RESOLUTION NO. ____________

WHEREAS, the Council previously approved Resolution 00302-30 creating Austin Convention Enterprises, Inc. (“ACE”) as a nonprofit public facilities corporation under the Public Facility Corporation Act, Texas Local Government Code Chapter 303 (the “PFCA”), for the purposes of constructing, financing, and operating a convention hotel facility and related assets adjacent to the Austin Convention Center; and

WHEREAS, in Resolution 00302-30 the Council also approved Articles of Incorporation for ACE as required by the PFCA, which provide among other things that the Council shall approve in advance any borrowing transaction by ACE; and

WHEREAS, the Board of Directors of ACE has requested the City’s consent, as required by ACE’s governing documents, to apply for a loan under the terms and conditions of the Paycheck Protection Program (PPP) administered by the United States Small Business Administration; and

WHEREAS, if ACE is able to secure a PPP loan, the proceeds of the loan would benefit front-line hotel workers at the downtown Austin Hilton Hotel by covering payroll expenses for such workers, and would be used for other eligible expenses, but would not be used for ACE administrative staff costs; and

WHEREAS, if ACE is able to secure a PPP loan, the loan would be the sole obligation of ACE, and the City would have no liability for the loan; and

WHEREAS, the proposed PPP loan transaction would serve the interests of the City, and would enhance and protect the value of the City’s interests in ACE;

NOW, THEREFORE,
BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The Council consents to the proposed PPP loan transaction as requested by the ACE Board in its February 26, 2021 letter to the Council.

ADOPTED: ______________, 2021

ATTEST: __________________________

Jannette S. Goodall
City Clerk