



**R-19**

**MAYOR BOB FOSTER**  
**CITY OF LONG BEACH**

December 7, 2010

MEMBERS OF THE CITY COUNCIL  
City of Long Beach

**RECOMMENDATION:**

Adopt the attached Resolution, Articles of Incorporation, Bylaws, and Agreement for Services in support of formation of the Pacific Gateway Partnership, Inc. (Partnership), a California non-profit corporation, for purposes of enhancing Workforce Investment strategies that support the development needs of residents and businesses; and Approve execution of all other necessary documents in the formation of the Corporation (Citywide).

**DISCUSSION**

The Workforce Investment Board (WIB), with leadership from Mayoral appointees among business, education, and economic development entities in the cities of Long Beach, Signal Hill, Torrance, and Lomita, advances workforce development strategies for the Pacific Gateway Region. In conjunction with my Office, the WIB is responsible for oversight of the federal Workforce Investment Act grants, and implementation of a dynamic Career Center system in the Workforce Investment Network's service area.

Recognizing the need to sustain and bolster workforce development strategies, the staff and WIB Board Members have recently studied issues and opportunities around community investments and formation of a nonprofit corporation. The process included initial, vigorous Board discussion, establishment of a Task Force, and concluded with additional Board deliberation. The Members of the Taskforce and the full Board of Directors both voted unanimously to move forward with the formation of the Partnership. The resulting 501(c)(3) nonprofit corporation will complement existing WIB strategies in support of our emerging and established workforce, and of our regional businesses.

The primary purpose of the Partnership will be to position Pacific Gateway to continue focus on workforce competitiveness and support strategies for our communities and neighborhoods most in need. Its mission, values and strategic priorities will align with the City and WIB's Workforce Investment Network, enhancing development opportunities – at a time where related structural federal funding continues its ten-year erosion.

MEMBERS OF THE CITY COUNCIL

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Examples of activities of the Partnership will include:

- Obtaining industry support for internships and workplace learning strategies;
- Securing contributions and support for industry research and planning around workforce competitiveness; and
- Leveraging key partners' investments with additional funding streams to prepare and train emerging and incumbent workers

The existing Executive Committee (7-11 Members) of our 43-person Workforce Investment Board will manage the Partnership, serving as the Board of Directors. That Committee is comprised of an elected private sector Chair, an elected Vice-Chair, committee chairs of three standing committees (youth, business/industry, and workforce legislative affairs), an immediate past chair, and 1-5 members at-large.

Officers of the Partnership will include a President (the Director of Human Resources), a Vice President (the WIB Director), Secretary (designee of the President), a Chief Financial Officer (the Director of Financial Management), an Assistant Treasurer (the City Auditor), a General Counsel (the City Attorney of the City of Long Beach), and the Chair of the Partnership Board of Directors.

Whereas the City will be the sole member of the corporation, Member actions will be taken by the City Manager with City Council authorization, and the Partnership will function within program and financial confines established by the Member. Attachment A is included as a framework that illustrates the structure of the Partnership. The Articles of Incorporation are attached as Exhibit A, Corporate Bylaws are attached as Exhibit B, and an Agreement for Services is attached as Exhibit C.

FISCAL IMPACT

All restricted revenue and expenses associated with the Partnership will be accounted for separately from the WIB's resources. There is no impact to the General Fund.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



Mayor Bob Foster  
City of Long Beach

Dated: November 29, 2010

OFFICE OF THE CITY ATTORNEY  
ROBERT E. SHANNON, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF LONG BEACH APPROVING THE ARTICLES OF  
INCORPORATION AND BYLAWS OF PACIFIC GATEWAY  
PARTNERSHIP, INC. AND RELATED MATTERS

WHEREAS, the City of Long Beach, California, a California municipal corporation, desires to form the Pacific Gateway Partnership, Inc., a California nonprofit corporation (the "Corporation"); and

WHEREAS, attached hereto as Exhibit A are the proposed Articles of Incorporation for the Corporation; and

WHEREAS, the City also desires to adopt Bylaws for the Corporation and desires the City Council to approve the same; and

WHEREAS, attached hereto as Exhibit B are the proposed Bylaws for the Corporation; and

WHEREAS, attached hereto as Exhibit C is the proposed Agreement for Services between the City and the Corporation; and

WHEREAS, the purpose of this Corporation is to support the Pacific Gateway Workforce Investment Board's focus on workforce competitiveness and support strategies for Long Beach communities and neighborhoods most in need through economic development projects, including internships and workplace learning strategies; and

WHEREAS, the Corporation is seeking to be designated by the Internal Revenue Service ("IRS") as a qualified 503(c)(3) Corporation organized and operated exclusively for charitable purposes;

NOW, THEREFORE, the City Council of the City of Long Beach resolves as

1 follows:

2                   Section 1.    Approval of Articles of Incorporation. The City Council, upon  
3 review and consideration, hereby approves the Articles of Incorporation in substantially  
4 the same form as set forth in the Certificate attached hereto as Exhibit "A".

