

**CITY OF COOS BAY CITY COUNCIL**  
**Agenda Staff Report**

MEETING DATE May 6, 2014	AGENDA ITEM NUMBER
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TO: Mayor Shoji and City Councilors

FROM: Rodger Craddock, City Manager

ISSUE: Authorization of the City's Membership in the South Coast Community Foundation,  
Ratification of the Initial By-Laws and Initial Directors

**BACKGROUND:**

The City has been working in partnership with the City of North Bend, Coos County, and the International Port of Coos Bay as the four legally designed sponsors of the Bay Area Enterprise Zone to develop a Community Enhancement Plan (CEP) that would be the basis for creating a mechanism to support educational, civic, environmental, economic, and municipal programs and projects throughout the region encompassing all of Coos County as well as Reedsport and Western Douglas County.

The CEP rests on the legal authority of the Enterprise Zone to grant a long-term rural enterprise property tax exemption to Jordan Cove Energy Partnership (JCEP), and included within the tax exemption is a condition requiring JCEP to pay a Community Service Fee (CSF) that would be distributed according to the terms of the CEP. Based on a recent meeting with the Senator Roblan, Representative McKeown, and various members of Governor Kitzhaber's staff, there appears to be no question that the proposed long-term rural enterprise property tax exemption, SCF, and CEP are allowable under Oregon Revised Statutes.

One of the three components of the CEP involves the creation of a non-profit foundation called the South Coast Community Foundation (SCCF) to manage a share of the CSF funds as an endowment for the benefit of the current and future education needs of Coos, Western Douglas, and Northern Curry counties. Over the past several months, representative of the four agencies have proactively sought input from the public and community stakeholders to further refine and develop this important component of the CEP. In an effort to further explore and refine the bylaws of the SCCF, a workgroup was formed. Membership on the workgroup was comprised of elected or appointed officials from the Enterprise Zone sponsors. To date, the workgroup has met five times during which the committee worked through a number of revisions to the original bylaws; and I believe the culmination of their collective efforts have addressed the concerns raised by the Council during the April 1, 2014 meeting regarding: (1) the appointing of directors by Enterprise Zone sponsors; (2) future modification of the SCCF bylaws are limited to those approved by the Enterprise Zone sponsors; (3) the meetings of the SCCF Board are open to the public.

In an effort to move forward, the enterprise zone sponsors are being asked to (1) ratify the formation of the SCCF (become a member), (2) ratify the current SCCF bylaws (attached), (3) appoint its initial Board of Directors, (4) select and appoint a public representative to the Board, and thereby empower the Foundation Board to continue working with stakeholders and the Enterprise Zone

Committee to flesh out the details of SCCF's part of the CEP. In addition and arguably more importantly in regards to timing, firming up the membership, appointing the initial board of directors, and ratifying the initial by-laws will allow SCCF to start what is now a lengthy process (up to and over a year) of obtaining a 501C3 exemption letter from the IRS.

To date, the formation of the SCCF has received widespread support from the various affected school districts, SWOCC, and from our legislative representatives Senator Arnie Roblan and Representative Caddy McKeown. Attached you will find a letters of support from Senator Roblan and Representative McKeown as well as Southwestern's Board of Education.

Should the Council authorize the City's membership in SCCF and ratify the initial directors and by-laws, staff will start the process of solicit statement of interest from qualified candidates to present to the City Council for appointment at a future meeting.

**ADVANTAGES:**

Authorizing the City's membership in SCCF and ratifying the initial directors and by-laws will allow SCCF to start the process of obtaining a 501C3 exemption letter from the IRS, and it will empower the Foundation Board to continue working with stakeholders and the Enterprise Zone committee to flesh out the details of SCCF's part of the CEP.

**DISADVANTAGES:**

None identified

**BUDGET IMPLICATIONS:**

None

**RELATED CITY GOAL:**

This matter is directly related to the City's goal "to create a vibrant community for City citizens and entrepreneurs."

**ACTION REQUESTED:**

If it pleases the Council, authorize the City's membership in the South Coast Community Foundation, ratification of the current foundation bylaws, and ratify the appointments of Bill Lansing, Joanne Verger, and John Whitty as the initial directors.

# **April 25, 2014 DISCUSSION DRAFT “B” OF**

## **RESTATED BYLAWS**

### **OF**

## **SOUTH COAST COMMUNITY FOUNDATION**

The following restated bylaws are adopted by the directors of South Coast Community Foundation (herein described as “the Foundation”) as a complete restatement and amendment of the bylaws adopted by the directors on January 14, 2014. Hereafter the following bylaws shall be the bylaws under which the Foundation shall operate and be governed, unless and until further amended as provided herein.

