

**BY-LAWS OF  
THE PINE CITY  
ECONOMIC DEVELOPMENT AUTHORITY**

**PREAMBLE**

Whereas the City of Pine City determines that it is in the best interest of the City to preserve and create jobs, enhance the tax base, and promote general welfare of the people of the City, the Council has created this Economic Development Authority for the purpose of pursuing these activities.

**ARTICLE I**

Purpose and Scope of Authority

The Pine City Economic Development Authority (hereinafter the "EDA") is a public body politic and corporate and a political subdivision of the State of Minnesota. The primary purpose of the EDA is to serve as an Economic Development Authority pursuant to Minnesota Statutes §469.090 through §469.1082. The EDA shall have all the powers, duties, responsibilities, and be governed by all requirements of said statute, the Enabling Resolution dated May 6, 1992 (hereinafter the "Resolution") passed by the Pine City City Council, any amendments to the Resolution which may be enacted in the future, and these bylaws.

**ARTICLE II**

Offices and Boundaries

1. Office. The principal office shall be in the City Hall of the City of Pine City, County of Pine, State of Minnesota. The EDA may also hold meetings at such other places as the Commissioners of the EDA may choose, or as the business of the EDA may require.
2. Boundary. The territory in which operations of the EDA are principally to be conducted consists of the City of Pine City in the County of Pine, State of Minnesota.

**ARTICLE III**

Board of Commissioners and Meetings

1. Members. The management of all the affairs, property, and business of the EDA shall be vested in a Board of Commissioners, consisting of seven (7) persons, including at least two members of the City Council. Commissioners shall be appointed by the mayor with the approval of the City Council, following the City's Commissions & Committees Appointment and Procedures Policy.
2. Terms. Commissioners shall be appointed for four-year terms, starting on February 1 and expiring on January 31. When the terms expire, a new appointment shall take

- place, and any subsequent appointments shall be for four-year terms. A member may serve as many terms as the Mayor and Council want to re-appoint them.
3. Vacancies. All mid-term vacancies in the Board of Commissioners shall be filled following the City's Commissions & Committees Appointment and Procedures Policy, with Mayoral appointment and approval by the City Council with the appointment effective immediately and only for the unexpired term. A Commissioner selected to fill any vacancy shall hold office for the balance of the unexpired term to which they are appointed.
  4. Regular Meetings. Meetings of the Board of Commissioners shall be held on the 4<sup>th</sup> Wednesday of each month at 8:30 a.m. in the principal office of the Authority in the City of Pine City, State of Minnesota, or such other place as the Board may establish from time to time. At least three (3) days written notice of such meetings shall be given to the Commissioners.
  5. Special Meetings. Special meetings of the Board of Commissioners may be called at any time by the President, or, in their absence, by the Vice-President or by any two (2) Commissioners, to be held at the principal office of the Authority in the City of Pine City, State of Minnesota, or at such other place or places as the President, Vice President or any two Commissioners calling such meeting may designate. Notice of special meetings of the Board of Commissioners shall be sent to each Commissioner at least three (3) days prior to the meeting, stating the date, time, location, and the purpose of the meeting.
  6. Quorum. A quorum at all meetings of the Board of Commissioners shall consist of a majority of the whole Board, but in no case shall a quorum be less than four (4) Commissioners. Less than a quorum may, however, adjourn any meeting, which may be held on a subsequent date without further notice, provided a quorum is present at such deferred meeting and the time and place of the continued meeting is established during the previous meeting and recorded in the minutes of that meeting.
  7. Compensation. Compensation for attending meetings and actual expenses shall be established from time to time by City Council Resolution.
  8. Open Meeting Law. All meetings of the Authority shall be open to the public and shall follow Minnesota Open Meeting Law.
  9. Order of Business. The order of business at all meetings shall be as determined by the President.
  10. Annual Meeting. The annual meeting shall be held on the fourth Wednesday of February(?) at 8:30 a.m. at the office of the Authority, on or at such other date, time, and location as shall be determined by the Board.

