



Austin Transit Partnership Board of Directors Resolution

Meeting Date: 2/16/2024

ATP-2024-004

*Resolution adopting Articles of Amendment to the
Austin Transit Partnership Articles of Incorporation*

Subject: Approval of a resolution adopting articles of amendment to the Articles of Incorporation of Austin Transit Partnership to improve Board operations and governance, including staggering the Board terms, clarifying ATP's purposes and powers, and other related changes.

Fiscal Impact: None.

Executive Summary: This resolution is to adopt certain amendments to Austin Transit Partnership's Articles of Incorporation. The amendments were previously approved by the Austin City Council on February 15, 2024, and by the Capital Metro Board of Directors on February 14, 2024. Among other things, the amendments: (i) clarify and revise ATP's purposes and powers; (ii) create staggered terms for ATP's community expert directors; (iii) provide for the creation of committees under ATP's bylaws; and (iv) remove provisions relating to the directed dissolution of ATP.

Procurement Summary: Does not apply.

Disadvantaged Business Enterprise Program Summary: Does not apply.



RESOLUTION OF THE AUSTIN TRANSIT PARTNERSHIP

BOARD OF DIRECTORS

STATE OF TEXAS
COUNTY OF TRAVIS

Resolution ID: ATP-2024-004

***Resolution adopting Articles of Amendment to the
Austin Transit Partnership Articles of Incorporation***

WHEREAS, pursuant to Article XVII of the Austin Transit Partnership ("ATP") Articles of Incorporation (the "Articles"), the ATP Board may adopt amendments to the Articles following approval by the Austin City Council and the Capital Metro Board; and

WHEREAS, on February 14, 2024, the Capital Metro Board adopted Resolution No. _____, and on February 15, 2024, the City Council adopted Resolution No. _____, approving the Articles of Amendment to the Articles of Incorporation in the form attached hereto as Exhibit A (the "Articles of Amendment"); and

WHEREAS, among other things, the Articles of Amendment: (i) clarify and revise ATP's purposes and powers; (ii) create staggered terms for ATP's community expert directors; (iii) provide for the creation of committees under ATP's bylaws; and (iv) remove provisions relating to the directed dissolution of ATP; and

WHEREAS, in compliance with State law, the ATP Board desires to formally adopt the Articles of Amendment approved by the City Council and Capital Metro Board as described above; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of ATP hereby adopts the Articles of Amendment; and

BE IT FURTHER RESOLVED that the Executive Director, the General Counsel, and the ATP Board Chair (or their respective designees) are hereby authorized and directed to execute and file the Articles of Amendment with the Texas Secretary of State and take all actions as are necessary and appropriate to carry out the purposes of this Resolution.

Brandon Carr
Secretary of the Board

Date

Exhibit A

[attach final form of Articles of Amendment]

**ARTICLES OF AMENDMENT
TO THE ARTICLES OF INCORPORATION**

OF

AUSTIN TRANSIT PARTNERSHIP LOCAL GOVERNMENT CORPORATION

Reference is hereby made to the Articles of Incorporation of the Austin Transit Partnership Local Government Corporation dated December 18, 2020 as filed with the Secretary of State of the State of Texas (collectively, the "Original Articles"), as amended by those Articles of Amendment filed with the Texas Secretary of State on August 23, 2022 (the "First Articles of Amendment")

The Undersigned, pursuant to (i) the provisions of Subchapter D of Chapter 431, Texas Transportation Code (the "Act"), and, to the extent required by the Act, Chapter 394, Texas Local Government Code (ii) Resolution No. _____ adopted by the City Council of the City of Austin ("City Council") on February 15, 2024; (iii) Resolution No. _____ adopted by the Board of Directors of the Capital Metropolitan Transportation Authority (the "Capital Metro Board") on February 14, 2024; and (iii) Resolution No. _____ adopted by the Board of Directors of the Corporation on February 15, 2024, hereby adopt these Articles of Amendment to the Articles of Incorporation of the Austin Transit Partnership Local Government Corporation (these "Articles of Amendment").

**ARTICLE I
NAME**

The name of the corporation is the AUSTIN TRANSIT PARTNERSHIP LOCAL GOVERNMENT CORPORATION (the "Corporation").

**ARTICLE II
SUBSTANCE OF AMENDMENT**

The Original Articles, as amended by the First Articles of Amendment, are hereby amended and restated in their entirety in the form attached hereto as Exhibit A. Pursuant to Section 394.016(d)(2) of the Texas Local Government Code, Exhibit B attached hereto identifies the altered and amended provisions in redline form.

**ARTICLE III
PROCEDURE USED IN ADOPTING AMENDMENT**

On December 18, 2020, City Council adopted Resolution No. 20201218-002, and the Capital Metro Board adopted Resolution No. AI-2020-1399, which authorized the creation of the Corporation to aid and act on behalf of the City and Capital Metro in the performance of their governmental functions and approved and adopted the Original Articles. The Original Articles were subsequently filed with the Secretary of State of the State of Texas.

On February 14, 2024 the Capital Metro Board adopted Resolution No. _____ approving the amendments contained herein.

On February 15, 2024, City Council adopted Resolution No. _____ approving the amendments contained herein.

These Articles of Amendment were adopted at a meeting of the Board of Directors of the Corporation held on February 16, 2024, and received the vote of not less than a majority of the Directors in office, there being no members having voting rights in respect thereof.

(signature pages follow)

WHEREFORE, the undersigned have been duly authorized to execute these Articles of Amendment on the Corporation's behalf on February 16, 2024.

**AUSTIN TRANSIT PARTNERSHIP
LOCAL GOVERNMENT CORPORATION**

By: _____
Name: Greg Canally
Title: Interim Executive Director, acting as President

By: _____
Name: Brandon Carr
Title: Secretary

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

Before me, a notary public, on this day, February 16, 2024 personally appeared Brandon Carr, Secretary of Austin Transit Partnership Local Government Corporation, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein contained are true and correct.

