



22           **WHEREAS**, a local government corporation may have and exercise all of the  
23 powers prescribed by Chapter 431, Chapter 394, and the Texas Non-Profit Corporation  
24 Act (formerly Article 1396, Vernon’s Texas Civil Statutes, as amended), now codified  
25 in the Texas Business Organizations Code as the Texas Nonprofit Corporation Law, as  
26 defined in Section 1.008 of the Texas Business Organizations Code, as amended  
27 (Chapter 431, Chapter 394, and the Texas Nonprofit Corporation Law are collectively  
28 referred to as the *Acts*); and

29           **WHEREAS**, Chapter 394 requires as condition to the creation of a local  
30 government corporation that at least three residents of the City and the State of Texas  
31 (the *State*) who are at least 18 years of age submit a written application for the  
32 incorporation of the local government corporation; and

33           **WHEREAS**, there has been presented to and filed with the City Clerk of the City,  
34 an application executed by three residents of the City who meet the requirements of  
35 Chapter 394 requesting the incorporation of the Austin Economic Development  
36 Corporation (the *Corporation*); and

37           **WHEREAS**, the Corporation will be organized for the purpose of aiding and  
38 acting on behalf of the City in the performance of the City’s governmental functions to  
39 accomplish any governmental purpose of the City (the *Project*) and paying all of the  
40 costs of such Project (the *Project Costs*), and in so acting on behalf of the City, such

41 Corporation will assist the City in the performance of the City's governmental functions  
42 as described in this Resolution and as contemplated by the Acts; and

43 **WHEREAS**, the City Council of Austin (the *Council*), as the governing body of  
44 Austin, has reviewed and approved the proposed form of the Articles of Incorporation  
45 attached as Exhibit A, and the Bylaws attached as Exhibit B, has determined to authorize  
46 and approve the creation of a local government corporation, a nonprofit entity, as its  
47 constituted authority and instrumentality to accomplish the purposes set forth in Article  
48 IV of the Articles of Incorporation pursuant to the provisions of Chapter 431; and

49 **WHEREAS**, the Council finds and determines that the adoption of this  
50 Resolution is in the best interests of the residents of the City; **NOW THEREFORE**,

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

52 SECTION 1. The Council finds that the application for the incorporation of the  
53 Corporation was executed and filed in the manner required by Chapter 394, and the  
54 Council therefore has authority to consider and act on the application for incorporation  
55 of the Corporation.

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57 SECTION 2. The Council determines that the formation of the Corporation  
58 is wise, expedient, necessary, and advisable, as required by Chapter 431 and, to the  
59 extent required by Chapter 431, the provisions of Chapter 394, as a duly constituted  
60 authority of the City, and the Corporation is authorized to aid and act on behalf of the  
61 City in the performance of its governmental functions, and to perform the other purposes  
62 described in the Articles of Incorporation.

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64 SECTION 3. The Corporation may aid and act on behalf of the City to  
65 further the public purposes set forth in Article IV of the Articles of Incorporation, as the  
66 same may be amended from time to time. In furtherance of those public purposes, the  
67 Corporation may cause and arrange for the design, development, construction,  
68 implementation, financing and operation of the Project, pursuant to the provisions of

69 State law, and may take all lawful actions necessary or useful in furthering such public  
70 purposes.

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72 SECTION 4. The Corporation is designated as the duly constituted authority  
73 and instrumentality of the City (within the meaning of those terms in the regulations of  
74 the Treasury and the rulings of the Internal Revenue Service prescribed and promulgated  
75 pursuant to section 103 of the Internal Revenue Code of 1986, as amended) and shall be  
76 authorized to act on behalf of the City for the public purposes set forth in Section 3 of  
77 this Resolution; but the Corporation is not intended to be and shall not be a political  
78 subdivision or a political corporation within the meaning of the Constitution and the  
79 general laws of the State, including without limitation Article III, Section 52 of the Texas  
80 Constitution, and the City does not delegate to the Corporation any of its attributes of  
81 sovereignty, including the power to tax, the power of eminent domain, or its police  
82 power.

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84 SECTION 5. This Resolution is adopted for the purpose of satisfying the  
85 conditions and requirements of the Acts and of section 103 of the Internal Revenue Code  
86 of 1986, as amended, and the regulations prescribed thereunder from time to time and  
87 for the benefit of the Corporation, the City, the owners or holders from time to time of  
88 the bonds or notes of the Corporation, and all other interested persons.

