



Board of Directors Meeting

Monday, July 24, 2023

11:30 a.m.

Visit Carlsbad Office: 3088 State Street #103, Carlsbad 92008

Teleconference Location: 820 Sundial Bridge Drive, Redding, CA 96001

Join Zoom Meeting

Web link:

<https://us06web.zoom.us/j/84098407393?pwd=eGdzbGpXNnFrRkhJMWNWMkNVWC9Bdz09>

Zoom Phone: +1 669 444 9171

Meeting ID: 840 9840 7393 Passcode: 801561

Agenda

Welcome & Call to Order

Stirling

Self-Introductions

Stirling

Public Comment

Stirling

Members of the public are welcome to make comments on items on the agenda and not on the agenda.

Informational Items

1. Brown Act Training

Lambeth

Board members and staff will receive training on the Brown Act conducted by John Lambeth of Civitas Advisors

Action Items

2. Approve Amendment to Articles of Incorporation

Sidoriak

Board members will review and consider for approval the amendment to the Articles of Incorporation.

3. Adoption of Bylaws

Stirling

Board members will review and consider for approval the amended and restated Bylaws.

4. Board Officer Elections

Stirling

Board members will discuss and elect the positions of Chair, Vice Chair and Secretary/Treasurer.



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| 5. Board of Directors Appointments
<i>Board members will discuss and appoint director to vacant board seat.</i> | Stirling |
| 6. Establishment of Committee
<i>Board members will vote to establish and appoint members to an ad hoc Finance Committee.</i> | Stirling |
| 7. Group Incentive Program Offer
<i>Board members will discuss and consider a revised group incentive program.</i> | Sidoriak |
| 8. Approval of Public Relations Services
<i>Board members will discuss and consider contracting with a new public relations firm for services through July 2024.</i> | Sidoriak |
| 9. Establishment of Regular Meeting Schedule
<i>Board will discuss and vote to approve upcoming meeting schedule through June 30, 2024.</i> | Stirling |
| 10. Adjournment | Stirling |
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BROWN ACT: Government Code 54950 (The Brown Act) requires that a brief description of each item to be transacted or discussed be posted at least 72 hours prior to a regular meeting and 24 hours prior to a special meeting. Action may not be taken on items not posted on the agenda. Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify Tina Burke at (760) 248-8478 at least 48 hours prior to the meeting.

NOTICE TO PUBLIC: You are welcomed and encouraged to participate in this meeting. Public comment is taken (3 minutes maximum per person) on items listed on the agenda when they are called. Public Comment on items not listed on the agenda will be heard at the meeting as noted on the agenda. Comments on controversial items may be limited and large groups are encouraged to select one or two speakers to represent the opinion of the group. The order of Agenda items is listed for reference and may be taken in any order deemed appropriate by the Board of Directors. The Agenda provides as a general description and staff recommendations; however, the Board of Directors may take action other than what is recommended.

CERTIFICATE OF AMENDMENT
OF
ARTICLES OF INCORPORATION

The undersigned certify that:

1. They are the Chairperson and the Secretary/Treasurer, respectively, of CARLSBAD CONVENTION AND VISITORS BUREAU, a California corporation, with California Entity Number 1901073.

2. Article II A. of the Articles of Incorporation of this corporation is amended to read as follows:

This corporation is a nonprofit, MUTUAL BENEFIT CORPORATION and is not organized for the private gain of any person. It is organized under the California Nonprofit Mutual Benefit Corporation law.

3. Article IV A. of this corporation is amended to read as follows:

The corporation is organized and operated exclusively for mutual benefit purposes within the meaning of Section 501(c)(6) of the Internal Revenue Code.

4. The foregoing amendment of Articles of Incorporation has been duly approved by the board of directors.

5. The corporation has issued no shares.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

xxx, Chairperson

Date

xxx, Secretary/Treasurer

Date

BYLAWS OF
CARLSBAD CONVENTION AND VISITORS BUREAU
DBA VISIT CARLSBAD

A California Nonprofit Mutual Benefit Corporation

Amended and Restated

ARTICLE I

OFFICES

Section 1. NAME AND PRINCIPAL OFFICE.