5                   Sec. 2.        Approval of Bylaws. The City Council hereby approves the  
6 Bylaws of the Corporation attached hereto as Exhibit "B".

7                   Sec. 3.        Approval of Agreement for Services. The City Council hereby  
8 approves the Agreement for Services between the City and the Corporation attached  
9 hereto as Exhibit "C".

10                  Sec. 4.        The Director of Human Resources of the City of Long Beach  
11 (the "Authorized Representative") is hereby authorized to execute and file the Articles of  
12 Incorporation.

13                  Sec. 5.        The Authorized Representative is hereby authorized to  
14 negotiate, implement, execute and deliver any and all documents necessary or  
15 appropriate in his/her discretion to carry out the intent or purpose of this resolution, and to  
16 take any and all additional actions necessary to consummate the transactions  
17 contemplated by this resolution;

18                  Sec. 6.        This resolution shall take effect immediately upon its adoption  
19 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of \_\_\_\_\_, 2010 by the following vote:

Ayes: Councilmembers: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Noes: Councilmembers: \_\_\_\_\_

\_\_\_\_\_

Absent: Councilmembers: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

City Clerk

**ARTICLES OF INCORPORATION  
OF  
PACIFIC GATEWAY PARTNERSHIP, INC.**

The undersigned, Human Resources Director of the City of Long Beach, hereby certifies as follows:

1. That she is the duly authorized incorporator, of Pacific Gateway Partnership, Inc., a California nonprofit public benefit corporation (the "Corporation")
2. That the below articles of incorporation has been duly approved by the City of Long Beach, a municipal corporation
3. That the Articles of Incorporation of the Corporation are hereby stated as follows:

**Article I**

The name of the Corporation is "**Pacific Gateway Partnership, Inc.**"

**Article II**

**A.** This Corporation is a nonprofit **Public Benefit Corporation** and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public and charitable purposes.

**B.** The specific purpose of this Corporation is to support the Pacific Gateway Workforce Investment Board's focus on workforce competitiveness and support strategies for our communities and neighborhoods most in need through the planning and provision of workforce and economic development projects to meet the needs of under- and unemployed adults and youth and the specialized needs of the Region's business and economic corridors.

**Article III**

The name and address in the State of California of this Corporation's initial agent for service of process is:

Name Debbie Mills

Address 333 W. Ocean Boulevard, 13<sup>th</sup> Floor

City Long Beach, California 90802

**Article IV**

**A.** This corporation is organized and operated exclusively for charitable purposes within the meaning of Internal Revenue Code section 501 (c) (3).

**B.** Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal

income tax under section 501 (c) (3) of the Internal Revenue Code or by a corporation, contribution to which are deductible under section 170 (c) (2) of the Internal Revenue Code 26 U. S. C. A. § 170 (c) (2).

C. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

#### **Article V**

The property of this corporation is irrevocably dedicated to **charitable** purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for **charitable** purposes and which has established its tax exempt status under Internal Revenue Code section 501(c)(3).

