

**BYLAWS  
AS AMENDED ON MARCH 25, 2022  
OF  
CITY AND COUNTY OF SAN FRANCISCO  
FINANCE CORPORATION**

**ARTICLE I**

**NAME, ORGANIZATION AND PURCHASE  
PRINCIPAL OFFICE, SEAL**

Section 1.01. Name. The name of this corporation is “City and County of San Francisco Finance Corporation” (hereinafter referred to as the “Corporation”).

Section 1.02. Organization, Purchase and Use and Funds. The activities of the Corporation shall be limited to the activities described in its Articles of Incorporation. No gains, profits or dividends shall be distributed to any of the directors or officers of the Corporation, and no part of the net earnings, funds or assets of the Corporation shall inure to the benefit of any director, officer or individual or any other person, firm or corporation excepting only the United States of America, the State of California, or any municipal corporation or political subdivision thereof, or to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable or social welfare purposes and which has established its tax-exempt status under Section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986.

Section 1.03. Principal Office. The principal office of the Corporation for its transaction of business is located at City Hall, San Francisco, California 94102.

Section 1.04. Change of Principal Office. The Board of Directors is hereby granted full power and authority to change the principal office of the Corporation from one location to another in San Francisco, California. Any such change shall be noted by the Secretary in an appendix to these Bylaws, but no such appendix shall be considered an amendment of these Bylaws.

Section 1.05. Seal. The corporate seal of the Corporation shall set forth the name of the Corporation and shall have inscribed thereon the words “Incorporated January 22, 1991, California.”

**ARTICLE II**

**MEMBERSHIP**

Section 2.01. The Corporation shall have no members. Any action which would otherwise require approval by a majority of all members or approval by the members shall require only approval of the Board of Directors. All rights which would otherwise vest in the members shall vest in the directors.

**ARTICLE III**  
**DIRECTORS**

**Section 3.01. Number.** Subject to Section 3.03 of these Bylaws, the Corporation shall have three (3) directors. Collectively the directors shall be known as the “Board of Directors.”

**Section 3.02. Qualifications.** The Directors of the Corporation shall be residents of the State of California. No person shall be eligible to serve as a director of the Corporation who is (a) an employee of the City and County of San Francisco (hereinafter referred to as the “City”); (b) a member of the Board of Supervisors of the City; (c) a member of any appointive board, commission or advisory body of any kind of the City or (d) an elective officer of the City. No person shall be eligible to serve as a director of the Corporation unless such person has been duly designated by the incorporator or appointed by the Corporation’s Board of Directors, as the case may be.

**Section 3.03. Designation of Directors.** The Corporation’s Board of Directors initially shall be designated by the incorporator. Vacancies on the Board of Directors shall be filled by approval of the board, in accordance with California Corporations Code Section 5224.

**Section 3.04. Term of Office.** Each director shall hold office until a successor has been properly designated and qualified, or until the death, resignation or removal of such director.

**Section 3.05. Place of Directors’ Meetings.** Meetings of the Board of Directors shall be held at the principal office of the Corporation unless a different place is designated in the notice of such meeting.

**Section 3.06. Regular Meetings.** The Board of Directors by resolution may provide for the holding of regular meetings and may fix the time and place of holding such meetings.

**Section 3.07. Special Meetings.** Special meetings of the Board of Directors may be called in accordance with the provisions of Section 54956 of the Government Code of the State of California.

**Section 3.08. Quorum and Manner of Action.** A majority of the directors shall constitute a quorum for the transaction of business by the Board of Directors, except that less than a quorum may adjourn from time to time. No action may be taken by the Board of Directors except upon the affirmative vote of a majority of the members of the Board of Directors.

**Section 3.09. Notice; Conduct of Meeting.** All meetings of the Board of Directors shall be called, noticed, held and conducted subject to the provisions of the Ralph M. Brown Act (Chapter 9 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, being Sections 54950 to 54962 thereof). The President or, in his or her absence, the Chief Financial Officer, shall preside at all meetings of the Board of Directors.

**Section 3.10. Compensation of Directors.** No director shall be entitled to receive any compensation for serving as a director or as an officer of the Corporation, 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, upon approval of the Board of Directors.

Section 3.11. Annual Meetings. Annual meetings of the Board of Directors shall be held in the month of April or on such date and time as may be specified in a written notice delivered by the Secretary of this Corporation. At this meeting, Officers shall be elected and any other proper business may be transacted.