The name of the Corporation is Carlsbad Convention and Visitors Bureau, which will do business as VISIT CARLSBAD (“Corporation”). The principal office for the transaction of business of the Corporation shall be located within the City of Carlsbad in the County of San Diego, State of California. The Board of Directors may change the location of the principal office.

ARTICLE II

PURPOSE AND OBJECTIVES

Section 1: PURPOSE.

The main purpose of the Corporation is to execute an annual business plan on behalf of the Carlsbad Tourism Business Improvement District (“CTBID”) and promote and elevate the perception of Carlsbad through innovative programs that enhance the visitor economy while preserving an exceptional quality of life. The Corporation shall target commercial and leisure travelers and other potential hotel guests to stimulate demand of Carlsbad’s hotel community and other services. This business will result in direct commercial benefit of the tourism community and will indirectly benefit the City of Carlsbad and its citizens. The Corporation’s vision for Carlsbad is to become a well-recognized travel destination in California and a preferred family destination in the Southern California Region. The Corporation is not organized, nor shall it be operated, for pecuniary gain or profit, and it does not contemplate the distribution of gains, profits, or dividends to its Directors and is organized solely for nonprofit purposes. No part of the profits or net income of the Corporation shall ever inure to the benefit of any Director, officer or to any individual.

Section 2: OBJECTIVES.

The Corporation shall supplement its promotional activities by serving as the central organization of harmonizing the interests of the visitor industry with the interests of the entire community.

- 1) The activities of the Corporation shall be directed through the medium of an annual budget and business plan and the implementation of the CTBID Management District Plan.

- 2) The budget and business plan shall be designed to stimulate demand for hotels in the CTBID and other services to create commerce for the City of Carlsbad.
- 3) The Corporation shall build awareness, support, and engagement for its mission among civic and business leaders, the tourism community, and the local community.

ARTICLE III

MEMBERSHIP

Section 1. MEMBERSHIP.

The Corporation has no members within the meaning of the California Nonprofit Corporation Law, pursuant to Corporation Code §5056. However, should the issue of sustained funding threaten or adversely impact the Corporation in its ability to carry forward on meeting each objective within Article II of these Bylaws, then the Corporation may exercise its option to become a membership organization. Only by a 75% vote of Directors at a duly convened meeting (e.g., monthly, special), can the Corporation convert to a membership organization.

Section 2. NON-VOTING MEMBERS.

The Corporation's Board of Directors may, in its discretion, admit individuals to one or more classes of non-voting members; the class or classes shall have such rights and obligations as the Board of Directors finds appropriate.

ARTICLE IV

DIRECTORS

Section 1. POWERS.

Subject to limitations and provisions of the Articles of Incorporation, of the Bylaws, of the CTBID Management District Plan, and of the California Nonprofit Corporation Code, the executive and administrative power of the Corporation shall be vested in, and the business affairs of the Corporation shall be controlled by a Board of Directors. Without prejudice to such general powers, but subject to the same limitations, it is expressly declared that the Board of Directors shall have the following powers:

- 1) To elect and remove all officers and prescribe their powers and duties as consistent with the law, the Articles of Incorporation, the CTBID Management District Plan, and these Bylaws;
- 2) To select and remove the President & CEO, agents, and employees, and to prescribe powers and duties, and fix compensation as consistent with the law, the Articles of Incorporation, the CTBID Management District Plan, and these Bylaws;
- 3) To conduct, manage, and control the business affairs of the Corporation as they may deem best;
- 4) To designate the places for the holding of meetings of the Board of Directors and to change the principal office or the principal business office in the City of Carlsbad from one location to another; cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency, or country; conduct its activities in or outside California; and designate a place in the City of Carlsbad for holding any meeting of the Board; and
- 5) To borrow money and incur indebtedness for the purposes of the Corporation and to cause to be executed and delivered therefore in the corporate name the promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, financing statements, hypothecations, or other evidence of debt and security therefore. This will require a minimum of 75% affirmative votes of the Directors then in office.

Section 2. NUMBER AND QUALIFICATION.

There shall be no less than seven and no more than nine Directors on the Board of Directors. All Directors must be owners or representatives of assessed lodging businesses in the CTBID. A minimum of three Directors shall be representatives from the top three CTBID assessment payors (a single payor may represent multiple properties within the CTBID that have common ownership), determined by the CTBID assessments paid during the previous fiscal year. Each Director shall have one vote on any matter before the Board.