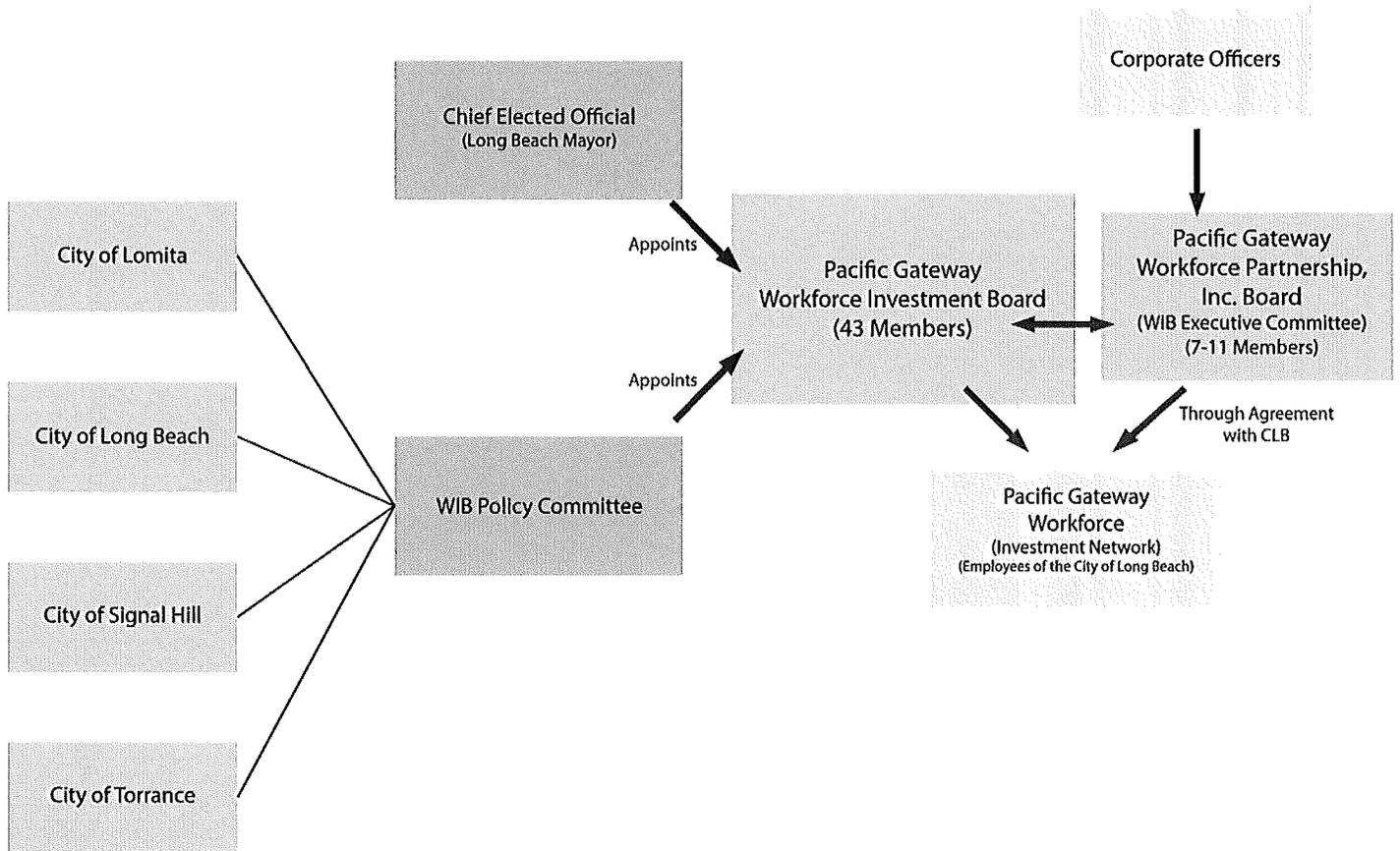
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Debbie Mills, Incorporator

Attachment A

Pacific Gateway Workforce Partnership, Inc.

FRAMEWORK



**BYLAWS  
OF  
PACIFIC GATEWAY PARTNERSHIP, INC.**

**ARTICLE 1: Name**

The name of the Corporation is "Pacific Gateway Partnership, Inc" (the "Corporation").

**ARTICLE 2: Purposes**

This Corporation has been formed for charitable purposes to support the Pacific Gateway Workforce Investment Board's focus on workforce competitiveness and support strategies for our communities and neighborhoods most in need. Activities will happen through the planning and provision of workforce and economic development projects to meet the needs of under- and unemployed adults and youth, and the specialized needs of the Region's business and economic corridors, as stated in detail in Article II of this Corporation's Articles of Incorporation.

In addition, this Corporation is formed for the purposes of performing all things incidental to, or appropriate in, the achievement of the foregoing specific and primary purposes. However, the Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of its primary charitable purposes.

This Corporation shall hold and may exercise all such powers as may be conferred upon a nonprofit Corporation by the laws of the State of California and as may be necessary or expedient for the administration of the affairs and attainment of the purposes of the Corporation. In no event shall the Corporation engage in activities which are not permitted to be carried on by a Corporation exempt under Section 501(c)(3) of the Internal Revenue Code.

**ARTICLE 3: Principal Office**

The principal office of the Corporation shall be located at 3447 Atlantic Avenue, Long Beach, California 90807, County of Los Angeles, State of California. 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 within said city or county.