[S E A L]

Notary Public, State of Texas

My Commission Expires:

IN WITNESS WHEREOF, the undersigned Mayor and City Clerk of the City of Austin have hereunto set our hands this ____ day of February, 2024.

Kirk Watson, Mayor

Myrna Rios, City Clerk

IN WITNESS WHEREOF, the undersigned Chair and Secretary of the Board of the Capital Metropolitan Transportation Authority Board of Directors have hereunto set our hands this ____ day of February, 2024.

Jeff Travillion, Chair

Becki Ross, Secretary

EXHIBIT A

(appears on immediately following page)

**AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF
AUSTIN TRANSIT PARTNERSHIP LOCAL GOVERNMENT CORPORATION**

Pursuant to the provisions of Subchapter D, Chapter 431, Texas Transportation Code ("Chapter 431"), Chapter 394, Texas Local Government Code ("Chapter 394"), and Chapter 22, Texas Business Organizations Code ("Chapter 22"), Austin Transit Partnership Local Government Corporation have adopted these Amended and Restated Articles of Incorporation (these "Articles"), which amend and restate the original Articles of Incorporation of the Corporation adopted December 18, 2020 (the "Original Articles"), and which were further amended by those Articles of Amendment filed with the Texas Secretary of State on August 23, 2022.

ARTICLE I. NAME

The name of the corporation is the Austin Transit Partnership Local Government Corporation (the "Corporation").

ARTICLE II. PUBLIC NON-PROFIT

The Corporation is a public non-profit corporation.

ARTICLE III. DURATION

The period of duration of the Corporation shall be perpetual.

ARTICLE IV. PURPOSES, ACTIVITIES

The Corporation shall be incorporated to aid and to act on behalf of the City of Austin, Texas (the "City") and Capital Metropolitan Transportation Authority ("Capital Metro") to accomplish their governmental purpose as is more fully described in these Articles, as they may from time to time be amended; namely to implement the "Project Connect System Plan" as originally adopted by City Council of the City ("City Council") pursuant to City Resolution 20200610-002 and the Capital Metro Board of Directors ("Capital Metro Board") Capital Metro Resolution No. AI-2020-1273, and as modified by the adoption of certain updates described as the "Austin Light Rail Implementation Plan" in City Resolution No. 20230601-072 and Capital Metro Resolution No. AI-2023-819, and as such plan may from time to time be further modified, amended, or supplemented ("Project Connect"). The Corporation is to be the principal entity responsible for financing, designing, building, implementing, and contracting with Capital Metro to operate and maintain assets funded by the Corporation in a manner independent of the City and Capital Metro.

The implementation of Project Connect is comprised of the financing, design, engineering, and construction of a fixed rail and bus rapid transit system, including customer technology, park & ride hubs, on-demand neighborhood circulators, and associated improvements to roadways, bikeways, sidewalks and street lighting. Project Connect also comprises transit-supportive anti-displacement strategies for the purpose of preventing displacement and encouraging transit-oriented affordable housing along Project Connect transit corridors. The Corporation shall

implement Project Connect in accordance with the Project Connect System Plan, as modified from time to time jointly by Capital Metro and the City. To accomplish said purpose, in the exercise of its powers, the Corporation shall be authorized to:

1. Contract with persons, governmental entities, and with for-profit and non-profit entities, and employ individuals, for the purposes of implementing Project Connect, conducting the administrative operations of the Corporation, and to enter into interlocal agreements with Capital Metro for the operation and maintenance of transit assets constructed by the Corporation and with the City for non-transit assets constructed by the Corporation;
2. Acquire and hold title to real and personal property and interests in real and personal property, and sell real and personal property, in furtherance of the purposes for which the Corporation is formed;
3. Procure professional and other services necessary or convenient for the design, construction, financing, and permitting of Project Connect;
4. Accept funds appropriated by the City and Capital Metro and by other entities;
5. Accept property from any persons or entities;
6. Apply for grants of funds, services, and things of value and to accept awards of such grants;
7. Accept donations of funds, services and things of value;
8. Issue bonds, notes, and other debt obligations as necessary for the accomplishment of the implementation of Project Connect as stated above; and
9. Engage in any other lawful activities to accomplish the implementation of Project Connect as stated above.

The Corporation is formed pursuant to the provisions of Chapter 431 as it now or may hereafter be amended, and in the manner specified by Chapter 394, which authorizes the Corporation to assist and act on behalf of the City and Capital Metro to accomplish any governmental purpose of the City and Capital Metro and to engage in activities in the furtherance of the purposes for its creation.

The Corporation shall have and exercise all of the rights, powers, privileges, authority, and functions given by the general laws of the State of Texas to non-profit corporations incorporated under Chapter 431, including, without limitation, the powers granted under Chapter 22.

The Corporation shall have all other powers of a like or different nature not prohibited by law which are available to non-profit corporations under Chapter 22 and which are necessary or useful to enable the Corporation to perform the purposes for which it is created. Furthermore, the Corporation as a public instrumentality of the City shall have the powers of an issuer under Chapter

1205 of the Texas Government Code as well as Chapter 1371 of the Texas Government Code ("Chapter 1371"), and the purposes and activities detailed in this Article 4 qualify as eligible projects as defined in Chapter 1371. The Corporation shall enjoy all the associated benefits of an issuer under Chapter 1371 in connection with all obligations issued or incurred by the Corporation.

The Corporation is created as a local government corporation pursuant to Chapter 431 and shall be a governmental unit within the meaning of Subdivision (3), Section 101.001, Texas Civil Practice and Remedies Code. The operations of the Corporation are governmental and not proprietary functions for purposes of the Texas Tort Claims Act, Section 101.001 *et seq.* Texas Civil Practice and Remedies Code.

ARTICLE V. NO MEMBERS

The Corporation shall have no members and shall have no stock.

