed under the direction of the Board. The powers of the Corporation shall be exercised by, or under the authority of, the Board except as otherwise provided by statute, the Articles of Incorporation, these Bylaws, or a resolution adopted by the Board. In addition to the powers and duties conferred on the Board under the laws of the Commonwealth of Pennsylvania, the Board shall have the power to borrow money or purchase, sell, lease or otherwise dispose of any real estate or other property of the Corporation. The Board shall also have the authority to interpret the provisions of the Bylaws and its interpretation shall be binding upon the Corporation.

### **Section 6.2 Qualifications of Directors.**

Each Director shall be a natural person at least 18 years of age who need not be a resident of Pennsylvania. In electing Directors, the Board shall consider each candidate's willingness to accept responsibility for governance, including availability to participate actively in Board activities, areas of interest and expertise, and experience in finance, business, event planning and community organization.

### **Section 6.3 Number of Directors and Composition of the Board.**

The Board shall be comprised of an odd number of voting members, between five (5) and nine (9), which number shall be fixed from time to time by the Board. One member of the Board shall be the Councilperson of the First Councilmanic District of the City of Philadelphia. Any elected official elected to the Board may designate a representative to serve in his/her place and such designee shall hold the same duties and powers conferred upon all other members of the Board. The Board shall include a representative of property owners in the District, a representative of business owners in the District, and a representative of any institutions located in the District. All Board members must be natural persons.

### **Section 6.4 Election and Term of Office.**

Directors shall be elected annually by the Board. The elected Directors shall be divided into two classes by the Chairman, with optimally half of the directors in the first class and the balance in the second class. The term of office for each class shall be for two (2) years, except in the case of a vacancy in any class, in which case the vacancy shall be filled for the balance of the term of the class. The Board may increase or decrease the number of Directors at any time within the range specified in Section 6.3, and shall allocate the new or eliminated Director positions among the first and second classes so that the number of Directors of one class shall at no time vary from the number of Directors in the other class by more than two (2). Except as otherwise provided by resolution of the Board, each Director's term begins at the time of his or her election. Each Director shall hold office until (a) the expiration of the term for which he or she was elected and until his or her

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successor has been elected and qualified, or (b) his or her earlier death, resignation, or removal.

## **Section 6.5 Vacancies.**

Vacancies on the Board, including vacancies resulting from an increase in the number of Directors, may be filled by a majority of the remaining members of the Board (even if less than a quorum). Each Director elected to fill a vacancy created by the resignation or inability to serve of a Director shall serve for the balance of the unexpired term of such Director or until his successor is duly elected and qualified.

## **Section 6.6 Removal of Directors.**

Any Director may be removed from office by the Board at any time with or without cause. A new Director shall be elected to fill the unexpired term of any removed Director as provided in Section 6.4.

## **Section 6.7 Resignations.**

Any Director may resign at any time. Such resignation shall be in writing unless waived by vote of the remaining Board, but the acceptance thereof shall not be necessary to make it effective.

## **Section 6.8 Attendance.**

Each Director shall attend all meetings of the Board. Notwithstanding any other provision of Article 6, if a Director (i) fails to attend at least eighty percent (80%) of the meetings of the Board in any consecutive twelve (12) month period, or (ii) fails to attend three (3) consecutive meetings of the Board, such Director shall be deemed automatically removed from office unless the Board determines otherwise in its sole and absolute discretion.

## **Section 6.9 Compensation of Directors.**

Unless the Board otherwise determines, Directors shall not be entitled to any compensation for their services as Directors. Any Director may serve the Corporation in other capacities and be entitled to such compensation as is determined by the Board.

## **Section 6.10 Voting Rights.**

Each Director shall be entitled to one vote.

## **Section 6.11 Board Representatives**

The Board may, at its discretion, add one or more non-voting representatives (“Board Representatives”) who shall enjoy all rights and privileges of the Board members, with the exception of voting or consent rights. The Board Representatives will be entitled to receive notices of, attend and participate in all meetings of the Board, but are not entitled to cast

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votes on any issues or serve on a committee of the Board, and shall not be counted for purposes of establishing a quorum. Any Board Representative may be removed from office by the Board at any time with or without cause.

## ARTICLE 7 – MEETINGS OF DIRECTORS

### Section 7.1 Annual Meeting.

The annual meeting of the Board shall be held in each calendar year on such date and at such time and place as the Board shall by resolution determine or as may be designated in the notice of the meeting.

