

**LOWER SOUTH VALLEY LAND BANK  
BYLAWS**

**ARTICLE I – INTRODUCTION**

Section 1.1 Name and Definitions of Bylaws.

The name of the land bank is Lower South Valley Land Bank (the “Land Bank”). These Bylaws constitute the code of rules adopted by the Land Bank Board of Directors (the “Board” or “Board Member”) for the regulation and management of its affairs.

Section 1.2. Fiscal Year.

The fiscal year of the Land Bank shall begin on January 1 and end on December 31 of that same year.

**ARTICLE II – PURPOSE AND AUTHORIZATION**

Section 2.1. Purpose.

The Land Bank addresses blighted, vacant, abandoned, and tax delinquent properties and transitions these properties to beneficial reuse using a unified, predictable, and transparent process in order to revitalize communities and strengthen their respective tax bases.

Section 2.2. Authorizing Documents.

The Land Bank is authorized and organized in accordance with Act 153 of 2012, enacted by the Pennsylvania General Assembly and signed into law by the Governor on October 24, 2012, and codified at 68 Pa.C.S.A. § 2101 et. seq., known as the “Land Banks Act;” and the Intergovernmental Cooperation Agreement made by and among the Municipalities located in Luzerne County, Pennsylvania, acting on various dates pursuant to the authority granted by the authorizing ordinances, these Bylaws and the Policies, as amended.

**ARTICLE III – MEMBERSHIP**

Section 3.1. Land Bank Membership.

Municipalities, except school districts, shall pay \$3,000 to become a Member of the Land Bank. The Land Bank may charge municipalities, except school districts, reasonable fees for operating costs as approved by the Land Bank Board.

The original Land Bank members are as follows: Ashley Borough, Hanover Township, the City of Nanticoke, Newport Township, the City of Wilkes-Barre, the Municipality of Kingston, and Hanover area School District.

Section 3.2. New Members.

A. Additional Municipalities may become members of the Land Bank in accordance with the following procedures:

1. The entity wishing to be considered for membership of the Land Bank shall first submit to the Chair of the Land Bank Board a certified copy of a resolution of its governing body requesting membership.

2. The Land Bank Board members shall thereupon consider the effect of the additional membership on the Land Bank's interests and its ability to accomplish its stated purposes and, therefore, it will submit, within thirty (30) days of the reference of the matter to it, its recommendation to the governing bodies of the existing member Municipalities.
3. In recommending a membership request from an additional Municipalities for membership in the Land Bank, the existing Land Bank Board members shall state the terms and conditions for membership.
4. All additional admissions to membership in the Land Bank shall require the Super-Majority approval of all existing voting member Municipalities by appropriate Resolution of their governing bodies.
5. An additional Municipalities joining the Land Bank shall signify its acceptance of the terms of membership in and to the Land Bank by enacting an Ordinance to enter into the Land Bank Intergovernmental Cooperation Agreement and agree to the existing Bylaws and Policies adopted by the Board within ninety (90) days of receipt of notification of Super-Majority approval by the member Municipalities from the Chair of the Land Bank Board.

#### Section 3.3. Member Elimination.

Members may be eliminated by termination or removal. Termination of membership is at the election of the member desiring termination and proceeds in accordance with member withdrawal procedures adopted by the Board. Members may be removed for failure to comply with any provision of the Intergovernmental Cooperation Agreement.

#### Section 3.4. Land Bank Jurisdiction.

The jurisdictional boundaries of the Municipalities that are Land Bank Members are the jurisdiction of the Land Bank. The Land Bank may not own or hold real property located outside the Land Bank jurisdiction unless the real property was acquired by the Land Bank while the Municipality within which the real property is located was a Member of the Land Bank.

### **ARTICLE IV – BOARD OF DIRECTORS**

#### Section 4.1. Board of Directors.

The Board shall have full power to conduct, manage, and direct the business and affairs of the Land Bank; and all powers of the Land Bank are hereby granted to and vested in the Board as limited by the Commonwealth of Pennsylvania.

#### Section 4.2. Duties of Board of Directors.

Board Members shall have a fiduciary duty to conduct the activities and affairs of the Land Bank in the best interests of the Land Bank, including the safekeeping and use of all Land Bank monies and assets, and shall discharge his or her duty in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

#### Section 4.3. Compensation.

Board Members shall receive no compensation for the performance of their duties. The Land Bank may reimburse members of the Board for actual and necessary expenses incurred in the discharge of their official duties on behalf of the Land Bank.

Section 4.4. Composition.

The Board shall consist of nine (9) members. They are appointed in accordance with the Intergovernmental Cooperation Agreement.