ARTICLE VI. BOARD

All powers of the Corporation shall be vested in a Board of Directors ("Board") consisting of five persons, each of whom must reside in either the City of Austin or Capital Metro's service area, one of whom shall be a member of the City Council (the "City Council Director"), one of whom shall reside in Capital Metro's service area and be a member of the Capital Metro Board (the "Capital Metro Director"), and three of whom shall be community expert members, all of whom must reside in the City, as follows: one member shall have expertise in finance, one member shall have expertise in engineering & construction, and one member shall have expertise in community planning or sustainability ("Community Expert Directors"). More specifically, the Community Expert Directors, respectively, shall meet the following criteria:

Finance	<ul style="list-style-type: none"> • At least 10 years of experience in finance, financial management, banking, or investing with a focus on large capital projects; and • Experience with budgets over \$250M and/or comparable academic financial policy experience.
Engineering & Construction	<ul style="list-style-type: none"> • At least 10 years of experience in engineering or construction of large capital projects in any sector (transit, energy, industrial, commercial); and • Experience with multiple projects over \$100M (price/value/cost) or \$250M cumulative.
Community Planning or Sustainability	<ul style="list-style-type: none"> • At least 10 years of experience in urban planning, community planning, equitable Transit Oriented Development (eTOD), sustainability, and/or environmental planning; and • Experience with community engagement with preferably three (3) to five (5) years of specific experience.

The five (5) initial Directors are identified in Article IX below.

Succeeding Community Expert Directors shall be selected through a nomination and appointment process wherein qualified members of the community shall submit an application to the Corporation, which will provide the applications that meet the criteria to the Nominating Committee (as defined below). The Nominating Committee will consist of the chairs of the City Council Audit & Finance Committee, City Council Mobility Committee, Capital Metro Finance, Audit and Administration Committee, and Capital Metro Operations, Planning and Safety Committee (the "Nominating Committee"). At the discretion of the Nominating Committee, City Council and Capital Metro Board, alternate forms of experience or qualifications may be substituted to meet the experience requirements above. After review of the applications provided by the Corporation, the Nominating Committee shall recommend a slate of three applicants based on their qualifications, while also considering Austin's diversity, and an applicant's ability to consider wholly Project Connect's benefits and potential impacts particularly on vulnerable communities aimed to be served by transit. The City Council and the Capital Metro Board shall, upon their joint approval of the slate, jointly appoint succeeding Community Expert Directors as nominated by the Nominating Committee.

The City Council shall appoint each Director who succeeds the initial City Council Director, and the Capital Metro Board shall appoint each Director who succeeds the initial Capital Metro Director. Each Director who succeeds the initial City Council Director must be a member of the City Council or a resident of the City, and each Director who succeeds the initial Capital Metro Director must be a resident of the Capital Metro Service area. Subject to state law, any residency requirements may be waived by a majority vote of the City Council or the Capital Metro Board for their respective Director appointees.

The initial City Council Director and initial Capital Metro Director and each subsequent City Council Director and Capital Metro Director shall serve for a term of two years. Each initial Community Expert Director, and each subsequent Community Expert Director, shall serve for staggered terms of four years following the expiration of their initial term, or until his or her successor is appointed and has qualified. Initial Directors and succeeding Directors may be reappointed. At the January 2025 meeting of the Board, following the appointment or re-appointment of the succeeding Community Expert Directors, the Community Expert Directors shall each draw for two-year, three-year, and four-year terms. Subsequent terms of Community Expert Directors shall be four years.

A Director may be removed from the Board by a resolution approved by a majority vote of the City Council and the Capital Metro Board finding that the Director has committed one or more of the acts or omissions described in section 7.001(c) of the Business Organizations Code and described in Article XI, below.

A Director may be removed from the Board by a resolution approved by a majority vote of the City Council and Capital Metro Board finding that the Director is derelict in his or her duties by either: (i) failing to attend four consecutive scheduled meetings, including any combination of annual meetings, regular meetings, or special meetings; or (ii) failing to attend one-third or more of scheduled meetings during any fiscal year of the Corporation, including any combination of annual meetings, regular meetings, or special meetings, unless the Director can show good cause for the absences.

In the event of a vacancy or vacancies in the Board, whether caused by removal, resignation, death, mental or physical incapacitation, or any other reason (other than due to the expiration of a Director's term), the City Council and the Capital Metro Board shall jointly appoint a Director or Directors to fill the vacancy or vacancies. The term of a Director appointed to fill an unexpired term shall expire on the expiration date of the term of the Director who he or she was appointed to replace.

The Board shall select a chair and a vice chair by a majority vote of Board members.

A change in the number of Directors can be made only by an amendment to these Articles.

The City Manager or his or her designee from the City Manager's Office is a non-voting ex-officio Director of the Corporation. Additionally, the President & CEO of Capital Metro or his or her designee from Capital Metro shall be a non-voting ex-officio director of the Corporation.

The Board, by resolution or within the Bylaws, may provide for the creation of committees to advise in the management and conduct of the Corporation's business. No committee created by the Board may take action or authorize action to be taken on Corporation business which requires official action by the Board.

ARTICLE VII. REGISTERED OFFICE, AGENT

The street address of the current registered office of the Corporation is 203 Colorado St. Austin, Texas 78701, which is within the city limits of the City and the service area of Capital Metro, and the name of its current registered agent at such address is Brandon Carr, an individual who is a resident of Texas.

ARTICLE VIII. INCORPORATORS

The names and street addresses of the incorporators, each of whom is more than 18 years of age and resides within both the City and Capital Metro's service area, are:

NAME	STREET ADDRESS
Annick Beaudet	301 W. 2nd Street Austin, Texas 78701
Eric Bustos	2910 E. 5th Street Austin, Texas 78702
Cheyenne Krause	301 W. 2nd Street Austin, Texas 78701
Anna Martin	301 W. 2nd Street Austin, Texas 78701
Jackie Nirenberg	2910 E. 5th Street Austin, Texas 78702
Sam Sargent	2910 E. 5th Street Austin, Texas 78702

ARTICLE IX. INITIAL BOARD

The names and street addresses of the initial Directors, each of whom resides either within the City or Capital Metro's service area, are:

POSITION	NAME	STREET ADDRESS
1. City Council Member	Steve Adler	301 W. 2nd Street Austin, Texas 78701
2. Capital Metro Board Member	Eric Stratton	2910 E. 5th Street Austin, Texas 78702
3. Community Expert (Finance)	Antony ("Tony") Elkins	1507 Richcreek Road Austin, Texas 78757
4. Community Expert (Engineering & Construction)	Veronica Castro de Barrera	4229 Mattie Street Austin, Texas 78723
5. Community Expert (Community Planning or Sustainability)	Collette Pierce Burnette	801 W. 5th Street #1903 Austin, Texas 78703

ARTICLE X. ADOPTION OF APPROVING RESOLUTIONS

Resolutions approving the form of the Original Articles were adopted by a majority of the City Council on December 18, 2020, and by the Capital Metro Board on December 18, 2020.

