

BY-LAWS
Cardiff 101 MainStreet (CMS)
A California 501(c)(6) Corporation

ARTICLE I
GENERAL

SECTION 1: Name

This organization is incorporated under the laws of the State of California and shall be known as the Cardiff 101 MainStreet (CMS).

SECTION 2: Purpose

The CMS is organized to advance the general welfare and prosperity of Cardiff-by-the-Sea, a community within the City of Encinitas, and to promote tourism and recreation to and within said community, in order that its citizens and all areas of its business community shall prosper. All necessary means of promotion within any limits set by Section 3, Article 1 shall be pursued, and particular attention and emphasis shall be given to the economic, social, cultural and environmental well-being of the historic and traditional commercial district. In order to achieve these goals, the CMS follows the "Four Point" approach to downtown revitalization developed by the National Trust for Historic Preservation which includes Organization, Promotion, Design and Economic Restructuring.

SECTION 3: Tax –exempt Status

It is the intent of the CMS to qualify as a nonprofit, tax-exempt entity pursuant to Section 501(c)(6) of the Internal Revenue Code of 1954, as now or hereafter amended. In order to effectuate such intent, no part of the net earnings of the CMS shall inure to the benefit of any of its directors; and the CMS shall not participate in, or intervene in, any political campaign on behalf of any candidate for public office.

SECTION 4: Limitation of Methods

This CMS shall observe all local, state, and federal laws which apply to a non-profit organization as defined in Section 501(c)(6) of the Internal Revenue Code (IRC).

ARTICLE II

PRINCIPAL OFFICE

SECTION 1: Principal Office

The principal office for the transaction of the business of the corporation is as may be hereafter fixed and located by the CMS Board of Directors, in the community of Cardiff-by-the-Sea, City of Encinitas, County of San Diego, State of California. The CMS Board of Directors may at any time or from time to time change the location of the principal office from one location to another in said community.

ARTICLE III

MEMBERSHIP

SECTION 1: Eligibility

Any person, association, corporation, partnership or estate doing business in the community of Cardiff and/or for the community of Cardiff or otherwise having an interest in the objectives of this organization shall be eligible to apply for membership.

SECTION 2: Classifications of membership

There shall be four classes of memberships: business, home-based business, individual and non-profit organizations. Business members of the corporation shall include both home based businesses and business establishments ,having an interest in the objectives of this organization.

SECTION 3: Acceptance

Applications for membership shall be in writing on forms provided for that purpose, and shall include payment of annual dues for appropriate classification.

SECTION 4: Dues

Dues for memberships shall be adjusted at the discretion of the CMS Board of Directors. All memberships shall be per year payable January 1st, delinquent after March 1st Delinquency is cause for termination.

SECTION 5: Voting rights

Each member in good standing shall be entitled to cast one vote in any proceeding in which voting by the members is required. There shall be no voting by proxy. Mail in votes shall be allowed for election of CMS board members and officers.

SECTION 6: Exercise of Privileges

Any member who is an association, corporation, partnership or estate may designate an individual to exercise its membership privileges, and shall have the right to change such designation at any time upon written notice to the CMS.

ARTICLE IV

MEETINGS

SECTION 1: Annual and Regular Meetings

Regular meetings of the CMS Board of Directors shall be held at 7:30 A.M. on the fourth Tuesday of each month at the principal place of business of the corporation, or at such other place as may be designated by the CMS Board of Directors at least 7 days in advance of said meeting. Should the day herein fixed for regular board meetings fall upon a legal holiday, then such meeting shall be held at the same time and place on the next day thereafter and ensuing which is not a legal holiday.

The first meeting in December shall be the annual meeting with the primary purpose being the election of board members and officers, and may be held at any alternative location and time as duly noticed in the preceding newsletter or other mailed publication of the CMS. If such meeting is not held, or if directors and officers are not elected thereat, they may be elected by mail in ballot. Special meetings of the members or of the CMS Board of Directors for any purpose may be called at any time by the president, by a majority of the directors or upon the petition in writing of at least 25% of the members in good standing and must be noticed in writing at least seven days prior to any such meeting.

SECTION 2: Notice of meetings

Notice of any meeting other than the regularly scheduled CMS Board of Directors meetings and committee meetings shall be given to each director entitled to vote thereat, either personally or by prepaid mail addressed to such director at his address appearing on the books of the corporation. If such address is not shown, notices shall be deemed to have been given if sent by mail or other means of written communication addressed to the place where the principal office of the corporation is located. Such notices shall be sent not less than seven (7) days before each meeting and shall specify the place, day and hour of the meeting and shall state the general nature of the business to be considered at such meeting. The notice of the annual meeting shall designate it as such and shall state the names of the persons nominated for offices and the directors at large.

