

BY-LAWS
OF THE
PUBLIC REALM IMPROVEMENT FUND GOVERNING GROUP INC.

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ARTICLE I

Offices

Section 1.01 Offices

The offices of the Public Realm Improvement Fund Governing Group Inc. (the “**Corporation**”) will be in New York County in the City and State of New York, at such place as the Board of Directors of the Corporation (the “**Board of Directors**” or **Board**”) may fix.

ARTICLE II

Members

Section 2.01 Designation of Members

The Corporation shall have thirteen (13) Members (each, a “**Member**”). Seven (7) shall be *ex officio* Members comprised of the individuals holding the following offices of the government of the City of New York (the “**City**”) who are appointed as Members of the Corporation by virtue of holding such position: the Deputy Mayor of Housing and Economic Development, the Director of the City’s Department of City Planning, the Commissioner of the City Department of Transportation, the Commissioner of the City Department of Parks and Recreation, the Director of the City Office of Management and Budget, the President of the New York City Economic Development Corporation and the Commissioner of the City Department of Design and Construction; or such other office-holders, representing City agencies, appointed as a Member by the Mayor; one (1) shall be a representative of a citywide civic organization appointed by the Office of the Manhattan Borough President; one (1) shall be a representative of the Office of the Manhattan Borough President; one (1) shall be a representative of the City Council member representing the City Council district encompassing the largest portion of the East Midtown Subdistrict; one (1) shall be a representative of the Speaker of the City Council; one (1) shall be a representative of Manhattan Community Board 5; and one (1) shall be a

representative of Manhattan Community Board 6 (the latter six [6] non *ex officio* Members collectively “**Non-Mayoral Members**”). The membership shall be divided into thirteen (13) sections, with each individual membership comprising a section (“**Membership Section**”), denominated 1 through 13. Each Membership Section shall constitute a special membership section pursuant to Section 703 of the Not-for-Profit Corporation Law. The Deputy Mayor of Housing and Economic Development shall be the Chairperson of the Corporation.

Each Member shall serve at the pleasure of the office-holder or community board that appointed such Member. In the event that there is a change of the person occupying any of the public offices set forth above, the Member appointed by such office-holder shall continue until a new Member is appointed by the successor office-holder. In the case of the *ex officio* Members, at such time as such official no longer holds such office within the City, his or her successor in such office, including an acting or interim successor, shall serve as an *ex officio* Member without further appointment.

Any Member may resign at any time by delivering a resignation in writing to the Chairperson. Such resignation will take effect upon the later of delivery to the Chairperson or at the time specified in such notice (unless the office-holder or community board appointing such Member removes such Member prior to the resignation effective date, in which case the earlier date shall prevail), and the acceptance of such resignation will not be necessary to make it effective.

Section 2.02 Annual Meetings of Members

The annual meeting of Members, for the election of Directors and for the transaction of such other business as may come before the meeting, shall be held at such time and place within the City, as the Chairperson shall prescribe.

Section 2.03 Special Meetings of Members

Special Meetings of Members, other than those regulated by statute, may be called by the Chairperson or the Board of Directors. The Chairperson shall fix the time and place within the City for such meeting.

Section 2.04 Notice of Meetings; Waiver of Notice

Written notice of each meeting of Members shall be given not less than ten (10), nor more than fifty (50), days before such meeting by first class mail, postage prepaid, delivery in person, facsimile telecommunication, or electronic mail. If notice is sent by first-class mail or delivered in person, it shall be directed to each Member at his/her address as it appears on the record of Members of the Corporation, or, if such Member shall have filed with the Secretary a written request that notices to him/her be mailed or delivered to some other address, then directed to such Member at such other address. If notice is sent by facsimile telecommunication or electronic mail, it shall be directed to the Member's fax number or electronic mail address as it appears on the record of Members, or to such fax number or other electronic mail address as has been filed with the Secretary of the Corporation. Notice shall not be deemed to have been given by facsimile telecommunication or electronic mail if: (a) the Corporation is unable to deliver two (2) consecutive notices to the Member by fax or electronic mail; or (b) the Corporation otherwise becomes aware that notice cannot be delivered to the Member by fax or electronic mail.