Resolutions approving the form of the Articles of Amendment were adopted by a majority of the City Council on May 5, 2022, and by a majority of the Capital Metro Board on April 25, 2022.

Resolutions approving the form of these Amended and Restated Articles of Incorporation were adopted by a majority of the City Council on February 15, 2024 and by a majority of the Capital Metro Board on February 14, 2024.

ARTICLE XI. LIMITED LIABILITY

No Director shall be liable to the Corporation for monetary damages for an act or omission in the Director's capacity as a Director, except for liability (i) for any breach of the Director's duty of loyalty to the Corporation, (ii) for acts or omissions not in good faith that constitute a breach of duty of the person to the Corporation or which involve intentional misconduct or a knowing violation of law, (iii) for any transaction from which the Director received an improper benefit, regardless of whether the benefit resulted from an action taken within the scope of the Director's duties, or (iv) for acts or omissions for which the liability of a Director is expressly provided by an applicable statute. Any repeal or amendment of this Article shall be prospective only, and shall not adversely affect any limitation on the personal liability of a Director existing at the time of such repeal or amendment. In addition to the circumstances in which a Director is not personally liable as set forth in the preceding sentences, a Director shall not be liable to the fullest extent

permitted by any amendment to the Texas statutes hereafter enacted that further limits the liability of a Director.

ARTICLE XII. INDEMNIFICATION

The Corporation shall have the power to indemnify any Director or officer or former Director or officer of the Corporation for expenses and costs (including attorneys' fees) actually and necessarily incurred by such Director or officer in connection with any claim asserted against such director or officer for such Director's or officer's acts or omissions as a Director or officer, except in relation to matters as to which such Director or officer shall have been guilty of negligence or misconduct in respect of the matter in which indemnity is sought. If the Corporation has not fully indemnified such Director or officer, the court in the proceeding in which any claim against such director or officer has been asserted or any court having the requisite jurisdiction of an action instituted by such Director or officer on such Director's or officer's claim for indemnity may assess indemnity against the Corporation, its receiver, or trustee for the amount paid by such Director or officer (including attorneys' fees) in satisfaction of any judgment or settlement of any such claim (exclusive in either case of any amount paid to the Corporation), actually and necessarily incurred by such Director or officer in connection therewith in an amount the court considers reasonable and equitable; provided, nevertheless, that indemnity may be assessed under this Article XII only if the court finds that the person seeking indemnification was not guilty of negligence or misconduct in respect of the matter in which indemnity is sought.

ARTICLE XIII. TAX MATTERS; DISSOLUTION

In accordance with the provisions of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), and regardless of any other provisions of these Articles of Incorporation or the laws of the State of Texas, the Corporation: (i) shall not permit any part of the net earnings of the Corporation to inure to the benefit of any private individual (except that reasonable compensation may be paid for personal services rendered to or for the Corporation in effecting one or more of its purposes); (ii) shall not direct any of its activities to attempting to influence legislation by propaganda or otherwise; (iii) shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of (or in opposition to) any candidate for public office; and (iv) shall not attempt to influence the outcome of any election for public office or to carry on, directly or indirectly, any voter registration drives. Any income earned by the Corporation after payment of reasonable expenses, debt, other obligations, and such reserves as may be necessary as set forth in the authorizing documents related to the issuance of debt by the Corporation shall accrue to the City and Capital Metro as agreed to by the City Council and the Capital Metro Board.

The City and Capital Metro shall, at all times, have the right to receive any income earned by the Corporation, subject to the provisions of any applicable financing documents, exclusive of amounts encumbered under contracts executed to effect the purpose for which the Corporation was created, amounts needed to cover reasonable expenses and amounts encumbered or pledged to the payment of obligations and such reserves as may be necessary as set forth in the authorizing documents related to the issuance or incurrence of obligations by the Corporation. Any income of the Corporation received by the City and Capital Metro shall be deposited into such accounts or

funds as determined by the City Council and the Capital Metro Board. No part of the Corporation's income shall inure to the benefit or any private interests.

If the Board determines by resolution that the purposes for which the Corporation was formed have been substantially met and all debt obligations issued by and all other obligations incurred by the Corporation have been fully paid or irrevocable provisions have been made for their payment, the Board shall execute a certificate of dissolution which states those facts and declares the Corporation dissolved in accordance with the requirements of Section 394.026 of the Texas Local Government Code, or with applicable law then in existence. In the event of dissolution or liquidation of the Corporation, the net earnings of the Corporation and funds and properties of the Corporation shall be disbursed to the City and Capital Metro for deposit into such accounts or funds as the City Council and the Capital Metro Board shall direct.

ARTICLE XIV. PUBLIC INSTRUMENTALITY

The Corporation is a constituted authority and a public or governmental instrumentality within the meaning of Texas law, the regulations of the United States Treasury Department and the rulings of the Internal Revenue Service prescribed and promulgated pursuant to Section 103 of the Internal Revenue Code. Although the Corporation is authorized to act on behalf of one or more governmental entities as provided in these Articles, the Corporation is not a political subdivision or political authority of the State of Texas within the meaning of the Constitution and laws of the State of Texas, including, without limitation, Article III, Section 52 of the Texas Constitution, and no agreement, bond, debt, or obligation of the Corporation shall be deemed to be the agreement, bond, debt, or obligation, or the lending of credit, or a grant of public money or thing of value, of or by the City or Capital Metro or any other political subdivision or authority or agency of the State of Texas, or a pledge of the faith and credit of any of them. No action of the Corporation shall be an action of the City or Capital Metro or their agents or employees, and neither these Articles nor any action by the Board, the City Council, or the Capital Metro Board shall create a joint enterprise.