### Section 7.2 Regular Meetings.

Regular meetings of the Board shall be held on such regularly scheduled dates and at such times and places as the Board shall by resolution determine or as may be designated in the notice of the meeting.

### Section 7.3 Special Meetings of the Board.

On the written request of the Chairman of the Board or at least one-third (1/3) of the members of the Board, the Secretary shall call a special meeting of the Board. Such request shall state the general nature of the business to be transacted at such meeting. The time and place of such special meeting shall be fixed by the Secretary and the meeting shall be called within ten (10) days of receipt of such request. The special meeting shall be held not more than thirty (30) days after receipt of request therefor. Business transacted at all special meetings shall be confined to the objects stated in the call and matters germane thereto.

### Section 7.4 Notice.

The Secretary or his or her designee shall give to each member of the Board not less than five (5) days prior written notice of each meeting of the Board (annual, regular or special). The notice, which shall be made pursuant to Section 12.1, shall state the time and the place of the meeting, and in the case of special meetings, the general nature of the business to be transacted thereat.

### Section 7.5 Quorum.

At any meeting of the Board, the presence of a majority of the Directors in office shall be necessary to constitute a quorum for the transaction of business. Any member of the Board may designate from time to time an alternate person to represent and to vote on behalf of that Board member at any meeting of the Board. The acts of the majority of Directors present at a meeting at which a quorum is present shall be the acts of the Board. The Directors present at a duly organized meeting can continue to conduct business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

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## **Section 7.6 Consent of Directors in Lieu of Meeting.**

Any action which may be taken at a regular meeting of the Board may be taken without a meeting, if a consent or consents in writing setting forth the action so taken shall be signed by all of the Directors in office and shall be filed with the Secretary of the Corporation.

## **ARTICLE 8 – COMMITTEES**

### **Section 8.1 Establishment and Powers.**

The Board may, by resolution adopted by a majority of the Directors, establish one or more committees to consist of one or more Directors of the Corporation. Any such committee, to the extent provided in the resolution of the Board, shall have and may exercise all of the powers and authority of the Board, except that no committee, shall have any power or authority as to the following:

- (a) The submission to the Members of any action requiring approval of the Members under the Act;
- (b) The filling of vacancies in the Board;
- (c) The adoption, amendment or repeal of the Bylaws;
- (d) The amendment or repeal of any resolution of the Board; or,
- (e) Action on matters committed by the Bylaws or by resolution of the Board to another committee of the Board.

### **Section 8.2 Term.**

Each committee of the Board shall serve at the pleasure of the Board.

### **Section 8.3 Committee Organization.**

Except as otherwise provided in these Bylaws or by the Board, each committee shall be chaired by a Director and shall establish its own operating procedures. Each committee shall keep regular minutes of its proceedings and report the same to the Board at each regular meeting. Each committee shall determine its times and places of meetings.

### **Section 8.4 Standing Committees.**

The Standing Committees of the Board shall be the Executive Committee and other Standing Committees as the Board may by resolution authorize.

Each Standing Committee shall include as Members the number and particular individuals required by these Bylaws, and additional Members as the Chair may appoint, subject to approval by the Board. Each Standing Committee shall have the powers and duties provided in these Bylaws and such other powers and duties as the Board may assign.

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Members of Standing Committees shall be appointed annually and shall be subject to approval by the Board at the annual meeting of the Board or at such other meeting of the Board as the Board may by resolution designate. Vacancies may be filled by appointment by the Chair, subject to approval by the Board at any meeting of the Board.

Executive Committee. The Corporation shall have an Executive Committee which shall perform the duties and exercise the authority assigned to them by the Board, subject to the limitations set forth in these Bylaws. The Chairman of the Board or, if no Chairman is elected, the President shall act as Chairman of the Executive Committee. Members of the Executive Committee shall be appointed by the Chairman or the President if no Chairman is elected.

## ARTICLE 9 – OFFICERS

### Section 9.1 Number.

The Corporation shall have a President, Secretary, and Treasurer. In addition, the Corporation may have a Chairman of the Board, one or more Vice-Presidents, one or more Assistant Secretaries and one or more Assistant Treasurers, as the Board shall from time to time determine.

### Section 9.2 Qualifications of Officers.

Each officer shall be a natural person over the age of 18. Each officer shall be a Director.