The Board of Directors may at any time establish branch offices at any place where the Corporation is qualified to do business.

**ARTICLE 4: Nonpartisan Activities**

This Corporation has been formed under the California Nonprofit Public Benefit Corporation Law (the "Law") for the charitable purposes described above, and it shall be nonprofit and nonpartisan. No substantial part of the activities of the Corporation shall consist of the carrying on of propaganda or otherwise attempting to influence legislation. The Corporation shall not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office.

## **ARTICLE 5: Dedication of Assets**

The properties and assets of this nonprofit Corporation are irrevocably dedicated to charitable purposes. No part of the net earnings, properties, or assets of this Corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any member, director or officer of this Corporation. On liquidation or dissolution, all remaining properties and assets of the Corporation shall be distributed and paid over to an organization dedicated to charitable purposes which has established its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

## **ARTICLE 6: Membership**

As the only member is the City of Long Beach, member action shall be taken by the City Manager of the City of Long Beach (the "City Manager") upon the authorization of the City Council of the City of Long Beach (the "City Council"). All such action shall become effective upon the filing of written notice of the same by the City Clerk of the City of Long Beach (the "City Clerk") with the Secretary of the Corporation. As the sole member, the City of Long Beach has the power to act in the manner of shareholders of a for-profit corporation, superseding the powers of the Board of Directors.

## **ARTICLE 7: Board of Directors**

### **Section 1 - Powers**

Subject to any limitations contained in the California Nonprofit Public Benefit Corporation Law, the Articles of Incorporation and these Bylaws, the Corporation's activities and affairs shall be managed and all corporate powers shall be exercised by or under the direction of the Board of Directors. Without limiting their general powers, the directors shall have the following specific powers:

- a.) To select and remove any agents and contractors of the Corporation and prescribe appropriate duties for them, subject to any limitations contained in these Bylaws.
- b.) To prescribe and enforce appropriate rules and regulations.
- c.) To adopt and use a corporate seal and to alter the form of such seal and of the certificate from time to time.
- d.) To contract with the City of Long Beach for such personnel and other services as it deems necessary to exercise its powers, duties and functions, as described by appropriate laws, statues and ordinances as applicable thereto.

### **Section 2 - Membership**

The Executive Committee of the Pacific Gateway Workforce Investment Board ("WIB") will serve as the Corporation's Board of Directors, whose membership is specified in the Bylaws of the Pacific Gateway WIB, except that, if not already represented, the Chairman of the Board of Directors ("Chairman"), shall appoint an at-large member to the Board of Directors from among the nonprofit representatives on the WIB.

The membership of the Board of Directors may be changed by amendment or revision to the Bylaws of the Pacific Gateway WIB.

### **Section 3 - Term of Office**

Members of the Board of Directors will continue to serve as directors of the Corporation so long as they serve on the WIB's Executive Committee.

### **Section 4 - Vacancies on the Board of Directors**

A vacancy will be considered to exist on the occurrence of the following: (1) the death or resignation of any director; or (2) when a director no longer serves as a member of the WIB's Executive Committee.

Replacement of a vacant director position will be subject to the procedures identified in the Bylaws of the Pacific Gateway WIB.

Except as provided in this paragraph, any director may resign effective upon giving written notice to the chairperson of the Board, the president, the secretary, or the Board of Directors, unless the notice specifies a later time for the effectiveness of the resignation. If the resignation is effective at a future time, a successor may be designated to take office when the resignation becomes effective. Unless the California Attorney General is first notified, no director may resign when the Corporation would then be left without a duly elected director in charge of its affairs.

### **Section 5 - Meetings**

All meetings of the Board of Directors shall be held at 3447 Atlantic Avenue, Long Beach, California, unless otherwise designated by notice (1) posted at [www.pacificgatewayworkforce.com](http://www.pacificgatewayworkforce.com) (or other site as determined) and (2) electronic mail to each director.

The Board of Directors shall meet eight (8) times per year on a schedule fixed by the Board of Directors. The annual meeting of the Board of Directors will be held the third Tuesday of June beginning in 2011, or at such time as the Board of Directors may from time to time determine.

The Chairman may cancel meetings due to lack of business or conflicting Holiday schedules. Others meetings of the Board for any purpose may be called at any time by the Chairman or any two (2) directors. Notice of the date, time and place of the meetings shall be communicated to each director by telephone, facsimile, or electronic mail at least forty-eight hours prior to the meeting.

