

RESOLUTION NO. 20140828-111

RESOLUTION APPROVING THE ISSUANCE OF BONDS BY THE MUELLER LOCAL GOVERNMENT CORPORATION IN AN AGGREGATE PRINCIPAL NOT TO EXCEED \$18,265,000 AND THE FINANCING DOCUMENTS RELATING TO THE SALE OF SUCH BONDS

WHEREAS, the City of Austin, Texas ("City") has determined that it would be in the best interest of the City and the general public to redevelop property within the City formerly known as the Robert Mueller Municipal Airport ("Mueller"); and

WHEREAS, to facilitate the redevelopment of Mueller, the City entered into a Master Development Agreement with Catellus Austin, LLC, effective as of December 2, 2004 ("Master Development Agreement"); and

WHEREAS, under the Master Development Agreement, the City agreed to issue debt to finance certain "Public Finance Reimbursement Project Costs" either directly or through the auspices of a local government corporation to be created by the City; and

WHEREAS, Mueller Local Government Corporation ("Corporation") was created under the auspices of the City to aid, assist and act on behalf of the City in the performance of the City's governmental and proprietary functions to promote the common good and the general welfare of the City, including, without limitation, the development of the geographic area of the City included or to be

included in Reinvestment Zone Number Sixteen, City of Austin, Texas ("TIRZ Sixteen"), and neighboring areas in furtherance of the promotion of economic development, specifically the economic redevelopment of Mueller; and

WHEREAS, Council adopted a program pursuant to Chapter 380 of the Texas Local Government Code ("Chapter 380 Program") whereby the City may make economic development loans or grants from City general funds to the Corporation in furtherance of the economic development objectives for TIRZ Sixteen, specifically with respect to the redevelopment of Mueller consistent with the provisions of the Master Development Agreement; and

WHEREAS, pursuant to the action taken by Council to establish the Chapter 380 Program, the City agreed to make an economic development grant to the Corporation to assist the Corporation in the payment of debt service and on-going administrative expenses on the bonds hereinafter approved; and

WHEREAS, in 2009 the City and the Corporation entered into a Grant Agreement ("Grant Agreement"), under which the City agreed to consider, on an annual appropriation basis, making grants to the Corporation in support of debt service on bonds issued by the Corporation to redevelopment Mueller; and

WHEREAS, the Corporation entered into a Trust Indenture, dated as of September 1, 2009, with U.S. Bank N.A. (the successor to Deutsche Bank Trust

Company Americas), as trustee ("Indenture"), the execution of which was approved by the City Council; and

WHEREAS, pursuant to the Indenture, the Corporation issued its Tax Increment Contract Revenue Bonds, Series 2009, in the aggregate principal amount of \$15,000,000 and its Tax Increment Contract Revenue Bonds, Series 2012, in the aggregate principal amount of \$16,735,000, the issuance of which was approved by Council; and

WHEREAS, in the Indenture, the Corporation reserved the right to issue "Additional Bonds", the issuance of which is subject to the approval of Council; and

WHEREAS, it is deemed necessary and advisable that this Resolution be adopted; **NOW, THEREFORE**,

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

Section 1. The resolution ("MLGC Resolution") adopted by the Corporation, in substantially the form and substance as attached to this Resolution and made a part hereof for all purposes, is approved, and contract revenue bonds in a principal amount of \$18,265,000 ("Bonds") may be issued for the purpose of providing all or a portion of the cost of the projects as specified in the MLGC Resolution ("Project"); and the MLGC Resolution, the Bonds and the Project are approved. In connection with the approval of the MLGC Resolution, the City

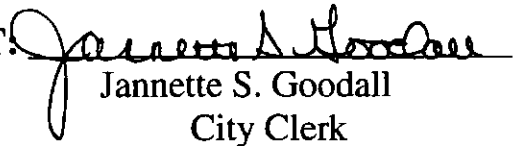
agrees to provide to the Corporation the information described in Article IX of the MLGC Resolution in the manner described in Article IX.

Section 2. The City agrees to amend Section 3.1 of the grant agreement with the Corporation pursuant to which grants described in the preamble to this Resolution may be made by changed the reference to "\$35,000,000" to "\$50,000,000". The Mayor and the City Manager, or his designee, may execute an agreement with the Corporation to reflect this amendment to the grant agreement.

Section 3. This Resolution shall be effective immediately from and after its passage.

ADOPTED: August 28, 2014

ATTEST:


Jannette S. Goodall
City Clerk