

1 the 2018 Amended and Restated Service and Assessment Plan, (ii) paying interest
2 on the bonds during and after the period of acquisition and construction of the
3 Improvement Area #2 Improvements, (iii) establishing the other funds and
4 accounts described in the Indenture (as defined below) or as are in connection
5 with the issuance of the bonds, and (iv) paying the costs of issuing the bonds; and
6

7 (E) The City Council finds and determines that it is in the best interest of the City to
8 issue bonds to be designated City of Austin, Texas Special Assessment Revenue
9 Bonds, Series 2018 (Estancia Hill Country Public Improvement District
10 Improvement Area #2) (the Bonds), such series to be payable from and secured
11 by the Pledged Revenues, as defined in the Indenture; and
12

13 (F) The City Council finds that it should approve (i) the issuance of the Bonds to
14 finance the Improvement Area #2 Improvements (as defined and identified in the
15 2018 Amended and Restated Service and Assessment Plan), (ii) the form, terms
16 and provisions of an indenture of trust securing the City's bonds authorized by
17 this Ordinance, (iii) the Bond Purchase Agreement (as defined below) between
18 the City and purchasers of the Bonds (iv) approve the form, terms and provisions
19 of a Landowner Agreement (as defined below), (v) the Limited Offering
20 Memorandum (defined below), (vi) the Continuing Disclosure Agreement (as
21 defined below) between the City and U.S. Bank National Association (the
22 "Trustee") relating to the Bonds and the Improvement Area #2 Assessments, and
23 (vii) approve the Redemption Agreement (as defined below); and
24

25 (G) The meeting at which this Ordinance is considered is open to the public as
26 required by law, and the public notice of the time, place and purpose of the
27 meeting was provided as required by the Open Meetings Act, Chapter 551 of the
28 Texas Government Code.

29 **PART 2. APPROVAL OF ISSUANCE OF BONDS AND INDENTURE OF TRUST.**

30 (A) The issuance of the Bonds in the principal amount \$_____ for the purpose
31 of providing funds for (i) paying the costs of the Improvement Area #2
32 Improvements, (ii) paying interest on the Bonds during and after the period of
33 acquisition and construction of the Improvement Area #2 Improvements, (iii)

1 establishing the funds and accounts described in the Indenture or as required in
2 connection with the issuance of the Bonds, and (iv) paying the costs of issuing
3 the Bonds, is authorized and approved.

4 (B) The Bonds shall be issued and secured under the Indenture of Trust (the
5 “Indenture”) dated as December 1, 2018 between the City and the Trustee, in
6 substantially the form attached as Exhibit A and incorporated for all purposes, is
7 authorized and approved with such changes as are necessary. The Mayor or
8 Mayor Pro Tem is authorized and directed to execute the Indenture.

9 (C) The Bonds shall be dated, mature on the date or dates and in the principal or
10 maturity amounts, bear interest, be subject to redemption and have the other terms
11 and provisions set forth in the Indenture. The Bonds shall be in substantially the
12 form set forth in the Indenture, with such changes as are necessary to conform
13 the form of bond to the actual terms of the Bonds. The Bonds shall be payable
14 from and secured by the Pledged Revenues (as defined in the Indenture) and other
15 assets of the Trust Estate (as defined in the Indenture) pledged to such series, and
16 shall never be payable from ad valorem taxes.

17 **PART 3. SALE OF BONDS; APPROVAL AND BOND PURCHASE**
18 **AGREEMENT.**

19 The Bonds shall be sold to FMSbonds, Inc. (the “Underwriter”) pursuant to the terms
20 of sale in the Bond Purchase Agreement, dated this date, between the City and the
21 Underwriter, in substantially the form attached hereto as Exhibit B and incorporated for all
22 purposes, which terms of sale are declared to be in the best interest of the City. The Bond
23 Purchase Agreement is authorized and approved with such changes as are necessary, and
24 the Mayor or Mayor Pro Tem is authorized and directed to execute the Bond Purchase
25 Agreement.

26 **PART 4. APPROVAL OF LANDOWNER AGREEMENT.**

27 The Landowner Agreement between the City and SLF III – Onion Creek, L.P. is
28 authorized and approved in substantially the form attached as Exhibit C and incorporated
29 for all purposes, with such changes as are necessary. The City Manager, the Deputy City
30 Manager, or an Assistant City Manager is authorized and directed to execute the
31 Landowner Agreement.