89  
90 SECTION 6. The Council approves and adopts the Articles of Incorporation  
91 of the Corporation and the Bylaws in substantially the form attached as Exhibit A and  
92 Exhibit B, respectively, which are each incorporated by reference as a part of this  
93 Resolution for all purposes, and authorizes the incorporators of the Corporation to file  
94 such Articles of Incorporation and Bylaws with the Texas Secretary of State in the  
95 manner provided by law. The Council authorizes City staff and consultants to undertake  
96 all matters necessary and incidental to the completion of the Articles of Incorporation  
97 and Bylaws.

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99 SECTION 7. The Council hereby appoints the directors listed in the Articles  
100 of Incorporation attached to the initial board of directors for the Corporation.  
101 Subsequent Directors shall be appointed as provided in the Bylaws.

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103 SECTION 8. The Corporation may, under the conditions set forth in the  
104 Acts and in this Resolution, issue, or provide for the issuance of, bonds or notes, acquire,  
105 lease, sell or convey certain properties, and enter into purchase agreements, lease  
106 agreements, credit agreements, operating agreements and all other agreements necessary  
107 or useful in connection with the Project, including donation, gift, or other agreements  
108 pursuant to which the Corporation accepts by gift or devise something of value; provided

109 that the Corporation shall not issue bonds or notes without the consent of the Council.  
110 Furthermore, bonds or notes issued by the Corporation shall be deemed not to constitute  
111 a debt of the State, the City, or of any other political corporation, subdivision, or agency  
112 of the State or a pledge of the faith and credit or taxing power of any of them, but such  
113 bonds or notes shall be payable solely from the revenues pledged to the payment of such  
114 bonds or notes. In no event shall the Corporation be authorized to levy ad valorem taxes.  
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116 SECTION 9. The Council finds that any notes, bonds, loans, debts or other  
117 obligations of the Corporation shall not be deemed an indebtedness, liability, general or  
118 moral obligation or pledge of the faith or credit of the State, the City or any other political  
119 subdivision or governmental unit, nor shall any such notes, bonds, loans, debts or other  
120 obligations constitute an indebtedness within the meaning of any constitutional or  
121 statutory debt limitation or restriction or any agreement, obligation or indebtedness of  
122 the City or of the State within the meaning of any constitutional or statutory provision  
123 whatsoever.  
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125 SECTION 10. The Council finds that it is the purpose, intent and desire of the  
126 City, in approving the creation of the Corporation and its Articles of Incorporation, that  
127 such actions and the Corporation are authorized to comply with the requirements of the  
128 Internal Revenue Code 1986, as amended, and the Treasury Regulations and Internal  
129 Revenue Service rulings promulgated thereunder and the rulings issued pursuant thereto,  
130 such that the Corporation shall be deemed to be a constituted authority acting on behalf  
131 of the City pursuant to the provisions of the Chapter 431.  
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133 SECTION 11. Upon dissolution of the Corporation, the City may accept title  
134 to or other interest in any real or personal property owned by the Corporation at such  
135 time.  
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137 SECTION 12. The recitals contained in the preamble of this Resolution are  
138 found to be true, and such recitals are incorporated by reference and are made a part of  
139 this Resolution for all purposes and are adopted as a part of the judgment and findings  
140 of the Council.  
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142 SECTION 13. This Resolution shall be construed and enforced in accordance  
143 with the laws of the State and the United States of America.  
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145 SECTION 14. If any provision of this Resolution or the application to any  
146 person or circumstance shall be held to be invalid, the remainder of this Resolution and  
147 the application of such provision to other persons and circumstances shall nevertheless

148 be valid, and the Council declares that this Resolution would have been enacted without  
149 such invalid provision.

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151 SECTION 15. Council finds that the meeting at which this Resolution is  
152 adopted was open to the public and public notice of the time, place, and subject matter  
153 of the public business to be considered at such meeting, including this Resolution, was  
154 given, all as required by Chapter 551, Texas Government Code, as amended.

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158 **ADOPTED:** \_\_\_\_\_, 2020      **ATTEST:** \_\_\_\_\_

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Jannette S. Goodall  
City Clerk

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