Section 3.12. Vacancies on Board of Directors. A vacancy or vacancies on the Board of Directors shall exist on the occurrence of the following: (a) the death or resignation of any Director; (b) the declaration by resolution of the Board of Directors of a vacancy in the office of a Director who has been declared of unsound mind by an order of court, convicted of a felony, or found by final order or judgment of any court to have breached a duty under Article 3 of Chapter 2 of the California Nonprofit Public Benefit Corporation Law; or (c) the increase of the authorized number of Directors.

Section 3.13. Filling Vacancies. Vacancies on the Board of Directors may be filled by a majority of the Directors then in office, whether or not less than a quorum, or by a sole remaining Director.

Section 3.14. No Vacancy on Reduction of Number of Directors. No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires.

## **ARTICLE IV**

### **POWERS OF BOARD OF DIRECTORS**

Section 4.01. General Powers of Board of Directors. All corporate powers shall be exercised by or under the authority of, and the business, property and affairs of the Corporation shall be controlled by, the Board of Directors. The Board of Directors may delegate the management of the activities of the Corporation to any person or persons, management company or committee, however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board of Directors. The Corporation shall have the authority to enter into contracts or agreements, on its own behalf, for the provision of services in connection with its corporate activities (i.e., corporate counsel, accountants, etc.). The authority to enter into such contracts and agreements may be exercised on behalf of the Corporation by the City.

Section 4.02. Indemnification. To the fullest extent permitted by law, the Board of Directors may authorize indemnification by the Corporation of any person who is or was a director, officer, employee or other agent of the Corporation, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a director, officer, employee or other agent of the Corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful and, in the case of an action by or in the right of the Corporation, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

Section 4.03. Incurring of Indebtedness. The Board of Directors, on behalf of the Corporation and in furtherance of its proper purposes, may incur such indebtedness, may issue bonds, notes, debentures and other evidences of indebtedness of the Corporation, may secure the same by mortgage, transfer in trust, pledge or other encumbrance of the whole or any part of the assets of the Corporation, may establish funds and make other provisions for the payment of such indebtedness and interest thereon, and may otherwise act or enter into other agreements in connection therewith, in each case as shall be deemed necessary or appropriate by the Board of Directors.

The City, on behalf of the Corporation, shall enter into any contract or agreement for the provision of services in connection with a financing for capital improvements and/or equipment programs (i.e., bond counsel, financial advisor, investment provider, consultants, etc.).

Section 4.04. Loans and other Agreements. Subject to the provisions of the California Nonprofit Public Benefit Corporation Law, the Board of Directors, on behalf of the Corporation and in furtherance of its proper purposes, may make loans to, enter into leases or subleases with, or otherwise enter into agreements with, any person, and may take otherwise act or enter into other agreements in connection therewith, in each case as shall be deemed necessary or appropriate by the Board of Directors.

## **ARTICLE V**

### **OFFICERS**

Section 5.01. Number and Qualifications. The officers of the Corporation shall be a President, a Secretary, a Chief Financial Officer and such subordinate officers, including one or more assistant secretaries and assistant financial officers, as the Board of Directors may appoint. Only directors shall be qualified to hold the office of President. Neither the Secretary nor the Chief Financial Officer may serve concurrently as the President.

Section 5.02. Election; Term of Office. Except as provided in Section 5.01, each officer shall be appointed by the Board of Directors, or, in the case of the initial officers, designated by the incorporator, and shall hold office until his or her successor shall have been appointed and qualified, or until the death, resignation or removal of such officer.

Section 5.03. Resignations. Any officer may resign at any time by giving written notice to the President or to the Secretary of the Corporation. Any such resignation shall take effect at the time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5.04. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause, shall be filled in the manner prescribed in these Bylaws for regular appointment to such office.

Section 5.05. President. The President shall be the chief executive officer of the Corporation and shall have general supervision over the business of the Corporation, subject, however, to the control of the Board of Directors. The President shall preside at all meetings of the Board of Directors. The President may sign and execute, in the name of the Corporation, deeds, mortgages, leases, bonds, contracts and other instruments duly authorized by the Board of Directors, and generally shall perform all duties incident to the office of the President and such other duties as may be from time to time be assigned to such office by the Board of Directors. At each meeting of the Board of Directors, the President shall submit such recommendations and

information as he or she may consider proper concerning the business, affairs and policies of the Corporation.

