MEMO - PROPOSED AMENDMENTS TO THE BRI BY-LAWS

These amendments were proposed to the Board of Trustees of the BRI during their meeting on June 11, 2024. They were approved for presentation to the members during the next scheduled General Membership Meeting on Thursday, September 19, 2024.

Background: In January 2020, a new affiliate of the National Association of Homebuilders was approved to operate in Westchester, Putnam, and Rockland Counties. As arranged with NAHB, this affiliate, named <u>Building and Allied Construction Industries</u> or BACI, would be administered by the BRI and would be open for membership to all homebuilders, remodelers, and developers within the region. Among the many benefits that the BRI has received as a result of this arrangement is a closer working relationship with the statewide affiliate of the New York State Builders Association and a much more effective voice for advocacy at the statewide level to represent not just the voice of builders, but also interests related to co-ops, condos, and rental properties.

However, since that time, the BRI has been managing two wholly separate but parallel member organizations – the builder members of the BRI and the builder members of BACI. This has proven to be very confusing to prospective members and has effectively put the BRI in direct competition with itself for new members.

These By-Laws are intended to streamline and consolidate how the BRI manages and services its homebuilder, remodeler, and contractor members, granting them simultaneous membership in the BRI and BACI, with the combined benefits of both organizations offered to members. If passed, both existing and new builder members would essentially have a four-in-one membership. They would be members of the National Association of Home Builders, the New York State Builders Association, BACI, and the BRI—all for a single annual dues payment.

If passed, these changes would take effect immediately for all builder, developer, and remodeler members.

In the course of reviewing the by-law to make these amendments, we also found a number of areas needing correction, sometimes because of simple typos, sometimes because the process as described did not exactly match BRI practice, possibly for decades or longer. Few of those "clean up" amendments should have a noticeable effect for BRI members.

You can find this memo as well as a "redlined" version of the By-Laws with changes at www.buildersinstitute.org/by-laws.

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Article 1 amendments – This revised language set up the new status quo of the 4 existing "realty" councils (AOAC, ACMA, CCAC, and SSPAC) plus one "builders" council whose member businesses or organizations will hold simultaneous membership in BACI-NYSBA-NAHB and the BRI. As is current practice, members are assigned to a council based on their primary business, and their dues rate is set by which council they've been sorted into.

Article 5 amendments – This revised language changes the process around approving new "realty" members to reflect what the current practice for approving new members has been for decades – i.e., monthly approval by the BRI Board of Trustees. Approval of the consolidated "builder" members, however, will also need to be done by the BACI Board of Directors at their quarterly meetings in order for those memberships to "count" under the terms of the affiliation agreement with NAHB.

Unrelated to the builder question, the language around an "Associate Member" of the BRI was antiquated and not reflective of our practice over the past few decades. The language has been revised to reflect current practice—that "Associate Member" applies to those who are in Safety Groups 458 or 530 but do not wish to be full participating members the BRI, typically because they operate elsewhere in the state and will not be able to avail themselves of the BRI events and programs in Westchester, Rockland, and Putnam Counties. Finally, there were some residual references to an "Executive Director," even though the current head of the BRI has the title "Chief Executive Officer." These references were corrected.

Article 6 amendments – These amendments clarify that the methods for selecting Board of Directors, Chairs, and Vice Chairs for the remaining 4 councils are unchanged, but that BACI has its own methodology for selecting its Board of Directors and officers under the terms of the BACI by-laws and the NAHB charter. These changes spell out that builder members will have equal methods of representation on the BRI Board of Trustees to other "realty" councils, and that the methods for selecting "builder" Trustees will be parallel those of the "realty" Trustees. As in Article 5, some antiquated references to "Associate Members" were also updated.

Article 7 amendments – These are text clean ups for consistency with what has been changed elsewhere. We also cleaned up some typos.

Article 11 amendments – There was an inconsistency in the language around voting privileges for members during a General Membership Meeting. That language has been cleaned up.

Article 12 amendments – These are text clean ups for consistency with what has been changed elsewhere.

Article 13 amendments – These are text clean ups for consistency with what has been changed elsewhere, and for current practice related to committees.

Article 17 amendments – This is also unrelated to the builder member question. The language around a member giving notice of resignation is ungrammatical and contradictory. It has been revised to read clearly and provide only one timeline for notice.