

**CHARTER**

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**of the**

**VANCOUVER PUBLIC FACILITIES DISTRICT**

WHEREAS, the City Council (the "Council") of the City of Vancouver, Washington (the "City") has determined that it may be in the best interests of the City and its citizens to explore the possible acquisition, construction, operation, promotion and financing of a convention center, special events center and/or related parking and other facilities within the City (the "Special Events Center") in order to promote economic development, to provide needed public facilities to serve local and regional business, community, family entertainment, youth, recreation and athletic organizations, and to further the revitalization of the City's downtown business, financial and commercial district; and

WHEREAS, Laws of Washington, 1999, Chapter 166, codified as Chapter 35.57 of the Revised Code of Washington (the "Act") authorizes the Council, as the legislative authority of a city located in a county with a population of less than one million, to create a public facilities district coextensive with the boundaries of the City for the purposes, among others, of acquiring, constructing, operating, promoting and financing the Special Events Center; and

WHEREAS, pursuant to Ordinance No. 3461 of the City, passed on October 18, 1999 (the "Ordinance"), the City has determined that it may be in the best interests of the City and its citizens to explore the possible creation of a public facilities district to assist the City in the acquisition, construction, operation, promotion and financing of a the Special Events Center; and

WHEREAS, pursuant to the Ordinance, the City authorized and approved the creation of a public facilities district pursuant to this Charter, which shall be called the Vancouver Public Facilities District (the "District"), coextensive with the boundaries of the City, and authorized and directed the Mayor, the City Clerk and other appropriate officers of the City to execute this Charter and such other documents, and to take any and all such additional actions, as may be necessary or desirable to accomplish the creation of the District;

NOW, THEREFORE, this Charter is hereby granted to the District, and the District is hereby created and established.

**ARTICLE I**  
**NAME AND SEAL**

Section 1.01 Name. The name of the public facilities district shall be the "Vancouver Public Facilities District."

Section 1.02 Seal. The District's seal shall be a circle with the words "Vancouver Public Facilities District" inscribed therein.

ARTICLE II  
NATURE AND PURPOSES

Section 2.01 Nature of the District. The District shall be a public facilities district organized pursuant to the Act and the Ordinance. The boundaries of the District shall be coextensive with the boundaries of the City. The District shall be a municipal corporation, an independent taxing “authority” within the meaning of Article VII, Section 1 of the Constitution of the State of Washington (the “Constitution”), and a “taxing district” within the meaning of Article VII, Section 2 of the Constitution. The District shall not constitute a part of the City.

Section 2.02 Purposes. The purpose of the District shall be to provide a separate legal entity pursuant to the Act and the Ordinance to acquire, construct, own, remodel, maintain, equip, re-equip, repair, finance, and operate one or more Regional Centers (as hereinafter defined) and to carry on any other related activities in connection with the foregoing. “Regional Center” shall mean a convention, conference or special events center, or any combination of facilities, and related parking facilities, serving Southwest Washington constructed or improved at a cost of at least ten million dollars, including debt service. These purposes are hereby declared to be public purposes. No part of the revenues of the District shall inure to the benefit of its directors or officers, or to any private person.

Section 2.03 Limitations on Liability. All debts, liabilities and other obligations incurred by the District (“Obligations”) shall be satisfied: (a) in the case of Obligations which, by their terms, are not payable from a special or limited source of funds, exclusively from the revenues, assets and properties of the District, and (b) in the case of Obligations which, by their terms, are payable from a special or limited source of funds, exclusively from such revenues, assets and properties of the District as shall be specifically pledged thereto or otherwise identified as being the source of payment thereof. No creditor, claimant or other person shall have any right of action against or recourse to the City or its revenues, assets or properties on account of or with respect to any such Obligations, or otherwise on account of or with respect to any acts or omissions of the District or its officers, employees or agents.

Section 2.04 Mandatory Disclaimers. A disclaimer in substantially the following form shall be posted in a prominent place accessible to the public in the District’s principal office and any other administrative offices. It shall also be printed or stamped on all contracts, bonds and other documents that evidence or create any Obligation which, by its terms, is not payable from a special or limited source of funds.

