

EXHIBIT N
TO MASTER DEVELOPMENT AGREEMENT
Affordable Housing Resolution and M/WBE Resolution

[SEE ATTACHED PAGE(S)]

RESOLUTION NO. 041202-59

WHEREAS, the City of Austin ("City") and Catellus Austin, LLC ("Catellus") have entered into a Master Development Agreement ("MDA") for Catellus to redevelop the former Robert Mueller Municipal Airport site, now known as Mueller, which includes an affordable housing requirement; and

WHEREAS, over the past eight years the City and the community have anticipated a significant affordable housing program for the Mueller redevelopment, and Catellus shares this vision; and

WHEREAS, the MDA commits Catellus to achieving an overall affordable housing goal of 25% of residential units (at 80% median family income for owner-occupied units and at approximately 60% median family income for rental units) generally evenly dispersed throughout the development in accordance with the MDA and indistinguishable from adjacent "market rate" units, while still balancing all of the other goals of both the City and Catellus for Mueller; and

WHEREAS, the City and Catellus desire to continue a dialogue to examine what current additional tools, and future additional tools, exist to develop more affordable housing at Mueller, both in overall numbers of affordable units and in the level of affordability achieved; and

WHEREAS, Catellus is committed to using diligent, good faith efforts to work with Austin Housing Finance Corporation ("AHFC") to achieve greater levels of affordability in excess of the above requirements; and

WHEREAS, Catellus will use commercially reasonable efforts to work with AHFC to identify and explore greater third party participation opportunities in the affordable housing program at Mueller, including exploring financial institution affordable housing incentives and using affordable housing experience as a builder selection criterion; and

WHEREAS, the following community groups may be included to provide the widest possible affordable housing program at Mueller: RMMA Plan Implementation Advisory Commission, Community Development Commission, including Housing Subcommittee, and other community housing organizations, Real Estate Council of Austin and other builder/real estate organizations; **NOW; THEREFORE**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

SECTION 1. That the following strategies for reporting Catellus' performance on its commitment to affordable housing are approved as part of the City's Mueller affordable housing program:

- A. Catellus will semi-annually report its progress on the Mueller affordable housing program to the City's Community Development Commission, which will be incorporated into the City's Consolidated Planning Process.
- B. The Mueller affordable housing program will become part of the City's Annual Consolidated Plan, thus providing formal accountability.

- C. The following community groups may be included in the discussion of the Mueller affordable housing program:
 - i. RMMA Plan Implementation Advisory Commission.
 - ii. Community Development Commission, including Housing Subcommittee.
 - iii. Other community housing organizations.
 - iv. Real Estate Council of Austin.
 - v. Other builder/real estate organizations.

SECTION 2. That Catellus' commitment to use diligent, good faith efforts to work with AHFC to increase both the levels and degree of affordable housing at Mueller, including reviewing the following City programs, is approved as part of the City's Mueller affordable housing program:

- A. Tax credits for single or multi-family development.
- B. Special needs housing grants.
- C. Cooperative housing models for homeownership that serve families between 50-65% median family income and rental housing that serves families at or below 50% median family income.
- D. Down payment assistance.
- E. Mortgage Credit Certificates.

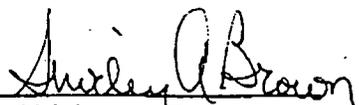
- F. Rental Housing Development Assistance.
- G. Bond Financing.
- H. Housing Trust Fund, S.M.A.R.T. Housing™ Capital Improvement Funds, or other federal resources or funding included in the City of Austin Consolidated Plan.

SECTION 3. That Catellus' commitment to use diligent, good faith efforts to work with AHFC to increase both the levels and degree of affordable housing at Mueller, including reviewing the following tools and strategies, is approved as part of the City's Mueller affordable housing program:

- A. Models for home-ownership that serves families, both initial and subsequent occupants, at 50-60% median family income.
- B. Models for rental units, which make and retain at least some units available, at or below 50% median family income.
- C. Programs targeted at special needs populations, especially elderly and severely developmentally disabled.
- D. Creative models for equity generation systems to qualify families/individuals in the affordable units.
- E. Investigate establishing appropriate legal entities, such as land trust models, that could hold and manage affordable housing units and thereby maintain affordability.

SECTION 4. That Catellus' commitment to use commercially reasonable efforts to work with AHFC to identify and explore greater third party participation opportunities in the affordable housing program at Mueller, including exploring affordable housing incentives from financial institutions and using affordable housing experience as a builder selection criterion, is approved as part of the City's Mueller affordable housing program.

ADOPTED: December 2, 2004

ATTEST: 
Shirley A. Brown
City Clerk

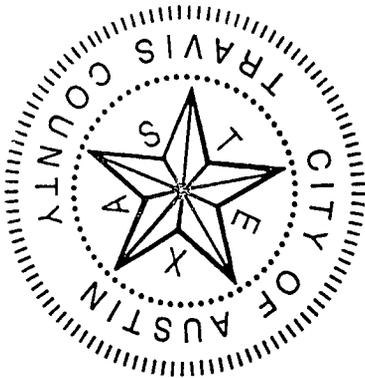


THE STATE OF TEXAS §

COUNTY OF TRAVIS §

I, Yvonne Spence, Deputy City Clerk of the City of Austin, Texas, do hereby certify that the foregoing instrument is a true and correct copy of Resolution No. 041202-59 consisting of five (5) pages, passed by the City Council of Austin, Texas at a Regular Called Meeting on the 2nd of December 2004, as on file in the Office of the City Clerk.

