

**ARTICLES OF INCORPORATION**  
**OF**  
**AUSTIN-ROSEWOOD COMMUNITY DEVELOPMENT**

We, the undersigned natural persons, each of whom is at least eighteen (18) years of age or more, and a resident and a qualified voter of the City of Austin, Texas (the "City") and a citizen of the State of Texas (the "State"), acting as incorporators of a corporation under the provisions of Subchapter D of Chapter 431, Texas Transportation Code (the "Act"), and Chapter 394, Texas Local Government Code ("Chapter 394"), do hereby adopt the following Articles of Incorporation for such corporation.

**ARTICLE I**

The name of the corporation is AUSTIN-ROSEWOOD COMMUNITY DEVELOPMENT CORPORATION.

**ARTICLE II**

The Corporation is a public non-profit corporation.

**ARTICLE III**

The period of its duration is perpetual.

**ARTICLE IV**

The Corporation is organized and will be operated exclusively for one or more charitable purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). In addition, the Corporation is organized for the purpose of aiding, assisting, and acting on behalf of the City in the performance of its essential governmental functions to promote the common good and general welfare of the City. In accomplishment of such purposes, the Corporation will, (i) develop, construct, acquire, own and operate community development projects, including recreational facilities, (ii) promote, develop, encourage and maintain employment, commerce and economic development in the City; and (iii) perform any and all lawful activities which may be necessary, useful or desirable for the furtherance, accomplishment, fostering, or attainment of the foregoing purposes, either directly or indirectly, and either alone or in conjunction or cooperation with others, whether such as corporations, firms, associations, trusts, institutions, foundations, or governmental bureaus, departments or agencies

The Corporation is formed pursuant to the provisions of the Act and Chapter 394, which authorize the Corporation to assist and act on behalf of the City and to engage in activities in the furtherance of the purposes for its creation.

The Corporation shall have and exercise all of the rights, powers, privileges, authority, and functions given by the general laws of the State to non-profit corporations incorporated under the Act, including, without limitation, Article 1396, Sections 1.01 through 11.01, Vernon's Texas Civil Statutes, the Texas Non-Profit Corporation Act.

The Corporation shall have all other powers of a like or different nature not prohibited by law which are available to non-profit corporations in the State and which are necessary or useful to enable the Corporation to perform the purposes for which it is created, including the power to issue bonds, notes or other obligations, and otherwise exercise its borrowing power to accomplish the purposes for which it was created.

The Corporation is created as a local government corporation pursuant to the Act and shall be a governmental unit within the meaning of Subdivision (2), Section 101.001, Texas Civil Practice and Remedies Code. The operations of the Corporation are governmental and not proprietary functions for purposes of the

Texas Tort Claims Act, Section 101.001 et seq., Texas Civil Practice and Remedies Code.

#### ARTICLE V

The Corporation shall have no members and shall have no stock.

#### ARTICLE VI

(By April 2, 2009, Amendment to the Articles of Incorporation)

All powers of the Corporation shall be vested in a Board of Directors ("Board"). The Board shall consist of nine (9) directors ("Director" or "Directors"). The initial five directors of the Corporation shall be those persons named in Article VIII. Each initial Director named in Article VIII hereof shall serve for the term expiring on the date set forth in Article VIII. Four additional Directors shall be appointed to the Board by the City Council of the City. The three additional Directors occupying positions 6, 8, and 9 shall serve a term expiring January 1 in odd numbered years. The additional Director occupying position 7 shall serve a term expiring January 1 in even numbered years. Except as provided in the Articles of Incorporation, each Director shall serve for the term provided in the Bylaws. Any Director may be removed from office at any time, with or without cause, by the City Council of the City. The number of Directors may be increased or decreased only by an amendment to these Articles of Incorporation; and the number of Directors may never be decreased to less than three (3).

To be qualified to serve as a Director, a person must be a resident of the City and be at least 18 years old. From the Directors the City Council shall designate the Chairperson of the Board.

The City Council may appoint the number of ex-officio, non-voting members of the Board that is desired.

All other matters pertaining to the internal affairs of the Corporation shall be governed by the Bylaws of the Corporation, so long as such Bylaws are not inconsistent with these Articles of Incorporation, or the laws of the State.

