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WHEREAS, Chapter 22 of the Texas Business Organization Code (Code), authorizes the creation and organization of nonprofit corporations which may act as a duly constituted affiliate of a Texas housing finance corporation to aid and assist the housing finance corporation in the performance of one or more of its functions; and

WHEREAS, AHFC is creating the Non-Profit Corporation to serve as general partner of a limited partnership (or managing member of a limited liability company) (the Owner) created under the laws of the State of Texas, which will construct and operate a multifamily development (Development) of approximately 171 units of affordable

21 multifamily rental housing located at or near 1934 Rutland Drive, Austin, Texas 78758.

22 The Development will be known as the Espero Austin at Rutland Apartments; and

23 **WHEREAS**, it is expected that AHFC or an affiliated entity will ground lease the
24 land for the Development to the Owner under the terms of a ground lease; and

25 **WHEREAS**, AHFC desires that the Non-Profit Corporation have and exercise all
26 of the powers prescribed by the Code; and

27 **WHEREAS**, AHFC desires that the Non-Profit Corporation's Certificate of
28 Formation and By-Laws be in the form and be executed, approved, and filed in the
29 manner prescribed by this Resolution; and

30 **WHEREAS**, the Board of Directors desires to authorize and approve the
31 Certificate of Formation and By-Laws of the Non-Profit Corporation, appoint the board
32 of directors and president of the Non-Profit Corporation, and take other actions with
33 respect to the Non-Profit Corporation; **NOW, THEREFORE**,

34 **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE**
35 **AUSTIN HOUSING FINANCE CORPORATION:**

36 **Section 1.** The Board of Directors finds, determines, recites, and declares that it
37 is wise, expedient, necessary, and advisable that the Non-Profit Corporation be formed.
38 The Board of Directors therefore approves the creation and organization of the Non-Profit
39 Corporation under the provisions of the Code as a duly constituted affiliate, nonprofit

corporation, and instrumentality of AHFC. The Board of Directors authorizes the Non-Profit Corporation to aid, assist, and act on its behalf and for the benefit of AHFC in the performance of its functions to develop, construct, and acquire, affordable housing in Austin; to participate as general partner or managing member of the Owner, which will own the Development and ground lease the land for the Development from AHFC or an affiliated entity; to serve as general contractor (by itself or through an affiliate) for the construction of the Development; to promote, develop, and maintain the Development as decent, safe, and sanitary housing at affordable rental rates for a period of at least 40 years; to ensure to the maximum extent possible and to the extent of the Non-Profit Corporation's percentage of ownership; to achieve the public purpose and functions of AHFC; and to perform the other purposes described in the Non-Profit Corporation's Certificate of Formation.

Section 2. The Board of Directors approves the Certificate of Formation of the Non-Profit Corporation in substantially the form attached as **Exhibit "A"** and authorizes the incorporator of the Non-Profit Corporation to file such Certificate of Formation with the Secretary of State of the State of Texas in the manner provided by law.

Section 3. The Board of Directors appoints the initial board of directors of the Non-Profit Corporation, with their terms of office to expire at the time indicated.

<u>Name</u>	<u>Term Expires</u>
J. Rodney Gonzales	December 5, 2023
Rosie Truelove	December 5, 2023
Rebecca Giello	December 5, 2023

J. Rodney Gonzales is appointed as the President of the Non-Profit Corporation.
Other officers will be appointed as provided in the By-Laws.

Section 4. The Board of Directors approves the By-Laws of the Non-Profit Corporation in substantially the form attached as **Exhibit “B”** and authorizes the President of the Non-Profit Corporation to execute and file them in the corporate records in the manner provided by law.

Section 5. The Board of Directors finds, determines, recites, and declares that any note, bond, loan, debt, or other obligation of the Non-Profit Corporation is not an indebtedness, liability, general or moral obligation or pledge of the faith or credit of the State of Texas, the City of Austin, AHFC, or any other political subdivision or governmental unit, nor does any such note, bond, loan, debt or other obligation constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction or an agreement, obligation, or indebtedness of AHFC, the City of Austin, the State of Texas within the meaning of AHFC's Articles of Incorporation, the City Charter, or of any constitutional or statutory provision whatsoever.

Section 6. The Board of Directors finds, determines, recites, and declares that it is the purpose, intent, and desire of AHFC in approving the creation of the Non-Profit Corporation and the form of its Certificate of Formation and By-Laws, that such actions and the Non-Profit Corporation hereby authorized comply with the requirements of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations and Internal

Revenue Service rulings promulgated thereunder and the rulings issued pursuant thereto,
such that the Non-Profit Corporation is determined to be a constituted nonprofit
corporation acting as an asset of AHFC pursuant to the provisions of the Code and
Chapter 394 of the Texas Local Government Code.

Section 7. This Resolution takes effect immediately upon its passage and approval
by the Board of Directors.

ADOPTED: _____, 2020

ATTEST: _____

Jannette S. Goodall
Secretary