

**AMENDED AND RESTATED  
BYLAWS**

**OF**

**SAN FRANCISCO COMMUNITY INVESTMENT FUND  
a California Nonprofit Public Benefit Corporation**

**Adopted April \_\_, 2013**

**Article I. Organization**

**SECTION 1. Name**

The name of this Corporation shall be San Francisco Community Investment Fund (“SFCIF”).

**SECTION 2. Principal Office**

The principal office for the transaction of the activities and affairs of the Corporation is hereby fixed and located at City Hall, Controller’s Office of Public Finance, Room 316, 1 Dr. Carlton B. Goodlett St., San Francisco, California, 94102. The 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 the City and County of San Francisco. Any change of location of the principal office shall be noted by the secretary on these Bylaws opposite this Article, or this Article may be amended to state the new location.

**SECTION 3. Other Offices**

The Board of Directors may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to conduct its activities.

**SECTION 4. Purposes**

In addition to all other powers conferred by law, and consistent with the Articles of Incorporation, the specific purposes for which the Corporation is formed are:

(a) To make qualified Low-Income Community investments in the City and County of San Francisco (the “**Service Area**”) or other activities which qualify for the New Markets Tax Credit<sup>1</sup>; and

(b) To engage in all activities necessary, customary, convenient or incident to any of the foregoing, including but not limited to:

---

<sup>1</sup> Any capitalized term that is not defined in these Bylaws shall have the meaning set forth in the Community Renewal Tax Relief Act of 2000 (P.L. 106-554), as amended, and the regulations promulgated thereunder (published by the CDFI Fund at 66 Federal Register 21846 and 66 Federal Register 65806), as amended.

- (i) raising equity for investment by the Corporation or its affiliated entities;
- (ii) forming subsidiary limited liability companies in which the Corporation serves as managing member or subsidiary limited partnerships in which the Corporation serves as general partner;
- (iii) applying on behalf of such subsidiaries for certification as Community Development Entities (“CDEs”);
- (iv) transferring any allocation of New Markets Tax Credits received by the Corporation to such subsidiary CDEs, subject to the approval of the Community Development Financial Institutions Fund (“CDFI Fund”); and
- (v) raising equity for investment in the Corporation and such subsidiary CDEs.

(c) The Corporation’s product and services must be located in the Service Area and meet the eligibility requirements for New Market Tax Credits. In addition, at least 60% of the Corporation’s product and services shall be directed to Low-Income Persons, to individuals, businesses or organizations that serve Low-Income Persons or residents of Low-Income Communities. The following are examples of such activities that will be included in satisfying the 60% threshold:

- (i) investing in, lending to or providing technical assistance to businesses that are located in Low-Income Communities and/or are owned by Low-Income Persons;
- (ii) lending to Low-Income Persons or residents of Low-Income Communities;
- (iii) investing in or providing loans to qualified commercial properties and businesses that are located in Low-Income Communities; or
- (iv) investing in, lending to or providing technical assistance to organizations (e.g., CDEs or CDFIs) engaged in activities that promote community development in Low-Income Communities or for the benefit of Low-Income Persons.

## **Article II. Membership**

The Corporation shall have no voting members as defined in the California Nonprofit Public Benefit Corporation Law. The Corporation’s Board of Directors may, at its discretion, admit individuals to one or more classes of nonvoting members, and the class or classes shall have such rights and obligations as the Board finds appropriate.

## **Article III. Board of Directors**

### **SECTION 1. Powers of Directors**

Subject to the provisions and limitations of the California Nonprofit Public Benefit Law and any other applicable law, and subject to any limitations set forth herein, all corporate powers of the Corporation shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be controlled by, the Board of Directors. Without limiting the generality of the foregoing, the Board of Directors shall have the following powers:

(a) To prescribe such powers and duties for all the officers, agents, and employees of the Corporation, except as otherwise prescribed by these Bylaws, that are consistent with law, the Articles of Incorporation and these Bylaws; and fix their compensation and require from them security for faithful performance of their duties.

(b) To conduct, manage, and control, or cause to be conducted, managed and controlled, the affairs and business of the Corporation, and to make such rules and regulations therefore not inconsistent with law, with the Articles of Incorporation, and with these Bylaws, as they may deem in the best interest of the Corporation.

