

RESOLUTION NO.

WHEREAS, the City of Austin (City) created the Austin Housing Finance Corporation (AHFC) in accordance with Chapter 394 of the Texas 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; 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 Sunset Ridge Nonprofit 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 serve as the general contractor, or co-venturer of the general contractor for the development and to act as general partner, or managing member, of the entity (Owner) that will own and operate an approximately 364 to 444-unit multifamily rental development constructed in two phases located at 8413 Southwest Parkway, Austin, Texas 78735 (Development); and

WHEREAS, it is expected that AHFC, or an affiliated entity, will own the land and ground lease it to the Owner for the Development; and

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

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

30 **WHEREAS**, the AHFC Board of Directors desires to authorize and approve
31 the forms of the Certificate of Formation and Bylaws of the Nonprofit Corporation,
32 appoint the Board of Directors and President of the Nonprofit Corporation, and
33 take other action with respect to the Nonprofit Corporation; **NOW**,
34 **THEREFORE**,

35 **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE AUSTIN**
36 **HOUSING FINANCE CORPORATION:**
37

38 **Section 1.** The Board of Directors finds, determines, recites, and declares
39 that it is wise, expedient, necessary, and advisable that the Nonprofit Corporation
40 be formed. The Board of Directors approves the creation and organization of the
41 Nonprofit Corporation under the provisions of the Code as a duly constituted
42 affiliate, nonprofit corporation, and instrumentality of AHFC, the City, and the
43 State of Texas. The Board of Directors authorizes the Nonprofit Corporation to aid,
44 assist, and act on its behalf and for the benefit of AHFC in the performance of its
45 functions to acquire, develop, construct, and operate affordable housing in the
46 City; to serve as the general contractor, or co-venturer of the general contractor for
47 the Development; to act as general partner, or managing member, of the Owner,
48 which will own and operate the Development; to promote, develop, manage,
49 maintain, and operate the Development, consistent with its role as general partner,
50 or managing member, of the Owner, as decent, safe, and sanitary housing at
51 affordable rental rates in a manner that achieves the public purpose and functions

of AHFC; and to perform the other purposes described in the Nonprofit Corporation's Certificate of Formation.

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

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

<u>Name</u>	<u>Term Expires</u>
Dr. Eric Anthony Johnson	December 1, 2025
Mandy DeMayo	December 1, 2025
James May	December 1, 2025

Dr. Eric Anthony Johnson is appointed as the President of the Nonprofit Corporation. Other officers will be appointed as provided in the Bylaws of the Nonprofit Corporation.

Section 4. The Board of Directors approves the Bylaws of the Nonprofit Corporation in substantially the form attached as **Exhibit B** and authorizes the President of the Nonprofit Corporation to execute and file them in the corporate records in the manner provided by law.

Section 5. The Board of Directors authorizes a ground lease with the Owner.

Section 6. The Board of Directors finds, determines, recites, and declares that no note, bond, loan, debt, or other obligation of the Nonprofit Corporation is an indebtedness, liability, general or moral obligation, or pledge of the faith or credit of the State of Texas, the City, AHFC, or any other political subdivision or governmental unit, nor may any such note, bond, loan, debt, or other obligation constitute an indebtedness within the meaning of any constitutional or statutory

79 debt limitation or restriction or an agreement, obligation, or indebtedness of
80 AHFC, the City, the State of Texas within the meaning of AHFC's Articles of
81 Incorporation, the City Charter, or of any constitutional or statutory provision
82 whatsoever.

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

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

94
95 **ADOPTED:** _____, 2025

ATTEST: _____
Erika Brady
Secretary