

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20

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

WHEREAS, the term "Borrower" means AHFC Manor Non-Profit Corporation or any of its subsidiaries, affiliates, or related corporations or entities; and

Page 1 of 6

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

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

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

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

34 **WHEREAS**, the Issuer declares that this Resolution and its provisions
35 constitute the Issuer's agreement to issue the revenue bonds in such aggregate principal
36 amount, now estimated not to exceed \$50,000,000, as is actually required to finance
37 and pay for the Development; and

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

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

50 **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF**
51 **AUSTIN HOUSING FINANCE CORPORATION:**

52 Section 1. The Issuer agrees as follows:

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

61 administrative and overhead expenses and costs with respect to the Bonds and
62 the Development with the Bonds to be payable from payments by the Borrower
63 to the Issuer, or to a corporate trustee, in such sums as are necessary to pay the
64 principal of, interest on, and redemption premium, if any, together with the
65 paying agents' and trustee's fees on the Bonds, as and when the same becomes
66 due and payable.

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

77 (c) To take, or cause to be taken, such other action and to execute such
78 additional contracts and agreements mutually agreeable to the parties in all
79 respects when requested by the Borrower as may be required in accordance with

80 the Act and this Resolution to cause the issuance of the Bonds and to obtain an
81 allocation of state volume cap for the Bonds.

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

92 Section 3. Nothing contained in this Resolution binds the Issuer to issue any bonds.
93 The Issuer has the authority, without cause, not to issue the bonds.

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

99 Section 5. With respect to this Resolution and because the Borrower will have to
100 comply with federal and State of Texas rent control requirements in the event the
101 Borrower is awarded Low Income Housing Tax Credits, the Issuer, to the extent the
102 Borrower is awarded Low Income Housing Tax Credits, waives its Affordable Rent
103 requirements set forth in the Issuer's Rules.

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

107

108

109

110 **ADOPTED:** _____, 2021

ATTEST: _____

111

Jannette S. Goodall

112

Secretary