WITNESS my hand and official seal of the City of Austin at Austin, Texas, this 14th day of December 2004.




YVONNE SPENCE
DEPUTY CITY CLERK
CITY OF AUSTIN, TEXAS

RESOLUTION NO. 041202-58

WHEREAS, the City of Austin ("City") and Catellus Austin, LLC ("Catellus") have entered into a Master Development Agreement for Catellus to redevelop the former Robert Mueller Municipal Airport site, now known as Mueller; and

WHEREAS, both Catellus and the City are committed to strong minority and women based enterprises participation in the redevelopment of Mueller; and

WHEREAS, the neighborhoods surrounding Mueller are historically majority minority neighborhoods; and

WHEREAS, the City has always envisioned that economic development and jobs would arise from the Mueller redevelopment in the surrounding neighborhoods; and

WHEREAS, small business is the largest employer of women and minorities in the State of Texas; and

WHEREAS, a strong marketing program informing minority and women businesses of economic development and employment opportunities will increase their potential participation in these opportunities; and

WHEREAS, participation of minority and women businesses in employment opportunities at Mueller realizes the City's vision for the surrounding neighborhoods; and

WHEREAS, Catellus shares the City's vision of opportunity for minority and women businesses to participate in Mueller; and

WHEREAS, Catellus achieved a high level of participation in its contracts to construct infrastructure for Dell Children's Medical Center of Central Texas, including water and wastewater lines and streets, using the guidelines set forth below; **NOW, THEREFORE**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

SECTION 1. That the following three phase marketing and outreach effort to target minority and women business participation in the Mueller project ("Mueller Outreach Plan") is adopted:

- A. Encourage and maximize opportunities for utilization of minority and women businesses in design and construction of Mueller projects.
- B. Encourage minority and women businesses participation in Mueller investment opportunities.
- C. Encourage investors, developers, and business employers to bring new employment opportunities to the neighborhoods around Mueller rather than moving all existing employees to Mueller.

SECTION 2. That the following strategies, under Phase One of the Mueller Outreach Plan (which are included in the Catellus Minority/Women Business Enterprise Program), are to be used by Catellus in an effort to encourage and

maximize opportunities for minority and women business contractor utilization in design and construction projects at Mueller are adopted:

- A. Analyze subcontracting opportunities on projects and encourage prime contractors through established policy directives to utilize available M/WBEs in the market.
- B. Require this M/WBE policy be a part of the prime contractors' contract documents.
- C. Assess each project based on the City of Austin's commodity code system and M/WBE contractor databases to ascertain market capacity for subcontracting opportunities.
- D. Assist prime contractors through direct outreach efforts to the minority and women contractor stakeholder groups and individual businesses.
- E. Utilize an inclusive approach to identify trade specific M/WBE firms.
- F. Make initial contact with M/WBE stakeholders and groups; organize opportunities for primes and subcontractors to network and become informed on important project dates and where to acquire additional information.
- G. Deposit contract documents at each of the M/WBE contractor associations as well as the City of Austin Department of Small Minority Business Resources.

- H. Require Letters of Intent and Compliance Plans with bid submissions.
- I. Monitor Mueller project on an on-going basis for meeting the contract goals as stated in the M/WBE Subcontractor Compliance Plan ("CSP") and making replacements if deemed necessary during the contract period goals.

SECTION 3. That the following strategies, under Phase Two of the Mueller Outreach Plan, are to be used by Catellus to encourage opportunities for the participation of certified M/WBEs, minority and women businesses in Mueller investment opportunities, are adopted:

- A. Provide a copy of the Master Plan Document to the City of Austin, Department of Small and Minority Business Resources, which will also be posted on the City website.
- B. Analyze Master Plan for component projects where M/WBE businesses and developers can participate.
- C. Research and market investment opportunities to M/WBE investors and developers.
- D. Solicit M/WBE tenants in retail/commercial/residential components.

SECTION 4. That the following strategies, under Phase Three of the Mueller Outreach Plan, are to be used to encourage opportunities for investors, developers, and employers to hire women and minorities at Mueller are adopted:

- A. Encourage and/or assist component investors and developers to utilize M/WBE businesses in design and construction.

- B. Encourage hiring to be reflective of community diversity.
- C. Request component investors and developers to make contracting opportunities available through the Mueller website at <http://www.muelleraustin.com> and the City's Department of Small and Minority Business Resources.

SECTION 5. That the Marketing and Outreach method under the Mueller Outreach Plan, for the redevelopment of Mueller, which will entail, but not be limited to, personal contact and dissemination of information to businesses and stakeholders, development of mail-out materials (including explanation of general types of work to be performed) and future networking opportunities, is adopted.

ADOPTED: December 2, 2004

ATTEST: *Shirley A. Brown*
 Shirley A. Brown
 City Clerk

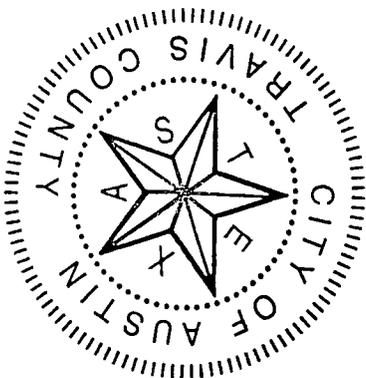


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