ARTICLE XV. AMENDMENT

These Articles may be amended in either of the following manners: (1) the Board may file with the City Council and the Capital Metro Board an application in writing requesting permission to amend the Articles of Incorporation, specifying in the application the amendment proposed to be made, and the City Council and the Capital Metro Board, after considering the application and each finding and determining that it is wise, expedient, necessary, or advisable that the proposed amendment be made, may authorize by resolution that the proposed amendment be made and approve the form of the amendment, and then the Board may amend the Articles by adopting the amendment by resolution at a meeting of the Board and filing the amendment with the Office of the Texas Secretary of State, or (2) the City Council and the Capital Metro Board may jointly, at any time, alter or change the structure, organization, programs, activities, or duration of the Corporation, subject to any limitations on the impairment of contracts entered into by the Corporation, by adopting an amendment to the Articles at a meeting of the City Council and of the Capital Metro Board and filing the amendment with the Office of the Texas Secretary of State.

ARTICLE XVI. EFFECTIVE DATE

These Articles shall be effective when fully executed and filed by the Office of the Texas Secretary of State.

ARTICLE XVII. OTHER MATTERS PERTAINING TO INTERNAL AFFAIRS

All other matters pertaining to the internal affairs of the Corporation and not addressed in these Articles shall be governed by the Bylaws of the Corporation, so long as such Bylaws are not inconsistent with these Articles or the laws of the State of Texas.

EXHIBIT B

(appears on immediately following page)

**AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF
AUSTIN TRANSIT PARTNERSHIP LOCAL GOVERNMENT CORPORATION**

The undersigned natural persons, each of whom is at least eighteen (18) years of age or more, is a resident of the City of Austin, Texas (the "City") and of the service area of the Capital Metropolitan Transportation Authority ("Capital Metro"), and is a citizen of the State of Texas, acting as incorporators of a corporation under Pursuant to the provisions of Subchapter D, Chapter 431, Texas Transportation Code ("Chapter 431"), Chapter 394, Texas Local Government Code— ("Chapter 394"), and Chapter 22, Texas Business Organizations Code ("Chapter 22"), ~~do hereby adopt the following~~ Austin Transit Partnership Local Government Corporation have adopted these Amended and Restated Articles of Incorporation for such corporation; (these "Articles"), which amend and restate the original Articles of Incorporation of the Corporation adopted December 18, 2020 (the "Original Articles"), and which were further amended by those Articles of Amendment filed with the Texas Secretary of State on August 23, 2022.

ARTICLE I. NAME

The name of the corporation is the Austin Transit Partnership Local Government Corporation (the "Corporation").

ARTICLE II. PUBLIC NON-PROFIT

The Corporation is a public non-profit corporation.

ARTICLE III. DURATION

The period of duration of the Corporation shall be perpetual.

ARTICLE IV. PURPOSES, ACTIVITIES

The Corporation shall be incorporated to aid and to act on behalf of the City ~~and of Austin, Texas (the "City") and Capital Metropolitan Transportation Authority ("Capital Metro")~~ to accomplish their governmental purpose as is more fully described in these Articles, as they may from time to time be amended; namely to implement the ~~Project Connect System Plan ("Project Connect") as it is more particularly described in Capital System Plan" as originally adopted by City Council of the City ("City Council") pursuant to City Resolution 20200610-002 and the Capital Metro Board of Directors ("Capital Metro Board") Capital Metro Resolution No. AI-2020-1273 and City Resolution 20200610-02, and as each resolutions, and as modified by the adoption of certain updates described as the "Austin Light Rail Implementation Plan" in City Resolution No. 20230601-072 and Capital Metro Resolution No. AI-2023-819, and as such plan may from time to time be further modified, amended, or supplemented ("Project Connect").~~ The Corporation is to be the principal entity responsible for financing, designing, building, implementing, and contracting with Capital Metro to operate and maintain assets funded by the ~~Joint LGCCorporation~~ in a manner independent of the City and Capital Metro.

The implementation of Project Connect is comprised of the financing, design, engineering, and construction of a fixed rail and bus rapid transit system, including customer technology, park & ride hubs, on-demand neighborhood circulators, and associated improvements to roadways, bikeways, sidewalks and street lighting. Project Connect also comprises transit-supportive anti-displacement strategies for the purpose of preventing displacement and encouraging transit-oriented affordable housing along Project Connect transit corridors. The Corporation shall implement Project Connect in accordance with the ~~Initial Investment Map and associated Implementation Sequence~~Project Connect System Plan, as modified from time to time jointly by Capital Metro and the City. To accomplish said purpose, in the exercise of its powers, the Corporation shall be authorized to:

1. Contract with persons, governmental entities, and with for-profit and non-profit entities, and employ individuals, for the purposes of implementing Project Connect, conducting the administrative operations of the Corporation, and to enter into interlocal agreements with Capital Metro for the operation and maintenance of transit assets constructed by the Corporation and with the City for non-transit assets constructed by the Corporation;
2. Acquire and hold title to real and personal property and interests in real and personal property, and sell real and personal property, in furtherance of the purposes for which the Corporation is formed;
3. Procure professional and other services necessary or convenient for the design, construction, financing, and permitting of Project Connect;
4. Accept funds ~~and property~~ appropriated by the City and Capital Metro and by other entities;
5. Accept property from any persons or entities;
56. Apply for grants of funds, services, and things of value and to accept awards of such grants;
67. Accept donations of funds, services and things of value;
78. Issue bonds, notes, and other debt obligations as necessary for the accomplishment of the implementation of Project Connect as stated above; and
89. Engage in any other lawful activities to accomplish the implementation of Project Connect as stated above.