### Section 9.3 Election and Term of Office.

Each officer shall be elected at the annual meeting of the Board and shall serve for a term of one (1) year and until a successor is duly elected and qualified. All other officers shall be elected by the Board at the time, in the manner, and for such term as the Board from time to time determines. Each officer shall serve until a successor is duly elected and qualified, or until such officer resigns or is removed from office.

### Section 9.4 Removal of Officers.

Any officer or agent may be removed by the Board whenever in its judgment the best interests of the Corporation will be served. The Board shall immediately elect a new officer to fill the unexpired term of any officer's position which becomes vacant by either removal or resignation. The Board may declare vacant the office of a Director who is declared of unsound mind by an order of the court or is convicted of a crime.

### Section 9.5 Resignations.

Any officer may resign at any time by giving written notice to the Corporation. The resignation shall be effective upon receipt by the Corporation or at such subsequent time as may be specified in the notice of resignation.

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## **Section 9.6 The Chair.**

The Chairman of the Board, if a Chairman is elected, shall preside at all meetings of the Board. He shall have such other powers as shall be designated by the Board.

## **Section 9.7 The President.**

The President shall be the Chief Executive Officer of the Corporation, and, subject to the direction and control of the Board, shall in general supervise and control all of the business and affairs of the Corporation. As authorized by the Board, the President shall execute all instruments requiring such execution, except to the extent that signing and execution thereof is expressly delegated by the Board to some other officer or agent of the Corporation. Upon request of the Board, the President shall report to it all matters which the interests of the Corporation may require to be brought to the attention of the Board. The President shall preside at meetings of the Board if the Chairman of the Board is absent.

## **Section 9.8 The Secretary.**

The Secretary shall keep the minutes of the Corporation and shall give such notices of meetings as required by these Bylaws. The Secretary shall have such other duties and have such other powers as shall be designated by the Board

## **Section 9.9 The Treasurer.**

The Treasurer shall have care and custody of the books and records of account of the Corporation and, subject to the direction of the Board, shall have charge of and be responsible for all funds and securities of the Corporation. He shall render financial statements to the Board from time to time upon request. The funds of the Corporation shall be deposited to its credit in such a manner and in such depositories as the Board of Directories may from time to time designate and shall be subject to withdrawal by check, draft or other order by such officer or officers of the Corporation as may from time to time be designated by the Board. The Treasurer shall have such other powers and duties as may be designated by the Board.

## **Section 9.10 Other Officers.**

A Manager may be engaged by the Board. The Manager shall perform all duties incident to the office of Manager, including supervision of services, maintenance of accounts, notices and such other duties as from time to time may be assigned by the Board. Other officers of the Corporation shall have such powers and duties as may be designated from time to time by the Board.

## **Section 9.11 Compensation of Officers.**

Unless otherwise provided by the Board, officers shall not be compensated for their services as officers, but may be compensated if they are employed by the Corporation.

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## ARTICLE 10 – EXECUTIVE DIRECTOR

### Section 10.1 The Executive Director.

At its discretion, the Board may create the position of Executive Director.

The Executive Director shall be the chief operating officer of the Corporation and shall be responsible for the day-to-day management and operations of the Corporation, subject to the control of the Board. The Executive Director's duties include, but are not limited to: (i) managing the day-to-day business and operations of the Corporation, (ii) promotions and marketing for the Corporation, (iii) supporting economic development in the District, (iv) developing initiatives to improve public spaces in the District, (v) providing support for the activities and meetings of the Board.

The Executive Director shall have such other duties and powers as shall be designated by the Board. At the Board's discretion, the Executive Director may serve as a non-voting, ex-officio member of the Board.

## ARTICLE 11 – BOARD OF ADVISORS

### Section 11.1 Board of Advisors.

The Board may establish a District Advisory Committee (the "Board of Advisors") to advise the Corporation and the Board with respect to how the purposes of the Corporation may be furthered.

### Section 11.2 Number of Advisors and Composition of the Board of Advisors.

The Board of Advisors shall consist of an odd number of members, between five (5) and nine (9), who shall be representative of the neighborhood's character, including, but not limited to, age, sex and cultural diversity.

The Board may appoint one or more persons who may but need not be Members of the Corporation to serve as the chairperson of the Board of Advisors. The Chairman of the Board shall also be an ex officio member of the Board of Advisors. Members of the Board of Advisors shall serve at the pleasure of the Board and may be removed by the Board with or without cause.

