

RESOLUTION NO. _____

WHEREAS, the Newark Cultural Education Facilities Corporation (Conduit Issuer) created by the City of Newark, Texas has adopted a resolution authorizing the borrowing of a loan from Compass Mortgage Corporation not to exceed \$14,000,000 and the simultaneous issuance of a loan in the same amount to the Regents School of Austin Inc. (the Regents School) as provided under Article 1528m, Vernon's Texas Civil Statutes (Act), for the purpose of the financing the construction and equipping of (i) a new 68,000 square foot high school, (ii) a multi-purpose athletic field, (iii) campus floodplain corrections and (iv) parking lot improvements, all located at 3230 Travis Country Circle, Austin, Texas 78735 (collectively, the Facilities); and

WHEREAS, Section 147(f) of the United States Internal Revenue Code of 1986, as amended, requires the Conduit Issuer to obtain the approval of the City of Austin as the local jurisdiction where the facilities being financed for the Regents School are situated before the loan can take place; and

WHEREAS, the City Council is informed that the requisite public hearing regarding the issuance of the loan was properly noticed and then held by the Conduit Issuer on July 13, 2012 at 10:00 a.m. in the Grammar Building, Squires

Hall at the Regents School of Austin, 3230 Travis Country Circle, Austin, Texas 78735; **NOW, THEREFORE,**

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

Section 1. The City Council approves the issuance of the financing described above in an amount not to exceed \$14,000,000. It is the intent of this City Council that this Resolution constitutes approval of the financing for the sole purpose of compliance with Section 147(f) of the Internal Revenue Code and any state law applicable to the financing. Proceeds of the financing shall be used to finance the Facilities, and the sole user of the Facilities shall be the Regents School.

Section 2. The Mayor and City Clerk are authorized and directed to take any action and to execute and deliver any documents that are necessary or advisable to comply with the terms and intent of this Resolution and the financing transaction.

Section 3. Nothing in this Resolution shall be construed to create any obligation whatsoever of the City with respect to the repayment of the financing or the Facilities. The financing shall never constitute an indebtedness or pledge of the City within the meaning of any constitutional or statutory provision, and

the financing shall never be paid in whole or in part out of any funds raised or to be raised by taxation or any other revenues of the City.

Section 4. This Resolution is adopted solely to approve the financing.

This Resolution does not constitute an approval by the City of any other aspect of the Facilities. In particular, but without limiting the foregoing, this Resolution does not constitute zoning approval, approval of any building permit, or any other approval required by the City in regard to the Facilities other than approval of the financing.

ADOPTED: _____, 2012 **ATTEST:** _____
Shirley A. Gentry
City Clerk