Section 5.06. Secretary. The Secretary shall:

- (a) Certify and keep at the office of the Corporation, or at such other place as the Board of Directors may order, the original or a copy of these Bylaws, as amended or otherwise altered;
- (b) Keep at the office of the Corporation, or at such other place as the Board of Directors may order, a book of minutes of all meetings of the directors, recording therein the time and place of holding, whether regular or special, and, if special, how authorized, the notice thereof given, and the proceedings thereat.
- (c) See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law;
- (d) Be custodian of the records and seal of the Corporation;
- (e) Exhibit at all reasonable times to any director, upon application, these Bylaws and the minutes of the proceedings of the directors of the Corporation; and
- (f) In general, perform all duties of the office of Secretary and such other duties as may from time to time be assigned to such office by the Board of Directors or the President.

Section 5.07. Chief Financial Officer. Subject to the provisions of the proceedings authorizing any debt or other obligation of the Corporation which may provide for a trustee to receive, have the custody of and disburse Corporation funds, the Chief Financial Officer shall receive and have charge of all funds of the Corporation and shall disburse such funds only as directed by the Board of Directors. The Chief Financial Officer shall, in general, perform all duties incident to the office of Chief Financial Officer and such other duties as may from time to time be assigned to such office by the Board of Directors or the President. The Chief Financial Officer shall have the additional title of "Treasurer."

Section 5.08. Subordinate Officers and Qualifications. Subordinate Officers shall perform such duties as shall be prescribed from time to time by the Board of Directors.

## ARTICLE VI

### **DISSOLUTION**

Section 6.01. The Corporation shall not be voluntarily dissolved, except by approval of the Board of Directors. In the event of dissolution of the Corporation in any manner and for any cause, after the payment or adequate provision for the payment of all of its debts and liabilities, all of the remaining funds, assets and properties of the Corporation shall be paid or distributed as provided in the Corporation's Articles of Incorporation.

## **ARTICLE VII**

### **GENERAL**

**Section 7.01. Fiscal Year.** The fiscal year of the Corporation shall begin July 1 and end June 30 of each year, except the first fiscal year which shall run from the date of incorporation to June 30, 1991.

**Section 7.02. Construction and Definitions.** Unless otherwise provided herein or in the Articles of Incorporation, the general provisions, rules of construction and definitions contained in the General Provisions of the California Nonprofit Corporation Law and in the California Nonprofit Public Benefit Corporation Law shall govern the construction of these Bylaws.

**Section 7.03. Records and Reports.**

(a) **Maintenance of Corporate Records.** The corporation shall keep: (1) adequate and correct books and records of account; and (2) written minutes of the proceedings of the Board of Directors, and committees of the Board of Directors.

(b) **Maintenance and Inspection of Articles and Bylaws.** The Corporation shall keep at its principal office, or if its principal office is not in California, at its principal business office in this state, the original or a copy of the Articles of Incorporation and Bylaws, as amended to date, which shall be open to inspection by the members at all reasonable times during office hours. Every Director shall have the absolute right at any reasonable time to inspect the Corporation's books, records, documents of every kind, physical properties, and the records of each of its subsidiaries. The inspection may be made in person or by the Director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

**Section 7.04. Insurance.** The Corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its Officers, Directors, employees, and other agents, against any liability asserted against or incurred by any Officer, Director, employee, or agent in such capacity or arising out of the Officer's, Director's, employee's, or agent's status as such.

## **ARTICLE VIII**

### **AMENDMENT OF BYLAWS AND ARTICLES OF INCORPORATION**

**Section 8.01. Amendment of Bylaws.** Any of these Bylaws may be amended or repealed, and new Bylaws may be adopted, by the affirmative vote of a majority of the members of the Board of Directors.

**Section 8.02. Amendment of Articles of Incorporation.** The Articles of Incorporation may be amended by unanimous vote of the Board of Directors.

## ARTICLE IX

### INDEMNIFICATION OF DIRECTORS AND OFFICERS

#### Section 9.01. Indemnification.

(a) Right of Indemnity. To the fullest extent permitted by law, this Corporation shall indemnify its Directors, Officers, employees and other agents or persons of the Corporation described in Section 5238(a) of the California Corporations Code, including persons formerly occupying any such position, and who is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a Director, Officer, employee or other agent of the Corporation, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful and, in the case of an action by or in the right of the Corporation, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. "Expenses," as used in this bylaw, shall have the same meaning as in Section 5238(a) of the California Corporations Code.

(b) Approval of Indemnity. On written request to the Board of Directors by any person seeking indemnification under Section 5238(b) or Section 5238(c) of the California Corporations Code, the Board of Directors shall promptly determine under the Section 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.

(c) Advancement of Expenses. To the fullest extent permitted by law and except as otherwise determined by the Board of Directors in a specific instance, expenses incurred by a person seeking indemnification under this Section 4.04 of these Bylaws in defending any proceeding covered by that Section shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.