Section 3. VACANCIES.

- 1) How Created. A vacancy or vacancies on the Board shall occur in the event of:
 - a. The death, removal or resignation of any Director; or
 - b. The declaration by resolution of the Board of a vacancy in the office of a Director who has been convicted of a felony, declared of unsound mind by a court order, or found by final order or judgment of any court

to have breached a duty arising under Corporations Code §7230-7238, the CTBID Management District Plan, or other applicable laws; or

- c. An increase in the authorized number of Directors; or
- d. The failure of an election to elect the number of Directors required to be elected in that election; or
- e. A Director missing two meetings in a fiscal year and an affirmative vote by the remaining Directors to remove the absent Director; or
- f. A Director no longer meeting the criteria in Article IV of these Bylaws.

2) How Filled. Vacancies in the Board of Directors may be filled by approval of the Board, or if the number of Directors then in office is less than a quorum, by either:

- a. The affirmative vote of a majority of Directors then in office at a meeting held according to the notice provisions of these Bylaws and the Ralph M. Brown Act; or
- b. A sole remaining Director.

Section 4. DATE OF ANNUAL SELECTION.

The selection of Directors to succeed those Directors whose terms of office are expiring shall take place at the annual meeting described in Article V, Section 1 of these Bylaws. Directors shall be elected by the Board.

Section 5: RESIGNATION OF DIRECTORS.

Any Director may resign by giving written notice to the Chair of the Board, if any, or to the Chairperson or the Secretary of the Board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a Director's resignation is effective at a later time, the Board may elect a successor to take office as of the date when the resignation becomes effective.

Section 6: REMOVAL OF DIRECTORS.

Any Director may be removed, with or without cause, by the vote of the majority of the entire Board of Directors at a special meeting called for that purpose, or at a regular meeting, provided that notice of that meeting and the question of removal are given as provided in these Bylaws.

Section 7. TERM OF OFFICE.

- 1) Term of Directors. Directors shall serve for a term of no more than three (3) years, commencing on the first day of July.

- 2) Eligibility for Re-selection. A person shall be eligible for re-selection as a director at any time after each term.

Section 8: COMPENSATION AND REIMBURSEMENT.

Directors shall serve as volunteers and shall not be compensated. Directors may be reimbursed for expenses, as the Board may establish by resolution to be just and reasonable to the Corporation at the time that the resolution is adopted.

Section 9. ADVISORS.

The Board may designate individuals to serve as Advisors to the Board, and shall serve as volunteers and shall not be compensated. Advisors will receive notice of meetings in the same manner as Directors but will not be considered Directors for any purpose including voting. Advisors shall serve for such terms as determined by the Board and may be removed by the Board at any time.

Section 10. NOTABILITY OF DIRECTORS.

No Director or Advisor shall be personally liable for the debts, liabilities, or other obligations of the Corporation.

Section 11. INDEMNITY FOR LITIGATION.

The Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding by reason of the fact that such person is or was a Director (as defined in Section 7231.5 of the California Nonprofit Corporation Law) of the Corporation, to the fullest extent permitted under the provisions of Section 7237 of the Nonprofit Corporation Law of the State of California, so long as such person acted in good faith, in a manner such person reasonably believed to be in the best interests of the Corporation, and with care as would be exercised by an ordinarily prudent person in a like position under similar circumstances.

Section 12. STANDARD OF CONDUCT.

Pursuant to Sections 7231 and 7231.5 of the Nonprofit Corporation Law of the State of California, a Director shall perform the duties of a Director, including duties as a member of any committee of the Board of Directors upon which the Director may serve:

- 1) In good faith.
- 2) In a manner such Director believes to be in the best interests of the corporation.

- 3) With such care, including reasonable inquiry, as an ordinarily prudent person in a like position 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:

- 1) One or more officers or employees of the Corporation whom the Director believes to be reliable and competent in the matters presented; or
- 2) Counsel, independent accountants, or other persons as to matters which the Director believes to be within such person's professional or expert competence; or
- 3) A committee of the Board of Directors upon which the Director does not serve, as to matters within its designated authority, which committee the Director believes to merit confidence.