Notwithstanding the foregoing, notice may be waived, either before or after the meeting, by any Member or his/her proxy, in writing or electronically. If in writing, the Member may sign a written waiver of notice or cause his/her signature to be affixed to a waiver of notice by any reasonable means, including but not limited to a facsimile signature. If electronic, the

transmission of the waiver must be sent by electronic mail and set forth, or be submitted with, information from which it can reasonably be determined that the submission was authorized by the Member. Notice may also be waived by attending the meeting without protesting, prior thereto or at its commencement, lack of notice to him/her.

The notice shall set forth the place, day and hour of the meeting and, in the case of a special meeting, the general nature of the business to be transacted and by or at whose direction the special meeting is called.

All meetings of the Corporation shall be open to the public. Public notice of the time and place of a meeting scheduled at least one week prior thereto shall be given or electronically transmitted to the news media and shall be conspicuously posted in one or more designated public locations at least seventy-two hours before such meeting. Public notice of the time and place of every other meeting shall be given or electronically transmitted, to the extent practicable, to the news media and shall be conspicuously posted in one or more designated public locations at a reasonable time prior thereto. Notice of the time and place of the meetings shall also be conspicuously posted on the Department of City Planning's website. If videoconferencing is used to conduct a meeting, the public notice for the meeting shall inform the public that videoconferencing will be used, identify the participating locations for the meeting, and state that the public has the right to attend the meeting at any of the locations. If a meeting will be streamed live over the internet, the public notice for the meeting shall inform the public of the internet address of the website streaming such meeting.

Section 2.05 Procedure; Presiding Member

The order of business and all other matters of procedure at every meeting of Members shall be determined by the person presiding at the meeting.

The Chairperson will preside at all meetings of Members, provided that, in the absence of the Chairperson from any meeting of Members, the Vice Chairperson shall preside thereat. In the absence of the Vice Chairperson, the Members present at the meeting shall select a Member to preside thereat.

Section 2.06 Participation in Meetings by Videoconferencing

Members may participate in meetings of the Board of Directors by means of videoconference or similar equipment which allows all Members participating in the meeting to see and hear each other at the same time. Participation by such means shall constitute presence in person at such meeting. Use of videoconferencing or similar equipment to conduct a meeting shall provide an opportunity for the public to attend, listen and observe at any site at which a Member participates.

Section 2.07 Quorum

A meeting of Members duly called shall not be organized for the transaction of business unless a quorum is present. The presence in person or by proxy of a majority of the Members shall constitute a quorum unless otherwise provided by law. If a quorum is not present, a majority of the Members present may adjourn the meeting to such time and place as they may determine.

Section 2.08 Vote Required

Each Member shall have one vote. Except as otherwise provided by law or by these By-laws, all questions shall be determined by majority vote of the Members present in person or by proxy at any meeting at which a quorum is present.

Section 2.09 Proxies

A Member may vote either in person or by proxy appointed by instrument executed in writing delivered to the secretary of the meeting. No proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless otherwise provided in the proxy. Every proxy shall be revocable at any time at the pleasure of the Member executing it.

ARTICLE III

Directors

Section 3.01 Powers

The general management of the affairs and property of the Corporation shall be vested in the Board of Directors. The Board of Directors shall have the power to authorize all expenditures and action, and take all necessary and proper steps, to carry out the duties of the Corporation, in accordance with the purposes and limitations set forth in the Certificate of Incorporation and to promote its best interest.

Section 3.02 Compensation of Directors

The Board of Directors will receive no compensation from the Corporation.

Section 3.03 Number and Election of Directors and Alternate Directors

The Board of Directors shall consist of thirteen (13) Directors.

Each Membership Section of the Corporation shall be entitled to elect one (1) Director and one (1) Alternate Director. Each Member shall elect him or herself as a Director. Each Member shall elect an Alternate Director who is a representative of the same agency, organization, office or community board as the Member, as set forth in Section 2.01. In the absence of a Director from a meeting of the Board, the Alternate Director that represents the same Membership Section as the absent Director, upon written notice to the Secretary, may attend such meeting of the Board and exercise therein the rights, powers and privileges of the absent Director. Hereafter, unless otherwise specified, the term "Director" as used in these by-laws shall be deemed to include "Alternate Director."

