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**WHEREAS**, the Austin Housing Finance Corporation (Corporation) has been created and organized under the provisions of the Texas Housing Finance Corporations Act, Chapter 394, Local Government Code, V.T.C.A. (Act), for the purpose of providing a means of financing the costs of residential ownership and development that will provide decent, safe and sanitary housing for persons of low and moderate income at prices they can afford.

**WHEREAS**, the Issuer and/or an entity legally acting for and on behalf of the Corporation (either or both Issuer) is or are authorized to provide for the acquisition and construction of multifamily housing projects, and to provide for the issuance of revenue bonds for this purpose.

**WHEREAS**, Austin McNeil DMA Housing, LLC is a limited liability company under the laws of the State of Texas.

**WHEREAS**, the term "Borrower" shall mean Austin McNeil DMA Housing, LLC and/or one of its subsidiary, affiliate or related corporations or entities.

**WHEREAS**, the Borrower has advised the Issuer that it is considering proceeding with the acquisition, construction and/or improvement of a multi-family project described in Exhibit A (Project) within the City of Austin, Texas and within the jurisdiction of the Issuer.

**WHEREAS**, the Borrower has advised the Issuer that a contributing factor which would further induce the Borrower to proceed with providing for the acquisition,

23 construction and/or improvement of the Project would be a commitment and agreement  
24 by the Issuer to issue Project.

25 **WHEREAS**, the Borrower has proposed to the Issuer that the Borrower will be  
26 further induced to proceed with providing for the acquisition, construction and/or  
27 improvement of the Project if the Issuer will make such commitment and agreement and  
28 adopt this Resolution.

29 **WHEREAS**, all or a portion of the expenditures relating to the Project  
30 (Expenditures) have been paid within 60 days prior to the passage of this Resolution or  
31 will be paid on or after the passage of this Resolution.

32 **WHEREAS**, the Issuer reasonably expects (based upon information supplied by  
33 the Borrower, upon which it is reasonable and prudent for the Issuer to rely) to reimburse  
34 the Borrower or persons acting on its behalf for the Expenditures with the proceeds of the  
35 Bonds.

36 **WHEREAS**, the Issuer declares that this Resolution shall, in accordance with its  
37 provisions, constitute the agreement of the Issuer to issue the Bonds in such aggregate  
38 principal amount, now estimated not to exceed \$18,500,000, as is actually required to  
39 finance and pay for the acquisition, construction and/or improvement of the Project.

40 **WHEREAS**, the Issuer finds, considers, and declares that the issuance of the Bonds  
41 in the amount identified above and for the purpose identified above will be appropriate  
42 and consistent with the objectives of the Act, and that the adoption of this Resolution  
43 constitutes, (i) an inducement to the Borrower to proceed with providing for the

44 acquisition, construction and/or improvement of the Project, (ii) the taking of affirmative  
45 official action by the Issuer, acting by and through its Board of Directors, towards the  
46 issuance of the Bonds, and that such action is similar to the adoption of a bond  
47 resolution/within the meaning of Section 1.103-8(a)(5) of the Federal Treasury  
48 Regulations and (iii) the declaration of the intention of the Issuer, in accordance with the  
49 provisions of Section 1.150-2 of the Federal Treasury Regulations, to reimburse the  
50 Expenditures for the Project at such time as the Bonds are issued; **NOW, THEREFORE,**

51 **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF**  
52 **AUSTIN HOUSING FINANCE CORPORATION THAT:**  
53

54 Section 1. The Issuer agrees as follows:

- 55 (a) To adopt a bond resolution or bond resolutions prepared by its Bond Counsel,  
56 McCall, Parkhurst & Horton L.L.P., Dallas, Texas, when requested by the  
57 Borrower, authorizing the issuance of Bonds pursuant to the Act, and to issue  
58 the Bonds, subject to the requirements of the Act, the execution of the  
59 appropriate agreements or contracts described in (b), below, and the sale of the  
60 Bonds under terms and conditions satisfactory to the Issuer and the Borrower,  
61 to finance and pay for the acquisition, construction and/or improvement of the  
62 Project, including amounts sufficient to pay the fees, expenses, and costs in  
63 connection with such issuance, including an amount adequate to reimburse the  
64 Issuer for its administrative and overhead expenses and costs with respect to  
65 the Bonds and the Project, with the Bonds to be payable from payments by the