Section 13. SELF-INTERESTED CONTRACTS AND TRANSACTIONS.

Pursuant to Section 7233 of the California Nonprofit Corporation Law, no contract or other transaction between the Corporation and one or more of its Directors, or between the Corporation and any corporation, firm, or association in which one or more of its Directors has a material financial interest, is either void or voidable because such Director or Directors or such other corporation, business corporation, firm, or association are parties or because such Director or Directors are present at the meeting of the Board or a committee thereof which authorizes, approves, or ratifies the contract or transaction, if:

- 1) The material facts as to the transaction and as to such Director's interest are fully disclosed or known to the Board of Directors and such contract or transaction is approved by the Board of Directors in good faith, with any membership owned by any interested Director not being entitled to vote thereon;
- 2) The material facts as to the transaction and as to such Director's interest are fully disclosed or known to the Board or committee, and the Board or committee authorizes, approves, or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the interested Director or Directors and the contract or transaction is just and reasonable as to the Corporation at the time it is authorized, approved or ratified; or
- 3) The person asserting the validity of the contract or transaction sustains the burden of proving that the contract or transaction was just and reasonable as to the Corporation at the time it was authorized, approved, or ratified.

A mere common directorship does not constitute a material financial interest within the meaning of this Section.

Section 14. DISCLOSURE OF ANY REAL OR PERCEIVED CONFLICTS OF INTEREST.

Nothing shall prohibit a Director from being a board member of another destination marketing organization or convention & visitors bureau. However, in matters where a real or perceived conflict of interest may exist, that Director is required to disclose the nature of such conflict and withdraw from any discussion or vote that may compromise objectivity.

Section 15. DISTRIBUTIONS, LOANS, AND GUARANTIES.

Pursuant to Section 7236 of the Nonprofit Corporation Law of the State of California, a Director shall not approve any of the following corporate actions:

- 1) The making of any distribution contrary to Chapter 4 of the Nonprofit Corporation Law of the State of California; or
- 2) The distribution of assets after the institution of dissolution proceedings of the Corporation, without paying or adequately providing for all known liabilities of the Corporation, excluding any claims not filed by creditors within the time limit set by the court in a notice given to creditors under Chapters 15, 16, and 17 of the Nonprofit Corporation Law of the State of California; or
- 3) The making of any loan or guaranty contrary to Section 7235.

ARTICLE V

MEETINGS

Section 1. ANNUAL MEETING.

The annual meeting of the Corporation shall be held in the first quarter of the fiscal year. At the annual meeting, Directors and officers shall be elected and other business may be transacted, subject to the provisions of these Bylaws. Notice of the annual meeting shall be posted at least seventy-two hours prior to the meeting in a publicly accessible location and on the Corporation's website, in accordance with the requirements of the Ralph M. Brown Act. Each notice shall state the general business to be transacted, and the day, time and place of the meeting.

Section 2. REGULAR MEETINGS.

Regular meetings of the Board of Directors shall be held no less than once per quarter at such times and places as shall from time to time be designated by the Chairperson of the Board. Notice of regular meetings shall be posted at least seventy-two hours prior to the meeting in a publicly accessible location, and on the Corporation's website, if any, in accordance with the requirements of the Ralph M. Brown Act. Each such notice shall state the general business to be transacted, and the day, time, and place of the meeting. Business may be transacted at any regular meeting of the Board in accordance with the requirements of the Ralph M. Brown Act.

Section 3. SPECIAL MEETINGS.

Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the Chairperson of the Board. Notice shall be delivered to the Board personally or by any other means pursuant to Government Code §54956. Notice shall also be posted at least twenty-four hours prior to the meeting in a publicly accessible location, and on the Corporation's website, if any, in accordance with the requirements of the Ralph M. Brown Act.

Section 4. TELEPHONIC AND ELECTRONIC COMMUNICATION.

As authorized by Ralph M. Brown Act, Directors may participate in a meeting of the Board of Directors using conference telephone or the Internet. All votes taken during a teleconferenced meeting shall be by roll call. If teleconferencing is used, the Board shall conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the Board, and adhere to all statutory requirements.