## **ARTICLE IV**

### Officers of the Board

1. Officers. The officers of the Authority shall be a President, a Vice President, a Secretary, and a Treasurer who shall be elected to one-year terms. They shall hold office until their successors are elected and qualified. The President and Vice President shall be members of the Board of Commissioners. The Secretary and Treasurer need not be members of the Board of Commissioners.
2. President. The President shall preside at all meetings of the Authority, shall sign or countersign all certificates, contracts and other instruments of the Authority as authorized by the Board of Commissioners, shall make reports to the Board of Commissioners, and shall perform all such other duties as are incident to their office or are properly required of them by the Board of Commissioners.
3. Vice-President. The Vice-President shall exercise the functions of the President during the absence or disability of the President.
4. Secretary. The Secretary shall issue notice of all meetings, shall keep minutes of all meetings, shall have charge of the Authority records and shall make such reports. Official Board minutes may be taken by an outside consultant used by the City, if applicable. The Secretary shall perform such other duties as are incident to their office or are properly required of them by the Board of Commissioners. The City shall be the repository of the official minutes of the EDA.
5. Treasurer. The Treasurer shall oversee all aspects of financial management, including cash management, risk management and investment activities, and perform all duties incident to their office, which are properly required by the Board of Commissioners. City staff shall have the care and custody of all funds of the Authority and shall deposit the same in the name of the Authority in such banks or banks as the Board may select. Staff shall notify the Treasurer of such deposits. Staff shall prepare checks and financial reports and submit same to the Treasurer for review. Staff shall render to the Board an account of such a transaction and also the financial condition of the Authority.
6. Executive Director. The City Administrator shall serve as the Executive Director of the Authority with approval from the Council; however, such a service is at the pleasure of the Board and may be terminated at any time with or without cause, with approval from the Council. The Executive Director shall not be a member of the Board; however, the Executive Director may also hold the office of the Assistant Treasurer. The Executive Director shall handle day-to-day matters of the Authority on behalf of the Authority at the direction of the Board.
7. Additional Personnel. The Board, with approval from Council, may from time to time employ such personnel as it deems necessary to exercise its powers, duties, and functions. The selection and compensation of such personnel shall be determined by the Board in a manner consistent with City policies and procedures, subject to approval by the City Council.
8. Absence of Officer. In the case of the absence or inability of any officer of the Authority to act and of any person herein authorized to act in their place, the Board of Commissioners may from time-to-time delegate the powers of duties of such officer to any other officer, or any Commissioner whom it may select.

9. Vacancy of Officer. Vacancies in any office arising from any cause may be filled in by the Commissioners present at any regular or special meeting.

## **ARTICLE V**

### **Board Attendance and Expenses**

1. Attendance. Any Commissioner who is absent from three (3) consecutive duly called meetings of the Board shall be deemed to have resigned unless the absentee provides a satisfactory explanation to the President and the President so notes such explanations in the records of the Authority.
2. Reimbursable Expenses. Commissioners and officers shall be entitled to reimbursement following City policy.

## **ARTICLE VI**

### **Finance and Administration**

1. Bank Accounts. The monies of the Authority shall be deposited in the name of the Authority in such bank or banks as the Board of Commissioners shall designate and shall be drawn out only by check signed by two persons designated by resolution by the Board of Commissioners.
2. Fiscal Year. The fiscal year of the Authority shall be the same as the fiscal year of the City of Pine City, which is the calendar year.
3. Accounting System and Audits; Books and Records. The financial records and financial statements of the Authority shall be prepared, audited, filed, and published or posted in the manner required by the appropriate regulatory agencies and the City. The books and records of the Authority shall be public records maintained in accordance with state law and according to such rules and policies adopted by the City.
4. Audit. The Authority shall have its finances audited by an independent auditor qualified to conduct public audits annually. The audit is included City's annual audit, as the City manages the Authority's finances, and so the audit will include reports on the adequacy of internal controls and reviews of conflicts of interest in the Authority's finance administration.
5. General Policies. The Authority shall follow the City policies for activities such as investment, data practices, expenditures, etc.
6. Staff. The nature, number, and qualifications of the staff required by the Authority to conduct its business according to these By-laws shall be annually reviewed and agreed upon by the Board of Commissioners and the City Council. Any agreement shall set forth in reasonable detail the nature of the services to be performed, the cost basis for such services and the payment to be made by the Authority. Included within the service to be provided under this agreement shall be necessary contacts with prospective applicants,

involved financial institutions, federal or state agencies and the keeping of necessary books of account and records in connection with the Authority business.