Any meeting may be held by conference telephone or other communications equipment permitted by the Law, as long as all directors participating in the meeting can communicate with one another and all other requirements of the Law are satisfied. All such directors shall be deemed to be present in person at such meeting.

### **Section 6 - Action at a Meeting**

Presence of a majority of the directors then in office constitutes a quorum for the transaction of business, except as otherwise provided by these Bylaws.

Every act or decision made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to (a) approval of contracts or transactions in which a director has a direct or indirect material financial interest, (b) approval of certain transactions between corporations having common directorships, (c) creation of and appointments to committees of the Board of Directors, and (d) indemnification of directors.

Directors may not vote by proxy. A meeting at which a quorum is initially present, including an adjourned meeting, may continue to transact business despite the withdrawal of directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

### **Section 7 - Adjournment**

A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another place and time.

### **Section 8 - Action Without a Meeting**

The Board of Directors may take any required or permitted action without a meeting, if all members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as the unanimous vote of such directors.

### **Section 9 - Fees and Compensation**

Directors may not receive any compensation within the meaning of Section 5239 of the California Nonprofit Public Benefit Corporation Law, for their services as directors; however, the Board of Directors may authorize the payment of per diem, mileage or other reimbursement expenses to a director. A director shall not, however, be precluded from serving the Corporation in any other capacity as an officer, agent, employee or representative and receiving appropriate compensation for his or her services.

### **Section 10 - Committees**

The Board of Directors, by resolution adopted by a majority of the directors then in office, provided a quorum is present, may create one or more committees. Each committee will consist of two or more directors to serve at the pleasure of the Board of Directors. Appointments to committees shall be by majority vote of the authorized number of directors. The Board of Directors may appoint one or more directors as alternate members of such committee, who may replace any absent member at any meeting. Any such committee, to the extent provided in the Board of Directors resolution, shall have all the authority of the Board of Directors except that no committee, regardless of Board of Directors resolution, may:

- a.) Take any final action on any matter that, under the California Nonprofit Public benefit Law, also requires approval of the members or approval of a majority of members;
- b.) Fill vacancies on any committee that has the authority of the Board of Directors;
- c.) Fix compensation of the directors for serving on the Board of Directors or on any committee;
- d.) Amend or repeal Bylaws or adopt new Bylaws;
- e.) Amend or repeal any resolution to the Board of Directors that by its expressed terms is not so amendable or repealable;
- f.) Create any other committees of the Board of Directors or appoint the members of committees of the Board of Directors;
- g.) Approve any contract or transaction to which the Corporation is party and in which one or more of its directors has a material financial interest, except as special approval is provided for in Section 5233(d)(3) of the California Nonprofit Public benefit Corporation Law.

## **ARTICLE 8: Standards of Conduct**

### **Section 1 - General**

A director shall perform the duties of a director, including duties as a member of any committee of the board upon which the director may serve, in good faith, in a manner that director believes to be in the best interest of this Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances.

In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

- (a) One or more officers or employees of the Corporation whom the director believes to be reliable and competent in the matters presented;
- (b) Counsel, independent accountants or other persons as to matters which the director believes to be within such person's professional or expert competence; or
- (c) A committee of the Board upon which the director does not serve, as to matters within its designated authority, which committee the director believes to merit confidence, so long as, in any such case, the director acts in good faith, after reasonable inquiry when the need therefore is indicated by the Circumstances and without knowledge that would cause that reliance to be unwarranted.

Except as provided in Section 5233 of the California Nonprofit Public Benefit Corporation Law, a person who performs the duties of a director in accordance with the above shall have

no liability based upon any failure or alleged failure to discharge the person's obligations as a director, including, without limiting the generality of the foregoing, any actions or omissions which exceed or defeat a public or charitable purpose to which the Corporation, or assets held by it, are dedicated.

## **Section 2 - Compliance with Political Reform Act of 1974**

The directors shall comply with the provisions of the Political Reform Act of 1974, commencing with Section 81000 of the California Government Code.

## **ARTICLE 9: Officers**

### **Section 1 - Officers**

The officers of the Corporation shall be a Chairman of the Board, who shall be the Chair of the Pacific Gateway Workforce Investment Board (WIB); a President (CEO), who shall be the Director of Human Resources of the City of Long Beach; a Vice President, who shall be the Executive Director of the Pacific Gateway Workforce Investment Board; a Secretary, who shall be designated by the President; a Chief Financial Officer, who shall be the Director of Financial Management of the City of Long Beach; an Assistant Treasurer, who shall be the City Auditor of the City of Long Beach; and General Counsel, who shall be the City Attorney of the City of Long Beach.