Directors and Alternate Directors shall be elected at the annual meeting of Members, provided that any vacancy in any Membership Section's Director or Alternate

Director positions may be filled by that Membership Section at the next annual meeting of Members or any special meeting of Members called for that purpose. If no election occurs, each Member shall be deemed to have elected him or herself as a Director.

Section 3.04 Qualification of Directors

Directors (but not Alternate Directors) must be Members of the Corporation.

Alternate Directors must be representatives of the same agency, organization, office or community board as set forth in Section 2.01, as the Member who has elected him or her.

Section 3.05 Resignation and removal of Alternate Directors

Any Alternate Director may resign at any time by delivering a resignation in writing to the Chairperson. Such resignation will take effect upon the later of delivery to the Chairperson or at the time specified in such notice (unless the Member electing such Alternate Director removes such Member prior to the resignation effective date, in which case the earlier date shall prevail), and the acceptance of such resignation will not be necessary to make it effective.

Alternate Directors may be removed, with or without cause, at any meeting of Members, by the Member who elected such Alternate Director, or by such Member's proxy.

Section 3.06 Regular Meetings

Regular meetings of the Board of Directors shall be held at such time and place within the City as the Chairperson shall prescribe.

Section 3.07 Special Meetings

Special meetings of the Board of Directors, other than those regulated by statute, may be called by the Chairperson or the Board of Directors. Additionally, at the request of at least 4 Non-Mayoral Members made to the Chairperson, special meetings of the Board of Directors may be called up to three times per year. The Chairperson shall fix the time and place within the City for such meetings.

Section 3.08 Notice of Meetings; Waiver of Notice

Written notice of each meeting of the Board of Directors shall be given to each Director (including Alternate Directors) not less than ten (10) days before such meeting by first class mail, postage prepaid, delivery in person, facsimile telecommunication, or electronic mail. If notice is sent by first-class mail or delivered in person, it shall be directed to each Director at his/her address as it appears on the record of Directors of the Corporation, or, if such Director shall have filed with the Secretary a written request that notices to him/her be mailed or delivered to some other address, then directed to such Director at such other address. If notice is sent by facsimile telecommunication or electronic mail, it shall be directed to the Director's fax number or electronic mail address as it appears on the record of Directors, or to such fax number or other electronic mail address as has been filed with the Secretary of the Corporation. Notice shall not be deemed to have been given by facsimile telecommunication or electronic mail if: (a) the Corporation is unable to deliver two (2) consecutive notices to the Director by fax or electronic mail; or (b) the Corporation otherwise becomes aware that notice cannot be delivered to the Director by fax or electronic mail.

Notwithstanding the foregoing, notice may be waived, either before or after the meeting, by any Director, in writing or electronically. If in writing, the Director may sign a

written waiver of notice or cause his/her signature to be affixed to a waiver of notice by any reasonable means, including but not limited to a facsimile signature. If electronic, the transmission of the waiver must be sent by electronic mail and set forth, or be submitted with, information from which it can reasonably be determined that the submission was authorized by the Director. Notice may also be waived by attending the meeting without protesting, prior thereto or at its commencement, lack of notice to him/her.

The notice shall set forth the place, day and hour of the meeting and, in the case of a special meeting, the general nature of the business to be transacted and by or at whose direction the special meeting is called.

All meetings of the Corporation shall be open to the public. Public notice of the time and place of a meeting scheduled at least one week prior thereto shall be given or electronically transmitted to the news media and shall be conspicuously posted in one or more designated public locations at least seventy-two hours before such meeting. Public notice of the time and place of every other meeting shall be given or electronically transmitted, to the extent practicable, to the news media and shall be conspicuously posted in one or more designated public locations at a reasonable time prior thereto. Notice of the time and place of the meetings shall also be conspicuously posted on the Department of City Planning's website. If videoconferencing is used to conduct a meeting, the public notice for the meeting shall inform the public that videoconferencing will be used, identify the participating locations for the meeting, and state that the public has the right to attend the meeting at any of the locations. If a meeting will be streamed live over the internet, the public notice for the meeting shall inform the public of the internet address of the website streaming such meeting.