Section 4.5. Terms.

The term of each Board Member shall be three (3) years after the staggering of the first term, as identified in the Intergovernmental Cooperation Agreement.

Section 4.6. Required Attendance at Meetings.

A Member who fails to attend three (3) consecutive meetings of the Board, without good cause, may be removed by a majority vote of the entire Board of Directors at any time up to sixty (60) days after the date of the third missed meeting.

Section 4.7. Resignation.

A Board Member may resign at any time by giving written notice to the Board chair or the secretary. Such resignation shall take effect on the date of the receipt of such notice or any later time specified therein and, unless otherwise specified in the notice, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.8. Removal.

In addition to removal as permitted in Section 3.3. of this Article, a member may be removed by majority vote of the other members of the Board at a regular Board meeting for failing to comply with these Bylaws or any other rule or standard adopted by the Board. A member removed under Section 4.6 or 4.8. of this Article shall be ineligible for reappointment to the Board unless the reappointment is confirmed unanimously by the entire Board of Directors.

Section 4.9. Vacancies and Re-appointments.

A vacancy on the Board shall be filled in the same manner as the original appointment for the balance of the unexpired term. Such vacancy or re-appointment shall be filled as soon as practicable. In the event a board member's term expires, the board member may continue to serve until re-appointment or until the seat is filled by a new appointment.

**ARTICLE V – OFFICERS**

Section 5.1. Officers.

The Board shall select annually from among their members a chair, vice chair, secretary, and treasurer. All officers must be voting members of the Board.

Section 5.2. Election of Officers.

The officers shall be elected annually by the Board, and each such officer shall hold his or her office until his or her successor has been elected and seated, or until his or her resignation or removal.

Section 5.3. Duties of Chair.

The Chair shall have general supervision of the business and affairs of the Land Bank. The chairperson shall act as Chair at each meeting of the Board of Directors.

Section 5.4. Duties of Vice Chair.

The Vice Chair shall, in the absence of the Chair, perform the duties of the Chair and shall perform such other duties and responsibilities as the Board of Directors may from time to time deem appropriate.

**Section 5.5. Duties of Secretary.**

The Secretary shall keep minutes of all meetings of the Board and shall give all notices of meetings of the Board. The Secretary shall have custody of all records, contracts, and agreements of the Land Bank and shall attend to such correspondence of the Land Bank as the Board shall direct. The duties of the Secretary may be delegated to appropriate staff personnel.

**Section 5.6. Duties of Treasurer.**

The Treasurer shall receive and have custody of all the monies and securities of the Land Bank and shall keep regular books of accounts. He or she shall deposit all monies in a bank to the credit and in the name of the Land Bank. The duties of the Treasurer may be delegated to appropriate staff personnel. All expenditures shall be made by the Treasurer on the authority of the Board.

**ARTICLE VI – MEETINGS**

**Section 6.1. Physical Presence.**

Members may only attend and participate in meetings of the Board by being physically present. A Board Member that participates via telephone or other electronic communication method must be able to be heard by everyone present, including the public. Additionally, the Board Member must be able to hear all the deliberations of the Board and comments of the public during the meeting. Board members who participate for the entire meeting via telephone or other electronic communication method constitutes the member being physically present at the meeting.

**Section 6.2. Quorum.**

A majority of the board, excluding vacancies, constitutes a quorum. Physical presence is required.

**Section 6.3. Public Notice**

Public notice of meetings involving official action and deliberations by a quorum of the Board shall be given, and such meetings shall be holed, in compliance with the Sunshine Law, 65 Pa.C.S.A. Ch. 7.

**Section 6.4. Annual Meetings.**

The Board shall hold an annual meeting no later than January 31<sup>st</sup> of each year for the purpose of electing board officers.

**Section 6.5. Regular Board Meetings.**

The Land Bank shall hold no less than four (4) public meetings per year and no less than one (1) per each calendar quarter. The Board may adopt a schedule for regular meetings.

**Section 6.6. Special Session.**

A special session may be convened by the Chair of the Board or upon written notice signed by a majority of the Board Members, pursuant to Section 2105(g) of the Land Banks Act. The call for a special session may be delivered to each member of the Board, or may be mailed to the business or home address, or emailed to the email address of each member thereof two days or more prior to the date of such special session. No business shall be considered other than as designated in the call, but if all of the members of the Board are present at a special session, any and all business may be transacted at such special session.

Section 6.7. Minutes and a Record of its Proceedings.

The Board shall keep minutes and a record of its proceedings. The Land Bank is subject to the provisions of the Sunshine Law, 65 Pa.C.S.A. Ch. 7 (relating to open meetings) and the act of February 14, 2008 (P.L.6, No.3), 65 P.S. §67.101 et. seq., known as the Right-to-Know Law.

