

BYLAWS
Sioux Falls Convention and Visitors Bureau
Business Improvement District

Article I. Name and Authority

1.1 Name. The name of this organization is the Sioux Falls Convention & Visitors Bureau Business Improvement District (the "BID").

1.2 Authority. The Board of Directors of the BID exists under the authority granted by Section ____ of the Revised Ordinances of Sioux Falls, SD and City Resolution _____.

Article II. Purpose

The purpose of the Sioux Falls Convention & Visitors Bureau Business Improvement District is to provide funds to the Sioux Falls Convention and Visitors Bureau ("CVB") for the marketing and promotion of the visitor industry in the City of Sioux Falls and increase the room night sales of lodging facilities within the Business Improvement District.

Article III. Location

The principal office of the BID will be the Sioux Falls Convention & Visitors Bureau, 200 North Phillips Avenue, Suite 102, Sioux Falls, South Dakota 57104. The mailing address will be the same.

Article IV. Board of Directors

4.1. Composition, Terms and Appointment.

(a) The Board of Directors will consist of nine voting members appointed by the Mayor and approved by the City Council, and will be comprised of the following:

- three members who own or manage a hotel in the City with over 100 or more rooms,
- two members who own or manage a hotel in the City with 75 to 99 rooms,
- one member who owns or manages a hotel in the City with 40 to 74 rooms
- two members from the CVB Advisory Council Executive Committee, and
- one member from the Sioux Falls business community at-large,

provided, however, that no hotel ownership or management group may, either directly or indirectly, hold more than one seat on the Board of Directors.

(b) The Mayor, with the approval of the City Council, will fill any vacancy for the remainder of the term vacated.

4.2. Terms. All members will be appointed to three year terms, and may not serve more than two consecutive full or partial terms.

4.3 Voting Registration. A minimum of four members of the Board of Directors must be registered voters within the City. Up to three members may serve without being registered voters of the City provided they have a vested or representative interest in the district as allowed by Section ____ of the revised ordinances.

4.4. Non-Voting Members. The following persons will be non-voting ex-officio members of the Board of Directors:

(a) a member of the Sioux Falls City Council, appointed by the Mayor, and

(b) the Executive Director of the Sioux Falls Convention & Visitors Bureau.

4.6. Resignations. Resignations of Directors must be in writing and will take effect upon receipt of the Board of Directors.

4.7. Duties of the Board of Directors.

(a) The Board of Directors will prepare an annual budget for the use of the occupation tax collected by the BID. The budget must be in accordance with the purposes of the BID and the requirements of Chapter 9-55 of the South Dakota Codified Laws. Before becoming effective, the budget must be presented to and approved by the CVB Executive Committee, the Chamber Board of Directors, and the City Council.

(b) Members of the Board of Directors are expected to attend all meetings of the Board, and spend such additional time as necessary to execute duties of Board.

(c) The Board of Directors serves as the official board of the Sioux Falls Convention and Visitors Bureau Business Improvement District established by Article ____, Chapter ____ of the Ordinances of the City of Sioux Falls.

Article V Officers

5.1. Composition. The Officers of the Board of Directors will consist of a Chairman, Vice Chairman and Secretary.

5.2. Election and Nominations. The Officers of the Board of Directors will be elected by a simple majority of the members of the Board of Directors in July of each year. Directors must nominate individuals from among the current Directors. If only one Director is nominated for an open Officer position, an open election will be held. If more than one Director is nominated for an open Officer position, an election by secret ballot will be held.

5.3. Chairman. The Chairman will preside over the meetings of the Board of Directors. He or she will perform all duties incidental to this position and recommend such actions as he or she believes will increase the effectiveness of the BID. The chairperson will preside over meetings and may create and appoint members to committees as needed.

5.4. Vice Chairman and Secretary. In the absence, disability or under the direction of the Chairman, the Vice Chairman will be vested with all the powers and perform all the duties of the

Chairman, and will have such additional powers and perform such additional duties as ordered by the Board of Directors. In the absence of both the Chairman and the Vice Chairman, the Secretary will preside over the meetings. City Planning Department staff will serve as recording secretary and will prepare meeting agendas, meeting minutes, and correspondence of the Board of Directors pursuant to Section _____ of the Revised Ordinances.

5.5. Resignation. Resignation of Officers must be in writing and will take effect upon receipt by the Board of Directors.

Article VI. Board Meetings

6.1 Regular Meetings. Regular meetings of the Board of Directors must be scheduled at least four times per year. The Board of Directors may adopt a fixed time for the regular meetings.

6.2 Special Meetings. Special meetings of the Board of Directors may be called at any time or place by either the Chairman or the CVB Executive Director.

6.3 Quorum. A quorum for the transaction of business at any meeting of the Board of Directors will consist of the majority of the voting members of the Board.

6.4 Procedure. Meetings will be conducted using Roberts Rules of Order unless otherwise stated.

6.5 Notices. Notice of a meeting must be given at least two days prior to the scheduled meeting.

6.6 Agendas. A printed agenda will be prepared in advance of all meetings. Each agenda will contain, at a minimum, the time and place of meeting and a description of the topics scheduled for discussion.

6.7 Minutes. A set of the meeting minutes will be filed with the city clerk.

Article VII. Finances

7.1. Funds. All monies collected pursuant to the ordinance and delivered to the CVB will be placed in a special account and used as funds available for the Business Improvement District.

7.2. Disbursements. No unbudgeted obligation may be incurred and no money may be appropriated without prior approval of the Board of Directors. The Board of Directors each year will submit an annual budget to the Sioux Falls City Council for its approval.

7.3 Accounting and Financial Statements. The Sioux Falls Area Chamber of Commerce will provide the City's Finance Director quarterly and annual financial statements reporting in detail all uses of the BID tax remitted to the CVB. Such statements will be provided not later than 45 days following the end of the period to which such report pertains.

7.4. Operating Year. The operating period for budget purposes is by fiscal year beginning on January 1 and ending on December 31.