

of the interest, said one-half being \$4.95, is hereby remitted on condition that said taxes be paid in full, together with one-half of the interest accrued thereon not later than April 2, 1938; and the Tax Assessor and Collector of the City of Austin is authorized and directed that if said taxes in the sum of \$61.50, together with \$4.95 interest thereon, is paid not later than April 2, 1938, to charge said penalty of \$2.53 and \$4.95 of the interest on said taxes off his rolls, and to issue to the said Rosetta Durst a receipt in full on the payment of said taxes, together with \$4.95 interest thereon.

The foregoing resolution was adopted by the following vote: Ayes, Councilmen Alford, Bartholomew, Gillis, Mayor Miller, and Councilman Wolf, 5; nays, none.

Upon motion, seconded and carried, the meeting was recessed at 11:40 A. M., subject to call of the Mayor.

Approved: Tom Miller
Mayor

Attest:

Hallie McKeel
City Clerk

SPECIAL MEETING OF THE CITY COUNCIL:

Austin, Texas, April 6, 1938.

A special meeting of the City Council of the City of Austin was held at the City Hall in the City of Austin on the 6th day of April, 1938.

The meeting was called to order by the Mayor and on roll call the following answered present: Councilmen C. F. Alford, G. M. Bartholomew, Mayor Tom Miller, and Councilman Oswald G. Wolf. The following were absent: Councilman Simon Gillis.

The following business was transacted:

The following resolution was proposed by Councilman Bartholomew, who moved its adoption:

WHEREAS, the Housing Authority of the City of Austin (herein called the "Authority") proposes to develop and administer a low-rent housing project (herein called the "Project") within the City of Austin, Texas, (herein called the "City") and to issue bonds to finance the development of the Project; and

WHEREAS, the Housing Cooperation Act authorizes the City to make loans to the Authority and to invest in the bonds of the Authority; and

WHEREAS, the City will have funds available for investment in the bonds of the Authority; and

WHEREAS, bonds of the Authority are deemed to be a desirable investment for funds of the City;

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

SECTION 1. That the City shall enter into a contract with the Authority substantially in the following form:

AGREEMENT BETWEEN THE CITY OF AUSTIN AND
THE HOUSING AUTHORITY OF THE CITY OF AUSTIN

THIS AGREEMENT between the City of Austin, State of Texas, (hereinafter called the "City") and the Housing Authority of the City of Austin, a public corporation existing under the laws of the State of Texas, (hereinafter called the "Authority")
WITNESSETH:

WHEREAS, the Authority is about to undertake the development and construction of low-rent housing projects (hereinafter called the "Project") in the City of Austin to be located upon the three following sites, namely:

(1) Area bounded on the north by Fourth Street, on the east by Chicon Street, on the south by Third Street, and on the west by Comal Street;

(2) Area bounded on the north by Rosewood Street, and on the west by Chicon Street, containing about seven (7) acres;

(3) Area bounded on the north by Santa Rita Street, and on the east by Perdenales Street, containing about four and three-tenths (4.3) acres;

which shall consist of approximately One Hundred and Eighty-Six (186) dwelling units, the total estimated cost whereof is Seven Hundred Fourteen Thousand Four Hundred and Seventy-Two Dollars (\$714,472.00); and

WHEREAS, the Authority proposes to secure funds for the development of the Project by the issue and sale of its bonds; and

WHEREAS, the City is desirous of aiding the Authority in financing the development of the said Project; and

WHEREAS, the Authority has entered into an agreement with the United States Housing Authority under which the United States Housing Authority agrees to purchase and the Authority agrees to sell bonds to the extent of ninety (90) per centum of the estimated development cost of the Project, (which bonds are referred to herein as "Series B" Bonds) under the terms and conditions therein provided; and

WHEREAS, the Authority has entered into an agreement (herein referred to as the "Annual Contributions Contract") with the United States Housing Authority by which the United States Housing Authority agrees to make to the Authority an annual payment in each year during which the bonds issued under the Trust Indenture, hereinafter mentioned, become due and payable, under the terms and conditions therein provided;