### **SECTION 1**

#### **MEMBERS**

**1.1 Designation and Admission.** The Foundation will have one class of voting members, each member hereinafter being called a “Member” and the members collectively being called the “Members.” The Members shall be such of the following governmental bodies as have consented to become Members or do consent to become Members not later than May 31, 2014:

Coos County;  
The City of North Bend (has consented);  
The City of Coos Bay; and  
The Oregon International Port of Coos Bay (has consented).

**1.2 Transfers.** Memberships are nontransferable.

**1.3 Resignation.** A Member may resign at any time by delivering written notice to the president or the secretary. A resignation is effective when notice is effective under ORS 65.034 unless the notice specifies a later effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Members.

**1.4 Annual Meetings.** An annual meeting of Members will be held on the first Wednesday in March of each year at 7:00 p.m. unless a different date or time is fixed by the board of directors and stated in the notice of the meeting. The failure to hold an annual meeting on the stated date will not affect the validity of any corporate action. At the annual meeting, the president, and any other officer or person whom the president may designate, will report on the activities and financial condition of the Foundation during the preceding year, and the Members will consider and act on other matters that may be raised consistent with the notice requirements of ORS 65.214.

**1.5 Special Meetings.** A special meeting of Members must be held (a) on the call of the board of directors or (b) if at least 50 percent of the Members sign, date, and deliver to the secretary one or more written demands for the meeting, describing the purpose or purposes for

which it is to be held. Only matters within the purpose or purposes described in the meeting notice may be conducted at a special meeting of Members.

**1.6 Place of Meetings.** Subject to the provisions of Section 4, meetings of the Members may be held at any place in Coos County, Oregon designated by the board of directors.

**1.7 Telephonic Meetings.** The Members may permit any or all of the Members to participate in an annual meeting or a special meeting, or may conduct the meeting, by using any means of communication by which all Members participating may simultaneously hear each other during the meeting. A Member participating in the meeting by this means is deemed to be present in person at the meeting.

**1.8 Notice of Meetings.** The Foundation must notify its Members of the place, date, and time of each annual and special meeting of Members no fewer than seven days before the meeting or, if notice is mailed by other than first-class or registered mail, no fewer than 30 nor more than 60 days before the meeting. Notice must be sent to each Member entitled to vote at the meeting at the Member's last address as set forth in the corporate records. Notice of an annual meeting must describe any matter or matters that must be approved by Members under ORS 65.361, 65.404, 65.414(1)(a), 65.437, 65.464, 65.487, 65.534, or 65.624. Notice of a special meeting must describe the purpose or purposes for which the meeting is called.

**1.9 Waiver of Notice.** A Member may, at any time, waive any notice required by these bylaws. Except as provided in the following sentence, any waiver must be in writing, be signed by the Member entitled to the notice, specify the meeting for which the notice is waived, and be delivered to the Foundation for inclusion in the minutes or filing with the corporate records. A Member's attendance at or participation in a meeting, either in person or by proxy, waives any required notice to the Member of the meeting unless the Member, at the beginning of the meeting, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken at the meeting.

**1.10 Quorum and Voting.** A quorum of the Members will consist of a majority of the number of Members of the Foundation immediately before the meeting begins. If a quorum is present when a vote is taken, the affirmative vote of a majority of the votes represented and voting when the action is taken will be the act of the Members except to the extent that the articles of incorporation, these bylaws, or applicable law requires the vote of a greater number of Members. Each of the Members may designate a person who is a member of its governing body to represent the Member at a meeting of Members. The governing body member so designated shall have power to vote on behalf of the Member on any matter that is presented at the meeting.

## **SECTION 2**

### **DIRECTORS**

**2.1 Powers.** Except as otherwise provided in these bylaws, all corporate powers will be exercised by or under the authority of, and the affairs of the Foundation will be managed under the direction of, the board of directors.

**2.2 Qualifications.** All directors must be individuals 18 years of age or older. Directors shall be residents of Coos County, Oregon or reside within the areas included within the Reedsport School District in Douglas County, Oregon and the Port Orford/Langlois School District in Coos and Curry Counties, Oregon. Each director shall possess the qualities of integrity, capability and knowledge of the community which the Foundation serves, and community standing that will help the board carry out its functions. Members of the board should enhance the Foundation's ability to establish grant-making priorities and to make distributions of its funds that are in the best interest of the community served by the Foundation. They shall have the ability to plan for the future, to select capable investment advisers, and to provide effective governance and leadership.

