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RESOLUTION NO.

WHEREAS, the City of Austin, Texas (City) has outstanding the following obligations:

City of Austin, Texas Public Improvement Refunding Bonds, Series 2010 (Series 2010 Bonds); and

WHEREAS, the Series 2010 Bonds maturing on September 1, 2022, in the aggregate maturity amount of \$12,570,000, and bearing interest at the rate of 5.00% per annum, are eligible to be defeased, and all or any portion of the Series 2010 Bonds that are selected to be defeased by the city manager are called the “Defeased Obligations”; and

WHEREAS, the proceedings adopted by council authorizing the issuance of the Bonds provide that the City may defease all or any of the Defeased Obligations before their scheduled maturity; and

WHEREAS, the Series 2010 Bonds may not be redeemed before their scheduled maturities; and

WHEREAS, the city manager recommends to council that the Defeased Obligations be defeased in the manner described below to remove the debt from the City’s books and to permit a change of use and conveyance of property originally purchased with a portion of the proceeds of the Defeased Obligations; and

WHEREAS, the property conveyance will be to the Austin Housing Finance Corporation (AHFC) and will support development of affordable housing; and

WHEREAS, the meeting at which council adopted this Resolution was open to the public, and the City gave public notice of the time, place, and purpose of such meeting all as required by Chapter 551, Texas Government Code; **NOW, THEREFORE,**

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

Section 1. Council authorizes the use of surplus funds from the AHFC Housing Assistance Fund in an amount estimated at \$85,000 for the purpose of defeasing the Defeased Obligations. In connection with the defeasance of the Defeased Obligations, no bonds shall be issued, the proceeds of which are used for the specific purpose of defeasing the Defeased Obligations.

36 Section 2. The city manager shall select the Defeased Obligations to be
37 defeased and their date of defeasance solely from available funds to be transferred
38 from the AHFC Housing Assistance Fund in an amount, together with investment
39 earnings on those funds, equal to the maturity amount of the Defeased Obligations,
40 plus accrued interest on the Defeased Obligations to their maturity date.

41 Section 3. The city manager shall execute and deliver any documents
42 necessary to effect the defeasance of the Defeased Obligations, specifically, any
43 agreement with any paying agent for the Defeased Obligations to hold the amounts
44 deposited and invested to pay the Defeased Obligations at their maturity date.

45 Section 4. This Resolution shall become effective immediately upon its
46 passage, in accordance with Section 1201.028, Texas Government Code.

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50 **ADOPTED:** _____, 2021 **ATTEST:** _____
51 Myrna Rios
52 Interim City Clerk