SECTION 3: Quorum and Voting

At any duly called general meeting of this CMS, 50% plus 1 of the members shall constitute a quorum. At any duly called meeting of the CMS Board of Directors, a total of five members of the board with no less than two of those present being officers, shall constitute a quorum. Unless otherwise specified herein, the members shall act by majority vote of the members in good standing who are present at any duly called general meeting at which a quorum is present. Unless otherwise specified herein, the board shall act by majority vote of the directors in good standing who are present at any board meeting at which a quorum is present.

ARTICLE V

DIRECTORS AND OFFICERS

SECTION 1: Number of Officers and Directors

Any person doing business in Cardiff-by-the-Sea or otherwise having an interest in the objectives of this organization shall be eligible to serve on the CMS Board of Directors. The CMS Board of Directors shall be elected every two years, or until their successors have been elected. The officers of this corporation shall be a president, vice president, secretary and treasurer. In addition to the officers, there shall be at least five (5) directors including but no more than eleven (11) directors. Additional non-voting members may be appointed by the board to represent the community.

SECTION 2: Selection and Election of Directors

At the regular meeting of the board scheduled for the fourth Tuesday of October every other year the president shall appoint, subject to approval by the board, a nominating committee of at least three members of the CMS. The president shall designate the chairman of the committee. At the regular meeting of the board scheduled for the fourth Tuesday of November said nominating committee shall announce a slate of candidates to serve two year terms on the CMS Board of Directors. At the regular meeting of the board scheduled for the fourth Tuesday of November, any CMS member may nominate any number of candidates to said board. Any such member nominations which are seconded by another member shall be placed on the ballot along with those candidates nominated by the nominating committee.

Each proposed candidate must be an active member in good standing and must have agreed to accept the responsibility of a directorship. In order to be eligible for nomination as president, the nominee must be a current member of the CMS Board of Directors with at least one full term on the board. At the close of the board meeting on the fourth Tuesday of November, the secretary shall promptly prepare a ballot bearing the names, in alphabetical order, of the members nominated as directors. The ballot shall have instructions as to the number of vacancies and to the effect that in order to be counted the ballot must be delivered or mailed to the office of the CMS so as to be received no later than midnight on the second Tuesday in December. Prior to the board meeting on the fourth Tuesday of December, the president and one other shall count the ballots and determine the candidates with the greatest number of votes, up to the number of vacancies, which candidates shall be announced by the president at the beginning of said meeting as the incoming directors. Said incoming directors shall take office immediately and serve for a period of two years or until successor directors are elected and take office. The ballots shall be available at said meeting and for a week thereafter if any director or candidate wishes to inspect same.

SECTION 3: Determination of Officers

The CMS officers shall be nominated and elected at the same time and by the same ballots as above provided for election of the directors. Officer designations shall be indicated on the ballot and their positions shall be as indicated unless it should occur that the total vote received for any officer is less than the number determined to be the minimum required to secure a place on the board. In such case that officer's position shall be filled by a majority vote of the CMS Board of Directors. In order to be eligible for nomination as president, the nominee must be a current member of the CMS Board of Directors with at least one full term on the board.

SECTION 4: Vacancies

A member of the board who is absent from three (3) consecutive regular board meetings shall automatically be dropped from board membership, unless such absences were due to illness or excused by a majority vote of the other director members present at the meeting at which there is a motion to excuse such absences.

Any vacancies on the board, however created, shall be filled by majority vote of the directors present at the meeting following the announcement of the vacancy. .

SECTION 5: Policy

The board is responsible for establishing procedure and formulating policy of the CMS. The board is also responsible for adopting all policies of the CMS. Said policies shall be maintained in a policy manual which is to be reviewed annually and revised as necessary.

SECTION 6: Indemnification

The CMS will by resolution of the board, provide for Errors and Omissions Insurance also known as Directors and Officers Insurance to protect officers and directors from any action, suit, or proceeding in which they, are made parties, or a party, by reason of having been an officer or director of CMS.

SECTION 7: Responsibility and Duties of Officers

All officers are subordinate and responsible to the CMS Board of Directors.

- A. President: The president shall be the chief elected officer of the CMS and shall preside at all meetings of the CMS Board of Directors and of the members. He or she shall be ex-officio a member of all standing committees and shall have the general powers and duties and management usually vested in the office of the president of a corporation, and he or she shall have such other powers and duties as may be prescribed by the CMS Board of Directors or by the by-laws.
- B. Vice President: In the absence of or disability or refusal to act of the president, the vice-president shall perform all duties of the president, and when so acting he or she shall have the powers of the president and be subject to all the restrictions upon the president.
- C. Secretary: The secretary shall keep, or cause to be kept at the principal office of the corporation, or such other place as the CMS Board of Directors may order, a book of minutes of all meetings of directors and members. The secretary shall also keep, or cause to be kept, at the principal office of the corporation, a membership book containing the names and addresses of each member of the organization, and in any case where membership has been terminated, such fact shall be recorded in the book, together with the date upon which the membership ceased, and shall give the notices of special meetings of the CMS Board of Directors, and of the regular and special meetings of the members as provided in these by-laws.
- D. Treasurer: The treasurer shall be responsible for the safeguarding of all funds received by the CMS and for their proper disbursement. Such funds shall be kept on deposit in financial institutions or invested in a manner approved by the board. The treasurer shall prepare a working budget for board review and approval and make a financial report to the board at least once a month.