**2.3 Number.** The board of directors will consist of not fewer than three and not more than seven persons, the actual number to be decided from time to time by the Members.

**2.4 Election and Tenure of Office.** Each Member shall elect one director. The remaining directors, if any, shall be elected by vote of a majority of the Members. The directors chosen by each Member are hereinafter referred to as public directors and the directors elected by the vote of a majority of the Members are hereinafter referred to as at large directors. Directors shall serve for terms of three years, except that the initial term of any director may be one year, two years, or three years, as determined by the Members, to the end that in no year will the terms of more than one-third plus one of the directors expire. Notwithstanding the foregoing, upon the expiration of a director's term, a director will continue to serve until the director's successor is elected and qualifies, or until there is a decrease in the number of directors.

Directors may be reelected, provided that no Director may be elected for a term that would cause the Director to serve for more than twelve consecutive years.

**2.5 Vacancies.** A vacancy in the board of directors will exist on the death, resignation, or removal of any director. A vacancy in the board of directors involving a public director shall be filled by the Member that elected the director whose position has become vacant. A vacancy in the board of directors involving an at large director shall be filled by vote of a majority of the Members. If the board of directors accepts the resignation of a director tendered to take effect at a future time, a successor may be elected to take office when the resignation becomes effective.

**2.6 Resignation.** A director may resign at any time by delivering written notice to the president or the secretary, or if both of those offices are vacant to all Members. A resignation is effective when delivered unless the notice of resignation specifies a later effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the board of directors.

**2.7 Removal.** A public director may be removed at any time, with or without cause, by the Member that appointed the director. A director at large may be removed at any time, with or without cause, by vote of a majority of the Members.

**2.8 Meetings.** An annual meeting of the board of directors will be held immediately after, and at the same place as, the annual meeting of Members. If the time and place of any

other directors' meeting are regularly scheduled by the board of directors, the meeting is a regular meeting. All other meetings are special meetings. Subject to the provisions of Section 4, the board of directors may hold annual, regular, or special meetings at any place in Coos County, Oregon.

## **2.9 Telephonic Participation.**

**2.9.1** The board of directors may permit any or all of the directors to participate in a regular or special meeting by, or to conduct the meeting through, the use of any means of communication by which either (a) all directors participating may simultaneously hear or read each other's communications during the meeting or (b) all communications during the meeting are immediately transmitted to each participating director, and each participating director is able to immediately send messages to all other participating directors.

**2.9.2** If a meeting is conducted through the use of a means described in Section 2.9.1, (a) all participating directors must be informed that a meeting is taking place at which official business may be transacted and (b) a director participating in the meeting by this means is deemed to be present in person at the meeting.

**2.10 Call and Notice of Meetings.** The annual meeting and regular meetings of the board of directors may be held without notice to the directors of the date, time, place, or purpose of the meeting. Special meetings of the board of directors must be preceded by at least 5 days' notice, if given by first-class mail, or 48 hours' notice, if delivered personally or given by telephone, email, or fax, to each director of the date, time, and place of the meeting. Except as specifically provided in these bylaws or applicable law, the notice given to the directors need not describe the purposes of any meeting. The president or two directors may call and give notice of a meeting of the board.

**2.11 Waiver of Notice.** A director may at any time waive any notice required by these bylaws. Except as provided in the following sentence, any waiver must be in writing, must be signed by the director entitled to the notice, must specify the meeting for which the notice is waived, and must be filed with the minutes or the corporate records. A director's attendance at or participation in a meeting waives any required notice to the director of the meeting unless the director, at the beginning of the meeting or promptly on the director's arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken at the meeting.

**2.12 Quorum and Voting.** A quorum of the board of directors will consist of a majority of the number of directors in office immediately before the meeting begins. If a quorum is present when a vote is taken, the affirmative vote of a majority of the directors present when the action is taken will be the act of the board of directors except to the extent that the articles of incorporation, these bylaws, or applicable law requires the vote of a greater number of directors. A director is considered present regardless of whether the director votes or abstains from voting.