The Vancouver Public Facilities District is a public facilities district established pursuant to Ordinance No. 3461, of the City of Vancouver, Washington, and the laws of the State of Washington, including, but not limited to, Chapter 35.57 of the Revised Code of Washington. All debts, liabilities and other obligations incurred by the District shall be satisfied exclusively from the revenues, assets and properties of the District. No creditor, claimant or other person shall have any right of action against or recourse to the City of Vancouver, the State of Washington, or any other political subdivision of the State of Washington on

account of or with respect to any debts, liabilities or other obligations of the District, or otherwise on account of or with respect to any acts or omissions of the District or its officers, employees or agents.

In addition, a disclaimer in substantially the following form shall be printed or stamped on all contracts, bonds and other documents that evidence or create any Obligation which, by its terms, is payable from a special or limited source of funds.

The Vancouver Public Facilities District is a public facilities district established pursuant to Ordinance No. 346, of the City of Vancouver, Washington, and the laws of the State of Washington, including, but not limited to, Chapter 35.57 of the Revised Code of Washington. The obligations of the District with respect to [describe the contract, bond or other document] shall be and remain special, limited obligations of the District payable solely from [describe the particular revenues, assets or properties of the District from which the obligations are payable]. In no event shall such obligations be payable from or secured by any revenues, assets or properties of the District other than those described in the preceding sentence, or by any revenues, assets or properties of the City of Vancouver, the State of Washington or any other political subdivision of the State of Washington. No creditor, claimant or other person shall have any right of action against or recourse to the City of Vancouver, the State of Washington, or any other political subdivision of the State of Washington on account of or with respect to any debts, liabilities or other obligations of the District, or otherwise on account of or with respect to any acts or omissions of the District or its officers, employees or agents.

### ARTICLE III PERPETUAL EXISTENCE

Section 3.01 Perpetual Existence. The District shall have a perpetual existence until dissolved in accordance with this Charter and the Act.

### ARTICLE IV POWERS; INDEMNIFICATION

Section 4.01 Powers. Except as otherwise provided herein, the District shall have and may exercise all lawful powers conferred upon public facilities districts as of the date hereof by the laws of the State of Washington, including the Act. Such powers shall include, but are not limited to, the following:

- (a) To hire employees, staff, and services, to enter into contracts and to sue and be sued;
- (b) To acquire and transfer real and personal property by lease, sublease, purchase or sale

(c) To acquire, construct, own, remodel, maintain, equip, re-equip, repair, finance and operate one or more Regional Centers, and to develop, promote and advertise such Regional Centers;

(d) To impose fees and charges for the use of its facilities, and to accept and expend or use gifts, grants and donations;

(e) To impose charges, fees and taxes authorized by the Act, provided, however, that no such taxes shall be imposed without the prior consent and approval of the City by ordinance;

(f) To contract with public or private entities for the operation or management of its public facilities; and

(g) To issue its general obligation bonds and revenue bonds pursuant to the Act.

Section 4.02 Indemnification. To the extent permitted by law, the District shall protect, defend, hold harmless and indemnify any director, officer, employee or agent of the District, and who is a party or threatened to be made a party to a proceeding by reason related to that person's conduct as a director, officer, employee or agent of the District, against judgments, fines, penalties, settlements and reasonable expenses (including attorneys' fees) incurred by him or her in connection with such proceeding, if such person acted in good faith and reasonably believed his or her conduct to be in the District's best interests and if, in the case of any criminal proceedings, he or she had no reasonable cause to believe that his or her conduct was unlawful. The indemnification and protection provided herein shall not be deemed exclusive of any other rights to which a person may be entitled as a matter of law or by contract or by vote of the Board of Directors. The District may purchase and maintain appropriate insurance covering such risks.

