

# **ANNA HOUSING FINANCE CORPORATION**

## **BYLAWS**

### **ARTICLE I OFFICES**

SECTION 1.01. Principal Office. The principal office of the Anna Housing Finance Corporation (the "Corporation") shall be at 111 N. Powell Parkway, Anna, Texas 75409.

### **ARTICLE II DIRECTORS**

SECTION 2.01. General Authority. The affairs of the Corporation shall be managed by a board of directors (the "Board") which shall be composed in its entirety of persons appointed by and whose terms of office shall be fixed by the governing body of the City of Anna, Texas (the "City"). The property and business of the Corporation shall be managed by the Board which may exercise all powers of the Corporation and do all lawful acts.

SECTION 2.02. Membership. The Board of Directors shall consist of seven (7) directors, each of whom shall be appointed by the governing body of the City and shall reside in the City and who shall serve staggered terms of four (4) years unless otherwise specified by the City in the Articles of Incorporation, as amended from time to time. A director whose term expires shall continue to serve until his/her successor is appointed to the Board. The Initial Directors designated under Article VII of the Articles of Incorporation shall serve as the Board of Directors until the governing body of the City appoints replacements to serve as directors.

SECTION 2.03. Annual Meeting. The annual meeting of the Board shall be held at the principal office of the Corporation on the fourth Tuesday of January, if not a legal holiday, and if a legal holiday, then at the second Tuesday or the fourth Tuesday in February that is not legal holiday, at 6:30 p.m., or at such time and place as shall be fixed by the consent in writing of all of the directors. All other meetings may be held at the place selected by the Board within the boundaries of the State of Texas.

SECTION 2.04. Regular Meetings; Notice. Regular Meetings other than the annual meeting, may be held without notice at such time as shall from time to time be determined by resolution of the Board; provided, however, if the Board of Directors is composed of members consisting of a quorum or more of the governing body of the City, then advance written notice of all meetings shall be posted in compliance with the Texas Open Meetings Act ("TOMA").

SECTION 2.05. Special Meetings; Notice. Special Meetings of the Board may be called by the President on 72 hours' notice to each director, either personally or by mail or by facsimile; special meetings shall be called by the President or Secretary in like manner on like notices on the written request of two directors. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the Corporation may be considered

and voted upon at a Special Meeting. At any meeting at which every director shall be present, even though without any notice, any matter pertaining to the purpose of the Corporation may be considered and acted upon. Notwithstanding the foregoing or any other provision of these bylaws, if the Board of Directors is composed of members consisting of a quorum or more of the governing body of the City, then advance written notice of all meetings shall be posted in compliance with TOMA and all meetings shall be held in full compliance with TOMA.

SECTION 2.06. Remote Meetings. The Board may meet regularly or specially by means of conference telephone or similar communications equipment that permits all individuals participating in the meeting to hear one another and such participation shall constitute presence in person at the meeting. Notwithstanding the foregoing or any other provision of these bylaws, if the Board of Directors is composed of members consisting of a quorum or more of the governing body of the City, then advance written notice of all meetings shall be posted in compliance with TOMA and all meetings shall be held in full compliance with TOMA.

SECTION 2.07. Quorum. At all meetings of the Board the presence of a majority of the directors shall be necessary and sufficient to constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board, except as may be otherwise specifically provided by the Texas Housing Finance Corporations Act (Chapter 394, Texas Local Government Code, as amended) (the "Act") or these Bylaws.

SECTION 2.08. Notice. A meeting of the Board can be held at any time without notice upon the execution by all directors of a written waiver of notice, and likewise may be held without notice when all of the directors are present at the meeting. Notwithstanding the foregoing or any other provision of these bylaws, if the Board of Directors is composed of members consisting of a quorum or more of the governing body of the City, then advance written notice of all meetings shall be posted in compliance with TOMA and all meetings shall be held in full compliance with TOMA.

SECTION 2.09. Action. Any action required by the Act to be taken at a meeting of the Board or any action which may be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting for the action to be taken, shall be signed by all of the directors. Such consent shall have the same force and effect as a unanimous vote and may be stated as such in any articles or document filed with the Secretary of State under the Act. Notwithstanding the foregoing or any other provision of these bylaws, if the Board of Directors is composed of members consisting of a quorum or more of the governing body of the City, then advance written notice of all meetings shall be posted in compliance with TOMA and all meetings shall be held in full compliance with TOMA.

SECTION 2.10. Meeting Location. All meetings of the Board shall be held within the State of Texas. Notwithstanding the foregoing or any other provision of these bylaws, if the Board of Directors is composed of members consisting of a quorum or more of the governing body of the City, then advance written notice of all meetings shall be posted in compliance with TOMA and all meetings shall be held in full compliance with TOMA.