**2.13 Presumption of Assent.** A director who is present at a meeting of the board of directors when corporate action is taken is deemed to have assented to the action taken unless:

- (a) At the beginning of the meeting or promptly on the director's arrival, the director objects to holding the meeting or transacting the business at the meeting;
- (b) The director's dissent or abstention from the action taken is entered in the minutes of the meeting; or
- (c) The director delivers written notice of dissent or abstention to the presiding officer of the meeting before its adjournment or to the Foundation immediately after adjournment of the meeting. The right of dissent or abstention is not available to a director who votes in favor of the action taken.

**2.14 Board Committees.** The board of directors may create one or more committees of the board of directors and appoint members of the board to serve on them or designate the method of selecting committee members. Each committee must consist of two or more directors who will serve at the pleasure of the board of directors. The creation of a committee and the appointment of directors to the committee or designation of a method of selecting committee members must be approved by a majority of all directors in office when the action is taken. The provisions of Section 2.8 regarding meetings of the board shall also apply to committees of the board. Committees of the board of directors may, to the extent specified by the board of directors, exercise the authority of the board of directors, but no committee of the board of directors may:

- (a) Authorize distributions, but this restriction does not apply to payment of value for property received or services performed or payment of benefits in furtherance of the Foundation's purposes;
- (b) Approve or recommend dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the Foundation's assets;
- (c) Elect, appoint, or remove directors or fill vacancies on the board or on any of its committees; or
- (d) Adopt, amend, or repeal the articles of incorporation or bylaws.

**2.15 Other Committees.** The board of directors may create one or more other committees, such as advisory committees on financial matters or on distributions by the Foundation. Members of these committees need not be members of the board of directors, but at least one director must serve on each such committee. These committees will have no power to act on behalf of, or to exercise the authority of, the board of directors, but may make recommendations to the board of directors.

**2.16 Compensation.** Directors and members of committees may be reimbursed for any expenses that are determined by resolution of the board of directors to be just and reasonable. Directors and members of committees will not otherwise be compensated for service in their capacity as directors or committee members.

## **2.17 Director Conflict of Interest.**

**2.17.1** A conflict-of-interest transaction is a transaction with the Foundation in which a director of the Foundation has a direct or indirect conflict of interest.

**2.17.2** For purposes of Section 2.17, a director of the Foundation has an indirect interest in a transaction if (a) another entity in which the director has a material interest or in which the director is a general partner is a party to the transaction or (b) another entity of which the director is a director, officer, or trustee is a party to the transaction, and the transaction is or should be considered by the board of directors of the Foundation.

**2.17.3** A conflict-of-interest transaction is neither voidable nor the basis for imposing liability on the director if the transaction is fair to the Foundation when it was entered into or is approved as provided in Section 2.17.4.

**2.17.4** A transaction in which a director has a conflict of interest may be approved either (a) by the vote of the board of directors or a committee of the board of directors if the material facts of the transaction and the director's interest are disclosed or known to the board of directors or committee of the board of directors or (b) by obtaining approval of (i) the Oregon Attorney General or (ii) an Oregon circuit court in an action in which the Attorney General is joined as party.

**2.17.5** For purposes of clause (a) of Section 2.17.4, a conflict-of-interest transaction is authorized, approved, or ratified if it receives the affirmative vote of a majority of the directors on the board of directors or on the committee who have no direct or indirect interest in the transaction. A transaction may not be authorized, approved, or ratified under this section by a single director. If a majority of the directors who have no direct or indirect interest in the transaction votes to authorize, approve, or ratify the transaction, a quorum is present for the purpose of taking action under this section. The presence of, or a vote cast by, a director with a direct or indirect interest in the transaction does not affect the validity of any action taken under clause (a) of Section 2.17.4 if the transaction is otherwise approved as provided in Section 2.17.4.

## **SECTION 3**

### **OFFICERS**

**3.1 Designation; Appointment.** The officers of the Foundation will be a president, a vice president, a secretary, a treasurer, and any other officer that the board of directors may from time to time appoint. The offices of secretary and treasurer may be combined. The officers will be appointed by, and hold office at the pleasure of, the board of directors. The same person may simultaneously hold more than one office, except that no person shall at one time hold the offices of both president and secretary.

### **3.2 Compensation and Term of Office.**

**3.2.1** The term of office of each officer of the Foundation will be fixed by the board of directors. No director serving as an officer shall be compensated for serving as an



officer, but may be reimbursed for any expenses that are determined by resolution of the board of directors to be just and reasonable.