NOW, THEREFORE, in consideration of the premises and further in consideration of the mutual promises hereinafter set forth, the City and the Authority agree as follows:

1. The City agrees to aid the Authority in financing the development of the Project by submitting a bid, at par and accrued interest, for bonds of the Authority in the principal amount of Seventy-Eight Thousand Five Hundred Dollars (\$78,500.00) (herein called the Series "A" Bonds) upon the offer of such bonds at public sale as provided by the Texas Housing Authorities Law. Such "Series A" Bonds shall be of the following description:

(a) Obligor: Housing Authority of the City of Austin;

(b) Type: Negotiable, special obligation, serial, coupon bond;

(c) Denomination: \$500.00 and \$1,000.00;

(d) Date: July 1, 1938;

(e) Interest rate and interest payment dates: three and one-half (3½) per centum per annum, payable semi-annually on July 1 and January 1 in each year, first interest payable January 1, 1939;

(f) Designated place of payment: At the principal office of the bank or trust company referred to in Paragraph 1 (1) hereof, or, at the option of the holder, at a bank or trust company in the Borough of Manhattan, City and State of New York;

(g) Registration privileges: Registerable at the option of the holder as to principal only or as to both principal and interest;

(h) Total authorized amount of issue: "Series A" and "Series B", \$786,000.00;

(i) Maturities: The first maturity to be three years from the date of issue, the last maturity to be fifteen years from the date of issue, and to have annual maturities arranged so that the aggregate of principal and interest payable each year shall be as nearly equal as possible, and shall have maturity dates earlier than those of any other

bonds issued under the Trust Indenture mentioned in Paragraph 1 (1);

(j) Redemption privileges: Redeemable in whole or in part at the option of the Authority on any interest payment date at a price per bond equal to the principal amount thereof plus accrued interest to the redemption date and a redemption premium of one-fourth of one per centum (1/4 of 1%) for each year or fraction thereof from the redemption date to the stated maturity thereof, with a maximum redemption premium of five (5) per centum;

(k) Security: Payable as to both principal and interest from and secured by (1) an exclusive first lien (which shall also secure any other obligations issued under the Trust Indenture referred to in Paragraph 1 (1) to assist in the development of the Project) upon and pledge of the revenues derived from the Project (including all additions and extensions to the Project hereafter developed or acquired) after deduction only of all reasonable costs of maintenance and operation of the Project, and provision for such reserves as may be required by said Trust Indenture, and (2) pledge of the annual contributions to be made to the Authority by the United States Housing Authority under the "Annual Contributions Contract" between the said parties, such pledge, however, to be subject to the prior application of said annual contributions to the payment, when due, of principal of and interest on other obligations issued under the Trust Indenture to assist in the development of the Project, and obligations of the Authority owned by the United States Housing Authority.

(l) Trust Indenture: Bonds to be secured by an indenture (which indenture shall also secure other obligations issued to assist the development of the Project not in excess of the amount shown in Paragraph 1 (h) from the Authority to a bank or trust company selected by the Authority as Trustee, which Trustee and indenture shall be satisfactory to the City and which indenture shall contain provisions as to the development, maintenance, operation, repair, title and insurance of the Project, the establishment of special funds, reserves, the fixing and the collection of rents, the pledge of the aforesaid annual contributions from the United States Housing Authority and of the revenues of the Project, the furnishing of financial statements, the redemption of bonds, the events of default, the rights and remedies thereunder, and such other matters as are customarily in such instruments (except that the indenture shall not confer a power of foreclosure and shall prohibit the sale or other disposition of the Project or any part thereof).

2. The City shall be under no obligation to bid for, take up or pay for any of the "Series A" Bonds which it agrees to offer to purchase hereunder if a bond transcript shall not have been submitted to the City, or if such transcript shall not show that the "Series A" Bonds are valid, binding and legal obligations; or if, in all cases, proper and satisfactory disposition shall not have been made of all legal questions affecting the Project and the development and operation thereof.