SECTION 2.11. Ex-Officio Members. The City Manager or his or her respective designee, the City Finance Director, and any member of the governing body of the City or other appropriate person or entity designated by the Board may attend all meetings of the Board or committees, including but not limited to executive or closed meetings, but shall not have the power to vote in the meetings unless such Council member is also a member of the Board appointed by the governing body of the City. Their attendance shall be for the purpose of ensuring that information about the meetings is accurately recorded and communicated to the City Council as may be appropriate and necessary.

SECTION 2.12. No Compensation. Directors, as such, shall receive no compensation for services rendered as directors, but shall be reimbursed for all reasonable expenses incurred in performing their duties as directors.

SECTION 2.13 Ethics; Conflict of Interest. Directors and officers appointed by directors shall strictly adhere to the Anna Code of Ethics, as adopted and as may be amended by the governing body of the City (the "Ethics Code"). In the event that a director or officer is aware that he/she has a conflict of interest under applicable law or Ethics Code, with regard to any particular matter or vote coming before the Board, the director or officer shall bring the same to the attention of the Board and shall abstain from discussion and voting thereon. Any director or officer shall bring to the attention of the Board any apparent conflict of interest or potential conflict of interest of any other director or officer, in which case the Board shall determine whether a true conflict of interest exists before any further discussion or vote shall be conducted regarding that particular matter. The director or officer about whom a conflict of interest question has been raised shall refrain from voting with regard to the determination as to whether a true conflict exists.

SECTION 2.14. Public Records. Except as made confidential under the Texas Public Records Act or other applicable law, the Corporations records are public records and the Corporation shall comply with the Texas Open Records Act.

SECTION 2.15. Committees. The Board may, by resolution or resolutions adopted by a majority of the whole Board, establish one or more committees, each committee to consist of two or more of the directors of the Corporation. Such committee or committees shall have such name or names, and such powers, as may be determined from time to time by resolution adopted by the Board of Directors. The committees shall keep regular minutes of their proceedings and report the same to the Board when required.

### ARTICLE III NOTICES

SECTION 3.01. Generally. Whenever under the provisions of the statutes or these Bylaws, notice is required to be given to any director, it shall not be construed to mean personal notice, but such notice may be given in writing, by mail, electronic mail or facsimile, addressed to such director at such address, electronic mail address or facsimile number as appears on the books of the Corporation, and such notice shall be deemed to be given at the time when the same shall be thus mailed or transmitted by electronic mail or facsimile.

SECTION 3.02. Waiver. Whenever any notice is required to be given under the provisions of the statutes or of these Bylaws, a waiver thereof in writing signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

## ARTICLE IV OFFICERS

SECTION 4.01. Appointment. The officers of the Corporation shall be chosen by the Board. The Board shall choose from its members a President and a Vice President. The Board shall also choose a Secretary who may or may not be a member of the Board. Any two or more offices may be held by the same person, except the offices of President and Secretary. The Board shall choose such officers at its first meeting and at each annual meeting thereafter in odd number years.

SECTION 4.02. Term. The officers of the Corporation chosen pursuant to Section 4.01 shall serve until the second annual meeting of the Board thereafter or until their successors are chosen and qualify in their stead. Officer appointed at or after the second annual meeting shall serve terms of two (2) years unless removed earlier by the Board.

SECTION 4.03. Other Officers. The Board may appoint such other officers and agents as it shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

SECTION 4.04. Removal; Vacancy. Any officer elected or appointed by the Board may be removed at any time by the affirmative vote of a majority of the whole Board. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board.

SECTION 4.05. City Officers. The Board shall have the right to utilize the services of the City Manager, City Secretary, and City Attorney provided (i) that the Corporation shall pay reasonable compensation to the City for such services, and (ii) the performance of such service does not materially interfere with the other duties of such personnel of the City.

### SECTION 4.06. The President.

- (a) The President shall be the chief executive officer of the Corporation and shall preside at all meetings of the directors.
- (b) The President shall be an ex-officio a member of all standing committees, shall have general supervision of the management of the business of the Corporation, and shall see that all orders and resolutions of the Board are carried into effect.
- (c) The President shall execute bonds, mortgages, conveyances, assignments, notes and other contracts and instruments requiring a seal, under the seal of

the Corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board to some other officer or agent of the Corporation.

SECTION 4.07. The Vice President. The Vice President shall, in the absence or disability of the President, have the duties and exercise the powers of the President, and shall perform such other duties as the Board shall prescribe. Any action taken by the Vice President in the performance of the duties of the President shall be conclusive evidence of the absence or inability to act of the President at the time such action was taken.

SECTION 4.08. The Secretary. The Secretary shall attend all sessions of the Board and record all votes and the minutes of all proceedings and shall perform like duties for the standing committees when required. He/She shall give, or cause to be given, notice of all special meetings of the Board and shall perform such other duties as may be prescribed by the Board or the President under whose supervision he/she shall be. He/She shall keep in safe custody the seal of the Corporation and, when authorized by the Board, affix the same to any instrument requiring it, and, when so affixed, it shall be attested by his/her signature. And when the corporate seal is required as to instruments executed in the course of ordinary business, he/she shall attest to the signature of the President or Vice President and shall affix the seal thereto.