Section 3.09 Procedure; Presiding Director

The order of business and all other matters of procedure at every meeting of the Board of Directors will be determined by the person presiding at the meeting.

The Chairperson will preside at all meetings of the Board of Directors, provided that, in the absence of the Chairperson from any meeting of the Board, the Vice Chairperson shall preside thereat. In the absence of the Vice Chairperson, the Directors present at the meeting shall select a Director to preside thereat.

Section 3.10 Participation in Meetings by Videoconferencing

Directors may participate in meetings of the Board of Directors by means of videoconference or similar equipment which allows all Directors participating in the meeting to see and hear each other at the same time. Participation by such means shall constitute presence in person at such meeting. Use of videoconferencing or similar equipment to conduct a meeting shall provide an opportunity for the public to attend, listen and observe at any site at which a Director participates.

Section 3.11 Quorum

A meeting of the Board of Directors duly called will not take any action unless a quorum is present. A quorum for the transaction of any business or any specified item of business by the Board of the Directors will consist of a majority (including each Alternate Director representing an absent Director) of the entire Board of Directors. If a quorum is not present, a majority of the Directors present may adjourn the meeting to such time and place as they may determine.

Section 3.12 Voting

Each Director shall have one vote and all questions to be determined by the Board of Directors, including the following decisions of the Corporation, will be determined by vote of at least a majority of Directors attending any meeting at which a quorum is achieved:

- a) Establishment of a Public Realm Improvement Concept Plan (“**Concept Plan**”), no later than November 1, 2017, meeting the criteria of the East Midtown Rezoning provisions in the New York City Zoning Resolution (“ZR”) section 81-613 et seq.;
- b) Amendment of the Concept Plan;
- c) Calendaring of items for a vote to fund; and
- d) Designation of funding for a specific public realm improvement on the Concept Plan.

The Concept Plan and any amendments shall comply in all aspects with the ZR requirements.

If only Directors of the Corporation elected by the Membership Sections appointed by the Mayor vote to calendar a particular public realm improvement for a vote to fund it, the Corporation shall conduct a public hearing on the matter prior to such improvement being placed on the calendar for vote. In addition, if any Director puts forth a proposed public realm improvement, discussion of such improvement shall be added to the agenda of the next public meeting. Proposals for additional public realm improvements for inclusion on the Concept Plan, in addition to meeting the criteria in ZR section 81-613, shall conform to the procedures in the Concept Plan for such proposed inclusion.

In the event that more than \$20 million dollars remains unallocated in the Public Realm Improvement Fund (the “**Fund**”) for more than three years, the Corporation shall be required to hold a vote either to fund a public realm improvement project or to retain the funds.

Notwithstanding the foregoing, the following actions may be taken only if authorized as specified:

(a) An amendment of the By-laws shall be authorized as set forth in Section 10.03;

(b) A purchase, sale, mortgage, lease, exchange or other disposition of real property shall be authorized by the two-thirds majority vote of the entire Board of Directors.

Section 3.13 Annual Reports

An annual report concerning deposits into and expenditures from the Fund shall be prepared and presented to the Directors. Additionally, annual updates to the Concept Plan, including a list of all projects on the Concept Plan to date, those added and removed in the past year, the dollar amount of funds designated to each project on the Concept Plan, to the extent available, the estimated cost of each project on the Concept Plan, and the schedule for all projects for which a decision to designate funding has been made by the Corporation, shall be prepared and presented to the Directors. Such annual update shall be posted to the Department of City Planning’s website no later than January 15 of each calendar year following the establishment of the initial Concept Plan. Further, an annual report, showing the financial and other affairs of the Corporation, as required by law, shall be prepared and presented at the annual meeting of Members.