Section 5. QUORUM.

A majority of Directors then in office shall constitute a quorum for the transaction of business at a meeting of the Board of Directors. If less than a quorum is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice other than announcement at the meeting, until a quorum shall be present. There shall be no voting by proxy or voting by absentia.

ARTICLE VI

OFFICERS

Section 1. ELECTED OFFICERS.

The elected officers of this Corporation shall be a Chairperson of the Board, a Vice Chairperson of the Board, and a Secretary/Treasurer. Pursuant to Corporations Code

§7213, any number of offices may be held by the same person.

Section 2. ELECTION OF OFFICERS.

The Board shall serve as the nomination committee for the nomination of officers. Officers shall be approved by the Board of Directors with a majority vote.

Section 3. TERM OF OFFICE.

The officers shall each take office on July 1 or on such dates as shall be determined by the Board of Directors and shall serve at the pleasure of the Board. The officers shall serve for a term of two years unless modified by the Board.

Section 4. REMOVAL AND RESIGNATION.

Any elected officer may be removed by a majority of the Directors then in office at any meeting of the Board of Directors. Any elected officer may resign at any time by giving written notice to the Board.

Section 5. VACANCY.

A vacancy in any elected office shall be filled by a majority vote of the Board of Directors.

Section 6. CHAIRPERSON OF THE BOARD.

The Chairperson of the Board shall be the Chief Presiding Officer of the Corporation and, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and officers of the Corporation. They shall preside at all meetings of the Board of Directors. In addition, they shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws. To avoid possible conflicts of interest, the Chairperson shall not sit on nor be a member of another tourism, destination marketing organization, or convention and visitors bureau except the San Diego Convention and Visitors Bureau.

Section 7. VICE CHAIRPERSON.

In the absence or disability of the Chairperson of the Board, the Vice Chairperson of the Board shall perform all the duties and have all powers of the Chairperson of the Board. In addition, the Vice Chairperson shall have such other powers and perform such other duties as may be prescribed by the Chairperson of the Board, the Board of Directors, or these Bylaws.

Section 8. SECRETARY/TREASURER.

- 1) The Secretary/Treasurer shall keep or cause to be kept at the principal office of the Corporation, or such other place as the Board of Directors may order, a Book of Minutes of all meetings of the directors, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at Corporation and committee meetings, and any action taken and the vote or abstention on that action of each Director present for the action.
- 2) The Secretary/Treasurer shall keep or cause to be kept at the Corporation's principal office, a copy of the Articles of Incorporation and Bylaws, as amended to date.
- 3) The Secretary/Treasurer shall keep or cause to be kept at the Corporation's principal office or at a place determined by resolution of the Board, a record of the Corporation's Directors, showing each Director's name, address, and business represented.
- 4) The Secretary/Treasurer shall give, or cause to be given, notice of all meetings to the members and of the Board of Directors required by these Bylaws.
- 5) The Secretary/Treasurer shall also be the Chief Financial Officer of the Corporation and shall keep, or cause to be kept, adequate and correct accounts of the business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, and surplus. The books of account shall, at all times be open to inspection by any Director. The Secretary/Treasurer shall deposit, or cause to be deposited, all monies and other assets in the name and to the credit of the Corporation.
- 6) The Secretary/Treasurer shall maintain, or cause to be maintained, the Corporation's records in accordance with the requirements of the California Public Records Act, Government Code §6250 et seq.
- 7) The Secretary/Treasurer shall have such other powers and perform such other duties as prescribed by the Chairperson of the Board, the Board of Directors, or these Bylaws.

ARTICLE VII

PRESIDENT & CEO

Section 1. GENERAL POWERS AND QUALIFICATIONS.

The President & CEO shall be well qualified by education, experience, and personal qualities. The President & CEO shall operate the Corporation according to the policies

adopted by the Board of Directors. The President & CEO shall act as the fully authorized representative of the Board of Directors and the Corporation in all matters for which the Board of Directors has not formally designated some other person to act. The President & CEO shall report as directed to the Chairperson, and to the Board of Directors and its Committees at each meeting of each of these bodies.

Section 2. DUTIES OF THE PRESIDENT & CEO.

