



20           **WHEREAS**, the Borrower advised the Issuer that a contributing factor which  
21 would further induce the Borrower to proceed with the Project would be a commitment  
22 and agreement by the Issuer to issue Bonds.

23           **WHEREAS**, the Borrower also proposed to the Issuer that the Borrower will be  
24 further induced to proceed with the Project if the Issuer will commit and agree to issue  
25 the Bonds and adopt this Resolution.

26           **WHEREAS**, all or a portion of the expenditures related to the Project  
27 (Expenditures) were paid within 60 days prior to the passage of this Resolution or will  
28 be paid on or after the passage of this Resolution.

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

33           **WHEREAS**, the Issuer declares that this Resolution and its provisions shall  
34 constitute the Issuer's agreement to issue the revenue bonds in such aggregate principal  
35 amount, now estimated not to exceed \$9,000,000, as is actually required to finance and  
36 pay for the Project.

37           **WHEREAS**, the Issuer finds, considers, and declares that the issuance of the  
38 Bonds in the amount identified above and for the purpose identified above is appropriate  
39 and consistent with the objectives of the Act, and that the adoption of this Resolution

40 constitutes: (i) an inducement for the Borrower to proceed with providing for the  
41 acquisition, construction and/or improvement of the Project; (ii) an affirmative official  
42 action by the Issuer, acting by and through its Board of Directors, towards the issuance  
43 of the Bonds, and that such action is similar to the adoption of a bond resolution/within  
44 the meaning of Section 1.103-8(a)(5) of the Federal Treasury Regulations; and (iii) in  
45 accordance with the provisions of Section 1.150-2 of the Federal Treasury Regulations,  
46 a declaration of the Issuer's intent, to reimburse the Expenditures for the Project at such  
47 time as the Bonds are issued; **NOW, THEREFORE,**

48 **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF AUSTIN**  
49 **HOUSING FINANCE CORPORATION THAT:**

50 Section 1. The Issuer agrees as follows:

51 (a) To adopt a bond resolution or bond resolutions prepared by its Bond Counsel,  
52 McCall, Parkhurst & Horton L.L.P., Dallas, Texas, when requested by the Borrower to  
53 authorize the issuance of Bonds, pursuant to the Act; to issue the Bonds, subject to the  
54 requirements of the Act; and to execute the appropriate agreements or contracts  
55 described in (b), below; and to sell the Bonds under terms and conditions satisfactory  
56 to the Issuer and the Borrower; to finance and pay for the Project, including amounts  
57 sufficient to pay the fees, expenses, and costs in connection with such issuance, to  
58 reimburse the Issuer for its administrative and overhead expenses and costs with respect  
59 to the Bonds and the Project, with the Bonds to be payable from payments by the

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

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

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

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

89 Section 3. Nothing contained in this Inducement Resolution shall be interpreted to bind  
90 the Issuer to issue any bonds. The Issuer shall have the authority, without cause, not to  
91 issue the bonds.

92 Section 4. Subject to the provisions of Section 3 of this Resolution, adopting this  
93 Resolution constitutes the acceptance of the Borrower's proposal that it be further  
94 induced to proceed with providing for the Project, and that this proposal and acceptance  
95 shall constitute an agreement between the Issuer and the Borrower in accordance with  
96 the provisions of this Resolution.

97 Section 5. With respect to this inducement resolution and because the Borrower will  
98 have to comply with federal and State of Texas rent control requirements in the event

99 the Borrower is awarded Low Income Housing Tax Credits, the Issuer, to the extent the  
100 Borrower is awarded Low Income Housing Tax Credits, waives its Affordable Rent  
101 requirements set forth in the Issuer's Rules.

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

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107 **ADOPTED:** \_\_\_\_\_, 2021      **ATTEST:** \_\_\_\_\_

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Jannette S. Goodall  
Secretary

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**EXHIBIT A**

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**DESCRIPTION OF PROJECT**

114 The project will be an approximately 27-unit multifamily housing development  
115 approximately located at 809 East 9<sup>th</sup> Street, Austin, TX 78702.

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