#### ~~ARTICLE VI~~

~~(by July 18, 1996, Amendment to the Articles of Incorporation)~~

~~All powers of the Corporation shall be vested in a Board of Directors ("Board"). The Board shall consist of seven (7) directors ("Director" or "Directors"). The initial Directors of the Corporation shall be those persons named in Article VIII. Each initial Director named in Article VIII hereof shall serve for the term expiring on the date set forth in Article VIII. Two additional Directors shall be appointed to the Board by the City Council of the City. One additional Director occupying position 6 on the Board shall serve a term expiring on January 1, 1997, and the other additional Director occupying position 7 on the Board shall serve a term expiring on January 1, 1998. Subsequent Directors shall be appointed to the Board by the City Council of the City. The position 6 and 7 directors shall be recommended for appointment to the Board by the majority vote of the City's Central City Entertainment Center Board or its successor, unless such City Board is repealed, in which event the position 6 and 7 Directors shall be appointed by the City Council of the City. Except as provided in the Articles of Incorporation, each Director shall serve for the term provided in the Bylaws. Any Director may be removed from office at any time, with or without cause, by the City Council of the City. The number of Directors may be increased or decreased only by an amendment to these Articles of Incorporation; and the number of Directors may never be decreased to less than three (3).~~

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#### ~~ARTICLE VI~~

~~All powers of the Corporation shall be vested in a Board of Directors (the "Board") consisting of five (5) persons. The initial directors of the Corporation ("Director" or "Directors") shall be those persons named in Article VIII. Each initial Director named in Article VIII hereof shall serve for the term expiring on the date set forth in Article VIII. Subsequent Directors shall be appointed to the Board by the City Council of the City. Except as provided in the Articles of Incorporation, each Director shall serve for the term provided in the Bylaws. Any Director may be removed from office at any time, with or without cause, by the City Council of the City. The number of Directors may be increased or decreased only by an amendment to these Articles of Incorporation, and the number of Directors may never be decreased to less than three (3).~~

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#### ARTICLE VII

The street address of the initial registered office of the Corporation is City of Austin Parks and Recreation Department Building, 200 South Lamar, Austin, Texas, 78704, and the name of its initial registered agent at such address is Michael J Heitz.

#### ARTICLE VIII

The number of Directors initially constituting the Board is five (5). The names, addresses, positions, and terms of office of the initial Directors, each of whom resides within the City, are:

<u>POS</u>	<u>NAME</u>	<u>ADDRESS</u>	<u>TERM EXPIRES</u>
1	Gregory L Smith	5106 Nesting Way, Austin, Texas 78744	January 1, 1997
2	Nathan R. Schneider	303 Leland, Austin, Texas 78704	January 1, 1997
3	Heather Griffith Peterson	6503 Nasco, Austin, Texas 78757	January 1, 1998
4	Barbara Nickle	6600 La Concha Pass, Austin, Texas 78749	January 1, 1998
5	Michael J. Heitz	1540 Visalea Lane, Austin, Texas 78727	January 1, 1998

#### ARTICLE IX

The names and street addresses of the incorporators, each of whom resides within the City, are:

<u>NAME</u>	<u>ADDRESS</u>	<u>TERM EXPIRES</u>
Michael J. Heitz	1540 Visalea Lane, Austin, Texas 78727	January 1, 1998
Gregory L Smith	5106 Nesting Way, Austin, Texas 78744	January 1, 1997
Nathan R. Schneider	303 Leland, Austin, Texas 78704	January 1, 1997

#### ARTICLE X

To the fullest extent permitted by Texas statutes, as the same exist or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits broader limitation than permitted prior to such amendment), a Director shall not be liable to the Corporation for monetary damages for an act or omission in the Director's capacity as a Director. Any repeal or amendment of this Article X by the Directors shall be prospective only and shall not adversely effect any limitation on the personal liability of a Director existing at the time of such repeal or amendment.

## ARTICLE XI

Regardless of any other provisions of these Articles of Incorporation or the laws of the State, the Corporation shall not (1) permit any part of the net earnings of the Corporation to inure to the benefit of any private individual (except that reasonable compensation may be paid for personal services rendered to or for the Corporation in effecting one or more of its purposes). (2) devote more than an insubstantial part of its activities to attempting to influence legislation by propaganda or otherwise, (3) participate in, or Intervene In (including the publication or distribution of statements), any political campaigns on behalf of or in opposition to any candidate for public office or (4) attempt to influence the outcome of any specific public election or to carry on, directly or indirectly, any voter registration drives. Any income earned by the Corporation after payment of reasonable expenses, debt and establishing a reserve shall accrue to the benefit of the City

The City shall, at all times, have an unrestricted right to receive any income earned by the Corporation, exclusive of amounts needed to cover reasonable expenditures and reasonable reserves for future activities. No part of the Corporation's income shall Inure to the benefit of any private Interests.

If the Board determines by resolution that the purposes for which the Corporation was formed have been substantially met and all debts and obligations incurred by the Corporation have been fully paid, the Board shall execute a certificate of dissolution which states those facts and declares the Corporation dissolved in accordance with the requirements of Section 394 026 of the Texas Local Government Code, or with applicable law then in existence. In the event of dissolution or liquidation of the Corporation, all assets will be turned over- to the City, unless the City shall otherwise direct.