The Corporation is formed pursuant to the provisions of Chapter 431 as it now or may hereafter be amended, and in the manner specified by Chapter 394, which ~~authorize the~~authorizes the Corporation to assist and act on behalf of the City and Capital Metro to accomplish any governmental purpose of the City and Capital Metro and to engage in activities in the furtherance of the purposes for its creation.

The Corporation shall have and exercise all of the rights, powers, privileges, authority, and functions given by the general laws of the State of Texas to non-profit corporations incorporated under Chapter 431, including, without limitation, the powers granted under Chapter 22.

The Corporation shall have all other powers of a like or different nature not prohibited by law which are available to non-profit corporations under Chapter 22 and which are necessary or useful to enable the Corporation to perform the purposes for which it is created. Furthermore, the Corporation as a public instrumentality of the City shall have the powers of an issuer under Chapter 1205 of the Texas Government Code as well as Chapter 1371 of the Texas Government Code ("Chapter 1371"), and the purposes and activities detailed in this Article 4 qualify as eligible projects as defined in Chapter 1371. The Corporation shall enjoy all the associated benefits of an issuer under Chapter 1371 in connection with all obligations issued or incurred by the Corporation.

The Corporation is created as a local government corporation pursuant to Chapter 431 and shall be a governmental unit within the meaning of Subdivision (3), Section 101.001, Texas Civil Practice and Remedies Code. The operations of the Corporation are governmental and not proprietary functions for purposes of the Texas Tort Claims Act, Section 101.001 *et seq.* Texas Civil Practice and Remedies Code.

ARTICLE V. NO MEMBERS

The Corporation shall have no members and shall have no stock.

ARTICLE VI. BOARD

All powers of the Corporation shall be vested in a Board of Directors ("Board") consisting of five persons, each of whom must reside in either the City of Austin or Capital Metro's service area, one of whom shall be a member of the City Council ~~of the City of Austin~~ ("City Council") (the "City Council Director"), one of whom shall reside in Capital Metro's service area and be a member of the Capital Metro Board of Directors ~~("Capital Metro Board")~~ (the "Capital Metro Director"), and three of whom shall be community expert members, all of whom must reside in the City, as follows: one member shall have expertise in finance, one member shall have expertise in engineering & construction, and one member shall have expertise in community planning or sustainability ("Community Expert Directors"). More specifically, the Community Expert Directors, respectively, shall meet the following criteria:

Finance	<ul style="list-style-type: none"> • At least 10 years of experience in finance, financial management, banking, or investing with a focus on large capital projects; and • Experience with budgets over \$250M and/or comparable academic financial policy experience.
Engineering & Construction	<ul style="list-style-type: none"> • At least 10 years of experience in engineering or construction of large capital projects in any sector (transit, energy, industrial, commercial); and • Experience with multiple projects over \$100M (price/value/cost) or \$250M cumulative.

Community Planning or Sustainability	<ul style="list-style-type: none"> • At least 10 years of experience in urban planning, community planning, equitable Transit Oriented Development (eTOD), sustainability, and/or environmental planning; and • Experience with community engagement with preferably three (3) to five (5) years of specific experience.
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The five (5) initial Directors are identified in Article IX below.

Succeeding Community Expert Directors shall be selected through a nomination and appointment process wherein qualified members of the community shall submit an application to the Corporation, which will provide the applications that meet the criteria to the Nominating Committee (as defined below). The Nominating Committee will consist of the chairs of the City Council Audit & Finance Committee, City Council Mobility Committee, Capital Metro Finance, Audit and Administration Committee, and Capital Metro Operations, Planning and Safety Committee (the "Nominating Committee"). At the discretion of the Nominating Committee, City Council and Capital Metro Board, alternate forms of experience or qualifications may be substituted to meet the experience requirements above. After review of the applications provided by the Corporation, the Nominating Committee shall recommend a slate of three applicants based on their qualifications, while also considering Austin's diversity, and an applicant's ability to consider wholly Project Connect's benefits and potential impacts particularly on vulnerable communities aimed to be served by transit. The City Council and the Capital Metro Board shall, upon their joint approval of the slate, jointly appoint succeeding Community Expert Directors as nominated by the Nominating Committee.

The City Council shall appoint each Director who succeeds the initial City Council Director, and the Capital Metro Board shall appoint each Director who succeeds the initial Capital Metro Director. Each Director who succeeds the initial City Council Director must be a member of the City Council or a resident of the City of Austin, and each Director who succeeds the initial Capital Metro Director must be a resident of the Capital Metro Service area. Subject to state law, any residency requirements may be waived by a majority vote of the City Council or the Capital Metro Board for their respective Director appointees.

The initial City Council Director and initial Capital Metro Director and each subsequent City Council Director and Capital Metro Director shall serve for a term of two years. Each initial Community Expert Director, and each subsequent Community Expert Director, shall serve for ~~a term~~ staggered terms of four years following the expiration of their initial term, or until his or her successor is appointed and has qualified. Initial Directors and succeeding Directors may be reappointed. At the January 2025 meeting of the Board, following the appointment or re-appointment of the succeeding Community Expert Directors, the Community Expert Directors shall each draw for two-year, three-year, and four-year terms. Subsequent terms of Community Expert Directors shall be four years.

A Director may be removed from the Board by a resolution approved by a majority vote of the City Council and the Capital Metro Board finding that the Director has committed one or more of the acts or omissions described in section 7.001(c) of the Business

Organizations Code and described in Article XI, below.

A Director may be removed from the Board by a resolution approved by a majority vote of the City Council and Capital Metro Board finding that the Director is derelict in his or her duties by either: (i) failing to attend four consecutive scheduled meetings, including any combination of annual meetings, regular meetings, or special meetings; or (ii) failing to attend one-third or more of scheduled meetings during any fiscal year of the Corporation, including any combination of annual meetings, regular meetings, or special meetings, unless the Director can show good cause for the absences.