### Section 11.3 Qualification.

Each member of the Board of Advisors shall be an individual at least 18 years of age.

### Section 11.4 Selection.

An individual qualified to serve on the Board of Advisors pursuant to Section 11.3 hereof shall submit a written request to the Board indicating his or her interest in serving on the Board of Advisors. The Board, at its complete discretion, shall select certain individuals to serve on the Board of Advisors from such pool of requests.



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## **Section 11.5 Recommendations.**

The Board of Advisors' reports and recommendations to the Board shall not be binding on the Board. The Board of Advisors shall not have any power or authority on behalf of the Corporation.

## **ARTICLE 12 – NOTICE**

### **Section 12.1 Written Notice.**

Whenever written notice is required to be given to any person, it may be given to the person, either personally or by sending a copy by first class or express mail, postage prepaid, or by telegram (with messenger service specified), telex or TWX (with answer back received) or courier service, charges prepaid, or by facsimile transmission, or by electronic mail to his or her address (or to his or her telex, TWX or facsimile number) appearing on the books of the Corporation or, in the case of Directors, supplied by him or her to the Corporation for the purpose of notice. If the notice is sent by mail, telegraph or courier service, it shall be deemed to have been given when deposited in the United States mail or with a telegraph office or courier service for delivery to that person or, in the case of telex or TWX, when dispatched or in the case of facsimile or electronic mail, when delivery has been confirmed. A notice of meeting shall specify the place, day and hour of the meeting and any other information required by the Act. Except as otherwise provided by the Act or these Bylaws, when a meeting is adjourned, it shall not be necessary to give any notice of the adjourned meeting, or of the business to be transacted at an adjourned meeting, other than by announcement at the meeting at which such adjournment is taken.

### **Section 12.2 Waiver by Writing.**

Whenever any written notice is required to be given, a waiver in writing, signed by the person or persons entitled to the notice, whether before or after the time stated, shall be deemed equivalent to the giving of the notice. Neither the business to be transacted at, nor the purpose of, a meeting need be specified in the waiver of notice of the meeting.

### **Section 12.3 Waiver by Attendance.**

Attendance of a person at any meeting shall constitute a waiver of notice of the meeting except where a person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.

## **ARTICLE 13 – FIDUCIARY DUTIES**

### **Section 13.1 Board of Directors.**

(a) A Director of the Corporation shall stand in a fiduciary relation to the Corporation and shall perform the duties as a Director, including the duties as a member of any committee of the Board upon which they may serve, in good faith, in a manner they

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reasonably believe to be in the best interests of the Corporation, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

(b) In performing the duties, a Director shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared by any of the following:

1. One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matter presented.
2. Counsel, public accountants or other persons as to matters which the Director reasonably believes to be within the professional or expert competence of such person.
3. A committee of the Board upon which they do not serve, duly designated in accordance with law, as to matters within its designated authority, which the Director reasonably believes to merit confidence.

(c) A Director shall not be considered to be acting in good faith if they have knowledge concerning the matter in question that would cause his reliance to be unwarranted.

(d) In discharging the duties of their respective positions, the Board, committees of the Board and individual Directors may, in considering the best interests of the Corporation, consider the effects of any action upon employees, upon suppliers and customers of the Corporation and upon communities in which offices or other establishments of the Corporation are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of this Section.

(e) Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Director or any failure to take any action shall be presumed to be in the best interests of the Corporation.

## **Section 13.2 Officers.**

An officer of the Corporation shall perform his duties as an officer in good faith, in a manner he reasonably believes to be in the best interests of the Corporation, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. An officer who so performs his duties shall not be liable by reason of having been an officer of the Corporation.

## **ARTICLE 14 – LIMITATION OF LIABILITY; INSURANCE**

### **Section 14.1 Limitation of Liability of Directors.**

(a) A Director shall not be personally liable for monetary damages as such for any action taken, or any failure to take any action, unless: (i) the director has breached or

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failed to perform the duties of his or her office under the Act, as amended from time to time; and (ii) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

(b) This Section 14.1 shall not limit a Director's liability for monetary damages to the extent prohibited by the provisions of the Act.