The authority and duties of the President & CEO shall include the responsibility for:

- 1) Developing, directing, and implementing all programs and activities as designated by the Board of Directors to meet the purposes and fulfill the mission of the Corporation.
- 2) Developing adequate plans and implementing appropriate controls to ensure the judicious utilization of the staffing and financial resources of the Corporation.
- 3) Organizing and preparing the agenda for all Board Meetings and implementing all actions or recommendations as approved by the Board of Directors.
- 4) Preparing an annual business plan and budget application to achieve the purpose and objectives of the Corporation and present them to the Board of Directors for approval.
- 5) Presenting to the Board of Directors periodic reports reflecting the activities and financial status of the Corporation and preparing and submitting such special reports as may be required by the Board of Directors.
- 6) Ensuring the Corporation is adequately and appropriately staffed.
- 7) Entering into contracts, in the name and on behalf of the Corporation for the purpose of engaging in the programs and activities authorized by the Board of Directors.
- 8) Filing annual Return of Organization Exempt from Income Tax.
- 9) Performing such other duties and discharge such other responsibilities as shall from time to time be assigned by the Board of Directors.

ARTICLE VIII

COMMITTEES

Section 1: ESTABLISHMENT.

The Board, by resolution adopted by a majority of the Directors then in office, may create one or more committees, each consisting of two or more Directors and no one who is not a Director, to serve at the pleasure of the Board. Appointments to committees of the Board shall be by majority vote of the Directors then in office. The Board may appoint one or more Directors as alternate members of such committee, who may replace any absent member at any meeting. Any such committee shall have all the authority of the Board, to the extent provided in the Board resolution, except that no committee may do the following:

- 1) Fill vacancies on the Board or any committee of the Board; or
- 2) Fix compensation of the Directors for serving on the Board or any committee;
or
- 3) Amend or repeal Bylaws or adopt new Bylaws; or
- 4) Amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable; or
- 5) Create any other committees of the Board or appoint the members of committees of the Board; or
- 6) Expend corporate funds to support a nominee for Director if more people have been nominated for Director than can be elected; or
- 7) With respect to any assets held in charitable trust, approve any contract or transaction between this Corporation and one or more of its Directors or between this Corporation and an entity in which one or more of its Directors have a material financial interest, subject to the approval provisions of Corporations Code §5233(d)(3).

Section 2: MEETINGS AND ACTIONS OF COMMITTEES.

Meetings and actions of committees shall be governed by, held, and taken under the provisions of these Bylaws concerning meetings and other Board actions, except that the time for general meetings of committees and calling of special meetings of committees may be set either by Board resolution, or if none, by resolution of the committee. Notice of committee meetings will be given in accordance with the provisions of the Ralph M. Brown Act. Minutes of each meeting shall be kept and shall be filed with the corporate records, and in accordance with the provisions of the California Public Records Act. The Board may adopt rules for governance of any committee as long as the rules are

consistent with these Bylaws. If the Board has not adopted rules, the committee may do so.

Section 3: CTBID GOLF COMMITTEE.

Pursuant to the CTBID Management District Plan, the Board may create a committee comprised of lodging businesses that elect to pay the additional one percent (1%) CTBID assessment for golf-related programs and services. The CTBID Golf Committee shall oversee the CTBID assessment budget for golf-related programs and services assessment.

Section 4: ADVISORY COMMITTEES.

The Board may establish one or more advisory committees. The members of any advisory committee may consist of Directors or non-directors. Advisory committees may not exercise the authority of the Board to make decisions on behalf of the Corporation, but shall be limited to making recommendations to the Board or the Board's authorized representatives and to implementing Board decisions and policies. Advisory committees shall be subject to the supervision and control of the Board.

ARTICLE IX

RECORDS AND REPORTS

Section 1. INSPECTION RIGHTS.

- 1) Records of Members' Names, Addresses, and Voting Rights. Anyone may inspect and copy the record of all Directors' names, addresses, and voting records, at reasonable times, upon two business days' prior written demand upon the Corporation, which demand shall state the purpose for which the inspection rights are requested; or obtain from the Secretary/Treasurer of the Board, upon written demand a list of names and voting records of Directors, as of the most recent record date for which it has been compiled. The demand shall state the purpose for which the information is requested. The President & CEO shall make the information available on or before five business days after the demand is received.
- 2) Articles and Bylaws. The Corporation shall keep at its principal executive office the original copy of the Articles and Bylaws as amended to date, which shall be open to inspection at all reasonable times during office hours.