### **Section 2 - Selection of Officers**

Except for the Secretary of the Corporation, the officers of the Corporation shall be, as applicable, the person currently holding the position designated in Section 1 of this Article. The Secretary shall be designated by the President. Each officer shall hold office until such officer resigns or is removed, ceases to hold the position designated in Section 1 of this Article, becomes otherwise disqualified to serve, or such officer's successor is selected.

### **Section 3 - Removal**

Resignation and Vacancies. The Secretary of the Corporation may be removed at any time, with or without cause, by the Board of Directors, with the consent of the member. The Chairman or Secretary of the Board may resign at any time by giving written notice to the Corporation. The resignation shall take effect as of the date the notice is received or at a later time specified in the notice. Should the Chairman of the Board position become vacant for any reason, the position will be filled according to the procedures outlined in the Bylaws of the Pacific Gateway Workforce Investment Board. Should the Secretary position become vacant for any reason, the position will be filled by the Chairman of the Board. A vacancy of any other officer position will be filled by the member (City of Long Beach).

### **Section 4 - Chairman of the Board**

The Chair of the Pacific Gateway WIB shall serve as the Chairman of the Board, who shall preside at all meetings of the Board of Directors and shall sign all resolutions and approved minutes of the Board of Director's meetings. In the absence of the Chairman of the Board, the Vice-Chair of the Pacific Gateway WIB shall serve as the Chairman. The Chairman of the

Board shall have the power to place on the agenda of the Board of Directors' meetings such business as in the Chairman of the Board's discretion requires attention or action of the Board of Directors. In addition, the Chairman shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

### **Section 5 - Secretary**

The Secretary shall keep or cause to be kept, at the Corporation's principal office or such other place the Board of Directors may direct, a book of minutes of all meetings, procedures and actions of the Board of Directors, of committees and of all actions taken by the member. The minutes of the meetings shall include the time and place of the meeting, whether the meeting was annual, regular or special, and if special, how authorized, the notice given, a record of all votes and the names of those present. The Secretary shall deliver a copy of the minutes of the Board of Directors and committee to the member. The Secretary shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

### **Section 6 - President**

The President shall be the chief executive officer of the Corporation and shall supervise, direct and control the Corporation's activities and affairs. The President shall direct the efforts of the Vice President. At each meeting of the Board of Directors, the President, or his or her designee, shall submit such recommendations and information as he or she may consider proper concerning the business, affairs and policies of the Corporation. The President, or his or her designee, shall have the authority to sign in accordance with Section 1 of Article 12, all checks, drafts or other orders for payment of money, notes or other evidence of indebtedness issued in the name of or payable to the Corporation, vouchers, deeds, contracts and other instruments authorized by the Board of Directors or the member. The President, or his or her designee, shall review all reports, communications, and documents addressed or directed to the Corporation, the Board of Directors or any of the officers of the Corporation. The President, or his or her designee, shall oversee the preparation and submission of reports and communications as from time to time may be authorized or requested by the Board of Directors or the member. In addition, the President, or his or her designee, shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

### **Section 7 - Vice President**

In the absence or disability of the President, the Vice President shall perform the duties of the President. When so acting, the Vice President shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice President shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

### **Section 8 - Chief Financial Officer**

The Corporation shall utilize the services of the Director of Financial Management of the City of Long Beach as its Chief Financial Officer. The Chief Financial Officer shall have the care and custody of all corporate funds and shall deposit the same in the name of the Corporation in such bank or banks as the member may select. The Chief Financial Officer shall advise the

Corporation on fiscal matters, pay out and disburse Corporation monies and funds. The Chief Financial Officer shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

### **Section 9 - General Counsel**

The Corporation shall utilize the services of the City Attorney of the City of Long Beach as its General Counsel. The General Counsel shall advise the Corporation on all legal matters, prepare legal documents as requested by the Corporation, and approve as to form all contracts, resolutions, and other legal instruments relating to the Corporations' activities. The General Counsel shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

### **Section 10 - Assistant Treasurer**

The Corporation shall utilize the services of the City Auditor of the City of Long Beach as its Assistant Treasurer. The Assistant Treasurer shall counter sign by facsimile all Corporation checks. The Assistant Treasurer shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

### **Section 11 - Additional Duties**

The officers of the Corporation shall perform such other duties and functions as may from time to time be required by the Board of Directors, the member, the Bylaws, or which are incidental to the office held by such officers.