66 Borrower to the Issuer and/or to a corporate trustee in such sums as are  
67 necessary to pay the principal of, interest on, and redemption premium, if any,  
68 together with the paying agents' and trustee's fees on, the Bonds, as and when  
69 the same shall become due and payable.

70 (b) Prior to the issuance of the Bonds, when requested by the Borrower, to enter  
71 into such loan agreement, installment sale agreement, lease, and/or any other  
72 appropriate contracts or agreements between the Issuer and the Borrower as  
73 are mutually acceptable in all respects to the Issuer and the Borrower, under  
74 which the Borrower will be obligated to make payments to the Issuer and/or to  
75 a corporate trustee in such sums as are necessary to pay the principal of, interest  
76 on, and redemption premium, if any, together with the paying agents' and  
77 trustee's fees on, the Bonds, as and when the same shall become due and  
78 payable, and with such payments also to be sufficient to defray the Issuer's  
79 administrative, overhead, and other expenses and costs with respect to the  
80 Bonds and the Project.

81 (c) To take, or cause to be taken, such other action, and to execute such additional  
82 contracts and agreements mutually agreeable to the parties in all respects, when  
83 requested by the Borrower as may be required in accordance with the Act and  
84 this Resolution to cause the issuance of the Bonds and to obtain an allocation  
85 of state volume cap for the Bonds.

86           Section 2. Subject to the provisions of Section 3 of this Resolution, by the  
87 acceptance of this Resolution and proceeding with the Project, the Borrower agrees that it  
88 will (i) fully indemnify and hold the Issuer harmless from any and all damages, losses,  
89 and reasonable expenses, including attorneys' fees, arising at any time from or with respect  
90 to the Bonds and the Project (except those resulting from gross negligence or willful  
91 misconduct of the Issuer), and (ii) pay or reimburse the Issuer for all reasonable and  
92 necessary out-of-pocket expenses, including attorneys' fees and expenses and the fees and  
93 expenses of other consultants, which the Issuer may incur at the request of the Borrower  
94 arising from the performance or attempted performance by the Issuer of its obligations  
95 hereunder.

96           Section 3. Nothing contained in this Inducement Resolution shall be interpreted as  
97 to bind the Issuer to issue any bonds. The Issuer shall have the authority, without cause,  
98 not to issue the bonds.

99           Section 4. Subject to the provisions of Section 3 of this Resolution, the adoption of  
00 this Resolution constitutes the acceptance of the Borrower's proposal that it be further  
01 induced to proceed with providing for the acquisition, construction and/or improvement  
02 of the Project, and this proposal and acceptance shall constitute an agreement between the  
03 Issuer and the Borrower in accordance with the provisions of this Resolution.

04           Section 5. With respect to this inducement resolution and because the Borrower  
05 will have to comply with federal and State of Texas rent control requirements in the event  
06 the Borrower is awarded Low Income Housing Tax Credits, the Issuer, to the extent the

07 Borrower is awarded Low Income Housing Tax Credits, waives its Affordable Rent  
08 requirements set forth in the Issuer's Rules.

09 Section 6. The Issuer reasonably expects (based upon information supplied by the  
10 Borrower, upon which it is reasonable and prudent for the Issuer to rely) to reimburse the  
11 Expenditures with the proceeds of the Bonds.

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**ADOPTED:** \_\_\_\_\_, 2020    **ATTEST:** \_\_\_\_\_

Jannette S. Goodall  
Secretary