(c) To change the principal office for the transaction of the business of the Corporation from one location to another within the same county; to designate any place within the City and County of San Francisco for the holding of any Directors' meetings; and to adopt, make, and use a corporate seal and to alter the form thereof from time to time as in their judgment they may deem best, provided such seal shall at all times comply with the provisions of law.

(d) To borrow money and incur indebtedness on behalf of the Corporation, and to cause to be executed and delivered for the Corporation's purpose, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecation or other evidence of debts and securities therefore.

(e) To accept, hold, develop, manage, invest, reinvest, and administer any gifts, bequests, devises, benefits of trust, and property of any sort, without limitation as to amount or value.

(f) To use, disburse, or donate the income or principal for the uses and purposes for which this Corporation was organized. To borrow money and incur indebtedness on behalf of the Corporation, and to cause to be executed and delivered for the Corporation's purpose, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecation or other evidence of debts and securities therefor.

(g) To function through committees and to delegate to committees such of its power as it deems proper, to the full extent provided by law, except the power to adopt or amend these Bylaws or to elect Directors or officers. Any Director not a member of a committee which has taken action in the name of the Board may, on demand to the President, or in his or her absence, the Vice President, have a meeting of the full Board of Directors called to review that committee action. At such meeting the Board shall have power to change such action and take other action different therefrom.

## **SECTION 2. Number of Directors**

The Board of Directors shall consist of five members until changed by amendment to these Bylaws. The exact number of directors shall be fixed, within those limits, by a resolution adopted by the Board of Directors.

## **SECTION 3. Appointment and Qualifications of Directors**

(a) The Directors of this Corporation shall be composed of those persons initially appointed by the Incorporator by Resolution No. 1-2010 on February 25, 2010, and those currently serving, who shall serve for the term set forth in Article III, Section 4 below.

(b) If a Director ceases to qualify as a Director due to death, resignation, removal for good cause or disqualification because the Director is no longer an employee of the City and County of San Francisco, then the vacancy on the Board of Directors will be filled by majority vote of the remaining members of the Board of Directors in good standing. The City title of the proposed Board member shall not be a factor in determining his/her eligibility for appointment to the Board of Directors, provided that the proposed Board member must be an employee of the City (which also includes the San Francisco Airport, the San Francisco Port and the Treasure Island Development Authority).

(c) The Board of Directors may, by a resolution approved by at least four (4) Board of Directors, change the number or qualifications for Board membership, so long as such changes are consistent with applicable law and the Articles of Incorporation.

#### **SECTION 4. Term of Office**

The term of office of each Director of this Corporation shall be two (2) years which shall commence on January 1<sup>st</sup> of each year and renew automatically unless earlier terminated by death, resignation, removal, disqualification, or good cause.

#### **SECTION 5. Advisory Board**

The Corporation shall maintain an “**Advisory Board**,” as such term is used in Section 45D of the United States Internal Revenue Code and the Treasury Regulations and Guidance thereunder for the purpose of advising the directors regarding means to achieve the Corporation’s principal purpose consistent with Article I, Section 4 above and for accountability to the residents of Low-Income Communities in the Service Area. At all times at least 20% of the Advisory Board shall be representative of the Low-Income Communities within the Service Area designated by the Corporation. In order to be determined representative, an Advisory Board member must either: (a) reside in a Low-Income Community within the Corporation’s designated service area(s); or (b) otherwise represent the interest of residents of Low-Income Communities in the selected service area. The Advisory Board shall serve solely in an advisory capacity and shall have no authority to take any action by or on behalf of the Corporation.

#### **SECTION 6. Interested Directors**

No more than 49 percent of the persons serving on the Board may be interested persons. An interested person is: (a) any person compensated by the Corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as director; and (b) any brother, sister, ancestor, descendent, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of the provisions of this paragraph shall not affect the validity of any transaction entered into by the Corporation.

#### **SECTION 7. Resignation**

Any Director may resign at any time by giving notice to the Corporation. The resignation shall take effect as of the date the notice is received or any time specified in the notice and, unless otherwise specified in the notice, the resignation need not be accepted to be effective.

