

RESOLUTION NO. 135-2021

RESOLUTION APPROVING A RESOLUTION OF THE ABILENE CONVENTION CENTER HOTEL DEVELOPMENT CORPORATION AUTHORIZING THE ISSUANCE OF THE CORPORATION'S HOTEL REVENUE BONDS; APPROVING EXECUTION AND DELIVERY OF ALL AGREEMENTS AND DOCUMENTS RELATED TO THE DEVELOPMENT, CONSTRUCTION AND OPERATION OF THE CONVENTION CENTER HOTEL PROJECT; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, Abilene Convention Center Hotel Development Corporation (the "Corporation") is a nonprofit local government corporation created by the City of Abilene, Texas (the "City") and existing under Subchapter D of Chapter 431, Texas Transportation Code, as amended ("Act"); and

WHEREAS, there has been presented to this City Council a resolution (the "Bond Resolution") adopted by the Board of Directors of the Corporation authorizing the issuance and sale of the Corporation's hotel revenue bonds within certain parameters set forth in the Bond Resolution (the "Bonds"), for the purposes of acquiring, constructing, furnishing and equipping a full service convention center hotel (the "Hotel"), providing for the funding of various accounts and funds, paying capitalized interest, paying costs of issuance of the Bonds and other purposes permitted by law (the "Bond Project"); and

WHEREAS, in connection with the development, financing and construction of convention center and meeting facilities, related infrastructure and parking facilities connected to and integrated with the Hotel (the "City Facilities" and together with the Hotel, the "Project"), the City has authorized the issuance of certificates of obligation; and

WHEREAS, this City Council finds and determines that it is necessary and appropriate to approve the Bond Resolution for the purposes herein provided; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Resolution was passed, was open to the public and public notice of the time, place, and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ABILENE:

Section 1. The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section. The Bond Resolution, attached hereto as Exhibit A, is hereby approved and the issuance of the Bonds by the Corporation within the parameters set forth in the Bond Resolution, for the purpose of financing the Bond Project, is hereby approved; and said Bond Resolution, the Bonds and the expenditure of funds of the Corporation in connection therewith are hereby approved.

Section 2. The Mayor, City Manager, Finance Director and any other officer or employee of the City, and each of them, shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to negotiate the terms of and execute, acknowledge and deliver on behalf of the City all such instruments, contracts, agreements and certificates whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution and the development, financing, construction, operation and management of the Project.

Section 3. All prior action by the City in connection with the development, financing, construction, operation and management of the Project is hereby ratified, approved and confirmed.

Section 4. This Resolution shall become effective immediately upon adoption.


[Execution Page Follows]

APPROVED AND ADOPTED August 12, 2021

ATTEST:



City Secretary



Mayor

APPROVED:



City Attorney



Exhibit A
Corporation Bond Resolution

CERTIFICATE FOR RESOLUTION
01-2021

THE STATE OF TEXAS
CITY OF ABILENE
ABILENE CONVENTION CENTER HOTEL DEVELOPMENT CORPORATION

The undersigned officers of Abilene Convention Center Hotel Development Corporation (“Corporation”) hereby certify as follows:

1. The Board of Directors of the Corporation (“Board”) convened in a CALLED MEETING on August 5th, 2021, in City Hall Council Chambers, 555 Walnut Street, Abilene, Texas 79601 and the roll was called of the duly constituted members of said Board of Directors, to-wit:

Norm Archibald	President
Sandra Harper	Vice President
Delores "Dee" Moore	Secretary
Jesse Cardenas	Director
Paul Falade	Director

and all of said persons were present, except Jesse Cardenas, thus constituting a quorum. Whereupon, among other business, the following was transacted at said Meeting: a written

RESOLUTION AUTHORIZING THE ISSUANCE OF THE ABILENE CONVENTION CENTER HOTEL DEVELOPMENT CORPORATION FIRST-LIEN HOTEL REVENUE BONDS, SERIES 2021A AND THE ABILENE CONVENTION CENTER HOTEL DEVELOPMENT CORPORATION SECOND-LIEN HOTEL REVENUE BONDS, SERIES 2021B IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$50,000,000 AND IN ACCORDANCE WITH OTHER PARAMETERS SET FORTH HEREIN; AUTHORIZING THE SELECTION OF A BOND TRUSTEE AND THE EXECUTION AND DELIVERY OF ALL AGREEMENTS AND FINANCING DOCUMENTS RELATED TO THE ISSUANCE, SALE AND DELIVERY OF SUCH BONDS AND THE DEVELOPMENT, CONSTRUCTION AND OPERATION OF THE CONVENTION CENTER HOTEL PROJECT, INCLUDING AN INDENTURE OF TRUST, A GROUND LEASE, A MANAGEMENT AGREEMENT AND ALL OTHER DOCUMENTS IN CONNECTION THEREWITH; AND RESOLVING OTHER MATTERS RELATED THERETO


was duly introduced for the consideration of said Board. It was then duly moved and seconded that said Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

AYES:	4
NOES:	0
ABSTENTION:	0
ABSENT:	1

2. That a true, full, and correct copy of the aforesaid Resolution adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that said Resolution has been duly recorded in said Board's minutes of said Meeting; that the above and foregoing paragraph is a true, full, and correct excerpt from said Board's minutes of said Meeting pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid Meeting; that said Meeting was conducted in accordance with all applicable laws, and that said Resolution would be introduced and considered for adoption at said Meeting, and each of said officers and members consented, in advance, to the holding of said Meeting for such purpose; and that said Meeting was open to the public, and public notice of the time, place, and purpose of said Meeting was given, all as required by Chapter 551, Texas Government Code.

