

RESOLUTION NO.

WHEREAS, Local Government Code Chapter 303 (the “Act”), authorizes and empowers the City of Austin (the “Sponsor”) to create a nonprofit public facilities corporation to finance public facilities (as this term is defined in the Act), and to acquire, construct, rehabilitate, renovate, repair, equip, furnish or place in service public facilities; and

WHEREAS, the Sponsor created Austin Convention Enterprises, Inc. (the “Issuer”), a nonprofit public facilities corporation, for the specific purpose of acquiring, constructing, equipping and improving a hotel and garage located adjacent to the Austin Convention Center (the “Project”), of financing the costs of acquiring and improving the Project, and of operating or providing for the operation of the Project; and

WHEREAS, the Sponsor previously found that the Project was necessary and proper for the Sponsor and was in the public interest, and the Project constituted a “public facility” within the meaning of the Act and is located within the boundaries of the Sponsor; and

WHEREAS, the Sponsor previously approved the issuance by the Issuer of its \$109,665,000 Convention Center Hotel First Tier Revenue Bonds, Series 2001A, \$134,950,000 Convention Center Hotel Second Tier Revenue Bonds, Series 2001B, and \$20,498,811 Convention Center Hotel Third Tier Revenue Bonds, Series 2001C (collectively, the “Series 2001 Bonds”); and

WHEREAS, the Sponsor previously approved the issuance by the Issuer of its \$165,000,000 Convention Center Hotel First Tier Revenue Refunding Bonds, Series 2006A and its \$95,170,000 Convention Center Hotel Second Tier Revenue Refunding Bonds, Series 2006B (collectively, the “Series 2006 Bonds”); and

WHEREAS, the Series 2006 Bonds were issued to refund the Series 2001A Bonds and the Series 2001B Bonds, and all of the Series 2001 Bonds have been redeemed; and

WHEREAS, the Sponsor desires that the Issuer refund all of its currently outstanding Series 2006 Bonds to achieve a debt service savings; and

WHEREAS, the Act and Chapter 1207 of the Texas Government Code further authorizes the Issuer to issue bonds for the purpose of refunding its outstanding bonds, including any redemption premium on the refunded Series 2006 Bonds, and accrued interest to the date of refunding; and

WHEREAS, the Sponsor desires that the Issuer issue its limited obligation revenue refunding bonds and use the proceeds of the sale to refund the Series 2006 Bonds, establish certain reserve funds, and pay costs of issuance; and

WHEREAS, in order to provide funds for the Issuer to refund the Series 2006 Bonds, the Issuer proposes to issue its Convention Center Hotel Revenue Refunding Bonds, Series 2017 in the aggregate initial principal amount of not to exceed \$250,000,000 in one or more series (the “Bonds”), pursuant to and in accordance with a resolution duly adopted by the Board of Directors of the Issuer and a Pricing Certificate executed by an

authorized representative of the Issuer; **NOW, THEREFORE,**

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

1. The Sponsor approves the issuance by the Issuer of the Bonds, in one or more series, in the aggregate principal amount of not to exceed \$250,000,000. The net effective interest rate (yield) on the Bonds of any series issued shall not exceed 5.75% per annum, and the maximum interest rate on the Bonds shall not exceed the rate permitted by Government Code Chapter 1204. The Sponsor determines that the reserve funds established in connection with the Bonds are necessary and appropriate. Upon the dissolution of the Issuer following payment and defeasance of all Bonds and any other obligations to be issued in the future by the Issuer for the Project, the Sponsor agrees to accept all of the Issuer's rights and title in the Project, including any improvements to the Project.

2. The Bonds will never constitute an indebtedness or general obligation of the Sponsor, the State of Texas, or any other political subdivision within the State of Texas other than the Issuer. Neither the full faith and credit nor the taxing power of the Sponsor, the State of Texas, or any other political subdivision of the State of Texas is pledged to the payment of the principal of the Bonds or the interest thereon. The Bonds are limited revenue obligations of the Issuer.

3. The actions and obligations authorized in Paragraph 1 of this Resolution shall be subject to and conditioned upon the receipt by the Issuer, on or before the date of

delivery of the Bonds to the purchasers of the Bonds (the "Closing Date"), of (a) the approving opinion of the Attorney General of the State of Texas and evidence of registration of the Bonds by the Comptroller of Public Accounts of the State of Texas, (b) the purchase price for the Bonds, (c) finalization of all documents to the satisfaction of the Issuer, (d) evidence satisfactory to the Chief Financial Officer of the Sponsor that the refunding of the Series 2006 Bonds produces a net present value savings to the Issuer of no less than 3.00%, calculated in accordance with GASB Statement No. 7, (e) the approving opinion of Bond Counsel, and (f) any other opinions, evidences, certificates, instruments or documents as shall be requested by the Issuer's Counsel or Bond Counsel.

4. The officers, employees and agents of the Sponsor, and each of them, shall be and each is expressly authorized, empowered and directed from time to time and at any time to do and perform all acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the Sponsor all certificates, financing statements, instruments and other papers, whether or not herein mentioned, as they may determine to be necessarily desirable in order to carry out the terms and provisions of this Resolution and of the Bonds to be issued by the Issuer, such determination to be conclusively evidenced by the performance of such acts and things and the execution of any such certificate, financing statement, instrument or other paper.

5. Council finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such

meeting was open to the public as required by law at all times during which this Resolution and the subject matter were discussed, considered and formally acted upon, all as required by Texas Government Code, Chapter 551, and the Act.

6. This Resolution shall take effect and be in full force and effect upon and after its passage.

ADOPTED: _____, 2017

ATTEST: _____
Jannette S. Goodall
City Clerk