ARTICLE VI

COMMITTEES

SECTION 1: Appointment and Authority

The president, by and with the approval of the board, shall appoint all committees and chairpersons thereof. There shall be at a minimum, four standing committees that pursue goals and objectives of the Main Street “Four Point” approach of Organization, Promotion, Design and Economic Restructuring. Organization focuses on gaining consensus among stakeholders using the common sense formula of a volunteer driven organization with an organizational structure of board and committees. Promotion focuses on selling the image of Main Street to all prospects through an effective marketing strategy, advertising, special events and retail promotional activity. Design focuses on capitalizing on the commercial district’s best assets by creating an exciting and inviting visual landscape and hardscape. Economic restructuring focuses on the health of the commercial district, through business recruitment and expansion, and the productive use of unused space.

Except as otherwise provided for herein, all committee appointments shall be at the pleasure of the president and shall serve concurrent with the term of the appointing president, unless a different term is approved by the board. All elected board members must chair or co-chair an event.

SECTION 2: Limitation of Authority

No action by any member, committee, employee, director or officer, including the expenditure of funds over \$100.00, shall be binding upon, or constitute a policy expression of, the CMS unless and until it has been approved or ratified by the board.

Further, because the operation of events by committees does not relieve the board or any individual director of responsibility imposed upon them by law, it is imperative that all information necessary to the execution of each event must be maintained in the office. Such materials should include, but not be limited to administration/data processing, public relations, press releases, ads, posters, promotions, website and email blasts, equipment/production/staging/sound system, insurance, city permits and traffic control, sponsors, vendors, donations, silent auction, volunteers, merchandising, graphics and printing and kids corner activities.

ARTICLE VII PROGRAM MANAGER

Section 1: Program Manager

The Program Manager of the Program shall manage the daily operations of the Program. The Program Manager shall be responsible for coordinating the implementation of the Program's policies and projects and such other duties as the CMS Board of Directors may require. The Program Manager may receive for his or her services such compensation as may be determined by the CMS Board of Directors. Additional staff members or contractors may receive for his or her services such compensation as may be determined by the CMS Board of Directors.

ARTICLE VIII

FINANCES

SECTION 1: Funds

All money paid to the CMS shall be placed in a general operating fund, unless the board has set up some other fund and has directed that certain income be paid to any such specified fund.

SECTION 2: Disbursements

All disbursement shall be by check executed by the treasurer or by the president. Expenditures over \$100.00 must be authorized by the CMS Board of Directors.. Upon approval of the budget, said officers are authorized to make disbursements on accounts and expenses which are provided for in said budget without obtaining additional approval of the board.

SECTION 3: Fiscal Year

The CMS shall use the calendar year as the fiscal year.

SECTION 4: Budget

As soon as practicable after election of the new board and officers, the board shall adopt a budget for the coming year.

SECTION 5: Financial Records

The financial records of the CMS shall be made available, with reasonable promptness, to any director who makes written request for same to the board.

ARTICLE IX

DISSOLUTION

SECTION 1: Procedure

The CMS shall use its funds only to accomplish the objectives and purpose specified in these by-laws. No part of said funds shall inure, or be distributed, to the members of the CMS. On dissolution of the CMS, any funds remaining shall be distributed to one or more regularly organized, qualified nonprofit corporation which is an exempt organization as described in Section 501(c)(6) of the Internal Revenue Code of 1954 or corresponding sections of any prior or future law, selection of which corporation shall be designated prior to dissolution.

ARTICLE X

PARLIAMENTARY PROCEDURE

SECTION 1: Procedure

The current edition of Rosenberg's Rules of Order shall be the final source of authority as to all questions of parliamentary procedure.

ARTICLE XI

AMENDMENTS TO THE BY-LAWS

SECTION 1: Adoption

New by-laws may be adopted, amended, or repealed, or these by-laws may be amended or repealed by the CMS Board of Directors. Any director wishing to propose any amendment hereto may advise the secretary of the proposed changes at least 13 days prior to a regularly scheduled meeting of the board, and the secretary shall mail all directors a notice of the proposed amendments(s) at least 7 days prior to said meeting. By-laws amendments may be adopted by a vote of the directors at a meeting so noticed at which there is a quorum present.

SECTION 2: Ratification

All adopted amendments to the By-laws must be ratified by a vote of the directors in good standing at either a regularly scheduled meeting of the CMS Board of Directors or at an annual meeting called and duly noticed 15 days in advance of said meeting date.

The above By-laws were adopted and ratified by a vote of the CMS Board of Directors on this day of _____ 2010

President

Secretary