SECTION 4.09. Economic Development Director. The Economic Development Director shall be a full-time employee of the City and shall be the chief administrative officer of the Corporation, responsible for all daily operations and implementation of Board policies and resolutions. The Economic Development Director shall be appointed and managed by the City Manager. The Economic Development Director shall attend all called Board meetings and perform those duties and functions as the Board shall prescribe.

## ARTICLE V FISCAL PROVISIONS

SECTION 5.01. Fiscal Year. The fiscal year, unless otherwise determined by the Board, shall end September 30 of each year.

SECTION 5.02. Expenditures. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons, including the Executive Director, as the Board may from time to time designate, provided that in no event shall a check be negotiable until it is signed by at least one officer.

SECTION 5.03 Policy. The Corporation will adhere to the City's Financial Policy to guide the overall financial condition and operations of the Corporation including without limitation compliance with the Texas Public Funds Investment Act.

SECTION 5.04. Debt Instruments. Notwithstanding anything to the contrary herein or in the Articles of Incorporation, the Corporation shall be required to obtain the consent of the City for issuing bonds, notes, certificates, notes or other obligations ("Obligations"). Obligations are limited obligations of the housing finance corporation and are payable

solely from the revenue, receipts, and other resources pledged to their payment. A bondholder or creditor may not compel the local government to pay the bond, the interest, or any redemption premium or other indebtedness. All proceeds from loans or from the issuance of bonds, notes, certificates, or other debt instruments ("Obligations") issued by the Corporation shall be deposited and invested as provided in the resolution, order, indenture, or other documents authorizing or relating to their execution or issuance. Subject to the requirements of contracts, loan agreements, indentures, or other agreements securing Obligations, all other monies of the Corporation, if any, shall be deposited, secured, and/or invested in the manner provided for the deposit, security, and/or investment of the public funds of the City. The Board shall designate the accounts and depositories to be created and designated for such purposes, and the methods of withdrawal of funds therefrom for use by and for the purposes of the Corporation upon the signature of its treasurer and such other persons as the Board shall designate. The accounts, reconciliation, and investment of such funds and accounts shall be performed by the Department of Finance of the City and the City's Finance Director shall be the Corporation's investment officer.

SECTION 5.05. Books, Records, Audits. The Corporation shall keep and properly maintain, in accordance with generally accepted accounting principles, complete books, records, accounts, and financial statements pertaining to its corporate funds, activities, and affairs. At the direction of the City Council, the books, records, accounts and financial statements of the Corporation may be maintained for the Corporation by the accountants, staff, and personnel of the City. The Corporation (or the City if the option described above is selected) shall cause its books, records, accounts, and financial statements to be audited at least once each fiscal year by an outside, independent, auditing and accounting firm selected by the City. Such audit shall be at the expense of the Corporation.

## **ARTICLE VI SEAL**

SECTION 6.01. The corporate seal shall be circular and shall have inscribed in the outer circle "Anna Housing Finance Corporation" and shall have inscribed in the inner circle the letters "T-E-X-A-S" and a five-pointed star. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

## **ARTICLE VII AMENDMENTS**

SECTION 7.01. These Bylaws may be altered, changed, or amended at any meeting of the Board at which a quorum is present, provided notice of the proposed alteration, change, or amendment be contained in the notice of such meeting, by the affirmative vote of a majority of the directors at such meeting and present thereat.

## **ARTICLE VIII GENERAL PROVISIONS**

SECTION 8.01. Effective Date. These Bylaws shall become effective upon adoption by the Board of Directors.

SECTION 8.02. Interpretation; Severability. Bylaws and all of the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein. If any word, phrase, clause, sentence, paragraph, section or other part of these Bylaws, or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of these Bylaws and the application of such word, phrase, clause, sentence, paragraph, section or other part of these Bylaws to any other person or circumstance shall be affected thereby.

SECTION 8.03. Principal Office. The principal office of the Corporation shall be within the City. The Corporation shall have and continuously maintain in the State of Texas a registered office (which may be, but need not be, the same as the principal office) and registered agent in accordance with the provisions of Article 2.05, Texas Non-Profit Corporation Act. The Corporation may change its registered office and registered agent in accordance with applicable law. Process may be served on the Corporation in accordance with applicable law.

SECTION 8.04. Resignations. Any director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the President or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

SECTION 8.05. Indemnity. The Corporation shall indemnify the directors and any director acting in its capacity as an officer of the Corporation and any City officer, against any liability asserted against or reasonable expenses incurred by a director or officer because of his/her status or conduct as a director or officer, in accordance with and to the fullest extent permitted by the laws of the State of Texas.

Adopted and Approved this 13<sup>th</sup> day of July, 2021.

  
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President

ATTEST:  
  
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Secretary