3. In the event any of the bonds offered at public sale are awarded to the City, the City agrees to make payment for and receive delivery of fifty (50) per centum of the "Series A" Bonds it may be awarded on ten days' written notice (mailed to the Mayor by registered mail) to be given by the Authority at any time after the United States Housing Authority shall have advanced forty (40) per centum or more of its loan for the Project, and to make payment for and receive delivery of the balance of the "Series A" Bonds which it may be awarded upon similar notice at any time after the United States Housing Authority shall have advanced eighty (80) per centum or more of its loan for the Project.

4. The City represents that it has or will have funds available for investment in the "Series A" Bonds at the times and in the amounts provided in this Agreement.

5. The Authority agrees to offer the "Series A" Bonds at public sale, (as provided by the Texas Housing Authorities Law), and to send a copy of the notice of such public sale to the Mayor of the City, to complete the financing of the development of the Project as rapidly as possible, to proceed with construction as rapidly as possible, and to keep the City advised at all times of progress being made in the development of the Project.

IN WITNESS WHEREOF, the City and the Authority have respectively caused this Agreement to be executed in sextuplicate as of the 6th day of April, 1938.

(SEAL)

ATTEST:

HALLIE MCKELLAR
City Clerk

(SEAL)

ATTEST:

QUITON MORGAN
Secretary.

CITY OF AUSTIN

By TOM MILLER
Mayor

HOUSING AUTHORITY OF THE
CITY OF AUSTIN

By E. H. PERRY
Chairman

SECTION 2. That the Mayor and City Clerk are hereby authorized to execute such contract in sextuplicate on behalf of the City substantially in the form set forth in Section 1 hereof.

SECTION 3. This resolution shall take effect immediately.

The above resolution was seconded by Councilman Wolf, and on roll call was adopted with the following voting "aye": Councilmen Alford, Bartholomew, Mayor Miller, and Councilman Wolf, and the following voting "nay": NONE.

The Mayor thereupon declared the said resolution carried and signed the same in approval thereof.

The following resolution was proposed by Councilman Bartholomew; who moved its adoption:

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

SECTION 1. That the action of the Mayor and the City Clerk of the City of Austin in executing the Agreement set forth below is hereby ratified, confirmed, and approved, and said Agreement is hereby determined to be binding upon said City in all respects.

SECTION 2. That the said Agreement referred to in Section 1 hereof is in the following words and figures, to-wit:

AGREEMENT BETWEEN CITY OF AUSTIN, TEXAS,
AND HOUSING AUTHORITY OF THE CITY OF
AUSTIN

THIS AGREEMENT made this 6th day of April, 1938, between the City of Austin, State of Texas, (hereinafter called the "City") and the Housing Authority of the City of Austin (hereinafter called the "Authority") WITNESSETH:

WHEREAS, the Authority proposes to develop and administer a low-rent housing project (herein called the "Project") within the territorial limits of the City of Austin consisting of approximately One Hundred and Eighty-Six (186) dwelling-units to be constructed on the following sites, viz:

(1) Area bounded on the north by Fourth Street, on the east by Chicon Street, on the south by Third Street, and on the west by Chalmers Street;

(2) Area bounded on the north by Rosewood Street and westerly by Chicon Street, containing about seven (7) acres;

(3) Area bounded on the north by Santa Rita Street and on the east by Perdenales Street, containing about four and three-tenths (4.3) acres; and

WHEREAS, in connection with the development of the Project, the Authority desires to eliminate unsafe or insanitary dwellings situated within the territorial limits of the City substantially equal in number to the number of newly constructed dwellings to be provided by the Project; and

WHEREAS, the Authority has requested the City to cooperate with it and assist it in the elimination of such unsafe and insanitary dwellings; and