~~The failure of the Board to proceed with a directed dissolution of the Corporation in accordance with this Article XIV of these Articles of Incorporation shall be deemed a cause for the removal from office of any or all of the Directors.~~

In the event of a vacancy or vacancies in the Board, whether caused by removal, resignation, death, mental or physical incapacitation, or any other reason (other than due to the expiration of a Director's term), the City Council and the Capital Metro Board shall jointly appoint a Director or Directors to fill the vacancy or vacancies. The term of a Director appointed to fill an unexpired term shall expire on the expiration date of the term of the Director who he or she was appointed to replace.

The Board shall select a chair and a vice chair by a majority vote of Board members.

A change in the number of Directors can be made only by an amendment to these ~~Articles of Incorporation.~~

The City Manager or his or her designee from the City Manager's Office is a non-voting ex-officio Director of the Corporation. Additionally, the President & CEO of Capital Metro or his or her designee from Capital Metro shall not have an be a non-voting ex-officio director of the Corporation. ~~The initial Executive Director of the Joint LGC will be the Capital Metro President & CEO.~~

The Board, by resolution or within the Bylaws, may provide for the creation of committees to advise in the management and conduct of the Corporation's business. No committee created by the Board may take action or authorize action to be taken on Corporation business which requires official action by the Board.

ARTICLE VII. REGISTERED OFFICE, AGENT

The street address of the ~~initial~~current registered office of the Corporation is ~~700 Lavaca~~203 Colorado St. Austin, Texas 78701, which is within the city limits of the City and the service area of Capital Metro, and the name of its ~~initial~~current registered agent at such address is ~~Kerri Butcher, Capital Metro Chief Counsel~~Brandon Carr, an individual who is a resident of Texas.

ARTICLE VIII. INCORPORATORS

The names and street addresses of the incorporators, each of whom is more than 18 years of age and resides within both the City and Capital Metro's service area, are:

NAME	STREET ADDRESS
Annick Beaudet	301 W. 2nd Street Austin, Texas 78701
Eric Bustos	2910 E. 5th Street Austin, Texas 78702
Cheyenne Krause	301 W. 2nd Street Austin, Texas 78701
Anna Martin	301 W. 2nd Street Austin, Texas 78701
Jackie Nirenberg	2910 E. 5th Street Austin, Texas 78702
Sam Sargent	2910 E. 5th Street Austin, Texas 78702

ARTICLE IX. INITIAL BOARD

The names and street addresses of the initial Directors, each of whom resides either within the City or Capital Metro's service area, are:

POSITION	NAME	STREET ADDRESS
1. City Council Member	Steve Adler	301 W. 2nd Street Austin, Texas 78701
2. Capital Metro Board Member	Eric Stratton	2910 E. 5th Street Austin, Texas 78702
3. Community Expert (Finance)	Antony ("Tony") Elkins	1507 Richcreek Road Austin, Texas 78757
4. Community Expert (Engineering & Construction)	Veronica Castro de Barrera	4229 Mattie Street Austin, Texas 78723
5. Community Expert (Community Planning or Sustainability)	Collette Pierce Burnette	801 W. 5th Street #1903 Austin, Texas 78703

ARTICLE X. ADOPTION OF APPROVING ~~RESOLUTION~~ RESOLUTIONS

Resolutions approving the form of ~~these~~ the Original Articles of Incorporation ~~have been~~ were adopted by a majority of the City Council on December 18, 2020, and by the Capital Metro Board on December 18, 2020.

Resolutions approving the form of the Articles of Amendment were adopted by a majority of the City Council on May 5, 2022, and by a majority of the Capital Metro Board on April 25, 2022.

Resolutions approving the form of these Amended and Restated Articles of Incorporation were adopted by a majority of the City Council on February 15, 2024 and by a majority of the Capital Metro Board on February 14, 2024.

ARTICLE XI. LIMITED LIABILITY

No Director shall be liable to the Corporation for monetary damages for an act or omission in the Director's capacity as a Director, except for liability (i) for any breach of the Director's duty of loyalty to the Corporation, (ii) for acts or omissions not in good faith that constitute a breach of duty of the person to the Corporation or which involve intentional misconduct or a knowing violation of law, (iii) for any transaction from which the Director received an improper benefit, regardless of whether the benefit resulted from an action taken within the scope of the Director's duties, or (iv) for acts or omissions for which the liability of a Director is expressly provided by an applicable statute. Any repeal or amendment of this Article shall be prospective only, and shall not adversely affect any limitation on the personal liability of a Director existing at the time of such repeal or amendment. In addition to the circumstances in which a Director is not personally liable as set forth in the preceding sentences, a Director shall not be liable to the fullest extent permitted by any amendment to the Texas statutes hereafter enacted that further limits the liability of a Director.

ARTICLE XII. INDEMNIFICATION

The Corporation shall have the power to indemnify any Director or officer or former Director or officer of the Corporation for expenses and costs (including attorneys' fees) actually and necessarily incurred by such Director or officer in connection with any claim asserted against such director or officer for such Director's or officer's acts or omissions as a Director or officer, except in relation to matters as to which such Director or officer shall have been guilty of negligence or misconduct in respect of the matter in which indemnity is sought. If the Corporation has not fully indemnified such Director or officer, the court in the proceeding in which any claim against such director or officer has been asserted or any court having the requisite jurisdiction of an action instituted by such Director or officer on such Director's or officer's claim for indemnity may assess indemnity against the Corporation, its receiver, or trustee for the amount paid by such Director or officer (including attorneys' fees) in satisfaction of any judgment or settlement of any such claim (exclusive in either case of any amount paid to the Corporation), actually and necessarily incurred by such Director or officer in connection therewith in an amount the court considers reasonable and equitable; provided, nevertheless, that indemnity may be assessed under this Article XII only if the court finds that the person seeking indemnification was not guilty of negligence or misconduct in respect of the matter in which indemnity is sought.