#### **SECTION 8. Vacancies**

Any vacancy or vacancies on the Board of Directors resulting from death, incapacity, resignation, expiration of term of office, removal for cause pursuant to the California Nonprofit Public Benefit Corporations Law, increase in the number of Directors, or otherwise, shall be filled as provided in Article III.

**SECTION 9. Place and Conduct of Meetings**

Regular meetings of the Board of Directors shall be held at any place within or without the City and County of San Francisco, which has been designated from time to time by resolutions of the Board or by written consent of all members of the Board. In the absence of such designation, regular meetings shall be held at the principal office of the Corporation. Special meetings of the Board may be held either at a place so designated or at the principal office. All regular and special meetings of the Board of Directors shall be subject to the requirements of the Ralph Brown Act (Government Code Section 54950 *et seq.*) and, except as regulated by the Brown Act or applicable law, meetings shall be governed by Robert's Rules of Order, as amended from time to time.

**SECTION 10. Notice of Regular Meetings**

Notice of all regular meetings of the Board of Directors shall be given to each Director by mail, email, facsimile or by other form of written communication, charges prepaid, addressed to the Director at his or her business address and shall be publicly posted at least 72 hours prior to the time of the holding of the meeting, as required by the Brown Act.

**SECTION 11. Special Meetings**

Special meetings of the Board of Directors, for any purpose or purposes, may be called at any time by the President or by any two Directors. Written notice of the time and place of Special Meetings shall be delivered personally to each Director or sent to each Director by mail, email or by other form of written communication, charges prepaid, addressed to the Director at his or her business and shall be publicly posted at least 24 hours prior to the time of the holding of the meeting, as required by the Brown Act.

**SECTION 12. Quorum**

The majority of the authorized members of the Board of Directors shall constitute a quorum for the transaction of business, except adjournment. Every action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be the act of the Board, subject to any more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to: (a) approval of contracts or transactions in which a Director has a direct or indirect material financial interest; (b) approval of certain transactions between corporations having common directorships; (c) creation of and appointments to committees of the Board; and (d) indemnification of Directors.

**SECTION 13. Adjournment**

In the absence of a quorum at any meeting of the Board of Directors, the majority of the Directors present may adjourn the meeting from time to time until the time fixed for the next regular meeting of the Board.

#### **SECTION 14. Compensation**

The Directors shall receive no compensation for their services as Directors, except that any Director or officer may be reimbursed for expenses duly incurred in the performance of duties as Director or officer of the Corporation. Operating officers of the Corporation, regardless of whether they are directors of the Corporation, may receive compensation for service as officers.

#### **SECTION 15. Conflict of Interest**

A Director shall excuse himself or herself from any vote upon any matter in which that Director has a financial interest. The Corporation and its Directors shall be subject, to the extent applicable, to the conflict of interest rules arising under California Government Code and other applicable laws.

#### **SECTION 16. Committees of the Board**

(a) The Board of Directors, by resolution adopted by a majority of the Directors then in office, provided a quorum is present, may create one or more committees, each consisting of at least two Directors, to serve at the pleasure of the Board of Directors. Appointments to committees of the Board of Directors shall be made by the President subject to approval by majority vote of the Directors then in office. The President, subject to approval by the Board of Directors, may appoint one or more Directors as alternate members of any such committee, who may replace any absent member at any meeting.

(b) Any committee appointed by the Board may exercise any authority of the Board which has been delegated by a resolution of the Board. Notwithstanding the above, no committee, regardless of Board resolution, may:

(i) Take any final action on any matter that, under the California Nonprofit Public Benefit Corporation Law, also requires approval of the members or approval of a majority of all members;

(ii) Fill vacancies in any office of the Corporation or on any committee that has the authority of the Board of Directors;

(iii) Amend or repeal these Bylaws or adopt new Bylaws;

(iv) Amend or repeal any resolution of the Board of Directors that by its express terms is not so amendable or repealable;

(v) Create any other committees of the Board of Directors or appoint the members of committees of the Board of Directors; or

(vi) Approve any contract or transaction to which the Corporation is a party and in which one or more of its Directors has a material financial interest, except as special approval is provided for in Section 5233(d)(3) of the California Corporations Code.