WHEREAS, there exist in the City unsafe or insanitary dwellings to a greater number than the number of new dwellings to be included in the Project and it is necessary and desirable that the City should eliminate such unsafe or insanitary dwellings to protect the health, safety and morals of the inhabitants of this City; and

WHEREAS, it is necessary that the present low-income occupants of unsafe or

insanitary dwellings be provided with new dwellings at rentals they can afford to pay; and

WHEREAS, the City will directly benefit from the construction of new dwellings for families of low income and from the elimination of unsafe or insanitary dwellings within the City;

NOW, THEREFORE, in consideration of the mutual promises of the City and Authority hereinafter set forth, the City and Authority agree as follows:

1. The City agrees to eliminate unsafe or insanitary dwellings of a number at least equal to the number of new dwellings to be provided in the Project to be developed by the Authority (less the number of unsafe or insanitary dwellings eliminated from the sites of the Project by the Authority during the development of the Project), but in no event to exceed Two Hundred and Twenty-Five (225).

2. The City agrees to eliminate such unsafe or insanitary dwellings within the territorial limits of the City.

3. The City agrees to eliminate such unsafe or insanitary dwellings in one or the other of the following ways, or partly in one of these ways and partly in another:

(a) By demolishing dwellings which are on land acquired by the City by purchase or otherwise, including demolition of such dwellings on land purchased for any public uses; or

(b) By causing the compulsory demolition, effective closing, repair or improvement of such unsafe and insanitary dwellings; or

(c) By inducing private owners voluntarily to eliminate such dwellings.

4. In computing the number of unsafe or insanitary dwellings eliminated under the terms of this Agreement, there shall be included all unsafe or insanitary dwellings eliminated under this Agreement from the date hereof; provided, however, that all unsafe or insanitary dwellings eliminated by the City prior to the date of this Agreement will be counted as elimination under this Agreement if the Authority is satisfied that such elimination was undertaken in anticipation of the execution of this Agreement.

5. In computing the number of unsafe or insanitary dwellings eliminated under the terms of this Agreement, the remedying of violations of local building codes or ordinances by compulsory action of the City, insofar as it results in the elimination of unsafe or insanitary dwellings, shall be considered as elimination. The voluntary remedying of such violations shall not be considered as elimination.

6. For the purpose of this Agreement a dwelling shall be considered unsafe or insanitary whenever by reason of dilapidation, faulty arrangement or design, lack of ventilation, light or sanitation facilities, or any combination of these factors, it is detrimental to safety, health or morals.

7. The Authority agrees:

(a) To advise the officers in charge of appropriate departments of the City of the existence of any unsafe or insanitary dwellings in the City which the Authority finds as a result of its surveys or studies;

(b) To make reports to the City, from time to time, regarding such matters; and

(c) To cooperate with the City in securing the elimination of unsafe or insanitary dwellings required hereunder.

8. The City agrees to cause its officers in charge of appropriate departments, through the City Manager, to make reports to the Authority from time to time regarding:

(a) The action taken by the City in the elimination or repair of unsafe or insanitary dwellings hereunder;

(b) The dates of such action;

(c) The location of such dwellings; and

(d) The condition of such dwellings which made them unsafe or insanitary.

9. The Authority agrees that it will use its best efforts to develop the Project as rapidly as possible and to operate and maintain such Project for families of low income. The Authority agrees to keep the City fully informed as to the status of the Project.

10. The Authority and the City agree that the elimination undertaken and required hereunder shall be considered as a part of the Project.

11. The City agrees to complete the elimination of unsafe and insanitary dwellings required under this agreement within one year from the date of the physical completion of the Project, provided that such period may be extended by the Authority for six months' periods, upon a satisfactory showing to the United States Housing Authority of the need of such deferment by reason of a shortage in the City of decent, safe or sanitary housing available to families of low income which is so acute as to force dangerous overcrowding of such families; in no event, however, shall the total period of elimination exceed two years from the date of physical completion of the Project.