Section 6.8. Open to Public.

All Board meetings shall be open to the public and the Board shall allow for public comment. The Board may adopt a public comment policy.

**ARTICLE VII – VOTING**

Section 7.1. Voting.

- A. Except as set forth in paragraph B. and C., action of the Board must be approved by the affirmative vote of a majority of the Board present and voting.
- B. Action of the Board on the following matters must be approved by a majority of the entire Board membership:
  - 1. Adoption of bylaws and policies, including the rules required by Section 2105(d), for the conduct of the Land Bank's business;
  - 2. Hiring or firing of any employee of the Land Bank;
  - 3. Hiring or firing of any contractor of the Land Bank provided, however, that this function may, by majority vote of the total Board membership, be delegated to a specific officer of the Board or committee or staff of the Land Bank, under such terms and conditions and to the extent that the Board may specify;
  - 4. Incurring of debt;
  - 5. Adoption or amendment of the annual budget;
  - 6. Sale, lease, encumbrance, or alienation of real property, improvements, or personal property in excess of \$25,000; and
  - 7. Discharge and extinguishment of liens or claims for real estate taxes to one or more of the parties of real property acquired by the Land Bank.
- C. A resolution relating to dissolution of the Land Bank must be approved by two-thirds of the entire Board membership.
- D. A member of the board may not vote by proxy.
- E. A member may request a recorded vote on any resolution or action of the land bank.

**ARTICLE VIII – STAFF**

Section 8.1. The Board of Directors may employ or enter into a contract for an executive director, counsel and legal staff, technical experts and other individuals and may determine the qualifications and fix the compensation and benefits of those employees.

Section 8.2 The Board of Directors may enter into a contract with a municipality for the municipality to provide staffing services to the land bank or the land bank to provide staffing services to the

municipality.

## **ARTICLE IX – CODE OF ETHICS**

### **Section 9.1. State Ethics' Acts.**

Members of the Board and employees of the Land Bank are bound by the provisions of the Pennsylvania Public Officials and Employee Ethics Act, 65 Pa. C. S. §§ 1101- 1113 (the "Ethics Act") and shall be subject to the act of July 19, 1957 (P.L.1017, No. 451), known as the State Adverse Interest Act (71 P.S. §776.1 *et seq.*).

### **Section 9.2. Supplemental Ethical Obligations.**

The Board shall adopt supplemental ethical guidelines for its members and Land Bank employees and agents, including policies addressing and protecting against potential conflicts of interest.

## **ARTICLE X: LIMITATION OF PERSONAL LIABILITY OF BOARD MEMBERS**

### **Section 10.1. Monetary Damages Limitation.**

A Board Member shall not be personally liable for monetary damages as such for any action taken, or any failure to take any action, unless the Board Member has breached or failed to perform the duties of his or her office as defined herein; and the breach or failure to perform constitutes self-dealing, willful misconduct, or recklessness.

### **Section 10.2. Criminal and Payment of Taxes Limitation.**

The provisions of this Section shall not apply to (a) liability of a Board Member pursuant to any criminal statute, or (b) the liability of a Board Member for the payment of taxes pursuant to local, state, or federal law.

### **Section 10.3. Standard of Care and Justifiable Reliance.**

A Board Member shall stand in a fiduciary relationship to the Land Bank and shall perform his or her duties as a Board Member, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Land Bank, and with such care, including reasonable inquiry, skill, and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, a Board Member shall be entitled to rely in good faith on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

- A. one or more officers or employees of the Land Bank whom the Board Member reasonably believes to be reliable and competent in the matters presented;
- B. counsel, public accountants, or other persons as to matters which the Board Member reasonably believes to be within the professional or expert competence or such person; and
- C. a committee of the Board upon which he or she does not serve, duly designated in accordance with these Bylaws, as to matters within its designated authority, which committee the Board Member reasonably believes to merit confidence.

A Board Member shall not be considered to be acting in good faith if he or she has knowledge

concerning the matter in question that would cause his or her reliance to be unwarranted. In discharging the duties of their respective positions, the Board, committees of the Board, and individual Board Members may, in considering the best interests of the Land Bank, consider the effects of any action upon employees, upon person with whom the Land Bank has business and other relations, and all other pertinent factors. The consideration of those factors shall not constitute a violation of this Section. Absent breach of fiduciary duty, lack of good faith, or self-dealing, actions taken as a Board Member or any failure to take any action shall be presumed to be in the best interests of the Land Bank.

