



SPECIAL CALLED CITY COUNCIL WORK SESSION

THURSDAY, JULY 1, 2021 | 6 PM

The Council will meet in Mauldin City Hall at 5 East Butler Road in the Council Chambers at 6:00 p.m.

Please note that members of the public may attend this meeting in-person, but are encouraged to participate remotely. The meeting will be available remotely through Zoom. Please visit the City's website at <https://cityofmauldin.org/your-government/meeting-minutes-agendas/> to access the meeting via audio and videoconferencing.

**CITY OF MAULDIN
SPECIAL CALLED CITY COUNCIL WORK SESSION AGENDA
JULY 1, 2021, 6:00 P.M
CITY HALL - COUNCIL CHAMBERS
5 E. BUTLER ROAD**

- | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| 1. <u>Call to Order</u> | Mayor Merritt |
| a. Invocation
b. Pledge of Allegiance
c. Welcome | |
| 2. <u>New Business</u> | Mayor Merritt |
| a. Mauldin Development Corporation [Pages
3-13] | |
| b. Motion to enter into Executive Session to
receive legal advice regarding Club Epic
as allowed by State Statute Section
30-4-70 (a)(2) | |
| 3. <u>Public Comment</u> | Mayor Merritt |
| 4. <u>Council Requests</u> | Mayor Merritt |
| 5. <u>Adjournment</u> | Mayor Merritt |

CITY COUNCIL AGENDA ITEM SUMMARY

MEETING DATE: July 1, 2021
AGENDA ITEM: 2a

TO: City Council
FROM: City Administrator Brandon Madden
SUBJECT: Mauldin Development Corporation

REQUEST

City Council is requested to accept for information a PowerPoint presentation from City staff regarding the establishment of the Mauldin Development Corporation. Executive Director Reno Deaton from the Greer Development Corporation and City of Greenville Director of Economic and Community Development Merle Johnson will be available to share their experiences attendant to Development Corporations and economic development.

HISTORY/BACKGROUND

During the June 7, 2021 Economic Planning & Development Committee meeting, the Committee requested a City Council Work Session the establishment of a Mauldin Development Corporation.

ATTACHMENTS

As requested, enclosed for review are the following documents:

- Draft By-Laws
- Draft Ordinance

BY-LAWS

MAULDIN DEVELOPMENT CORPORATION

Adopted: _____, 2021

Effective: _____, 2021

**BY-LAWS OF THE
MAULDIN DEVELOPMENT CORPORATION**

ARTICLE I

NAME, OFFICE, SEAL AND STOCK

Section 1. The name of the corporation shall be Mauldin Development Corporation.

Section 2. The principal office for the transaction of business of the corporation is located at _____ . The Board of Directors may at any time or from time to time change the location of the principal office from one location to another.

Section 3. The corporate seal of the corporation shall have inscribed thereon the name of the corporation and the year of its incorporation.

Section 4. The corporation shall be an eleemosynary organization and shall issue no stock or shares of ownership.

ARTICLE II

PURPOSES AND OBJECTIVE

Section 1. The Mauldin Development Corporation shall operate as a 501(c)(4) organization under the Internal Revenue Code and shall (1) promote the business interests of the greater Mauldin area, including rendering financial and other assistance to the manufacturing, industrial, business and trade development of the greater Mauldin area; (2) render aid to manufacturing, industrial, scientific, educational, business and recreational enterprises situated in such area; (3) encourage and induce the location in the greater Mauldin area of other manufacturing, industrial, scientific, educational, retail and commercial business establishments; (4) purchase, subdivide, develop, sell, obtain options to, and lease real property in the greater Mauldin area; (5) erect or repair any buildings or improvements for the use of any manufacturing, industrial, scientific, educational, business or recreational enterprise in the greater Mauldin area; and, (6) accumulate and lend money for any of the foregoing purposes.

ARTICLE III

BOARD OF DIRECTORS

Section 1. Management. The business and affairs of this corporation shall be managed by a Board of Directors. In addition to the powers and authorities expressly conferred upon them by these By-Laws, the Board may exercise all powers of the corporation and may do all such acts and things, as are not by statute or by these By-Laws prohibited.

Section 2. Composition. The Board of Directors shall be comprised of nine (9) members. Four (4) of the directors of this corporation shall be the persons occupying the following positions and referred to herein as the "Designated Directors": the City Administrator of the City of Mauldin; the President of the Mauldin Chamber of Commerce; _____ ; and _____. Four (4) directors shall be appointed by the City Council of the City of Mauldin. These four (4) directors shall be referred to as the "Appointed Directors". The ninth director (an "Elected Director") shall be elected by a majority vote by the other directors. Directors are not required to be residents of the City of Mauldin.