IN WITNESS WHEREOF, the City of Austin, Texas, and the Housing Authority of the City of Austin have respectively caused this Agreement to be duly executed in sextuplicate as of the day and year above mentioned.

(SEAL)
ATTEST:
(Sgd) Hallie McKellar
City Clerk

(SEAL)
ATTEST:
(Sgd) Guiton Morgan
Secretary

CITY OF AUSTIN

By (Sgd) Tom Miller
Mayor

HOUSING AUTHORITY OF
THE CITY OF AUSTIN

By (Sgd) E. H. Perry
Chairman

SECTION 3. This resolution shall take effect immediately.

The above resolution was seconded by Councilman Wolf, and on roll call was adopted with the following voting "Aye": Councilmen Alford, Bartholomew, Mayor Miller, and Councilman Wolf, and the following voting "Nay": NONE.

The Mayor thereupon declared the said resolution carried and signed the same in approval thereof.

The following resolution was introduced by Councilman Bartholomew, who moved its adoption:

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

Section 1. That the action of the Mayor and the City Clerk of the City of Austin in executing the Agreement set forth below is hereby ratified, confirmed, and approved, and said Agreement is hereby determined to be binding upon said City in all respects.

Section 2. That the said Agreement referred to in Section 1 hereof is in the following words and figures, to-wit:

AGREEMENT BETWEEN THE CITY OF AUSTIN AND
THE HOUSING AUTHORITY OF THE CITY OF
AUSTIN

WHEREAS, the Housing Authorities Law of the State of Texas provides that the property of an Authority is declared to be public property used for essential public and governmental purposes and that such property shall be exempt from all taxes and special assessments of the city, county, State or any political subdivision thereof, and by virtue of said provision all property of the Housing Authority of the City of Austin (herein called the "Authority") is therefore exempt from all taxation by the City of Austin (herein called the "City") and by all other political subdivisions of the State of Texas; and

WHEREAS, the Authority is negotiating with the United States Housing Authority for loans for the development of a project consisting of three (3) parts in the City of Austin and contemplates the purchase of the following sites (herein called the "Site") therefor, namely:

(1) Area bounded on the north by Fourth Street, on the east by Chicon Street, on the south by Third Street, and on the west by Chalmers Street;

(2) Area bounded on the north by Rosewood Street, extending along Rosewood Street easterly from its intersection with Chicon Street about Three Hundred and Thirty (330) feet, thence southerly about Six Hundred and Thirty (630) feet, thence westerly to Chicon Street, and thence along Chicon Street to Rosewood Avenue, containing about seven (7) acres;

(3) Area bounded on the north by Santa Rita Street, on the east by Perdenales Street, on the south by a line One Hundred and Fifty (150) feet south of and parallel to East First Street, and on the west by a line Three Hundred and Twenty (320) feet west of and parallel to Perdenales Street, containing about four and three tenths (4.3) acres; and

WHEREAS, the Housing Authorities Law of the State of Texas authorizes the Authority to contract with respect to the sum or sums which the Authority may agree to pay to the City and to other political subdivisions in which the Project is situated for the improvements, services and facilities to be furnished for the benefit of a low-rent housing project in the City, and

WHEREAS, the Authority is willing to make certain payments in lieu of taxes to the City and other political subdivisions in which the Project is situated:

NOW, THEREFORE, THIS AGREEMENT WITNESSETH, that in consideration of the mutual promises hereinafter set forth, the City and the Authority agree as follows:

1. The following terms, whenever used in this Agreement, shall have the following meaning:

(a) The term "taxing bodies" shall mean the State of Texas and every political subdivision or taxing unit thereof (including the City) which shall have authority to levy taxes (or to certify taxes to a taxing body or public officer to be levied for its use and benefit), and in which the project is situated.

(b) The term "Local Annual Contribution for any year" shall mean an amount equal to:

(1) The amount which the taxing bodies would levy for that year (by means of taxes and special assessments on or with respect to the Project) if the Project were operated by private enterprise and subject to normal taxation and assessment, less

(11) The payment in lieu of taxes which the Authority herein agrees to make for that year.