- 3) Other Corporate Records. The accounting books, records, and minutes of proceedings of the members and the Board of Directors shall be kept at such place or places designated by the Board of Directors or, in the absence of such designation, at the principal executive office of the Corporation. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept in either written or typed form. The minutes shall be open to inspection on the written demand of anyone, at any reasonable time during usual business hours. Financial records are not open to inspection except to City officials and directors.
- 4) Executive Sessions. Minutes of Executive Sessions will be kept in a secure place separate from Board meeting minutes.
- 5) Inspection by Directors. Every Director, with Board approval, shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the Corporation. This inspection by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

Section 2: REPORTS.

Preparation of Annual Reports. The Secretary/Treasurer of the Corporation shall prepare and submit, or cause to be prepared and submitted, the reports described in this section, as applicable. The Secretary/Treasurer shall keep, or cause to be kept, copies of all annual reports with the Corporation's records. The annual reports may be combined into one all-inclusive document.

- 1) CTBID Annual Report. The CTBID annual report will be prepared and submitted in accordance with the provisions of Streets and Highways Code §36650 and the CTBID Management District Plan.
- 2) Corporate Annual Report.
 - a) Pursuant to California Corporations Code §8321, the Corporation's annual report shall be prepared not later than 120 days after the end of the Corporation's fiscal year. This section shall not apply if the Corporation receives less than \$10,000 in gross revenues or receipts during the fiscal year. The report shall contain the following information in appropriate detail:
 - i. A balance sheet as of the end of such fiscal year and an income statement and a statement of cashflows for that fiscal year.
 - ii. A statement of the place where the names and addresses of current Directors are located; and
 - iii. Any other information required by these Bylaws or the Board.

The Corporate annual report required by this subsection shall be accompanied by any report thereon of independent accountants, or, if there is no such report, the certification of an authorized officer of the Corporation that such statements were prepared without audit from the books and records of the Corporation.

- b) As part of the Corporate annual report, or as a separate document if no Corporate annual report is issued, the Corporation shall, not later than 120 days after the end of the Corporation's fiscal year, annually prepare and mail, deliver, or send by electronic transmission to each Director a statement of any transaction or indemnification of the following kind, as required under Corporations Code §8322:
- i. To which the Corporation or its subsidiary was a party;
 - ii. Which involved more than \$50,000 or was one of a number of such transactions with the same person involving, in the aggregate, more than \$50,000; and
 - iii. In which an interested persons had a direct or indirect material financial interest (a mere common Directorship is not a material financial interest).

For this purpose, an interested person is either of the following:

- Any Director or officer of the Corporation; or
- Any holder of more than ten percent of the voting power of the Corporation.

The statement shall include:

- A brief description of the transaction.
- The names of interested persons involved and their relationship to the corporation.
- The nature of interested persons in the transaction.
- The amount of the interested persons' interest, except that in a partnership in which such person is a partner, only the partnership interest need be stated.

ARTICLE X

OTHER PROVISIONS

Section 1. FISCAL YEAR.

The fiscal year of the Corporation shall commence on the first day of July of each year

and end on the 30th day of June of the following year.

Section 2. OPERATING STATEMENTS.

The President & CEO shall submit to the Secretary/Treasurer monthly operating statements showing the financial condition of the Corporation for the preceding calendar month, and each such statement shall thereupon be submitted by the Secretary/Treasurer to the Board of Directors at the next regular meeting thereof.

Section 3. CHECKS, DRAFTS, ETC.

All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness, issued in the name of or payable by the Corporation shall be signed or endorsed by such person or persons and in such manner, as from time to time shall be determined by the Board of Directors.

Section 4. CONTRACTS.

Subject to the provisions of the articles of incorporation, the Bylaws, and the California Mutual Benefit Nonprofit Corporation Law, the Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to the specific instances, and, unless so authorized by the Board of Directors, no officer or agent or employee shall have any power or authority to bond the Corporation by a contract or engagement or to pledge its credit or render it liable for any purpose in any amount.

