



Legislation Text

File #: 14-1525, **Version:** 1

Resolution to Approve Revisions to the Bylaws of the Ann Arbor Summer Festival, Inc.

The Ann Arbor Summer Festival, Inc. is a nonprofit corporation formed as a result of a partnership between the City and the University of Michigan. The Festival Board has been working on comprehensive revisions to the bylaws for the last year, and the bylaws have been reviewed by the City Attorney's Office as well as the University of Michigan Office of the General Counsel.

Under the terms of the bylaws, the Board may amend any part of the bylaws by affirmative vote, except for amendments terminating collaboration, the number, classification or qualifications of trustees, the manner in which trustees are nominated, approved, or elected, or the manner in which Trustee vacancies are filled, which amendments require the approval of the City and the University.

The following changes are being made which require City approval:

Article IV, Sections 4.02 and 4.03: The revised bylaws clarify how trustees are elected to the Board. The current bylaws state that trustees are elected by the Board with half of the trustees designated by the City and half of the trustees designated by the University without specifying the process by which this is done. The revised bylaws provide a specific nomination and election process. The Board will nominate candidates and provide the name of City candidates to the City for consideration. The City Council may approve the candidates by resolution, or may notify the Board within 90 days of any objection to the candidates. If an objection is made, the Board shall nominate a new candidate. If no action is taken, the nominees are also approved. After nomination, the candidates will be elected by a majority vote of the Board.

Article IV, Section 4.05: This new section allows the City or University to remove a trustee that they respectively appointed from office for any reason.

Article IV, Section 4.06: Vacancies will be filled using the same nomination and election process for new trustees.

Article IV, Section 12.01 and 12.01: These new sections provide that the City or University may terminate their participation in the governance of the Festival by providing written notice to the Festival. The termination would be effective six months after the Festival receives the notice, which provides the Festival time to restructure the Board.

Article XIII, Section 13.04: This section has been revised to clarify that all of the sections described above, including the new sections regarding termination, may not be modified without prior approval of the City and the University.

The Ann Arbor Summer Festival, Inc. Board of Trustees approved these revisions to the bylaws at its meeting on May 21, 2014. The Regents of the University of Michigan are expected to review these bylaw changes at a future meeting.

Prepared by: Christopher Frost, Assistant City Attorney

Reviewed by: Stephen K. Postema, City Attorney

Sponsored by: John Hieftje, Mayor

Whereas, The Ann Arbor Summer Festival, Inc. ("Festival") is a nonprofit corporation formed as a result of a partnership between the City and the University of Michigan;

Whereas, The Festival has made comprehensive revisions to its bylaws, including clarification of the trustee nomination and election process;

Whereas, The Festival bylaws require that the City and University approve any changes to the bylaws respecting the number, classification or qualifications of trustees, or the manner in which they are elected; and

Whereas, The City Attorney and the University of Michigan Office of the General Counsel have reviewed the revised bylaws;

RESOLVED, That City Council approve the revised Bylaws of Ann Arbor Summer Festival, Inc.