## ARTICLE V BOARD OF DIRECTORS; EXECUTIVE DIRECTOR

Section 5.01 Board Powers. All powers of the District shall be exercised by or in the name of the Board of Directors (the "Board"). The powers of the Board shall include, but are not limited to, the following:

(a) To establish and implement the policies and programs of the District, and the procedures for the management and administration of the District's affairs;

(b) To appoint and remove, at the pleasure of the Board, the District's officers, agents and employees, and to prescribe their respective powers and duties consistent with the provisions hereof;

(c) To borrow money and incur indebtedness in accordance with the Act; and

(d) To provide for the investment of the District's funds.

Section 5.02 Board Composition. The Board shall be composed of five (5) members appointed by the Council to four (4) year terms. However, of the initial members, one shall be appointed for a one-year term, one shall be appointed for a two-year term, one shall be appointed for a three-year term and the remainder shall be appointed for four-year terms. Two of the members of the Board may be appointed at the sole discretion of the Council so long as neither appointee is a member of the Council. Three of the members of the Board shall be appointed by the Council based upon the recommendations of local organizations that include, but are not limited to, the Vancouver Chamber of Commerce, local economic development organizations and local labor councils. A vacancy or vacancies on the Board shall be deemed to exist in case of the death, disability, resignation, removal, or forfeiture of membership. A Board member may be removed when the member fails to attend three consecutive meetings of the Board. Vacancies on the Board shall be filled by appointment in accordance with the above provisions. Any person selected to fill a vacancy on the Board shall serve the balance of the term of the person being replaced.

Section 5.03 Board Officers. The Board shall have three or more officers. The same person shall not occupy both the office of President and any office responsible for the custody of funds and maintenance of finances and accounts. The initial officers of the Board shall be the President, the Secretary and the Treasurer. Additional officers may be provided for in the Bylaws of the District. The President shall be the agent of the District for service of process; provided, that the Bylaws may designate additional officers of the District as agents to receive or initiate process. The District may contract with the City for the services of the City Treasurer as custodian of the District's funds.

Section 5.04 Removal of Board Members. The Council may by resolution remove any or all Board members, with or without cause; provided, that on or prior to such removal the Council shall appoint a replacement for each member removed in accordance with the provisions hereof. A copy of the resolution removing a Board member and a letter signed by the Mayor of the City advising such member of his or her removal shall be delivered to such Board member promptly following the adoption of any such resolution.

Section 5.05 Executive Director. The Board shall appoint an Executive Director. The Executive Director shall be the chief administrative officer of the District, and shall be subject to supervision by the Board. The Executive Director shall have such powers and perform such duties as may be prescribed from time to time by the Board, and shall be entitled to notices of all meetings of the Board; provided, however, that the Executive Director shall not be entitled to be present during any discussions relating to his or her employment or performance. The Executive Director shall have primary responsibility for all matters involving day-to-day operations of the District, and shall make recommendations to the Board on practices, policies and programs of the District. The District may contract with the City for the services of an Executive Director.

Section 5.06 Conflict of Interest. No member of the Board nor the Executive Director shall be beneficially interested, directly or indirectly, in any contract, sale, lease or purchase which may be made by, through or under supervision of such official, in whole or in part, or which may be made for the benefit of his or her office, or accept, directly or indirectly, any

compensation, gratuity or reward in connection with such contract from any other person beneficially interested therein. This section shall not apply to any remote interest of any such official.

## ARTICLE VI MEETINGS

Section 6.01 Board Meetings. The Board shall establish at least two regular meeting days each year.

Section 6.02 Board Quorum and Concurrence. A quorum to commence a Board meeting shall be no fewer than three (3) members. The Bylaws of the District may prescribe Board quorum restrictions that equal or exceed the quorum restrictions imposed in this Section 5.02. Board members present at a duly convened meeting may continue to transact business notwithstanding the withdrawal of enough members to leave less than a quorum; provided, any action shall be approved by at least three (3) members. Board concurrence may be obtained at any regular or special meeting by an affirmative vote of a majority of the Board members voting on the issue; provided, that such majority shall include not less than three (3) votes. Voting by telephone or by proxy shall not be permitted.