## **Section 14.2 Insurance.**

The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director or officer of the Corporation or is or was serving at the request of the Corporation as a director or officer of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust, or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against that liability under the Act. The Corporation's payment of premiums with respect to such insurance coverage shall be provided primarily for the benefit of the Corporation. To the extent that such insurance coverage provides a benefit to the insured person, the Corporation's payment of premiums with respect to such insurance shall be provided in exchange for the services rendered by the insured person and in a manner so as not to constitute an excess benefit transaction under section 4958 of the Internal Revenue Code of 1986, as amended.

## **ARTICLE 15 – INDEMNIFICATION**

### **Section 15.1 Mandatory Indemnification.**

The Corporation shall, to the fullest extent permitted by applicable law, indemnify its Directors and officers who were or are a party or are 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 such Director or officer is or was a Director or officer of the Corporation or is or was serving at the request of the Corporation as a trustee, Director, officer, employee, general partner, agent or fiduciary of another corporation, partnership, joint venture, trust or other enterprise (including tiding service with respect to employee benefit plans), against expenses (including but not limited to, attorney fees and costs), judgments, fines (including excise taxes assessed on a person with respect to any employee benefit plan) and amounts paid in settlement actually and reasonably incurred by such Director or officer in connection with such action, suit or proceeding, except as otherwise provided in Section 15.3 hereof. A Director or officer of the Corporation entitled to indemnification under this Section 15.1 is hereafter called a "person covered by Section 15.1 hereof."

### **Section 15.2 Expenses.**

Expenses incurred by a person covered by Section 15.1 hereof in defending a threatened, pending or completed civil or criminal action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceedings upon

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receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation, except as otherwise provided, in Section 15.3.

## **Section 15.3 Exceptions.**

No indemnification under Section 15.1 or advancement or reimbursement of expenses under Section 15.2 shall be provided to a person covered by Section 15.1 hereof:

(a) if a final unappeasable judgment or award establishes that such Director or officer engaged in self-dealing, willful misconduct or recklessness;

(b) for expenses or liabilities of any type whatsoever (including, but not limited to, judgments, fines, and amounts paid in settlement) which have been paid directly to such person by an insurance carrier under a policy of officers' and director's liability insurance maintained by the Corporation or other enterprise;

(c) for amounts paid in settlement of any threatened, pending or completed action, suits or proceeding without the written consent of the Corporation, which written consent shall not be unreasonably withheld; or

The Board is hereby authorized, at any time by resolution, to add to the above list of exceptions from the right of indemnification under Section 15.1 or advancement or reimbursement of expenses under Section 15.2, but any such additional exception shall not apply with respect to any event, act or omission which has occurred prior to the date that the Board in fact adopts such resolution. Any such additional exception may, at any time after its adoption, be amended, supplemented, waived or terminated by further resolution of the Board.

## **Section 15.4 Continuation of Rights.**

The indemnification and advancement or reimbursement of expenses provided by, or granted pursuant to, this Article 15 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 15.5 General Provisions.**

(a) The term "to the fullest extent permitted by applicable law," as used in this Article 15, shall mean the maximum extent permitted by public policy, common law or statute. Any person covered by Section 15.1 hereof may, to the fullest extent permitted by applicable law, elect to have the right to indemnification or to advancement or reimbursement of expenses, interpreted, at such person's option (i) on the basis of the applicable law on the date this Article 15 was adopted, or (ii) on the basis of the applicable law in effect at the time of the occurrence of the event or events giving rise to the action, suit or proceeding, or (iii) on the basis of the applicable law in effect the time indemnification is sought.

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(b) The right of a person covered by Section 15.1 hereof to be indemnified or to receive an advancement or reimbursement of expenses pursuant to Section 15.2 (i) may also be enforced as a contract right pursuant to which the person entitled thereto may bring suit as if the provisions hereof were set forth in a separate written contract between the Corporation and such person, and (ii) shall continue to exist after the rescission or restrictive modification (as determined by such person) of this Article 15 with respect to events, acts or omissions occurring before such rescission or restrictive modification is adopted.

(c) If a request for indemnification or for the advancement or reimbursement of expenses pursuant hereto is not paid in full by the Corporation within thirty (30) days after a written claim has been received by the Corporation together with all supporting information reasonably requested by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim (plus interest at the prime rate announced from time to time by the Corporation's primary banker) and, if successful in whole or in part, the claimant shall be entitled also to be paid the expenses (including, but not limited to, attorney's fees and costs) of prosecuting such claim. Neither the failure of the Corporation (including its Board or its independent legal counsel) to have made a determination prior to the commencement of such action that indemnification of or the advancement or reimbursement of expenses to the claimant is proper in the circumstances, nor an actual determination by the Corporation (including its Board or its independent legal counsel) that the claimant is not entitled to indemnification or to the reimbursement or advancement of expenses, shall be defense to the action or create a presumption that the claimant is not so entitled.

