

ORDINANCE NO. 20170831-013

AN ORDINANCE AUTHORIZING DELIVERY OF CREDIT AGREEMENTS RELATING TO THE CITY'S HOTEL OCCUPANCY TAX SUBORDINATE LIEN VARIABLE RATE REVENUE REFUNDING BONDS, SERIES 2008; AND AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED AGREEMENTS AND A SECONDARY MARKET INFORMATION CIRCULAR.

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

PART 1. FINDINGS:

(A) Pursuant to Ordinance No. 20080724-101 (Original Ordinance) and the Pricing Certificate dated August 7, 2008, executed pursuant to the Original Ordinance (Pricing Certificate), the City of Austin (City) previously issued and has outstanding its Hotel Occupancy Tax Subordinate Lien Variable Rate Revenue Refunding Bonds, Series 2008, issued in two subseries designated as "Subseries 2008A" and "Subseries 2008B" (Bonds), in accordance with the provisions of Texas Government Code, Chapters 1207 and 1371.

(B) The Original Ordinance has been amended by Ordinance No. 20110623-084 and Ordinance No. 20131121-043 (Amending Ordinances, and together with the Original Ordinance and the Pricing Certificate, the Authorizing Ordinance). The Authorizing Ordinance contains some capitalized terms that are used in this ordinance. Those terms have the same meaning in this ordinance as they do in the Authorizing Ordinance.

(C) The City previously entered into an Amended and Restated Reimbursement Agreement, dated December 1, 2012 (Original Reimbursement Agreement), with JPMorgan Chase Bank, National Association (JPMorgan), pursuant to which JPMorgan issued a letter of credit securing the Subseries 2008A Bonds (Original Subseries 2008A LOC) and JPMorgan issued a separate letter of credit securing the Subseries 2008B Bonds (Original Subseries 2008B LOC, and together with the Original Subseries 2008A LOC, the Original LOCs).

(D) Council finds that it is necessary to (1) replace the Original Subseries 2008A LOC with a new letter of credit to be issued by Citibank, N.A. (Citibank) for the Subseries 2008A Bonds (New Subseries 2008A LOC) and (2) replace the Original Subseries 2008B LOC with a new letter of credit to be issued by Sumitomo Mitsui Banking Corporation, acting through its New York Branch (SMBC), for the Subseries

2008B Bonds (New Subseries 2008B LOC, and together with the New Subseries 2008A LOC, the New LOCs).

(E) Council finds that the New LOCs each constitute a Credit Facility and a Liquidity Facility for purposes of the Authorizing Ordinance.

(F) In connection with the delivery of the New LOCs, council finds it necessary to authorize the execution and delivery of: (1) a Reimbursement Agreement between the City and Citibank (New Subseries 2008A Reimbursement Agreement), (2) a Reimbursement Agreement between the City and SMBC (New Subseries 2008B Reimbursement Agreement, and together with the New Subseries 2008A Reimbursement Agreement, the New Reimbursement Agreements), (3) a Fee Agreement between the City and Citibank (Subseries 2008A Fee Agreement), and (4) a Fee Agreement between the City and SMBC (Subseries 2008B Fee Agreement, and together with the Subseries 2008A Fee Agreement, the New Fee Agreements).

(G) The Authorizing Ordinance requires a mandatory tender for purchase of the Bonds upon the replacement of the Original LOCs.

(H) In connection with the mandatory tender of the Bonds, council finds it necessary to approve and authorize the use of a Secondary Market Information Circular for the remarketing of the Bonds.

(I) Council finds that it is necessary to authorize the extension of the expiration dates of the Original LOCs if determined by an Authorized Officer to be necessary in order to provide for the replacement of the Original LOCs as authorized by this ordinance.

(J) The City is authorized to cause the delivery of the New LOCs, and to execute and deliver the New Reimbursement Agreements and the New Fee Agreements, all pursuant to Chapter 1371, Texas Government Code.

PART 2. AUTHORIZATION.