Section 3. Terms of Directors. Designated Directors shall serve on the Board until they are removed or replaced in their office or by their respective organization. Appointed Directors shall serve for the term designated below provided, however, the respective organizations appointing such directors may remove such directors without cause and appoint a successor at their discretion. The Elected Director shall serve for an initial term of two (2) years and subsequently, such Directorship shall have a three (3) year term. Two (2) of the Appointed Director positions appointed by the City of Mauldin City Council shall have an initial term of two (2) years and thereafter, such director positions shall be for a three (3) year term. The other Appointed Director positions appointed by the City of Mauldin shall have an initial and subsequent terms of three (3) years. After initial terms, the terms for the Appointed Directors and the Elected Director shall be for three (3) year staggered terms. Whether incumbents of the initial terms of the Appointed and Elected Directorships succeed themselves is entirely at the discretion of those appointing/electing such directors. The terms of the Elected Directors, and two directors appointed by the City of Mauldin shall be subject to term limits of no more than two consecutive terms, provided, however, such directors may serve again after being out of a Directorship for one or more terms. It shall be the responsibility of the City of Mauldin and with regard to Appointed Directors to designate at the time they make the appointment which Directors shall be subject to the term limits. The Board of Directors shall designate which of the two Elected Directors (if there is more than one Elected Director) terms shall be limited.

Section 4. Vacancies. Vacancies in appointed and designated positions on the Board will be filled by the organization making the appointment or designation. A vacancy in any Elected Director position shall be filled by a majority of the other directors.

Section 5. Removal and Resignation. A director may resign or may be removed for any reason upon a majority vote of the organization designating or appointing him or of the corporation's Board of Directors as to any Elected Director.

Section 6. Compensation. The corporation shall not compensate its directors for their services as such; however, the board, by resolution, may provide for payment to directors to defray actual expenses, if any, that are incurred in pursuit of its corporate responsibilities, and may compensate, at fair market value, service rendered in capacities other than director or officer.

Section 7. Officers. The officers of this corporation shall be Chairperson, Vice Chairperson, Treasurer and Secretary and such other officers as may be appointed by the Board of this corporation from time to time among the directors of the Board.

Section 8. Meetings and Notices. Meetings of the Board of Directors may be held at the place designated by presiding officer or at such other place as a majority of the directors may from time to time designate or as may be designated in the notice calling the meeting. Regular meetings will be held at regular intervals as determined by the Board of Directors. Special meetings of the Board of Directors may be called by the Chairperson, Secretary, or on the written request of at least three (3) directors. Notice of the date, time, place, and purpose of the special meeting must be given at least two (2) days preceding the date of the meeting.

Section 9. Waiver of Notice. Either before or after any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to giving of such notice. Attendance by a director at any meeting of the board shall be a waiver by him of notice of the time and place thereof. If all the directors are present at any meeting of the board, no notice shall be required and any business may be transacted at such meeting.

Section 10. Quorum. At all meetings of the Board of Directors, the presence of six (6) members of the Board of Directors will constitute a quorum for the transaction of business. Every act or decision done or made by the Board of Directors at which a quorum is present shall require the approval of at least five (5) directors in order to be regarded as the act or decision of the Board of Directors.

Section 11. Action Without a Meeting. If all directors shall severally or collectively consent in writing to any action to be taken by the corporation, such action shall be as valid a corporation action as though it had been authorized at a meeting of the Board of Directors.

Section 12. Telephone or Electronic Meeting. Any or all directors may participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

Section 13. Annual Meeting. An annual meeting of the Board will be held each year for the purpose of planning activities and goals for the succeeding year.

ARTICLE IV

DUTIES OF OFFICERS

Section 1. Chairperson. The Chairperson shall preside at all meetings of the Board of Directors and shall have such powers and duties as may be designated by the Board of Directors.

Section 2. Vice-Chairperson. In the absence of the chairperson, the Vice-chairperson shall preside at all meetings of the Board of Directors and have all of the powers and duties of the Chairperson.

Section 3. Secretary. The secretary shall keep the minutes of all meetings and shall have custody of the seal of the corporation and affix to such documents as required attestation; and shall have charge of such of the books and papers as the Board of Directors may direct, all of which shall, at all reasonable times, be open to the examination of any director, upon reasonable notice to the secretary; and the secretary shall, in general, perform all duties incident to the office of secretary. The secretary shall give notice as required by law for these By-Laws of the corporation of all meetings or the Board of Directors.

Section 4. Treasurer. The treasurer shall have custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation. The treasurer shall deposit all monies and other valuable effects in the name and to the credit of the corporation in such depositories as may from time to time be designated by the Board of Directors.