(d) The indemnification and advancement or reimbursement of expenses provided by, or granted pursuant to, this Article 15 shall not be deemed exclusive of any rights to which those seeking indemnification or advancement or reimbursement of expenses may be entitled under any Bylaw, agreement, vote of the Directors or otherwise, both as to action in such Director's or officer's official capacity and as to action in another capacity while holding that office.

(e) Nothing contained in this Article 15 shall be construed to limit the rights and powers the Corporation possessed under the Pennsylvania Nonprofit Corporation Law of 1988 (as amended from time to time), the Director's Liability Act, or otherwise, including, but not limited to, the powers to purchase and maintain insurance, create funds to secure its indemnification obligations, and any other rights or powers the Corporation may otherwise have under applicable law.

(f) The provisions of this Article 15 may, at any time (and whether before or after there is any basis for a claim for indemnification or for the advancement or reimbursement of expenses pursuant hereto), be amended, supplemented, waived, or terminated, in whole or in part, with respect to any person covered by Section 15.1 hereof by a written agreement signed by the Corporation and such person.

(g) The Corporation shall have the right to appoint the attorney for a person covered by Section 15.1 hereof, provided such appointment is not unreasonable under the circumstances.

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## **Section 15.6 Optional Indemnification.**

The Corporation may, to the fullest extent permitted by applicable law, indemnify and advance or reimburse expenses for persons in all situations other than that covered by this Article 15.

## **ARTICLE 16 – ANNUAL REPORT**

### **Section 16.1 Annual Report.**

The Board shall present annually to the Members a report, verified by the President and Treasurer or by a majority of the Board, showing in appropriate detail the following:

(a) The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year immediately preceding the date of the report.

(b) The principal changes in assets and liabilities, including the trust funds, during the year immediately preceding the date of the report.

(c) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the Corporation.

(d) The expenses or disbursements of the Corporation, for both general and restricted purposes, during the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the Corporation.

(e) The number of Members of the Corporation as of the date of the report, together with a statement of increase or decrease in such number during the year immediately preceding the date of the report, and a statement of the place where the names and addresses of the current Members may be found.

The annual report of the Board shall be filed with the minutes of the meetings of the Members.

## **ARTICLE 17 – FISCAL YEAR**

### **Section 17.1 Fiscal year.**

The fiscal year of the Corporation shall begin on January 1 and end on December 31.

## **ARTICLE 18 – CORPORATE RECORDS**

### **Section 18.1 Corporate Records.**

The Corporation shall keep minutes of the proceedings of the Members, Directors and any other body, and a membership register, giving the names and addresses of all Members and the details of the membership of each. The Corporation shall also keep appropriate, complete and accurate books or records of account. The records shall be kept at the

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registered office of the Corporation, the Corporation's principal place of business or any other actual business office of the Corporation.

## ARTICLE 19 – ADOPTION, AMENDMENT AND REPEAL

### Section 19.1 Adoption.

These Amended and Restated Bylaws, which are supplemental to the Pennsylvania Nonprofit Corporation law of 1988, as the same may be in effect from time to time, were adopted as the Bylaws of the Corporation on the 22<sup>nd</sup> day of May, 2012, by the Board.

These Amended and Restated Bylaws replace the original bylaws of the Corporation which were adopted on the 11<sup>th</sup> day of May, 2004, by the Board.

### Section 19.2 Amendment or Repeal.

Except as provided in the Act, these Bylaws may be amended or repealed, in whole or in part, and new Bylaws may be adopted, by the vote of a majority of the Directors then in office at any meeting of the Board after notice to all Directors of that purpose.

### Section 19.3 Recording.

The text of each amendment to or repeal of these Bylaws shall be attached hereto with a notation of the date of such amendment or repeal.

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CERTIFICATION: This is a true and correct copy of the original Resolution, Adopted by the Council of the City of Philadelphia on the fourth of April, 2019.

Darrell L. Clarke  
PRESIDENT OF THE COUNCIL

Michael A. Decker  
CHIEF CLERK OF THE COUNCIL

Introduced by: Councilmember Squilla

Sponsored by: Councilmember Squilla