Section 3.14 Annual Audit Report

The Treasurer, in consultation with the Chairperson, shall report to the Audit Committee of the Board on the results of the annual audit of the Corporation's financial statements (the "**Annual Audit Report**"). The chairperson of the Audit Committee shall present the Annual Audit Report to the Board of Directors. The Treasurer shall also meet with and provide financial updates to the Audit Committee of the Board on a regular basis throughout each fiscal year.

ARTICLE IV

Committees

Section 4.01 Committees

The Board of Directors shall establish an Audit Committee, a Governance Committee and any additional committees, to the extent provided in the resolution or resolutions adopted by affirmative vote of a majority of the Board of Directors. The Audit Committee shall recommend to the Board of Directors the hiring of a certified independent accounting firm for the Corporation, establish the compensation to be paid to the accounting firm, and provide direct oversight of the performance of the independent audit performed by the accounting firm hired for such purposes. To the extent practicable, members of the Audit Committee should be familiar with corporate financial and accounting practices. The Governance Committee shall keep the Board of Directors informed of current best governance practices, review corporate governance trends, recommend updates to the Corporation's governance principles, and advise appointing authorities of the skills and experiences required of potential Members. In addition, the Governance Committee shall examine ethical and conflict of interest issues, perform Board self-evaluations and recommend by-laws which include rules and procedures for conduct of Board business.

The Chairperson shall serve, *ex officio*, as a member of all committees of the Board. Each committee of the Board shall consist of 3 or more Directors, each of whom is an “Independent Committee Member” as defined in Section 4.02 of this Article, and shall act in an advisory capacity only and shall not exercise any powers of the Board of Directors. Each committee comprised of 3 Directors shall include at least 1 Director, who was elected Director by a Non-Mayoral Membership Section, and the committee, if larger, shall maintain the same proportions (e.g., a committee, upon reaching a membership of 6 Directors, shall include at least 2 Directors, who were elected Director by a Non-Mayoral Membership Section). All power and authority to manage the Corporation shall be vested in and exercised by the Board of Directors.

The Chairperson shall appoint from among the Directors the members of each committee of the Board, with the approval of a majority of the Board of Directors (or by such other procedure as may be required by Section 712 of the Not-For-Profit Corporation Law), and shall appoint the chairperson of each committee. Each member of a committee shall serve at the pleasure of the Board. The chairperson of each committee shall be responsible for convening meetings of the committee and reporting to the Board of Directors at each regular meeting of the Board or at such other times as the Board may require.

Section 4.02 Independent Committee Members:

An “Independent Committee Member” shall mean a person who is “independent” as defined by the Public Authorities Accountability Act, which requires that the member:

- (a) is not, and in the past two (2) years has not been, employed by the Corporation or an affiliate of the Corporation in an executive capacity;
- (b) is not, and in the past two (2) years has not been employed by an entity that received remuneration valued at more than \$15,000 for goods and services provided

to the Corporation or received any other form of financial assistance valued at more than \$15,000 from the Corporation.

(c) is not a relative of an executive officer or employee in an executive position of the Corporation or an affiliate; and

(d) is not, and in the past two (2) years has not been, a lobbyist registered under a state or local law and paid by a client to influence the management decisions, contract awards, rate determinations or other similar actions of the Corporation or an affiliate.

An “affiliate” for purposes of the foregoing is any person or corporation or other entity controlled, controlled by, or under substantially the same control as the Corporation.

Section 4.03 Meetings of Committees

Any committee (with regard to such committee) or the Board of Directors (with regard to all committees) shall have the power to fix the time and place of holding meetings of committees and the method of giving notice thereof.

Section 4.04 Records of Committee Meetings

Each committee will keep records of all its meetings and proceedings which will be included in the records of the Corporation.

ARTICLE V

Officers

Section 5.01 Officers

The officers of the Corporation shall consist of a Chairperson, Vice Chairperson, Treasurer, Secretary, and such other officers as may be elected (or, in the case of the Chairperson, appointed) from time to time (each, an “**Officer**” and, collectively, the “**Officers**”).