ARTICLE V

INDEMNIFICATION OF DIRECTORS, OFFICERS, AGENTS AND EMPLOYEES

Section 1. Indemnification of Directors. Unless otherwise provided in the articles, the corporation shall indemnify any individual made a party to a proceeding because he or she is or was a director of the company against liability incurred in the proceeding, but only if such indemnification is both (i) determined permissible and (ii) authorized as defined in subsection (a) of this section 1. (Such indemnification is further subject to the limitation specified in subsection (c).)

(a) Determination and Authorization. The corporation shall not indemnify a director under this Section 1 of Article V unless:

- (1) Determination: A determination has been made in accordance with the procedures set forth in Sections 33-31-850 et. seq. of the South Carolina Code of Laws (1976) as amended, that the director met the standard of conduct set forth in subsection (b) below, and
- (2) Authorization: The Board of Directors authorizes payment after they have concluded that the expenses are reasonable, the corporation has the financial ability to make the payment, and that the financial resources of the corporation should be devoted to this use rather than some other use by the corporation.

(b) Standard of Conduct. The individual shall demonstrate that:

- (1) He conducted himself in good faith; and,
- (2) That he reasonably believed:
 - (i) in the case of conduct in his official capacity with the corporation, that his conduct was in its best interests; and,
 - (ii) in all other cases that his conduct was at least not opposed to its best interests; and,
 - (iii) in the case of any criminal proceeding, he had no reasonable cause to believe his conduct was unlawful.

The corporation shall not indemnify a director under this Section 1 of Article V:

- (1) in connection with a proceeding by or in the right of the corporation in which the director was adjudged liable to the corporation; or,
- (2) in connection with any other proceeding charging improper personal benefit to him, whether or not involving action in his official capacity, on the basis that personal benefit was improperly received by him.

(c) Indemnification in Derivative Actions Limited. Indemnification permitted under this Section 1 of Article V in connection with a proceeding by or in the right of the corporation is limited to reasonable expenses incurred in connection with the proceeding.

Section 2. Advance Expenses for Directors. If a determination is made following the procedures of Article V, Section 1(a) that the director has met the following requirements; and if an authorization of payment is made, also following the procedures and standards set forth in Article V, Section 1(a); then unless otherwise provided in the articles of incorporation, the corporation shall pay for or reimburse the reasonable expenses incurred by a director who is a party to a proceeding in advance of final disposition of the proceeding, if:

- (1) The director furnishes the corporation a written affirmation of his good faith belief that he has met the standard of conduct described in subsection (b) of Section 1 of this Article V; and,
- (2) The director furnishes the corporation a written undertaking, executed personally or on his behalf, to repay the advance if it is ultimately determined that he did not meet the standard of conduct (which undertaking must be an unlimited general obligation of the director but need not be secured and may be accepted without reference to financial ability to make repayment); and,
- (3) A determination is made that the facts then known to those making the determination would not preclude indemnification under Section 1 of this Article V and Sections 33-31-850 et. seq. of the South Carolina Code of Laws (1976), as amended.

Section 3. Indemnification of Officers, Agents and Employees Who are not Directors. Unless otherwise provided in the articles of incorporation, the Board of Directors may indemnify and advance expenses to any officer, employee or agent of the corporation who is not a director of the corporation to any extent, consistent with public policy, as determined by the general or specific action of the Board of Directors.

Section 4. Insurance. The corporation shall purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability.

Section 5. Coordination of Indemnification. The corporation's indemnity of any person who is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, shall be reduced by any amounts such person may collect as indemnification (i) under any policy of insurance purchased and maintained on his behalf by the corporation or (ii) from such other corporation, partnership, joint venture, trust or other enterprise.

Section 6. Indemnification Subject to Laws. Nothing contained in this Article, or elsewhere in these By-Laws, shall operate to indemnify any director or officer if such indemnification is for any reason contrary to any applicable state or federal law.

ARTICLE VI

COMMITTEES

Section 1. Executive Committee. The Executive Committee shall be composed of those members of the Board of Directors who serve on the Board by virtue of their office or position as City Administrator, _____, and _____. The Executive Committee shall manage all administrative functions of the corporation. The provisions of these By-Laws which govern meetings, action without meetings, telephone meetings, notice and waiver of notice, quorum and voting requirements of the Board of Directors shall apply to the Executive Committee and its members. The Executive Committee may exercise the same authority which the Board of Directors may exercise under the By-Laws and the laws of the State of South Carolina except the Executive Committee shall not: a) appoint, remove or fill vacancies on the Board of Directors or on any of its committees; b) adopt, amend or repeal the Articles of Incorporation or these By-Laws; c) approve any merger or dissolution of the corporation; d) approve any sale, transfer, distribution or liquidation of substantially all of corporation assets or; d) authorize distributions (as defined in Section 33-31-140 (11) of the South Carolina Code of Laws (1976), as amended) to any of the corporation's officers or directors.

Section 2. Other Committees. The Board of Directors may create other committees and appoint members of the Board of Directors to serve on them.