Section 5. BROWN ACT COMPLIANCE.

To the extent that the Corporation is subject to the open meeting requirements of the Ralph M. Brown Act, the Board will comply with the provisions of Government Code §54950 through and including §54961. To the extent that any provision of these Bylaws is inconsistent with the Ralph M. Brown Act, the provision of said Act shall prevail. In the event the Corporation is not required to comply with the Brown Act, the Board will not endeavor to meet the requirements of the Brown Act.

ARTICLE XI

AMENDMENTS

Section 1. AMENDMENT BY DIRECTORS.

Except as provided in Sections 7151, 7220, 7224, 7512, 7613, and 7616 of the California Mutual Benefit Nonprofit Corporation Law, new Bylaws may be adopted or these Bylaws may be amended or repealed by majority vote of the Board of Directors present at any regular or special meeting, a quorum being assembled, provided that written notice of such meeting, setting forth in detail the proposed revision(s) and explanation(s) therefore, be given not less than seven days prior to such meeting.

Section 2. RECORDED AMENDMENTS.

Whenever any amendments are adopted, they shall be entered in the book of Bylaws with the original set of Bylaws. If any portion of the Bylaws is repealed, this information will also be kept in the book of Bylaws. A new and revised copy of the Bylaws will be provided to all Board members that reflect all changes.

ARTICLE XII

DISSOLUTION

Upon the dissolution or winding up of the Corporation, after payment of, or provision for payment of, all debts and liabilities of this Corporation, the remaining assets shall be refunded in accordance with the provisions of Streets and Highways Code §36671.



Proposed New Offer: Group Incentive Program 2023

Purpose:

Group incentive programs support Carlsbad's business travel goals. Meeting groups increase shoulder and off-peak season occupancy and therefore increase tax revenues for the City of Carlsbad – both from transient occupancy tax and sales tax. Competing destinations such as Newport Beach, Huntington Beach, Santa Barbara, Phoenix, and Dana Point offer these programs.

Definitions:

- "Property" is a hotel in Carlsbad that is accommodating a meeting.
- "Client" is a meeting planner or representative from an organization that secures space for the purpose of holding a meeting.
- "Group" is an organization holding a meeting.
- "Event Name" is an optional designation given to a Group's meeting.

Policy Requirements:

- Minimum 50 room nights at Property.
- Group must not have actualized any meeting at any Property within the last two years of the booking date.
- Group is eligible for incentives for multiple years if contract(s) are signed within one year of the previous event end date.
- Group must contract by December 31, 2023 and consume by December 31, 2025.
- Application and Addendum must be fully executed.
- Offer not applicable to any past, existing, definite, or tentative program at any Properties.
- This promotion cannot be combined with any other offer or promotion.
- Offer subject to change without notice.
- Offer subject to available funds.

Incentive:

March through November Booking - 5% of actualized room revenue up to a total incentive of \$20,000 for a qualifying Group.

December through February Booking - 10% of actualized room revenue up to a total incentive of \$30,000 for a qualifying Group. If at least 50 room nights are consumed in December through February, the total Group revenue (including days outside December



through February) will qualify for the 10% incentive. If less than 50 room nights are consumed in December through February, this incentive does not apply.

Process:

- Property completes Application on behalf of Client via the Visit Carlsbad [website](#).
- Property requests Addendum to Hotel Contract from Visit Carlsbad.
- Visit Carlsbad completes Addendum to Hotel Contract and routes for signatures from all parties.
- Upon completion of Group meeting, incentive is calculated by Property based on actualized room revenue.
- Group receives a credit to their master account for the incentive amount.
- Property invoices Visit Carlsbad with appropriate supporting documentation for incentive amount.
- Visit Carlsbad pays Property invoice within 30 days of receipt of invoice.



Proposed Regular Board of Directors Meeting Schedule

Fourth **Tuesday** of the month following quarter end:

- October 24, 2023
- January 23, 2024
- April 23, 2024
- July 23, 2024

Fourth **Thursday** of the month following quarter end:

- October 26, 2023
- January 25, 2024
- April 25, 2024
- July 25, 2024