The Vice Chairperson, Treasurer and Secretary shall be elected by the Board from among the Directors. The same person may not simultaneously hold more than one office with the exception of the Vice Chairperson, who may also serve as either Secretary or Treasurer.

Section 5.02 Election or Appointment; Term of Office

Except as set forth below, each Officer, except the Chairperson, shall be elected by the Board of Directors. Each Officer shall hold his or her respective office until the election or appointment and qualification of his or her successor or until his or her prior death, resignation or removal. Any vacancy occurring in any office may be filled at any ensuing meeting of the Board of Directors, except for a vacancy in the office of Chairperson, which may only be filled by the Mayor.

Section 5.03 Chairperson of the Board

The Chairperson shall have general charge and supervision of the business and affairs of the Corporation, subject to the control and direction of the Board of Directors. The Chairperson shall preside, if present, at all meetings of the Board of Directors and shall serve, *ex officio*, as a member of all committees of the Board. The Chairperson will keep the Board of Directors fully informed concerning the affairs of the Corporation, and shall freely consult with Directors concerning the activities thereof. The Chairperson shall perform such other duties as are incident to his or her office or as are assigned to him or her from time to time by the Board of Directors. In the absence of the Chairperson, the Chairperson's Alternate Director will serve as chair at the meeting of the Board of Directors.

Section 5.04 Vice Chairperson

If the Chairperson is absent or if there is a vacancy in the office of the Chairperson, then the Vice Chairperson shall perform all the duties of the Chairperson and in so

acting shall have all the powers of and be subject to all the restrictions upon the Chairperson. The Vice Chairperson shall also perform such other duties as from time to time are assigned to him or her by the Board of Directors or by the Chairperson. In the absence of the Vice Chairperson, the Vice Chairperson's Alternate Director will serve as vice chair at the meeting of the Board of Directors.

Section 5.05 Treasurer

The Treasurer shall be the chief financial officer of the Corporation and shall be charged with the care and custody of all the moneys and securities of the Corporation. He or she shall deposit moneys received by him or her for the Corporation as provided in Section 6.01 hereof. He or she shall cause to be entered in books of the Corporation to be kept for that purpose, full and accurate accounts of all moneys received by him or her and paid by him or her on account of the Corporation. He or she will render a statement of the condition of the finances of the Corporation at any annual meeting of the Members as provided by Section 519 of the Not-For-Profit Corporation Law or at such other time as the Board shall require. He or she shall make an annual report to the Members concerning assets held for a specific purpose, the use made of such assets and the income thereof as provided in Section 513(b) of the Not-For-Profit Corporation Law. He or she shall make and sign such reports, statements and instruments as may be required of him or her by law or the Board of Directors, and will perform such other duties as are incident to his or her office or as are properly required of him or her by the Board of Directors or the Chairperson.

Section 5.06 Secretary

The Secretary will act as secretary of each meeting of the Board of Directors or Members. In the absence of the Secretary, the presiding Director of the meeting will appoint a secretary of the meeting. In addition, the Secretary will:

(a) arrange for a transcript or recording of all public meetings and hearings of the Corporation;

(b) keep the minutes of all meetings and governing proceedings of the Corporation, in each case, in books to be kept for that purpose;

(c) ensure that all notices and reports are duly given or filed pursuant to these By-Laws or as required by law;

(d) be custodian of the records (other than financial) and have charge of the seal of the Corporation and ensure that it is used upon all papers or documents whose execution on behalf of the Corporation under its seal is required by law or required pursuant to these By-Laws; and

(e) in general, perform all duties incident to the office of Secretary and such other duties as the Chairperson or the Board of Directors may from time to time assign to the Secretary.

Section 5.07 Removal

Any elected Officer may be removed, either with or without cause, by affirmative majority vote of the entire Board of Directors at any meeting of the Board of Directors, notice of which will have referred to the proposed action.

Section 5.08 Execution of Contracts, Deeds and Agreements

All authorized contracts, deeds and agreements shall be executed in the name of the Corporation by the Chairperson, and Treasurer, Secretary or another Officer of the Corporation designated by the Chairperson or the Board of Directors.