#### **SECTION 17. Meetings and Action of the Committees**

Meetings and actions of committees of the Board of Directors shall be governed by, held, and taken in accordance with the provisions of these Bylaws concerning meetings and other

Board actions, except that the time for regular meetings of such committees and the calling of special meetings of such committees may be determined either by Board resolution or, if there is none, by resolution of the committee of the Board of Directors. Minutes of each meeting of any committee of the Board of Directors shall be kept and shall be filed with the corporate records. The Board of Directors may adopt rules for the government of any committee, provided they are consistent with these Bylaws or, in the absence of rules adopted by the Board of Directors, the committee may adopt such rules.

## **Article IV. Officers**

### **SECTION 1. Officers**

The officers of the Corporation shall be a President, one Vice President, a Secretary, a Treasurer, and such other officers as the Board of Directors may appoint. When the duties do not conflict, one person may hold more than one of these offices.

### **SECTION 2. Election**

The Board of Directors shall elect all officers of the Corporation for a term of one year, or until their successors are elected and qualified, except that the President shall be appointed as set forth in Article IV, Section 4, below. The Board may appoint a Chief Operating Officer, who shall serve at the pleasure of the Board and may be appointed for a period longer than one (1) year.

### **SECTION 3. Vacancies**

A vacancy in any office because of the death, resignation, removal, disqualification or otherwise, shall be filled by the Board of Directors

### **SECTION 4. President**

The President shall preside at all meetings of the members and Directors, and shall have such other powers and duties as may be prescribed from time to time by these Bylaws or by the Board of Directors. The President shall be elected by a majority of the sitting Board of Directors.

### **SECTION 5. Vice President**

In the absence or disability of the President, the Vice President shall perform all the duties of the President, and in so acting, shall have all the powers of the President. The Vice President shall have such other powers and perform such other duties as may be prescribed from time to time by the Board of Directors.

### **SECTION 6. Secretary**

The Secretary shall keep a full and complete record of the proceedings of the Board of Directors, shall keep the seal of the Corporation and affix the same to such papers and instruments as may be required in the regular course of business, shall make service of such notices as may be necessary or proper, shall supervise the keeping of the books of the Corporation and shall discharge such other duties as pertain to the office or as prescribed by the Board of Directors.

## **SECTION 7. Treasurer**

The Treasurer shall receive and safely keep all funds of the Corporation and deposit the same in such bank or banks as may be designated by the Board of Directors, or cause all funds to be received, kept and deposited. Such funds shall be paid out only on the check of the Corporation, signed by any two of the Executive Director, President, a Vice President, Treasurer or Secretary, or by such officers as may be designated by the Board of Directors as authorized to sign the same. The Treasurer shall have such powers and perform such other duties as may be prescribed from time to time by the Board of Directors.

## **SECTION 8. Chief Operating Officer (“COO”)**

The Chief Operating Officer of this Corporation shall not be a Director of the Corporation. The Board of Directors, by resolution, shall determine the compensation, if any, for the COO. The COO shall be the general manager of the Corporation and shall supervise, hire and fire the Corporation’s employees, contract with third parties in the name of the Corporation and directly control the Corporation’s activities and affairs consistent with the law, the Articles of Incorporation and the direction given by the Board of Directors

## **Article V. Indemnification**

### **SECTION 1. No Personal Liability of Directors, Officers, Employees**

No member of the Board of Directors, officer or employee, now or hereafter, shall be personally liable to the Corporation’s creditors for an indebtedness or liability of the Corporation, and any and all creditors shall look only to the assets of the Corporation for payment.

### **SECTION 2. Right of Indemnity**

To the fullest extent permitted by law, the Corporation shall indemnify its Directors, officers, employees, and other persons described in Section 5238(a) of the California Corporations Code, including persons formally occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any “proceeding”, as that term is used in that Section, and including any action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that Section. “Expenses”, as used in these Bylaws, shall have the same meaning as in Section 5238(a) of the California Corporations Code.

### **SECTION 3. Approval of Indemnification**

On written request to the Board of Directors by any person seeking indemnification under Section 5238(b) of the California Corporations Code, the Board of Directors shall promptly determine, under 5238(e) of the California Corporations Code, whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met, and if so, the Board of Directors shall authorize indemnification.