**3.2.2** Any officer may be removed, with or without cause, at any time by action of the board of directors.

**3.2.3** Any officer may resign at any time by delivering notice to the board of directors, the president, or the secretary, or if all of those positions are vacant to all Members. A resignation is effective when delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Foundation accepts the later effective date, the board of directors may fill the pending vacancy before the effective date if the board of directors provides that the successor does not take office until the effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the board of directors.

**3.3 President.** The president will preside at meetings of the board of directors, will ensure that the board of directors is advised on all significant matters of the Foundation's business, will act as a principal spokesperson and representative of the Foundation, will be the chief executive officer of the Foundation, will have the general powers and duties of management usually vested in a chief executive officer, and will have other powers and duties that may be prescribed by the board of directors or these bylaws.

**3.4 Vice President.** The vice president will preside at meetings of the board of directors at which the president is absent and, in the absence of the president, will have the other powers and perform the other duties of the president. The vice president also will have other powers and perform other duties that may be prescribed by the board of directors.

**3.5 Secretary.** The secretary will be responsible for preparing minutes of meetings of the board of directors and for authenticating records of the Foundation. The secretary will keep or cause to be kept, at the principal office or such other place as the board of directors may order, a book of minutes of all meetings of directors. The secretary will also have other powers and perform other duties that may be prescribed by the board of directors or these bylaws.

**3.6 Treasurer.**

**3.6.1** The treasurer will be the chief financial officer of the Foundation and will keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Foundation. The treasurer will deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Foundation with those depositories that may be designated by the board of directors, will disburse or cause to be disbursed funds of the Foundation as may be ordered by the board of directors, and will have other powers and perform other duties that may be prescribed by the board of directors or these bylaws.

**3.6.2** If required by the board of directors, the treasurer must give the Foundation a bond in such amount and with such surety specified by the board of directors for the faithful performance of the duties of the treasurer's office and for restoration to the Foundation of all of its books, papers, vouchers, money, and other property of every kind in the

treasurer's possession or under the treasurer's control on the treasurer's death, resignation, retirement, or removal from office.

**3.7 Assistants.** The board of directors may appoint or authorize the appointment of assistants to the secretary or treasurer or both. Any such assistant may exercise the powers of the secretary or treasurer, as the case may be, and will perform those duties that are prescribed by the board of directors.

## **SECTION 4 OPEN MEETINGS**

It is the policy of the Foundation to operate in an open and transparent manner in accordance with the following:

(a) Except for executive sessions as described below, all meetings of the Members and board of directors shall be open to the public, and a quorum of the Members or of the board of directors may not meet in private for the purpose of deciding on or deliberating toward a decision on any matter.

(b) Meetings may not be held at any place where discrimination on the basis of race, creed, color, sex, sexual orientation, age, national origin or disability is practiced, or in a place inaccessible to persons with disabilities. Upon request of a person who is deaf or hard of hearing, the Foundation shall make a good faith effort to have an interpreter for persons who are deaf or hard of hearing provided at the meeting. The person requesting the interpreter must give the Foundation at least 48 hours' notice of the request for an interpreter, and shall provide the name of the requester, sign language preference, and any other relevant information the Foundation may request. If a meeting is held upon less than 48 hours' notice, reasonable effort shall be made to have an interpreter present, but the requirement for an interpreter does not apply to emergency meetings.

(c) The Members or the board of directors shall provide for and give public notice, reasonably calculated to give actual notice to interested persons including news media which have requested notice, of the time and place for holding of all meetings. The notice shall also include a list of the principal subjects anticipated to be considered at the meeting, but this requirement shall not limit the ability of the Members or board of directors to consider additional subjects. If an executive session only will be held, the notice shall state the specific provision of the bylaws authorizing the executive session. No meeting shall be held without at least 48 hours of public notice including notice to interested persons including news media which have requested notice, except that in the case of an actual emergency a meeting will be held upon such notice as is appropriate in the circumstances, but the minutes for such a meeting shall describe the emergency justifying less than 48 hours' notice.

(d) The Members and the board of directors shall provide for the sound, video or digital recording or the taking of written minutes of all meetings. Neither a full transcript nor a full recording of the meeting is required, but the written minutes or recording must give a true reflection of the matters discussed at the meeting and the views of the participants. All minutes

or recordings shall be available to the public within a reasonable time after the meeting, and shall include at least the following information:

- (i) all Members or directors present;
- (ii) all motions, proposals, resolutions, orders, and measures proposed and their disposition;
- (iii) the results of all votes and the vote of each Member or director by name; and
- (iv) the substance of any discussion on any matter.