### **Section 12 - Compliance with Political Reform Act of 1974**

The officers of the Corporation shall comply with the provisions of the Political Reform Act of 1974, commencing with Section 81000 of the California Government Code.

### **Section 13 – Audit of Books and Records**

If requested by the City Manager, the Books and Records of Account of the Corporation shall be audited by the City Auditor of the City of Long Beach.

## **ARTICLE 10: Indemnification of Directors and Officers**

### **Section 1 - Right of Indemnity**

To the fullest extent permitted by law, this Corporation shall indemnify its directors, officers, employees, and other persons described in Section 5238(a) of the California Nonprofit Public Benefit Corporation Law, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding, " as that term is used in Section 5238(a), and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that Section. "Expenses" shall have the same meaning as in Section 5238(a).

## **Section 2 - Approval of Indemnity**

On written request of the Board of Directors by any person seeking indemnification under Section 5238(a) or Section 5238(c) of the California Nonprofit Public Benefit Corporation Law, the Board of Directors shall promptly determine under Section 5238(e) 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. If the Board of Directors cannot authorize indemnification because the number of directors who are parties to the proceedings with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to the proceeding, the Board of Directors shall promptly notify the City of Long Beach. The City of Long Beach shall determine under Section 5238(e) of the California nonprofit Public Benefit Corporation Law whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met and, if so, the City of Long Beach shall authorize indemnification.

## **Section 3 - 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 Article in defending any proceeding covered by this Article 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.

## **ARTICLE 11: Insurance**

The Corporation shall, in accordance with the provisions of Section 5239 of the California Nonprofit Public Benefit Corporation Law, obtain, or shall make all reasonable efforts in good faith to obtain, a liability insurance policy or a director's and officer's liability policy, covering damages caused by the negligent act or omission of each director or officer, as such term is defined in Section 5239 of the California Nonprofit Public Benefit Corporation Law.

Notwithstanding the foregoing, 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 12: Miscellaneous**

### **Section 1 - Checks, Drafts, Etc.**

All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of or payable to the Corporation shall be signed or endorsed by the President or in his or her absence, the Vice President, and shall be countersigned by facsimile signature by the Assistant Treasurer.

## **Section 2 - Records and Reports**

### **a.) Maintenance of Corporate Records**

The Corporation shall keep (1) adequate and correct books and records of account; (2) written minutes of the proceedings of its members, Board of Directors, and committees of the Board of Directors; and (3) A record of the City of Long Beach's address.

### **b.) Member's inspection of Accounting Records and Minutes**

On written demand on the Corporation the member may inspect, copy, and make extracts of the accounting books and records and the minutes of the proceedings of the member, the Board of Directors, and committees of the Board of Directors at any reasonable time during office hours for a purpose reasonably related to the City of Long Beach's agent or attorney. Any right of inspection extends to the records of any subsidiary of the Corporation.

### **c.) Maintenance and inspection of Articles and Bylaws**

The Corporation shall keep at its principal office the original or a copy of the Articles of Incorporation and Bylaws, as amended to date, which shall be open to inspection by the City of Long Beach at all reasonable times during office hours.

### **d.) Inspection by Directors**

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.

### **e.) Annual Report**

The Board of Directors of the Corporation shall cause an annual report to be prepared by the President and delivered to the City of Long Beach and each director within one hundred twenty (120) days after the end of the Corporation's fiscal year (October 1 through September 30). That report shall contain the following information, in appropriate detail, for the fiscal year:

(1) The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year;

(2) The principal changes in assets and liabilities, including trust funds;

(3) The revenue and receipts of the Corporation, both unrestricted and restricted to particular purposes;

(4) The expenses or disbursements of the Corporation for both general and restricted purposes and;

(5) Any information requested by any provision of these Bylaws, the member or the City Manager.

The annual report shall be accompanied by any report of independent accounts or, if there is not such report, by the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the Corporation's books and records.

The requirements of an annual report shall not apply if the Corporation receives less than \$25,000 in gross receipts during the fiscal year, provided, however, that the information specified above for inclusion in an annual report must be furnished annually to all directors and to the City of Long Beach if so requested in writing.

