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RESOLUTION NO.

WHEREAS, the City of Austin (City) created the Austin Housing Finance Corporation (AHFC) in accordance with Chapter 394 of the Local Government Code for the public purpose and function, among others, of providing a means to finance the cost of residential developments that will provide decent, safe, and sanitary housing at affordable prices for residents of the City of Austin; and

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 desires to further its public purposes and functions by creating an affiliated, nonprofit corporation and instrumentality named AHFC Drowsy Willow Non-Profit Corporation (Nonprofit Corporation), appointing and maintaining its Board of Directors, and otherwise exercising control over the Nonprofit Corporation, its assets, and its dissolution; and

WHEREAS, AHFC is creating the Nonprofit Corporation to acquire, construct, develop, finance, manage, and sell approximately 42 affordable, ownership units as part of a Community Land Trust located at or near 5901 Drowsy Willow Trail, Austin, Texas 78744 (Development); and

WHEREAS, AHFC desires that the Nonprofit Corporation have and exercise all of the powers prescribed by the Code; and

WHEREAS, AHFC desires that the Nonprofit Corporation's Certificate of Formation and Bylaws be in the form and be executed, approved, and filed in the manner prescribed by this Resolution; and

26 **WHEREAS**, the AHFC Board of Directors desires to authorize and approve
27 the forms of the Certificate of Formation and Bylaws of the Nonprofit Corporation,
28 appoint the Board of Directors and President of the Nonprofit Corporation, and
29 take other action with respect to the Nonprofit Corporation; **NOW**,
30 **THEREFORE**,

31 **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE**
32 **AUSTIN HOUSING FINANCE CORPORATION:**
33

34 **Section 1.** The AHFC Board of Directors finds, determines, recites, and
35 declares that it is wise, expedient, necessary, and advisable that the Nonprofit
36 Corporation be formed. The AHFC Board of Directors approves the creation and
37 organization of the Nonprofit Corporation under the provisions of the Code as a
38 duly constituted affiliate, nonprofit corporation and instrumentality of AHFC. The
39 AHFC Board of Directors authorizes the Nonprofit Corporation to aid, assist, and
40 act on its behalf and for the benefit of AHFC in the performance of its functions to
41 acquire, develop, construct, and operate affordable housing in the City of Austin;
42 to acquire construct, finance, manage, and sell approximately 42 affordable,
43 ownership units in the Development; to promote, develop, and maintain the
44 Development as decent, safe, and sanitary housing at affordable ownership housing
45 as part of a Community Land Trust; to ensure to the maximum extent possible that
46 the Development helps to achieve the public purpose and functions of AHFC; and
47 to perform the other purposes described in the Nonprofit Corporation's Certificate
48 of Formation.

49 **Section 2.** The AHFC Board of Directors authorizes the Nonprofit
50 Corporation to enter into a ground lease for the Development and assign the
51 ground lease to a condominium association created by AHFC or the Nonprofit
52 Corporation.

53 **Section 3.** The AHFC Board of Directors approves the Certificate of
54 Formation of the Nonprofit Corporation in substantially the form attached as
55 **Exhibit A** and authorizes the incorporator of the Nonprofit Corporation to file such
56 Certificate of Formation with the Secretary of State of the State of Texas in the
57 manner provided by law.

58 **Section 4.** The AHFC Board of Directors appoints the initial board of
59 directors of the Nonprofit Corporation, with their terms of office to expire at the
60 time indicated.

61 Name

62 Veronica Briseño

63 Mandy DeMayo

64 James May

65 Term Expires

66 December 1, 2025

67 December 1, 2025

68 December 1, 2025

69 Veronica Briseño is appointed as the President of the Nonprofit Corporation.

70 Other officers will be appointed as provided in the Bylaws.

71 **Section 5.** The AHFC Board of Directors approves the Bylaws of the
72 Nonprofit Corporation in substantially the form attached as **Exhibit B** and
73 authorizes the President of the Nonprofit Corporation to execute and file them in
74 the corporate records in the manner provided by law.

75 **Section 6.** The AHFC Board of Directors finds, determines, recites, and
76 declares that no note, bond, loan, debt, or other obligation of the Nonprofit
77 Corporation is an indebtedness, liability, general or moral obligation, or pledge of
78 the faith or credit of the State of Texas, the City of Austin, AHFC, or any other
79 political subdivision or governmental unit. In addition, no note, bond, loan, debt, or
80

81 other obligation constitutes an indebtedness within the meaning of any
82 constitutional or statutory debt limitation or restriction or an agreement, obligation,
83 or indebtedness of AHFC, the City of Austin, the State of Texas within the
84 meaning of AHFC's Articles of Incorporation, the City of Austin's City Charter, or
85 of any constitutional or statutory provision whatsoever.

86 **Section 7.** The AHFC Board of Directors finds, determines, recites, and
87 declares that it is the purpose, intent, and desire of AHFC in approving the creation
88 of the Nonprofit Corporation and the forms of its Certificate of Formation and
89 Bylaws, that such actions and the Nonprofit Corporation hereby authorized comply
90 with the requirements of the Internal Revenue Code of 1986, as amended, and the
91 Treasury Regulations and Internal Revenue Service rulings promulgated
92 thereunder and the rulings issued pursuant thereto, such that the Nonprofit
93 Corporation is determined to be a constituted nonprofit corporation acting as an
94 asset of AHFC pursuant to the provisions of the Code and Chapter 394 of the
95 Texas Local Government Code.

96 **Section 8.** This Resolution takes effect immediately upon its passage and
97 approval by the Board of Directors.

98
99 **ADOPTED:** _____, 2024

ATTEST: _____

100 Myrna Rios
101 Secretary
102