## ARTICLE XII

If the Corporation is a private foundation within the meaning of Section 509(a) of the Code, the Corporation: (a) shall distribute Its Income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income Imposed by Section 4942 of the Code; (b) shall not engage in any act of self-dealing as defined in Section 4941(d) of the Code, (c) shall not retain any excess business holdings as defined in Section 4943(c) of the Code, (d) shall not make any investments in such manner as to subject it to tax under Section 4944 of the Code; and (e) shall not make any taxable expenditures as defined In Section 4945(d) of the Code.

## ARTICLE XIII

On November 16, 1995, the City Council of the City duly adopted a resolution approving the form of these Articles of Incorporation and approving the creation of the Corporation.

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

BEFORE ME, the undersigned authority, on this day personally appeared Michael J. Heitz known to me to be the person whose name 1s subscribed to the foregoing Instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the \_\_\_\_day of \_\_\_\_\_, 199\_\_\_\_.

My Commission Expires

\_\_\_\_\_  
Notary Public in and for  
The State of Texas

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

BEFORE ME, the undersigned authority, on this day personally appeared Gregory Smith, known to me to be the person whose name 1s subscribed to the foregoing Instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the \_\_\_\_day of \_\_\_\_\_, 199\_\_\_\_.

My Commission Expires

\_\_\_\_\_  
Notary Public in and for  
The State of Texas

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

BEFORE ME, the undersigned authority, on this day personally appeared Nathan R. Schneider, known to me to be the person whose name 1s subscribed to the foregoing Instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the \_\_\_\_day of \_\_\_\_\_, 199\_\_\_\_.

My Commission Expires

\_\_\_\_\_  
Notary Public in and for  
The State of Texas

**ARTICLES OF AMENDMENT**  
**OF**  
**AUSTIN-ROSEWOOD COMMUNITY DEVELOPMENT CORPORATION**

On April 2, 2009, the City of Austin, Texas, City Council, at a meeting duly called with a quorum present, voted to amend the Austin-Rosewood Community Development Corporation Articles of Incorporation on a majority vote of the City Council members in office, pursuant to Section 431.102(a)(4) of the Texas Transportation Code and Section 394.016(c) of the Texas Local Government Code.

The Articles of Incorporation of the Austin-Rosewood Community Development Corporation are amended by deleting in its entirety amended Article VI and substituting in its place the following new Article VI:

Article VI

All powers of the Corporation shall be vested in a Board of Directors ("Board"). The Board shall consist of nine (9) directors ("Director" or "Directors"). The initial five directors of the Corporation shall be those persons named in Article VIII. Each initial Director named in Article VIII hereof shall serve for the term expiring on the date set forth in Article VIII. Four additional Directors shall be appointed to the Board by the City Council of the City. The three additional Directors occupying positions 6, 8, and 9 shall serve a term expiring January 1 in odd numbered years. The additional Director occupying position 7 shall serve a term expiring January 1 in even numbered years. Except as provided in the Articles of Incorporation, each Director shall serve for the term provided in the Bylaws. Any Director may be removed from office at any time, with or without cause, by the City Council of the City. The number of Directors may be increased or decreased only by an amendment to these Articles of Incorporation; and the number of Directors may never be decreased to less than three (3).

To be qualified to serve as a Director, a person must be a resident of the City and be at least 18 years old. From the Directors the City Council shall designate the Chairperson of the Board.

The City Council may appoint the number of ex-officio, non-voting members of the Board that is desired.

All other matters pertaining to the internal affairs of the Corporation shall be governed by the Bylaws of the Corporation, so long as such Bylaws are not inconsistent with these Articles of Incorporation, or the laws of the State.

I have verified and executed these Articles of Amendment effective April 2, 2009.

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Will Wynn  
Mayor, City of Austin

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Shirley Gentry  
City Clerk, City of Austin

**ARTICLES OF AMENDMENT**  
**OF**  
**AUSTIN-ROSEWOOD COMMUNITY DEVELOPMENT CORPORATION**

The City Council of the City of Austin, Texas on July 18, 1996, at a meeting duly called with a quorum present, adopted these Articles of Amendment for the Austin-Rosewood Community Development Corporation on a majority vote of the City Council members in office pursuant to Section §431.102(a)(4) of the Texas Transportation Code and Section 394.016(c) of the Texas Local Government Code:

The Articles of Incorporation of the Austin-Rosewood Community Development Corporation are amended by deleting in its entirety Article VI and substituting in its place the following new Article VI:

**ARTICLE VI**

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I have verified and executed these Articles of Amendment effective July 18, 1996.

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Bruce Todd  
Mayor, City of Austin

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James E. Aldridge  
City Clerk, City of Austin