

1 **RESOLUTION NO. _____**

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

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

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

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

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

21 **WHEREAS**, the proposed PPP loan transaction would serve the interests of
22 the City, and would enhance and protect the value of the City’s interests in ACE;
23 **NOW, THEREFORE,**

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

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

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5
6 **ADOPTED:** _____, 2021

ATTEST: _____

7 Jannette S. Goodall
8 City Clerk