### **SECTION 4. Insurance**

The Corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its Directors, officers, employees and other agents, against any



liability asserted against or incurred by any Director, officer, employee or agent in such capacity, or arising out of the Director's, officer's, employee's, or agent's status.

### **Article VI. Amendment of Bylaws**

These Bylaws may be amended or repealed and new bylaws adopted by the vote of a majority of the members of the Board of Directors at any Directors' meeting, provided that notice of such action has been sent to all Directors prior to such meetings, except that a Bylaw changing the number or manner of appointing the Directors may be adopted, amended, or repealed only by a resolution approved by at least four (4) Directors.

### **Article VII. Miscellaneous Provisions**

#### **SECTION 1. Execution of Documents**

Except as otherwise provided in these Bylaws or required by Law, any instrument required or desired to be executed by the Corporation may be executed in its name by the President or the COO of the Corporation and when so executed shall be valid and binding on the Corporation in the absence of actual knowledge on the part of the other party that the signing officers had no authority to execute the same. Any such instruments may be signed by any other person or persons and in such manner as from time to time shall be determined by the Board, and unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

#### **SECTION 2. Checks, Contracts and Notes**

(a) Contracts, promissory notes, orders for the payment of money and other evidence of indebtedness of the Corporation in excess of \$100,000 to the same individual, partnership or corporation in any fiscal year shall require approval by the Board of Directors, or as otherwise required by law. Any single contract or transaction in excess of \$100,000, regardless of the recipient, shall require a resolution of the Board of Directors approving such contract or transaction before it may be executed by the COO.

(b) Any instrument, including contracts, checks and drafts in excess of \$50,000 but less than \$100,001 (except for the transfer of funds from the general operating account to the payroll account), shall be approved and signed by the President or Treasurer and countersigned by the COO or other designated employee of the Corporation.

(c) The COO shall have standing expenditure authority to execute any single contract or transaction, in an amount not to exceed \$50,000 without the need for further action or approval from the Board of Directors and/or the President. However, the COO may not split, divide, breakup, phase or segment a contract or transaction in an attempt to avoid the contract limitation.

#### **SECTION 3. Maintenance of Corporate Records**

(a) The Corporation shall keep adequate and correct books and records of accounts, written minutes of the proceedings of the Board of Directors and committees of the Board and a record of each Director's name and address.

(b) The Corporation shall keep or cause to be kept, adequate records and minutes of all meetings of the Advisory Board and such other records as are desirable or convenient.

(c) The Corporation shall maintain all records required by law or the Code to be maintained by the Corporation. The records shall be disclosed to the public, upon demand, consistent with the California Public Records Act (Government Code Section 6250 *et seq.*) or other applicable law.

#### **SECTION 4. Construction and Definitions**

Unless the context requires otherwise, the general provisions, rules or construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the singular number includes the plural, the plural number includes the singular, and the term “person” includes both a legal entity and a natural person

#### **SECTION 5. Applicable Law**

(a) This Corporation shall be subject to all applicable state, federal and local laws, including, but not limited to: the Brown Act (Government Code Section 54950 *et seq.*), the California Public Records Act (Government Code Section 6250 *et seq.*), the Internal Revenue Code of 1986, as amended, the California Corporations Code and such laws as may be applicable as a result of the Corporation’s affiliation with the City and County of San Francisco.

#### **SECTION 6. Compliance with the City Policies**

If the Corporation provides funding for or invests in a project that also has or will receive funding from the City and County of San Francisco, then the Corporation shall require (to the extent permitted by law) that its funds be used in accordance with applicable City policies.

#### **SECTION 7. Fiscal Year**

The fiscal year of the Corporation shall start on July 1<sup>st</sup> and shall end at the close of business on June 30<sup>th</sup>.

### **CERTIFICATE OF SECRETARY**

I certify that I am the duly elected and acting Secretary of the San Francisco Community Investment Fund, a California nonprofit public benefit corporation, that the above Bylaws, consisting of 10 pages, are the Bylaws of this Corporation as adopted by the Board of Directors on March 10, 2010, as amended on April \_\_, 2013, and that they have not been amended or modified since that date.

Executed on April \_\_, 2013 at San Francisco, California.

\_\_\_\_\_  
Secretary