(A) Council authorizes, ratifies, and approves the replacement of the Original Subseries 2008A LOC with the New Subseries 2008A LOC and the replacement of the Original Subseries 2008B LOC with the New Subseries 2008B LOC. The mayor, any designee of the mayor, the interim city manager, any designee of the city manager, the interim chief financial officer of the City, the city clerk, and the city treasurer (each, an Authorized Officer, and collectively, Authorized Officers) are authorized and directed to take all actions necessary or desirable to effect the delivery of the New LOCs in accordance with the provisions of the Authorizing Ordinance and this ordinance at the times and in the manner as they decide are appropriate. Council authorizes the extension of the Original LOCs to a date not later than three months from the current expiration

date of the Original LOCs as determined by an Authorized Officer to be necessary in order to provide for the replacement of the Original LOCs with the New LOCs as authorized by this ordinance.

(B) Council authorizes the negotiation, execution, and delivery of the (1) New Subseries 2008A Reimbursement Agreement in substantially the form attached as Exhibit A, (2) New Subseries 2008B Reimbursement Agreement in substantially the form attached as Exhibit B, (3) the Subseries 2008A Fee Agreement in substantially the form attached as Exhibit C, and (4) the Subseries 2008B Fee Agreement in substantially the form attached as Exhibit D. Each Authorized Officer is authorized to execute and deliver the New Reimbursement Agreements, and the New Fee Agreements, with any changes as may be approved by an Authorized Officer. The execution of the New Reimbursement Agreements and the New Fee Agreements will be conclusive evidence the City approved each of these agreements.

(C) Council authorizes, ratifies, and approves the preparation, distribution, and use of the Secondary Market Information Circular in substantially the form attached as Exhibit E. To the extent required, the Secondary Market Information Circular is "final" as of its date for purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission.

(D) The Paying Agent/Registrar, the Tender Agent and the Remarketing Agents are authorized and directed to take all actions and give all notices as may be necessary or desirable to effect the delivery of the New LOCs and all other actions authorized by this ordinance.

PART 3. FURTHER PROCEDURES. Each Authorized Officer is authorized and directed to do any and all things necessary or convenient to carry out the terms of this ordinance.

PART 4. SEVERABILITY. The provisions of this ordinance are severable. If any provision of this ordinance or its applications to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this ordinance.

PART 5. OPEN MEETING. The City posted sufficient written notice of the date, hour, place, and subject of the meeting of the city council at which this ordinance was adopted at a place convenient and readily accessible at all times to the general public at the Austin City Hall for the time required by the Texas Open Meetings Act, Chapter 551, Texas Government Code. This meeting has been open to the public as required by law at all times during which this ordinance and its subject matter were discussed, considered, and formally acted upon. The city council ratifies, approves, and confirms such written notice, its contents and its posting.

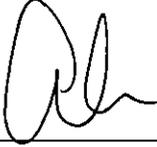
PART 6. REPEALER. All orders, resolutions, and ordinances (other than the Authorizing Ordinance), or their parts that are inconsistent with this ordinance are repealed only to the extent needed to eliminate the inconsistency.

PART 7. EFFECTIVE IMMEDIATELY. This ordinance takes effect immediately on its passage pursuant to Section 1201.028, Texas Government Code.

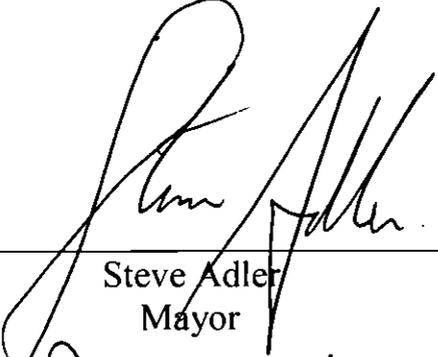
PASSED AND APPROVED

August 31, 2017

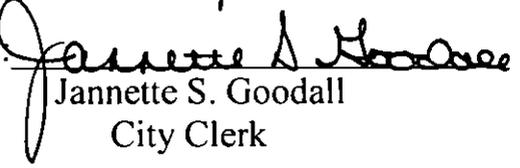
APPROVED:


Anne L. Morgan
City Attorney

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Steve Adler
Mayor

ATTEST:


Jannette S. Goodall
City Clerk