Minutes or recordings of executive sessions shall be kept in accordance with the foregoing, but if the disclosure of certain disclosure material is inconsistent with the purpose for which an executive session is authorized to be held, that material may be excluded from disclosure.

(e) The Members or the board of directors may meet in an executive session closed to the public:

- (i) to consider the employment of any employee or agent;
- (ii) to consider the dismissal or disciplining of, or to hear complaints or charges brought against, any employee or agent;
- (iii) to conduct deliberations and negotiations relating to real estate actions;
- (iv) to consider information or records that, if the Foundation were a public body, would be exempt from public inspection;
- (v) to conduct deliberations and negotiations involving matters of trade or commerce;
- (vi) to consult with counsel with regard to pending or threatened litigation;
- (vii) to review and evaluate the performance of any employee or agent; or
- (viii) to conduct deliberations and negotiations relating to any proposed acquisition, exchange or disposition of Foundation investments.

No final decision may be made during an executive session. News media may attend executive sessions on all matters other than consultations with counsel with regard to pending or threatened litigation to which the member of the news media or the news media organization the member represents is a party, but the Members or board of directors may require that specified

information be undisclosed. Before an executive session begins, the presiding officer shall identify the authorization under these bylaws for holding the executive session.

(f) Any meeting of the Members or the board of directors that is held through the use of telephone or other electronic communication shall be conducted in accordance with the foregoing principles. When telephone or other electronic communication is used and the meeting is not in executive session, the Foundation shall make available to the public at least one place where the public can listen to the communication at the time it occurs by means of speakers or other devices. The place provided may be a place where no Member or director is present.

## **SECTION 5 NONDISCRIMINATION**

The Foundation will not discriminate in providing services, hiring employees, or otherwise, on the basis of gender, race, creed, marital status, sexual orientation, religion, color, age, national origin, disability, or familial status.

## **SECTION 6 GENERAL PROVISIONS**

### **6.1 Amendment of Bylaws.**

**6.1.1** Only the Members may amend or repeal these bylaws or adopt new bylaws by majority vote.

**6.1.2** Whenever an amendment or a new bylaw is adopted, it will be copied in the minute book with the original bylaws in the appropriate place. If any bylaw is repealed, the fact of repeal and the date on which the repeal occurred will be stated in that book and place.

**6.2 Inspection of Books and Records.** All books, records, and accounts of the Foundation will be open to inspection by the directors and the Members in the manner and to the extent required by law. Minutes of meetings of Members and the board of directors (other than minutes of executive sessions that would be exempt from disclosure pursuant to ORS 192.650(2) if the Foundation were a public body), the Foundation's audited Financial Statements, and the Foundation's annual report shall be open to inspection by the public.

**6.3 Checks, Drafts, etc.** All checks, drafts, and other orders for payment of money, notes, or other evidences of indebtedness issued in the name of or payable to the Foundation must be signed or endorsed by the person or persons and in such manner that may be determined from time to time by resolution of the board of directors.

**6.4 Deposits.** All funds of the Foundation not otherwise employed must be deposited to the credit of the Foundation in those banks, trust companies, or other depositories as the board of directors or officers of the Foundation designated by the board of directors select, or be invested as authorized by the board of directors.

**6.5 Distributions of Funds.** Grants by the Foundation may be made only to governmental bodies, such as Coos County, a school district, an education service district, a city, a community college, other governmental body, or to a charitable organization as defined in Section 501(c)(3) of the Internal Revenue Code that has as its sole purpose to support a governmental body. All recipients of grants from the Foundation must be located in or conduct a majority of their activities within Coos County, Oregon, or within the areas included within the Reedsport School District in Douglas County, Oregon, and the Port Orford/Langlois School District in Coos and Curry Counties, Oregon.

**6.6 Loans or Guarantees.** The Foundation may not borrow money and no evidence of indebtedness may be issued in its name unless authorized by the board of directors. This authority may be general or confined to specific instances. Except as explicitly permitted by ORS 65.364(1), the Foundation may not make a loan, guarantee an obligation, or modify a preexisting loan or guarantee to or for the benefit of a director or officer of the Foundation.

**6.7 Execution of Documents.** The board of directors may, except as otherwise provided in these bylaws, authorize any officer or agent to enter into any contract or execute any instrument in the name of and on behalf of the Foundation. This authority may be general or confined to specific instances. Unless authorized by the board of directors, no officer, agent, or employee will have any power or authority to bind the Foundation by any contract or engagement, or to pledge its credit, or to render it liable for any purpose or for any amount.