7. Conflicts of Interest. Before taking an action or making a decision which could substantially affect the commissioner's or an employee's financial interests or those of any organization which the commissioner or employee is associated, a commissioner or employee of the Authority shall disclose the potential conflict and follow the requirements of Minnesota Statutes §469.009 and §469.098.
8. The affairs of the Authority shall be centered around the growth and development of the City of Pine City.

## **ARTICLE VII**

### Powers

The Authority may exercise all of its powers, subject to the limitations contained in Article VIII, as are contained in the laws applicable to economic development authorities or housing and redevelopment authorities including but not limited to the following:

1. The Enabling Act, Minnesota Statutes, Chapter 484C.
2. The Housing Act, Minnesota Statutes, Chapter 462.
3. Agency powers contained in the Development Act, Minnesota Statutes, Chapter 472A.
4. The powers of redevelopment agency contained in the Industrial Bond Act, Minnesota Statutes, Chapter 474.
5. The powers of a City contained in the Housing Finance Act, provided that such powers authorized by ordinance of the City Council pursuant to Minn. Stat. 462C.02, subd. 6 of the Housing Finance Act.
6. The powers of an authority contained in the Tax Increment Act, Minnesota Statutes, Chapter 273.

## **ARTICLE VIII**

### Limits of Powers

1. The City Council may by resolution require the Authority to transfer any portion of the reserves generated by activities of the Authority that the City Council determines is not necessary for the successful operation of the Authority to the debt service fund of the City, to be used solely to reduce tax levies for bonded indebtedness of the City.
2. The sale of all bonds issued by the Authority must be approved by the City Council before issuance.

3. The Authority shall not acquire or dispose of real property, whether by purchase, sale, lease, condemnation or otherwise without the prior approval of the City Council.
4. The ability of the Authority to participate as a limited partner in a development project must have prior approval of the City Council.
5. All official actions of the Authority must be consistent with the adopted Comprehensive Plan of the City, and any official controls implementing the comprehensive plan.
6. The Authority must submit administrative structure and management practices to the City Council for approval and conduct its affairs consistent with those structures and management practices.

## **ARTICLE IX**

### Annual Budget

1. The Treasurer shall prepare an annual budget projecting anticipated expenses and sources of revenue. Said budget shall be reviewed by the Authority and submitted to the City Council for approval by August 1st each year or follow the budget process for City departments.

## **ARTICLE X**

### Notices

1. Whenever the provisions of the statute or these By-Laws require notice to be given to any Commissioner or officer, they shall not be construed to mean personal notice; such notice may be given in writing by depositing the same in a post office, postage prepaid, addressed to such Commissioner at his or her address as the same appears in the books of the Authority, and the time when the same shall be mailed shall be deemed to be the time of giving of such notice.
2. A waiver of any Notice in writing, signed by a Commissioner, whether before or after the time stated in said Waiver for holding a meeting, shall be deemed equivalent to a Notice required to be given to any Commissioner.

## **ARTICLE XI**

### Seal

1. The Authority shall have no official seal.

## **ARTICLE XII**

### Indemnification

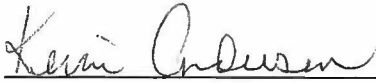
1. The Authority shall defend and indemnify any persons, whether officers, Commissioners, employees, agents or other persons acting for or on behalf of the Authority in respect to any and all matters or actions for which indemnification is required under Minnesota Statutes, Chapter 466 or other law.
2. The Authority shall maintain insurance for claims arising out of the actions taken by the Authority and its members, or any threatened claim against the Authority or persons described in paragraph 1 of this Article.

### ARTICLE XIII

#### Amendment of By-Laws

1. Alterations, amendments or repeal of the By-Laws may be made by a simple majority vote of the Commissioners entitled to vote at any meeting, if the notice of such meeting contains a statement of the proposed alteration, amendment or repeal and becomes effective after ratification by the City Council. Notice of any alteration, amendment or repeal of the By-Laws shall be given in writing to each Commissioner at least five (5) days prior to the meeting at which said proposed alteration, amendment or repeal shall be considered.

Originally passed the 4th day of August 1992. Revised February 3, 1993, December 3, 2008, and again on this 27th day of November, 2024.

  
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President

Attest:   
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Secretary