## **ARTICLE XI – INSURANCE AND INDEMNIFICATION**

### **Section 11.1. Insurance.**

The Land Bank shall obtain insurance to defend and indemnify the Land Bank, the Board, employees / staff members and agents with respect to all claims or judgments arising out of their activities as Board Members or employees or staff members. Insurance may be through coverage by the Land Bank.

### **Section 11.2. Indemnity.**

The Land Bank shall indemnify any person who was or is a Board member, employee, or agent of the Land Bank against all reasonable costs and expenses (including without limitation judgments, penalties, fines, amounts paid in settlement, etc.) incurred in any actual or threatened investigation or proceeding (whether civil, criminal, administrative or otherwise) if such person, acting within the scope of his or her office or duties as a Board member, employee, consultant, or agent of the Land Bank, (i) acted in good faith, and (ii) in a manner such person believed to be in the best interest of the Land Bank, and (iii) with respect to criminal matters, without knowledge that such actions were unlawful. As to (i) and (ii) above, it shall be presumed that a person acted in good faith and in a manner such person believed to be in the best interest of the Land Bank unless and until it shall be finally adjudged that such person acted in a manner which such person knew or reasonably should have known not to be in good faith or in the best interests of the Land Bank; or the Land Bank shall determine that such person acted in a manner which such person knew or reasonably should have known not to be in good faith or in the best interests of the Land Bank, and shall have received the opinion of its independent counsel that indemnification may be improper under the circumstances. As to (iii) above, a conviction or judgment (whether after trial or based on a plea of guilty or nolo contendere or otherwise) shall not be deemed an adjudication adverse to the person to be indemnified unless it shall also be adjudged in such conviction or judgment that such person knew or reasonably should have known such actions to be unlawful.

It is the intent and obligation of the Land Bank to indemnify each former and present Board member, employee, or agent in accordance with this indemnity provision to the maximum extent permitted by law. If any portion of this Article XI is declared to be illegal or unenforceable, then the remaining portions of this Article XI shall be interpreted so as to provide the maximum indemnity permitted by law.

The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of a final disposition and the right of payment of expenses conferred herein shall not be deemed exclusive of any other rights to which those persons seeking indemnification or advancement of expenses hereunder may be entitled by any by law, agreement, vote of the Board or otherwise, both as to actions in his or her official capacity and as to actions in any other capacity while holding that office. The Land Bank shall have the express authority to enter into such agreements or arrangements as the Board deems appropriate for the indemnification of and advancement of expenses to present or future Board and Officers, as well as employees, representatives, or agents of the Land Bank in connection with

their status with or services to or on behalf of the Land Bank.

Any person entitled to indemnity pursuant to this Section 11.2 shall, as a precondition to such indemnity, inform and consult with the Land Bank prior to incurring any cost or expense for which indemnity is requested. Payment of expenses to be indemnified shall be made as and when incurred by the person to be indemnified, except as otherwise directed by the Land Bank.

Additional Rights: The obligations of the Land Bank as set forth in this Article XI shall:  
be in addition to and supplemental to any rights of indemnity pursuant to any insurance contracts;  
be in addition to and supplemental to any right of indemnity pursuant to the "Sovereign Immunity Act", the "Political Subdivisions Tort Claims Act" or any other right to indemnity; and  
not constitute a waiver of any immunity which might be available to the person entitled to indemnity.

Obligation to Cooperate: The obligations of the Land Bank under this Article XI are conditioned upon the cooperation with the Land Bank of the person benefited by the provisions of this Article XI; and in the event such person shall fail or refuse to cooperate with the Land Bank as reasonably requested by the Land Bank, then the Land Bank may recover all costs and expenses expended on behalf of such person.

## **ARTICLE XII – AMENDMENT**

Section 12.1 Bylaws Amendment.

Notice of proposed alteration, amendment, or repeal of these Bylaws shall be given in writing to each member at least ten (10) days prior to the meeting at which action thereon is to be taken. Such notice must include the wording of the proposed change to the Bylaws. Changes to the Bylaws must receive approval by affirmative vote of the majority of the Board.

## **ARTICLE XIII – GENERAL**

Section 13.1 Land Bank Purposes Restrictions.

Notwithstanding any other provision of these Bylaws to the contrary only such powers shall be exercised as are in furtherance of the purposes of the Land Bank and as may be exercised by a land bank organized pursuant to Chapter 21 of Title 68 of the Pennsylvania Consolidated Statutes ("Land Banks Act"). Upon amendment of the Land Banks Act, any provision of these Bylaws which is rendered inconsistent with such amendment shall, without further action of the Board, be deemed void and rescinded.