**6.8 Insurance.** The Foundation may purchase and maintain insurance on behalf of an individual against liability asserted against or incurred by the individual who is or was a director, officer, employee, or agent of the Foundation, or who, while a director, officer, employee, or agent of the Foundation, is or was serving at the request of the Foundation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic business or nonprofit Foundation, partnership, joint venture, trust, employee benefit plan, or other enterprise; however, the Foundation may not purchase or maintain such insurance to indemnify any director, officer, or agent of the Foundation in connection with any proceeding charging improper personal benefit to the director, officer, or agent in which the director, officer, or agent was adjudged liable on the basis that personal benefit was improperly received by the director, officer, or agent.

**6.9 Fiscal Year.** The fiscal year of the Foundation will begin on the first day of January and end on the last day of December in each year.

**6.10 Statutory References.** References to “ORS” are to provisions of Oregon Revised Statutes, and shall include the corresponding provisions of any future Oregon laws.

**6.11 Severability.** A determination that any provision of these bylaws is for any reason inapplicable, invalid, illegal, or otherwise ineffective will not affect or invalidate any other provision of these bylaws.

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The foregoing restated bylaws were duly adopted by the board of directors of South Coast Community Foundation on April \_\_, 2014.

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John Whitty  
Secretary and Director

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William A. Lansing  
President and Director

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Joanne R. Verger  
Vice-President and Director



**SOUTHWESTERN**

**Oregon Community College**

**www. socc.edu**

**Office of the President**  
541 888-7400 FAX 541 888-3258

April 16, 2014

Mayor Crystal Shoji  
City of Coos Bay

Dear Mayor,

As representatives of Southwestern Oregon Community College's Board of Directors, staff and students, we advocate on behalf of Southwestern and encourage support for all levels of education in our region.

The proposed Community Enhancement Plan, and in particular, the South Coast Community Foundation would provide the region's educational sector desperately needed money to address educational facility needs and ultimately to rebuild capacity.

We will not achieve this goal without your understanding and, ultimately, your support.

- Please don't delay your support for the South Coast Community Foundation.
- Please approve its bylaws and appoint a citizen to serve on its board of directors.

Here's why it matters. We estimate the college district will receive \$2.7 million per year from Jordan Cove property taxes. However, the college doesn't stand to see the true gain of that revenue. Even then, the money would be added into the state funding formula to be 'equalized.' Without the proposed Plan, money effectively would not flow to the college district until 2022-23. *(Jordan Cove would pay a small amount of taxes in 2016-17 and then pay no taxes for three years, qualifying outright for the standard Enterprise Zone program.)*

If the Community Foundation is not created, SWOCC would only receive about three (3) percent or \$80,000 per year of that revenue. The state's remaining community colleges would share the other \$2.6 million. As a result of no Community Foundation, SWOCC's 15-year total revenue from Jordan Cove taxes would only equal \$1.2 million.

However, if the Enterprise Zone sponsors partner to create the Community Foundation, SWOCC's revenue from the fund over the 19 years will total more than \$16 million. In the first year alone, the college would receive an estimated \$480,000; and \$1 million in the final year of the plan.

Southwestern's vision is to lead and inspire lifelong learning. In rural Oregon, it is extremely challenging to fully accomplish that vision. State funding doesn't cover the cost of providing educational services and facilities through all levels of education – from kindergartners to senior citizens. This is a not only a workforce capacity issue. It ultimately impacts the economy and sustainability of our communities.



When early learning and K-12 programs are cut, our future students and workers are less prepared. They are less likely to succeed in college or achieve their life goals. When a college eliminates a program or service, particularly in rural Oregon, there typically are not other public or private organizations with the resources to replace those programs.

As you think about your decision, please try to visualize the long-term impacts of state funding cuts just since 2009 to this college. All the while, the college has served more than 9,000 students annually and between 3,100 and 3,300 full-time students each year. In that time,

- SWOCC's state funding decreased 25 percent.
- SWOCC raised tuition and fees 16 percent.
- SWOCC eliminated more than 20 percent of its workforce.

These cuts affect people you know – your employees, your neighbors, your friends, your family. Consider that 30 percent of South Coast high school students – Reedsport to Brookings – attend SWOCC. Fifty percent are first-generation college students. Eighty percent of our students receive financial aid. The College saves the parents of our district nearly \$500,000 annually through dual credit and enhanced options programs in the high schools.

