

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0

**WHEREAS**, the Borrower advised the Issuer that it is considering proceeding the acquisition, construction and/or improvement of a multi-family project bed in Exhibit A (Project) within the City of Austin, Texas and within the jurisdiction of the Issuer; and

21           **WHEREAS**, the Borrower advised the Issuer that a contributing factor which  
22 would further induce the Borrower to proceed with the Project would be a commitment  
23 and agreement by the Issuer to issue Bonds; and

24           **WHEREAS**, the Borrower also proposed to the Issuer that the Borrower will be  
25 further induced to proceed with the Project if the Issuer will commit and agree to issue  
26 the Bonds and adopt this Resolution; and

27           **WHEREAS**, all or a portion of the expenditures related to the Project  
28 (Expenditures) were paid within 60 days prior to the passage of this Resolution or will  
29 be paid on or after the passage of this Resolution; and

30           **WHEREAS**, the Issuer reasonably expects (based upon information supplied by  
31 the Borrower, upon which it is reasonable and prudent for the Issuer to rely) to reimburse  
32 the Borrower or persons acting on its behalf for the Expenditures with the proceeds of  
33 the Bonds; and

34           **WHEREAS**, the Issuer declares that this Resolution and its provisions shall  
35 constitute the Issuer's agreement to issue the revenue bonds in such aggregate principal  
36 amount, now estimated not to exceed \$40,000,000, as is actually required to finance and  
37 pay for the Project; and

38           **WHEREAS**, the Issuer finds, considers, and declares that the issuance of the  
39 Bonds in the amount identified above and for the purpose identified above is appropriate  
40 and consistent with the objectives of the Act, and that the adoption of this Resolution

constitutes: (i) an inducement for the Borrower to proceed with providing for the acquisition, construction and/or improvement of the Project; (ii) an affirmative official action by the Issuer, acting by and through its Board of Directors, towards the issuance of the Bonds, and that such action is similar to the adoption of a bond resolution/within the meaning of Section 1.103-8(a)(5) of the Federal Treasury Regulations; and (iii) in accordance with the provisions of Section 1.150-2 of the Federal Treasury Regulations, a declaration of the Issuer's intent, to reimburse the Expenditures for the Project at such time as the Bonds are issued; **NOW, THEREFORE,**

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF  
AUSTIN HOUSING FINANCE CORPORATION THAT:**

Section 1. The Issuer agrees as follows:

(a) To adopt a bond resolution or bond resolutions prepared by its Bond Counsel, McCall, Parkhurst & Horton L.L.P., Dallas, Texas, when requested by the Borrower to authorize the issuance of Bonds, pursuant to the Act; to issue the Bonds, subject to the requirements of the Act; and to execute the appropriate agreements or contracts described in (b), below; and to sell the Bonds under terms and conditions satisfactory to the Issuer and the Borrower; to finance and pay for the Project, including amounts sufficient to pay the fees, expenses, and costs in connection with such issuance, to reimburse the Issuer for its administrative and overhead expenses and costs with respect to the Bonds and the Project, with the Bonds to be payable from payments by the

Borrower to the Issuer and/or to a corporate trustee in such sums as are necessary to pay the principal of, interest on, and redemption premium, if any, together with the paying agents' and trustee's fees on, the Bonds, as and when the same shall become due and payable.

(b) Prior to the issuance of the Bonds, when requested by the Borrower, to enter into such loan agreement, installment sale agreement, lease, and/or any other appropriate contracts or agreements between the Issuer and the Borrower as are mutually acceptable in all respects to the Issuer and the Borrower, under which the Borrower will be obligated to make payments to the Issuer and/or to a corporate trustee in such sums as are necessary to pay the principal of, interest on, and redemption premium, if any, together with the paying agents' and trustee's fees on, the Bonds, as and when the same shall become due and payable, and with such payments also to be sufficient to defray the Issuer's administrative, overhead, and other expenses and costs with respect to the Bonds and the Project.

(c) To take, or cause to be taken, such other action, and to execute such additional contracts and agreements mutually agreeable to the parties in all respects, when requested by the Borrower as may be required in accordance with the Act and this Resolution to cause the issuance of the Bonds and to obtain an allocation of state volume cap for the Bonds.

81 Section 2. Subject to the provisions of Section 3 of this Resolution, by accepting this  
82 Resolution and proceeding with the Project, the Borrower agrees that it will: (i) fully  
83 indemnify and hold the Issuer harmless from any and all damages, losses, and reasonable  
84 expenses, including attorneys' fees, arising at any time from or with respect to the Bonds  
85 and the Project (except those resulting from gross negligence or willful misconduct of  
86 the Issuer); and (ii) pay or reimburse the Issuer for all reasonable and necessary out-of-  
87 pocket expenses, including attorneys' fees and expenses and the fees and expenses of  
88 other consultants, which the Issuer may incur at the request of the Borrower arising from  
89 the performance or attempted performance by the Issuer of its obligations hereunder.

90 Section 3. Nothing contained in this Inducement Resolution shall be interpreted to bind  
91 the Issuer to issue any bonds. The Issuer shall have the authority, without cause, not to  
92 issue the bonds.

93 Section 4. Subject to the provisions of Section 3 of this Resolution, adopting this  
94 Resolution constitutes the acceptance of the Borrower's proposal that it be further  
95 induced to proceed with providing for the Project, and that this proposal and acceptance  
96 shall constitute an agreement between the Issuer and the Borrower in accordance with  
97 the provisions of this Resolution.

98 Section 5. With respect to this inducement resolution and because the Borrower will  
99 have to comply with federal and State of Texas rent control requirements in the event  
100 the Borrower is awarded Low Income Housing Tax Credits, the Issuer, to the extent the

Borrower is awarded Low Income Housing Tax Credits, waives its Affordable Rent requirements set forth in the Issuer's Rules.

Section 6. The Issuer reasonably expects (based upon information supplied by the Borrower, upon which it is reasonable and prudent for the Issuer to rely) to reimburse the Expenditures with the proceeds of the Bonds.

**ADOPTED:** \_\_\_\_\_, 2021

**ATTEST:** \_\_\_\_\_  
Jannette S. Goodall  
Secretary

115  
116  
117  
118  
119  
120  
121  
122

**EXHIBIT A**  
**DESCRIPTION OF PROJECT**

The project is an approximately 240-unit multifamily housing development approximately located at 1700 Teri Road, Austin, TX 78744.

DRAFT