Section 6.03 Open Public Meetings. Notice of meetings shall be given in a manner consistent with the Open Public Meetings Act, Laws of Washington 1971, Extraordinary Session, Chapter 250, codified as Chapter 42.30 of the Revised Code of Washington, as supplemented and amended. In addition, the District shall provide reasonable notice of meetings to any individual specifically requesting it in writing. At such meeting, any citizen shall have a reasonable opportunity to address the Board either orally or by written petition

Section 6.04 Minutes. Copies of the minutes of all regular or special meetings of the Board shall be available to any person or organization that requests them as required by State law; provided, however, that minutes with respect to closed executive sessions need not be made available. The minutes of all Board meetings shall include a record of individual votes on all matters requiring Board concurrence.

## ARTICLE VII BYLAWS

Section 7.01 Bylaws. The Board shall adopt Bylaws to provide additional rules governing the District and its activities that are not inconsistent with this Charter.

ARTICLE VIII  
AMENDMENT TO CHARTER

Section 8.01 Proposals to Amend Charter. Any Board member may introduce a proposal to amend the Charter at any regular meeting or special meeting of the Board.

Section 8.02 Board Consideration of Proposed Amendments. If notice of a proposal to amend the Charter and information, including the text of the proposed amendment and a statement of its purpose and effect, is provided to members of the Board fifteen (15) days prior to any regular Board meeting or any special meeting of which thirty (30) days' advance notice has been given, then the Board may vote on the proposal at the same meeting at which the proposal is introduced. If such notice and information is not so provided, the Board may not vote on the proposal until the next regular meeting or a special meeting of which thirty (30) days' advance notice has been given, and in each case at least fifteen (15) days prior to which meeting such notice and information is provided to Board members. Amendments to the proposal within the scope of the original proposal will be permitted at the meeting at which the vote is taken.

Section 8.03 Vote Required for Proposals to Amend the Charter. Resolutions of the Board approving proposals to amend the Charter shall require an affirmative vote of a majority of the Board members voting on the issue; provided, that such majority shall equal not less than **[four (4)]** votes.

Section 8.04 City Council Approval of Proposed Charter Amendments. Proposals to amend the Charter that are approved by the Board shall be submitted to the Council for consideration. The Charter may be amended only by ordinance of the Council. After the District has been created, no amendments shall be undertaken to this Charter except pursuant to a proposal of the Board.

ARTICLE IX  
COMMENCEMENT

Section 9.01 Commencement. The District shall commence its existence effective upon the adoption of the Ordinance, the execution of this Charter by the Mayor and City Clerk, and the appointment of the initial members of the Board by the Council.

ARTICLE X  
DISSOLUTION

Section 10.01 Dissolution. The District may be dissolved pursuant to an ordinance passed by the Council and in such manner as may be required by State law; provided, however, that the District shall not be dissolved so long as it has any outstanding Obligations. Upon dissolution of the District and the winding up of its affairs, title to all remaining property and assets of the District shall vest in the City to be used for public purposes.

ARTICLE XI  
MISCELLANEOUS

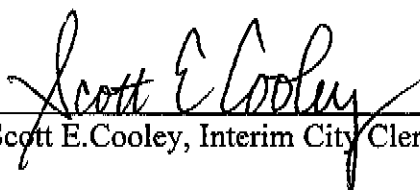
Section 11.01 Liberal Construction. This Charter shall be liberally construed in order to effect its purposes.

THIS CHARTER IS EXECUTED AS OF THIS 19<sup>th</sup> DAY OF October, 1999.

  
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Royce E. Polard, Mayor

Attest:

Approved as to form:

  
\_\_\_\_\_  
Scott E. Cooley, Interim City Clerk

  
\_\_\_\_\_  
Ted H. Gathe, City Attorney



**EXHIBIT "A"**

**CHARTER**

**of the**

**VANCOUVER PUBLIC FACILITIES DISTRICT**

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