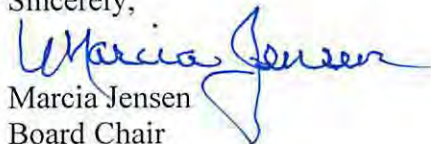
College facility investment needs are great, too. This endowment would provide a mechanism to fund facilities and equipment without using money from the college's general fund. For example,

- The college needs \$1.1 million for technology upgrades. The funds would replace 760 computers, 120 laptops, 400 phones, servers, projectors and more.
- The college wants to install a campus-wide surveillance system for safety and security.
- SWOCC's immediate deferred maintenance costs total \$20 million.
- SWOCC must raise \$8 million to match state funds set aside for a health/science building.

The Community Foundation is an unprecedented opportunity to bring such investment – not just in every community, but in the people of this region. Some of you have children and grandchildren in our schools. Some of you will need job retraining. Some of you will want to enrich your lives through classes this college provides. The Community Foundation offers an opportunity to affect all ages of residents. It will benefit everyone.

SWOCC's Board of Directors urges you to work harder. Lead. Partner with the other zone sponsors. Move forward with the South Coast Community Foundation. Please vote to support the creation of the Community Enhancement Plan.

Sincerely,

  
Marcia Jensen  
Board Chair

  
Patty Scott  
President

cc: Rodger Craddock

Southwestern Oregon Community College does not discriminate on the basis of race, color, gender, sexual orientation, marital status, religion, national origin, age, disability status, or protected veterans in employment, education, or activities as set forth in compliance with federal and state statutes and regulations.





HOUSE OF REPRESENTATIVES  
**900 COURT ST NE**  
**SALEM, OR 97301**

April 16, 2014

c/o Mayor Crystal Shoji  
Coos Bay City Council  
City Hall  
500 Central Avenue  
Coos Bay, OR 97420

Re: South Coast Community Foundation

Dear Mayor Shoji and the Coos Bay City Council,

Our communities have before them an extraordinary, once-in-a-generation opportunity to significantly bolster our under-funded education system and provide sorely needed resources to local taxing districts. We are counting on each of you, the members of the sponsor agencies' governing boards and councils, to do your part to support this effort.

By collaborating in a Bay Area Enterprise Zone agreement, Coos County, the cities of Coos Bay and North Bend, and the Oregon International Port of Coos Bay will be able to take part in creating an endowment fund through the newly established South Coast Community Foundation that will provide a profound benefit to this region for generations.

All involved in this endeavor have recognized that for this region to thrive we must reverse decades of disinvestment in education. We thank you, and the many individuals who have worked diligently to engage in this difficult process, for your time and effort. You have listened objectively and responded to community input; now is the time to ratify the agreement and move forward.

Communities throughout Oregon have greatly benefited when companies like Google, Intel or any number of others have made significant investments in their areas. Using a variety of funding mechanisms these communities took steps to ensure that local services – including schools – were also able to benefit such investments. Our community now has the opportunity to establish a foundation that will have a great impact on this region for years to come. We cannot let it pass us by.

As members of the Oregon Legislature representing you and your constituents in Salem, we are calling on you to make the right decision at the local level. Please support the South Coast Community Foundation. Change of this magnitude is always challenging. We, and the children and grandchildren of our region, thank you for your vision, your courage, and your hard work.

Sincerely,

Senator Arnie Roblan

Representative Caddy McKeown

P.S. Bill Lansing, Senator Joanne Verger and John Whitty have each spent a lifetime generously giving their expertise and time to improve our community. Their vision and their willingness to stand up fearlessly on behalf of this community is to be commended. They have our sincere thanks.



**CADDY HANEN McKEOWN**  
**STATE REPRESENTATIVE**  
HOUSE DISTRICT 9



HOUSE OF REPRESENTATIVES  
**900 COURT ST NE**  
**SALEM, OR 97301**

April 16, 2014

To Whom It May Concern:

We, the elected representatives of Senate District 5 and House District 9, offer the attached letter for your consideration.

As a representative of one of four Bay Area Enterprise Zone sponsor agencies, we ask that you consider our point of view as you complete your due diligence and carefully weigh community input related to the creation of the South Coast Community Foundation. Thank you for your continued attention to this issue and your commitment to listening to those you represent.

Best regards,

Senator Arnie Roblan & Rep. Caddy McKeown