#### **f.) Annual Statement of Certain Transactions and Indemnifications**

As part of the annual report to the member, the Corporation shall annually prepare and mail or deliver to the City of Long Beach and furnish to each director a statement of any transaction or indemnification of the following kind within one hundred twenty (120) days after the end of the Corporation's fiscal year:

(1) Any transaction (i) in which the Corporation was a party, (ii) in which any "interested person" had a direct or indirect material financial interest, and (iii) which involved more than \$50,000, or was one of a number of transactions with the same interested person involving, in the aggregate, more than \$50,000. For this purpose, an "interested person" is either (a) any director or officer of the Corporation; or (b) the member. The statement shall include a brief description of the transaction, the name of interested persons involved, their relationship to the Corporation, the nature of their interest in the transaction and, if applicable, the amount of that interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

(2) Any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any officer or director on the Corporation under the provisions of these Bylaws, unless that indemnification has already been approved by the City of Long Beach under Section 5238(e)(2) of the California Nonprofit Public Benefit Corporation Law.

#### **Section 3 - Program Approved by Member**

The Board of Directors and officers of the Corporation may engage in any and all acts necessary to complete any specific program approved by the member, including the execution of any contracts or the disbursements of any corporate funds, to the extent that such contracts or disbursements are consistent with the approved program.

#### **Section 4 - Execution of Contracts**

Unless expressly provided for by the Articles of Incorporation or these Bylaws, no officer, agent or employee shall have the power or authority to bind the Corporation by any contract or engagement, to pledge its credit, or to tender it liable for any purpose without the expressed written approval of the Board of Directors.

## **Section 5 - Construction and Definitions**

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

## **ARTICLE 13: Amendments**

### **Section 1 - Power of Member**

Bylaws may be adopted, amended or repealed by the member.

### **Section 2 - Power of Directors**

Bylaws may be adopted, amended or repealed by the Board of Directors only with the express written consent of the member.

AGREEMENT FOR SERVICES

BETWEEN

CITY OF LONG BEACH

AND

PACIFIC GATEWAY PARTNERSHIP, INC.

THIS AGREEMENT is made and entered into on \_\_\_\_\_, 2010 between the CITY OF LONG BEACH, a municipal corporation ("City"), and the PACIFIC GATEWAY PARTNERSHIP, INC., a California non-profit corporation ("Partnership"), pursuant to minute order adopted by the City Council of the City of Long Beach at its meeting held on \_\_\_\_\_, 2010.

Recitals:

A. Partnership has been established in order to focus on workforce competitiveness and support strategies for our communities and neighborhoods most in need through the planning and provision of workforce and economic development projects to meet the needs of under- and unemployed workers and youth, and to meet the specialized needs of our business and economic corridors (the "Partnership's activities").

B. City desires to promote such efforts by supporting the Partnership's activities and by providing existing City facilities, services and personnel to the Partnership.

THE CITY AND PARTNERSHIP agree as follows:

1. Services. City agrees to provide to the Partnership all necessary services of the City's employees, all necessary City facilities and other services of the City (the "City services") in order that the Partnership may accomplish the purposes outlined in its Articles of Incorporation and Bylaws.

2. Liability and Indemnification. Partnership waives any and all rights of subrogation against City and, pursuant to California Government Code Section 895.4, agrees to defend, protect, indemnify and hold City, its officials, employees and volunteers

OFFICE OF THE CITY ATTORNEY  
ROBERT E. SHANNON, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

1 harmless from and against any and all claims, damages, expenses, loss or liability of any  
2 kind or nature whatsoever, including automobile liability arising out of the services of City,  
3 or its officials, employees and volunteers on Partnership's behalf.

4 3. Termination of Agreement. This Agreement and the obligations of the  
5 City and the Partnership shall terminate on five (5) days written notice by either party of  
6 such termination.

7 THE PARTIES have executed this Agreement as of the date stated above.

8  
9 CITY OF LONG BEACH, a municipal  
corporation  
10 \_\_\_\_\_, 2010 By \_\_\_\_\_  
11 City Manager

12 CITY  
13 PACIFIC GATEWAY PARTNERSHIP, INC., a  
California non-profit corporation  
14 \_\_\_\_\_, 2010 By \_\_\_\_\_  
15 Title

16 By \_\_\_\_\_  
17 Title  
PARTNERSHIP

18  
19  
20 Approved as to form on this \_\_\_\_\_ day of \_\_\_\_\_, 2010

21  
22  
23 ROBERT E. SHANNON, City Attorney  
24 By \_\_\_\_\_  
25 Deputy  
26  
27  
28