ARTICLE VII

MISCELLANEOUS PROVISIONS

Section 1. Checks and Notes. All checks, drafts, trade acceptances, and promissory notes of the corporation shall be signed by any two (2) of such officers as the Board of Directors may from time to time designate.

Section 2. Financial Calendar Year. The financial year of the corporation shall end on the thirtieth (3th) day of June each year.

Section 3. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the board may from time to time select or as may be selected by any officer or employee of the corporation to whom such power may from time to time be delegated by the board; and for the purpose of such deposit any officer, or any employee to whom such power may be delegated by the board, may endorse, assign, and deliver checks, drafts, and other orders for the payment of money which are payable to the order of the corporation.

Section 4. Rules of Procedure. All meetings of the board and its committees shall be governed by the current edition of Robert's Rules of Order.

Section 5. Books and Records. The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and shall keep at the principal office of the corporation a record of names and addresses of the board and of any committee members. All books and records of the corporation may be inspected by any director or the director's agent at a reasonable time and in a reasonable manner.

Section 6. Dissolution. Upon dissolution of the corporation for any reason, all assets shall be conveyed and transferred to one or more exempt organizations with exempt purposes within the meaning of section 501(c)(4) if the Internal Revenue Code or corresponding section, of any future federal tax code, or shall be distributed to the federal government, or to a state or local government for a public purpose.

Section 7. Hiring of Employees. The Board of Directors may employ an Executive Director who shall be the Chief Executive Officer of the corporation. The Executive Director shall have the authority and responsibility to hire, fire and set the compensation of additional employees within the budget approved by the full Board of Directors, and shall also perform such other duties and may exercise such other powers as are incident to the CEO of the corporation and as are from time to time assigned to him by the Board of Directors or Executive Committee.

Section 8. Annual Audit. The accounts of the corporation shall be audited by a Certified Public Accountant annually, or as soon as practical, after the close of the financial year. The audit shall be at all times available to members of the corporation within the offices of the corporation and to the Mayor and City Council of the City of Mauldin.

Section 9. Pronouns. Whenever in these By-Laws words, including pronouns, are used in the masculine, they shall be read and construed in the feminine or neuter whenever they would so apply; and wherever in these By-Laws works, including pronouns, and used in the singular or plural, they shall be read and construed in the plural or singular, respectively, wherever they would so apply.

Section 10. Controlling Documents. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control. The corporation is a South Carolina Nonprofit Corporation. To the extent the Articles of Incorporation or the By-Laws do not address matters of corporate governance, or if there are any provisions of the foregoing which are prohibited by the South Carolina Nonprofit Corporation Act, as may be amended from time to time, then the relevant provisions of such Act shall control.

ARTICLE VIII

AMENDMENTS

These By-Laws may be altered, amended or repealed by approval of the Board of Directors at any regular or special meeting of the Board of Directors by the vote of a majority of the directors in office at such meeting, provided notice of the proposed change shall have been mailed to each director not less than five (5) days prior to such meeting.

KNOW ALL THESE PERSONS BY THESE PRESENTS: That the undersigned officers of the Mauldin Development Corporation do hereby certify that at a properly convened meeting of the Board of Directors held on _____, 2021, the foregoing By-Laws were duly adopted by affirmative vote of at least the majority of the directors then in office and that effective _____, 2021, these By-Laws constitute the official By-Laws of this corporation.

_____, Chairperson

_____, Treasurer

ORDINANCE _____ - 2021

AN ORDINANCE TO ESTABLISH THE MAULDIN DEVELOPMENT CORPORATION AND THE BY-LAWS THEREOF TO STIMULATE AND AID DEVELOPMENT IN THE GREATER MAULDIN AREA

WHEREAS, the City of Mauldin (hereinafter "Mauldin") is rapidly growing and developing; and,

WHEREAS, Mauldin is a business friendly City; and,

WHEREAS, the Mayor and Council desire to establish an entity to aid development in the Greater Mauldin area.

NOW, THEREFORE, be it ordained as follows:

(1) The City hereby authorizes the establishment of a non-profit corporation to be known as Mauldin Development Corporation for the purpose of aiding development in the Greater Mauldin area.

(2) The By-Laws for the Mauldin Development Corporation which are attached hereto, marked as Exhibit "A", are hereby adopted.

(3) The Mayor is authorized to sign any documents necessary to complete the establishment of the Mauldin Development Corporation.

(4) The office of the City Attorney will incorporate the Mauldin Development Corporation and complete all other documents necessary to establish the Mauldin Development Corporation.

City of Mauldin

Terry Merritt, Mayor

ATTEST:

Cindy Miller, Municipal Clerk

First Reading: _____

Second and Final Reading: _____

Approved as to Form:

John B. Duggan, City Attorney