Section 5.09 Execution of Checks, Notes, Drafts and Other Negotiable Instruments

All authorized checks, notes, drafts and other negotiable instruments shall be executed in the name of the Corporation by the Chairperson, and all authorized checks, notes, drafts and other negotiable instruments in amounts exceeding \$5,000 must be co-signed by one of the Treasurer, Secretary, or another authorized individual designated from time to time by the Board of Directors for that purpose.

ARTICLE VI

Finances and Records

Section 6.01 Finances

The funds of the Corporation, including the Fund, shall be deposited in the Corporation's name with such bank or banks, trust company or trust companies, as the Board of Directors may from time to time designate, provided that the Fund shall be a separate interest-bearing account, administered by the New York City Economic Development Corporation and utilized in accordance with the Concept Plan. No Director, Officer, Member or agent of the Corporation, alone or with others, shall have the power to make any checks, notes, drafts or other negotiable instruments in the name of the Corporation or to bind the Corporation thereby, except as herein provided.

The Corporation shall also establish and administer escrow or similar accounts, as provided in ZR section 81-686, with such bank or banks, trust company or trust companies, as the Board of Directors may from time to time designate.

Upon receipt of any contributions to the Fund, the Corporation shall notify the Comptroller and the Speaker, in the event the Department of City Planning does not do so.

Section 6.02 Keeping and Inspection of Records

There will be kept, at the principal office of the Corporation, a complete set of books and records of the Corporation. They will include, but not be limited to, the Certificate of Incorporation, these By-Laws, a transcript or recording of all public meetings and hearings, minutes of meetings, a roll containing the names and contact information of all persons who are Members and Directors, copies of the notice of meetings of the Members and Board of Directors, and such other books, records and papers of the Corporation as the Board of Directors will require. These records will be open to inspection during business hours by any Member or Director within five (5) business days after receipt by the Chairperson of a written request for such inspection.

Section 6.03 Website

The Corporation shall make accessible to the public, via the Department of City Planning's website: documentation pertaining to its mission; procedures required by ZR section 81-613 for the conduct of its activities, which procedures are consistent with the requirements of the New York State Open Meetings Law and the goals of the Subdistrict, and shall include rules requiring reporting and transparency, including but not limited to: procedures on the adoption and amendment of the Concept Plan and opportunity for public comment thereon, requirements to provide a transcript or recording of all public meetings and hearings, and transparency and annual reporting requirements concerning deposits into and expenditures from the Fund; current activities, including an annual update to the Concept Plan as set forth in Section 3.13, posted to the website no later than January 15 of each calendar year following the establishment of the initial Concept Plan; most recent annual financial reports; current year budget; its most recent independent audit reports; notice of the time and place of meetings; and other information required by law. Notwithstanding the above, any information covered by subdivision 2 of the section 87 of the Public Officers Law need not be so made accessible.

ARTICLE VII

Indemnification

Section 7.01 Indemnification of Members, Directors and Officers

To the maximum extent permitted by law, the Corporation shall indemnify each Member (including each proxy), and Director (including each Alternate Director) and Officer, whether or not then in office, who is made or threatened to be made a party to any action, suit or proceeding, civil or criminal, arising out of such Member's, Director's or Officer's act or failure to act as a Member, Director or Officer of the Corporation, against (i) the reasonable expenses,

costs and counsel fees incurred by each of them in the defense of such action, suit or proceeding and (ii) amounts paid or incurred pursuant to a judgment or in settlement of any such action, suit or proceeding.

Section 7.02 Non-Exclusive

The rights of indemnification provided in Section 7.01 will not be exclusive of other rights to which any indemnitee may be entitled as a matter of law.

ARTICLE VIII

Conflicts of Interests

Section 8.01 Private Gain.

No Director, or Officer will use his or her relationship with the Corporation for private gain.