ARTICLE XIII. TAX MATTERS; DISSOLUTION

In accordance with the provisions of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), and regardless of any other provisions of these

Articles of Incorporation or the laws of the State of Texas, the Corporation: (i) shall not permit any part of the net earnings of the Corporation to inure to the benefit of any private individual (except that reasonable compensation may be paid for personal services rendered to or for the Corporation in effecting one or more of its purposes); (ii) shall not direct any of its activities to attempting to influence legislation by propaganda or otherwise; (iii) shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of (or in opposition to) any candidate for public office; and (iv) shall not attempt to influence the outcome of any election for public office or to carry on, directly or indirectly, any voter registration drives. Any income earned by the Corporation after payment of reasonable expenses, debt, other obligations, and such reserves as may be necessary as set forth in the authorizing documents related to the issuance of debt by the Corporation shall accrue to the City and Capital Metro as agreed to by the City Council and the Capital Metro Board.

The City and Capital Metro shall, at all times, have ~~an unrestricted~~ the right to receive any income earned by the Corporation, subject to the provisions of any applicable financing documents, exclusive of amounts encumbered under contracts executed to effect the purpose for which the Corporation was created, amounts needed to cover reasonable expenses, debt or and amounts encumbered or pledged to the payment of obligations and such reserves as may be necessary as set forth in the authorizing documents related to the issuance or incurrence of debt obligations by the Corporation. Any income of the Corporation received by the City and Capital Metro shall be deposited into such accounts or funds as determined by the City Council and the Capital Metro Board. No part of the Corporation's income shall inure to the benefit or any private interests.

If the Board determines by resolution that the purposes for which the Corporation was formed have been substantially met and all ~~bonds~~ debt obligations issued by and all other obligations incurred by the Corporation have been fully paid or irrevocable provisions have been made for their payment, the Board shall execute a certificate of dissolution which states those facts and declares the Corporation dissolved in accordance with the requirements of Section 394.026 of the Texas Local Government Code, or with applicable law then in existence. In the event of dissolution or liquidation of the Corporation, the net earnings of the Corporation and funds and properties of the Corporation shall be disbursed to the City and Capital Metro for deposit into such accounts or funds as the City Council and the Capital Metro Board shall direct.

~~ARTICLE XIV. PRIVATE FOUNDATION~~

~~If the Corporation is a private foundation within the meaning of Section 509(a) of the Internal Revenue Code, the Corporation (a) shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code; (b) shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code; (c) shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code; (d) shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code; and (e) shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.~~

~~ARTICLE XV. DIRECTED DISSOLUTION~~

~~The City Council and Capital Metro Board may at any time consider and approve resolutions directing the Board to proceed with the dissolution of the Corporation, at which time the Board shall proceed with the dissolution of the Corporation in accordance with applicable state law. The failure of the Board to proceed with the dissolution of the Corporation in accordance with this Article shall be deemed a cause for the removal from office of any or all of the Directors as permitted by Article VI of these Articles of Incorporation.~~

ARTICLE ~~XVIX~~XIV. PUBLIC INSTRUMENTALITY

The Corporation is a constituted authority and a public or governmental instrumentality within the meaning of Texas law, the regulations of the United States Treasury Department and the rulings of the Internal Revenue Service prescribed and promulgated pursuant to Section 103 of the Internal Revenue Code. Although the Corporation is authorized to act on behalf of one or more governmental entities as provided in these Articles ~~of Incorporation~~, the Corporation is not a political subdivision or political authority of the State of Texas within the meaning of the Constitution and laws of the State of Texas, including, without limitation, Article ~~HHIII~~HHII, Section 52 of the Texas Constitution, and no agreement, bond, debt, or obligation of the Corporation shall be deemed to be the agreement, bond, debt, or obligation, or the lending of credit, or a grant of public money or thing of value, of or by the City or Capital Metro or any other political subdivision or authority or agency of the State of Texas, or a pledge of the faith and credit of any of them. No action of the Corporation shall be an action of the City or Capital Metro or their agents or employees, and neither these Articles ~~of Incorporation~~ nor any action by the Board, the City Council, or the Capital Metro Board shall create a joint enterprise.

ARTICLE ~~XVHX~~XV. AMENDMENT

These Articles ~~of Incorporation~~ may be amended in either of the following manners: (1) the Board may file with the City Council and the Capital Metro Board an application in writing requesting permission to amend the Articles of Incorporation, specifying in the application the amendment proposed to be made, and the City Council and the Capital Metro Board, after considering the application and each finding and determining that it is wise, expedient, necessary, or advisable that the proposed amendment be made, may authorize by resolution that the proposed amendment be made and approve the form of the amendment, and then the Board may amend the Articles ~~of Incorporation~~ by adopting the amendment by resolution at a meeting of the Board and filing the amendment with the Office of the Texas Secretary of State, or (2) the City Council and the Capital Metro Board may jointly, at any time, alter or change the structure, organization, programs, activities, or duration of the Corporation, subject to any limitations on the impairment of contracts entered into by the Corporation, by adopting an amendment to the Articles ~~of Incorporation of the Corporation~~ at a meeting of the City Council and of the Capital Metro Board and filing the amendment with the Office of the Texas Secretary of State.

ARTICLE ~~XVHXVI~~XVI. EFFECTIVE DATE; ~~AUTHORIZATION TO FILE~~

These Articles ~~of Incorporation~~ shall be effective when fully executed and filed by the Office of the Texas Secretary of State. ~~The undersigned affirm that the person designated as initial registered agent herein has consented, either in electronic or written form, to the appointment. Each of the undersigned executes this instrument subject to the penalties~~

~~imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that he and she is authorized to execute this instrument.~~

ARTICLE ~~XIX~~XVII. OTHER MATTERS PERTAINING TO INTERNAL AFFAIRS

All other matters pertaining to the internal affairs of the Corporation and not addressed in these Articles ~~of Incorporation~~ shall be governed by the Bylaws of the Corporation, so long as such Bylaws are not inconsistent with these Articles ~~of Incorporation~~ or the laws of the State of Texas.