(c) The term "Federal Annual Contribution" shall mean the fixed amount of annual contribution payable to the Authority by the United States Housing Authority for the purpose of aiding the Authority in achieving and maintaining the low-rent character of the Project.

(d) The term "Useful Life of the Project" shall mean the period of physical usefulness of the Project for the purpose of providing dwelling accommodations, but in no event less than the number of years during which

any of the bonds issued to aid in financing the development of the Project shall remain outstanding.

2. Subject to the terms and conditions of this Agreement, the Authority agrees to pay to the City annually the sum of Four Hundred Seventy-Seven Dollars and Thirty-Nine Cents (\$477.39) as payments in lieu of taxes on or with respect to the Project, such payments to commence upon the physical completion of the Project and to continue annually during the useful life of the Project.

3. The City agrees that during the period commencing with the date of the acquisition of any part of the Site for the Project and continuing throughout the useful life of the Project it will not levy, impose or charge any taxes, special assessments, service fees, charges or tolls against the Project, or against the Authority for or with respect to the Project, with the exception of the following:

(a) The payments in lieu of taxes specified in Paragraph 2 of this Agreement, and

(b) Charges for consumption of water and electricity furnished by the City, and

(c) Assessments for street improvements such as are usually assessed upon owners of abutting property.

4. In the event of a Local Annual Contribution for any year shall equal an amount which is less than twenty (20) per centum of the Federal Annual Contribution for that year and such deficiency is not supplied by cash furnished for the Project by the State of Texas or any political subdivision thereof in which the Project is situated, then and in that event the City waives the right to such portion of the amount payable in lieu of taxes for that year as is necessary to assure that the Local Annual Contribution for that year will be equal, as near as may be, to not less than twenty (20) per centum of the Federal Annual Contribution for that year.

5. The City agrees that it will furnish during the useful life of the Project municipal services and facilities for the Project and the tenants thereof of the same character as those furnished for other dwellings and inhabitants in the City, including but not limited to: fire, police and health protection and service; school and educational services and facilities; fire hydrant service, sewer service, the collection and disposal of garbage and trash for the Project and the tenants thereof, and the use of libraries, parks, recreational areas, and other public conveniences maintained by the City; that it will maintain in good repair and working order any and all municipal utilities and facilities, provided by it for the use and benefit of the Project and the tenants thereof; and that it will maintain in good repair streets, roads, alleys which are adjacent or leading to, or which are within the boundaries of, the Project.

6. It is agreed and understood between the parties hereto that the annual payment provided in Section 2 hereof does not exceed the estimated cost to the City of the services it herein agrees to furnish, and in the event the estimated cost of services furnished by the City for any year shall be less than the annual payment by the Authority then such annual payment shall be reduced accordingly.

7. The City consents to the assignment of this Agreement for the protection of the holders of any bonds issued to aid in financing the construction of the Project.

8. This Agreement shall continue in full force and effect so long as the title to the Project is in the Authority or some other public body or agency of the State.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed in sextuplicate this 6th day of April, 1938.

(SEAL)

ATTEST:

(Sgd) Hallie McKellar
City Clerk

(Sgd) Guiton Morgan
Secretary

CITY OF AUSTIN

By (Sgd) Tom Miller
Mayor

HOUSING AUTHORITY OF THE
CITY OF AUSTIN

By (Sgd) E. H. Perry
Chairman.

Section 3. This resolution shall take effect immediately.

The above resolution was seconded by Councilman Wolf, and on roll call was adopted with the following voting "Aye": Councilmen Alford, Bartholomew, Mayor Miller, and Councilman Wolf, and the following voting "Nay": NONE.

The Mayor thereupon declared the said resolution carried and signed the same in approval thereof.

Meeting adjourned at 4:35 P. M.

Attest: Hallie McKellar City Clerk

Approved: Tom Miller
Mayor