1 **PART 5. LIMITED OFFERING MEMORANDUM.**

2 The Preliminary Limited Offering Memorandum for the Bonds and any
3 supplement or amendment (the “Preliminary Limited Offering Memorandum) and the
4 final Limited Offering Memorandum (the “Limited Offering Memorandum”) presented to
5 and considered at the meeting at which this Ordinance was considered are approved and
6 adopted with such changes as are necessary. The Mayor or Mayor Pro Tem is authorized
7 and directed to execute the Limited Offering Memorandum. The Limited Offering
8 Memorandum may be used by the Underwriter in the offering and sale of the Bonds. The
9 City Clerk is authorized and directed to maintain copies of the Preliminary Limited
10 Offering Memorandum, the Limited Offering Memorandum, and any supplement or
11 amendment. Notwithstanding the prior approval and delivery of the Preliminary Limited
12 Offering Memorandum in the offering of the Bonds, the Preliminary Limited Offering
13 Memorandum is hereby ratified, approved and confirmed. Notwithstanding the approval
14 and execution of the Preliminary Limited Offering Memorandum and the Limited
15 Offering Memorandum by the Mayor or Mayor Pro Tem, the Mayor, the Mayor Pro Tem,
16 and the City Council are not responsible for, and have no specific knowledge of, the
17 information contained in the Preliminary Limited Offering Memorandum or the Limited
18 Offering Memorandum pertaining to the Project (as defined in the Bond Purchase
19 Agreement), the Landowner or its financial ability, any builders, and landowners, or the
20 appraisal of the property in the District.

21 **PART 6. CONTINUING DISCLOSURE AGREEMENT.**

22 The Continuing Disclosure Agreement between the City and U.S. Bank
23 National Association, as Dissemination Agent, in substantially the form attached hereto as
24 Exhibit D and incorporated for all purposes, is authorized and approved with such changes
25 as are necessary. The City Manager, the Deputy City Manager, an Assistant City Manager,
26 or Treasurer of the City is authorized and directed to execute the Continuing Disclosure
27 Agreement.

28 **PART 7. REDEMPTION AGREEMENT.**

29 The Agreement Regarding Conveyance of Right of Redemption and Waiver of
30 Agricultural Valuation – Estancia Hill Country Public Improvement District (the
31 “Redemption Agreement”) between the City and SLF III – Onion Creek, L.P., in
32 substantially the form attached as Exhibit E and incorporated for all purposes, is authorized

1 and approved with such changes as are necessary. The City Manager, the Deputy City
2 Manager, an Assistant City Manager, or the Treasurer of the City is authorized and directed
3 to execute the Redemption Agreement.

4 **PART 8. ADDITIONAL ACTIONS.**

5 The Mayor, the Mayor Pro Tem, the City Manager, the Deputy City Manager, an
6 Assistant City Manager, or the City Treasurer, and City Clerk are authorized and directed
7 to take all necessary actions to execute all certificates, agreements, notices, instruction
8 letters, requisitions, and other documents as are necessary in connection with the sale and
9 issuance of the Bonds.

10
11 **PART 9. GOVERNING LAW.**

12
13 This Ordinance shall be construed and enforced in accordance with the laws of
14 the State of Texas and the United States of America.

15
16 **PART 10. SEVERABILITY.**

17
18 If any provision of this Ordinance or its application to any person or
19 circumstance is held to be invalid, the remainder of this Ordinance and the application of
20 the provision to other persons or circumstances shall be valid, and the City Council declares
21 that this Ordinance would have been enacted without the invalid provision.

22
23 **PART 11. INCORPORATION OF FINDINGS AND DETERMINATIONS.**

24 The findings and determinations of the City Council in Part 1 of this Ordinance
25 are incorporated for all purposes as if the same were restated in full in this Section.

26 **PART 12. EFFECTIVE DATE.**

27 This Ordinance is passed on one reading as authorized by Texas Government
28 Code Section 1201.028, and shall be effective immediately upon its passage and
29 adoption.

PASSED AND APPROVED

1
2
3
4
5
6
7
8
9
10
11
12

§
§
§

_____, 2018

Steve Adler
Mayor

APPROVED: _____

ATTEST: _____

Anne L. Morgan
City Attorney

Jannette S. Goodall
City Clerk

DRAFT