Section 8.02 Conflicts of Interest

No Director or Officer may take any action in respect of any contract or other transaction relating to the operations conducted by the Corporation or with respect to any contract for furnishing supplies thereto, in each case pursuant to which such Director or Officer shall have a Conflict of Interest (as defined in Section 8.03 hereof). In the event of such a Conflict of Interest, the Director or Officer concerned shall forthwith make a disclosure to the Corporation of the nature and extent of his or her interest and such disclosure will be entered in writing upon the minutes of the meeting of the Board of Directors called to authorize such contract or other transaction. Any Director or Officer who has such a Conflict of Interest will retire from the room in which the Board of Directors or committee is meeting with respect to such contract or such other transaction. No Director or Officer who has such a Conflict of Interest may vote on any matter relating to such interest unless authorized by the concurring vote

of at least a majority of the entire Board of Directors, or, where applicable, by such larger vote on such matter as is required by law, the Certificate of Incorporation or these By-Laws, not counting the vote of any such interested individual or individuals.

This Article shall not preclude any Director from voting on matters affecting a large group of entities or individuals including the one in which he or she has a Conflict of Interest. Such Director shall not, however, vote on a matter affecting only the particular entity or individual with respect to which he or she has a Conflict of Interest or a small group of entities or individuals including such particular entity or individual. Determination as to whether a Director may vote in a matter in accordance with these provisions shall be made by the Board of Directors in accordance with the immediately succeeding paragraph.

All questions as to whether a Conflict of Interest exists shall be resolved by a vote of the Board of Directors in which the interested individual may not vote.

A Conflict of Interest disclosure statement shall be furnished annually to the Board by each Director or Officer. The disclosure statements shall be reviewed annually by the Board of Directors or by a committee thereof. In addition, each Director or Officer must report promptly to the Corporation any potential Conflict of Interest as and when it arises. This Conflict of Interest policy shall apply to other employees and agents of the Corporation, as determined by resolution of the Board.

In determining whether to approve a contract or transaction in which a Director or Officer may have a Conflict of Interest, disinterested Directors shall take into account the restrictions regarding excess benefit transactions under Section 4958 of the Internal Revenue Code of 1986, as amended.

Subject to the exceptions outlined in Section 716 of the Not-For-Profit Corporation Law, no loans shall be made by the Corporation to any Director or Officer or to any other entity in which one or more Directors or Officers is a director or officer or holds a substantial financial interest.

Section 8.03 Definition

For purposes of this Article, “Conflict of Interest” means any instance in which a Director or Officer has, directly or indirectly, through business, investment, or a family relationship, a financial or fiduciary interest (which shall include, without limitation, any employment, contractual, creditor or consultative relationship), or a Board or staff membership, in an entity or individual, or a substantial affiliate of an entity or individual, with respect to which a vote is taken (including any such interest that existed at any time during the twelve (12) months preceding the time that the matter is voted upon).

A person has a “financial interest” if the person has (i) an ownership or investment interest in any entity with which the Corporation has a transaction or arrangement, (ii) a compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement or (iii) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. Unless otherwise determined by the Board of Directors pursuant to the third paragraph of Section 8.02 hereof, employment or service with the City or a related entity shall not constitute a Conflict of Interest within the meaning of this Section 8.03.

ARTICLE IX

Miscellaneous

Section 10.01 Form of Corporate Seal

The seal of the Corporation shall be circular in form with the words “Public Realm Improvement Fund Governing Group Inc.” in the outer circle and the words “Corporate Seal 2017 New York” in the inner circle. The seal on any corporate obligation for the payment of money may be facsimile, engraved or printed.

Section 10.02 Fiscal Year

The fiscal year of the Corporation shall end on June 30th, unless otherwise provided by the Board of Directors.

Section 10.03 Amendment of By-Laws

These By-Laws may be amended, repealed or replaced at any meeting of the Members or Board of Directors by a two-thirds majority vote of the entire Membership or Board of Directors, provided that notice of any such meeting shall have referred to the proposed action, and provided that any amendment or replacement comply with the text of the East Midtown Rezoning in ZR section 81-613 et seq.

Section 10.04 Conflicts with Law

If any provision of these By-Laws conflicts with any applicable provision of any present or future law, such conflicting provision of law shall supersede and prevail over these By-Laws, and the proceedings of the Corporation and all other matters addressed in these By-Laws shall comply with such provisions of law as may be applicable.