

**CERTIFICATE OF FORMATION
OF
Bouldin Creek Community Development Corporation, INC.**

The undersigned natural person, with the legal ability to form a contract, acting as organizer of a corporation under the Texas Business Organizations Code, adopts the following Certificate of Formation.

**ARTICLE ONE
NAME**

The name of the corporation is, **Bouldin Creek Community Development Corporation INC.** (the “Corporation”).

**ARTICLE TWO
NONPROFIT CORPORATION**

The Corporation is a nonprofit corporation.

**ARTICLE THREE
DURATION**

The period of its duration is perpetual.

**ARTICLE FOUR
MEMBERSHIP**

The Corporation will have members. Management of the corporation will not be vested in the members.

ARTICLE FIVE
PURPOSES

(1) The Corporation is organized pursuant to the Texas Business Organizations Code.

(2) The purposes for which the Corporation is organized are exclusively charitable within the meaning of the Internal Revenue Service Code, Section 501(c)(3), and the Texas Tax Code, Section 11.18, and consist of the following:

The Bouldin Creek Community Development Corporation shall exist for the purpose of preserving and enhancing the character of the Bouldin Creek neighborhood and the quality of life of residents in this Austin, Texas, community. The Corporation will seek to expand opportunities available to the low-income residents of Bouldin Creek neighborhood to obtain affordable housing by providing decent, safe, and sanitary housing for such residents and supporting other affordable housing initiatives. The Corporation will undertake projects related to health, education, and economic development and other initiatives that support the Corporation's mission to combat the deterioration of the neighborhood community, contribute to its physical improvement, and enhance the quality of life for neighborhood residents. The boundaries of the Bouldin Creek Community Development Corporation are Ladybird Lake on the north; Oltorf Street on the south; the Union Pacific railroad tracks on the west; and South Congress Avenue on the east.

ARTICLE SIX
RESTRICTIONS AND REQUIREMENTS

(1) Notwithstanding any other statements to the contrary, this Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of its primary purposes set forth in this Certificate. The Corporation may not take any action prohibited by the Texas Business Organizations Code.

(2) **No Private Inurement:** The Corporation is not organized nor shall it be operated for the primary purpose of generating pecuniary gain or profit. The Corporation may not pay dividends or other corporate income to its directors or officers, or otherwise accrue distributable profits, or permit the realization of private gain. No part of the net earnings of the Corporation shall inure to the benefit of any director of the Corporation, officer of the Corporation, or any private individual, (except that reasonable compensation may be paid for services rendered to or for the Corporation affecting one or more of its purposes), and no director or officer of the Corporation, or any private individual, shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation.

(3) **501(c)(3) Limitations:** Notwithstanding any other provision of this Certificate of Formation, the Corporation may not take action that would be inconsistent with the requirements for tax exemption under the Internal Revenue Code, Section 501(c)(3), and related regulations, rulings, and procedures. Nor may it take any action that would be inconsistent with the requirements for receiving tax-deductible charitable contributions under the Internal Revenue Code, Section 170(c)(2), and related regulations, rulings, and procedures. Regardless of any other provision in the Certificate of Formation or state law, the Corporation may not:

- (a) Engage in activities or use its assets in manners that do not further one or more exempt purposes, as set forth in these Articles and defined by the Internal Revenue Code and related regulations, rulings, and procedures, except to an insubstantial degree.
- (b) Serve a private interest other than one clearly incidental to an overriding public interest.
- (c) Devote more than an insubstantial part of its activities to attempting to influence legislation by propaganda or otherwise, except as provided by the Internal Revenue Code and related regulations, rulings, and procedures.
- (d) Participate in or intervene in (including publishing or distributing statements and any other direct or indirect campaign activities) any political campaign on behalf of any candidate for public office. The prohibited activities include publishing or distributing statements and any other direct or indirect campaign activities.
- (e) Have objectives characterizing it as an “action organization” as defined by the Internal Revenue Code and related regulations, rulings, and procedures.
- (f) Distribute its assets on dissolution other than for one or more exempt purposes.

(4) **Private Foundation:** In addition, in the event that this Corporation shall become a “private foundation” within the meaning of Section 509 of the Internal Revenue Code of 1954, the Corporation shall distribute its income at such times and in such manners as to avoid tax for undistributed income under Section 4942 of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal tax laws. The Corporation shall not:

- (a) Engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal tax laws.
- (b) Retain excess business holdings as defined in Section 4943(c) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal tax laws.

- (c) Make any investments in such a manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal tax laws.
- (d) Make any taxable expenditures as defined in section 4945(e) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal tax laws.

(5) **Termination:** Upon the dissolution of the Corporation, the board of directors shall, after paying or making provision for payment of all of the liabilities of the Corporation, distribute all the remaining assets of the Corporation only for tax-exempt purposes to an eligible organization or organizations (as hereinafter defined) as the board of directors shall determine. Any of such assets not so disposed of shall be disposed of by the District Court of the county in which the principal office of the Corporation is then located, exclusively for such purposes, or to such eligible organization or organizations as said court shall determine. For purposes of this article, “eligible organization or organizations” refers to any organization or organizations that are tax-exempt under Section 501(c)(3), Internal Revenue Code, or described by Section 170(c)(1) or (2), Internal Revenue Code, as the board of directors shall determine.

ARTICLE SEVEN

POWERS

Except as this Certificate otherwise provides, the Corporation has all the powers provided in the Texas Business Organizations Code. Moreover, the Corporation has all implied powers necessary and proper to carry out its express powers. The Corporation may reasonably compensate directors or officers for services rendered to or for the Corporation in furtherance of one or more of its purposes. All amendments and changes to this Certificate must be approved by a two-thirds vote of the eligible voting members at a meeting where a quorum is present. A quorum is met when 10 percent of eligible voting members are present.

ARTICLE EIGHT

INITIAL REGISTERED OFFICE AND AGENT

The street address of the Corporation’s initial registered office is 800 Christopher Street, Austin, TX, 78704, and the name of its initial registered agent at such address is Kathryn Beth Tovo.

ARTICLE NINE
BOARD OF DIRECTORS

The management of the corporation is vested in its Board of Directors and such committees of the board that the board may, from time-to-time, establish. The bylaws will provide the qualifications, manner of selection, duties, terms, and other matters relating to the Board of Directors. The initial board will consist of 4 persons. The initial board will consist of the following persons at the following addresses:

<u>NAME</u>	<u>ADDRESS</u>
Kathryne Beth Tovo	800 Christopher Street, Austin, TX 78704
Charles Coryell Walton	1701 Bouldin Avenue, Austin, TX 78704
Ingrid Weigand	704 West Gibson Avenue, Austin, TX 78704
Gavin Wilson	1906 Eva Street, Austin, TX 78704

The number of directors may be increased or decreased by adopting or amending the bylaws. The number of directors may not be decreased to fewer than 3.

ARTICLE ELEVEN
ACTION WITHOUT MEETING OF DIRECTORS OR COMMITTEE

An action that is required or is permitted to be taken at a meeting of the corporation's directors or a committee may be taken without a meeting if a written consent, stating the action to be taken, is signed and dated by the number of directors or committee members necessary to take that action at a meeting at which all of the directors or committee members are present and voting.

ARTICLE TEN
ORGANIZER

The name and street address of the organizer of the Corporation is:

Kathryne Beth Tovo
800 Christopher Street, Austin, TX 78704

IN WITNESS WHEREOF, I execute this Certificate of Formation on this ____ day of _____, 20__.

Name