3. That said Resolution has not been modified, amended or repealed and said Resolution remains in full force and effect as of this date.

SIGNED AND SEALED this August 5, 2021.


Secretary


President

(SEAL)

RESOLUTION AUTHORIZING THE ISSUANCE OF THE ABILENE CONVENTION CENTER HOTEL DEVELOPMENT CORPORATION FIRST-LIEN HOTEL REVENUE BONDS, SERIES 2021A AND THE ABILENE CONVENTION CENTER HOTEL DEVELOPMENT CORPORATION SECOND-LIEN HOTEL REVENUE BONDS, SERIES 2021B IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$50,000,000 AND IN ACCORDANCE WITH OTHER PARAMETERS SET FORTH HEREIN; AUTHORIZING THE SELECTION OF A BOND TRUSTEE AND THE EXECUTION AND DELIVERY OF ALL AGREEMENTS AND FINANCING DOCUMENTS RELATED TO THE ISSUANCE, SALE AND DELIVERY OF SUCH BONDS AND THE DEVELOPMENT, CONSTRUCTION AND OPERATION OF THE CONVENTION CENTER HOTEL PROJECT, INCLUDING AN INDENTURE OF TRUST, A GROUND LEASE, A MANAGEMENT AGREEMENT AND ALL OTHER DOCUMENTS IN CONNECTION THEREWITH; AND RESOLVING OTHER MATTERS RELATED THERETO

WHEREAS, the Abilene Convention Center Hotel Development Corporation (the "Corporation") is a nonprofit local government corporation created by the City of Abilene, Texas (the "City") and existing under Subchapter D of Chapter 431, Texas Transportation Code, as amended ("Act"), to issue revenue bonds for the purpose of financing and refinancing the cost of acquiring, improving and equipping a full service convention center hotel; and

WHEREAS, the City has determined that it is in the best interests of the City and its residents that a full-service, public, upscale hotel and a convention center that will include public meeting space and related public infrastructure and facilities as well as certain surface parking, landscaping, hardscaping and other amenities be constructed; and

WHEREAS, the City has determined to undertake the development and construction of the public facilities consisting of conference and meeting rooms, ballrooms and related infrastructure and parking (the "City Facilities") that are to be connected to and integrated with the full service convention center hotel being constructed contemporaneously in the downtown area of the City (the "Hotel" and together with the City Facilities, the "Project"); and

WHEREAS, the Corporation has entered into a Master Development Agreement among Garfield Public/Private LLC (the "Development Manager"), the Corporation and the City for the development of the Project (the "Master Development Agreement"); and

WHEREAS, the Corporation has entered into a Hotel Development Agreement with the Development Manager for the development of the Hotel; and

WHEREAS, the City has entered into a City Facilities Development Agreement with the Development Manager for the development of the City Facilities; and

WHEREAS, the Corporation has entered into a Hotel Design Build Agreement for the construction of the Hotel; and

WHEREAS, the City has entered into a City Facilities Design-Build Agreement with the for the construction of the City Facilities; and

WHEREAS, the Corporation has entered into a Ground Lease (the "Ground Lease") by and between the City and the Corporation whereby the City will retain ownership of the property on which the Hotel will be constructed and will lease such property to the Corporation; and

WHEREAS, the Corporation has entered into a City Facilities Lease (the “City Facilities Lease” and together with the Ground Lease, the “Leases”) by and between the City and the Corporation whereby the City will retain ownership of the City Facilities and lease them to the Corporation; and

WHEREAS, the Corporation has entered into a management and operating agreement by and between the Corporation and the Doubletree Management LLC for the management and operation of the Project (the “Management Agreement”); and

WHEREAS, in connection with the development, construction and financing of the Project, the City submitted a request for a Private Letter Ruling to the Texas Comptroller of Public Accounts to confirm its qualification under Subchapter C of Texas Tax Code Chapter 351 (“Chapter 351”) to undertake the Project, and in connection with the Bonds (defined below) hereby authorized, to develop, construct and finance the Hotel; and

WHEREAS, on October 4, 2019, the Texas Comptroller of Public Accounts issued Private Letter Ruling No. PLR20190311135245 (the “2019 PLR”) providing, among other things, that (i) the City qualifies as a city described in Section 351.152(12); (ii) the Hotel meets the requirements of a “qualified hotel”; (iii) the convention center facilities within the City Facilities meet the requirements of a “qualified convention center facility” for purposes of Chapter 351; (iv) the Project meets the requirements of a “qualified project” for purposes of Chapter 351; (v) the City’s proposed issuance of the certificates of obligation for the City Facilities meets the requirements of Section 351.155(a); and (vi) the City’s pledge of local hotel occupancy taxes generated at the Hotel to the certificates of obligation (the “Local HOT Pledge”) meets the requirements of Section 355.155(b) and 355.155(e); and

WHEREAS in accordance with and as required for qualification under the 2019 PLR and Chapter 351, the Corporation hereby confirms that the City qualifies as a city described in Section 351.152(12); and

WHEREAS in accordance with and as required for qualification under the 2019 PLR and Chapter 351, the Corporation hereby confirms the convention center space within the City Facilities to be a “qualified convention center facility” that satisfies the requirements of Section 351.151(2); and

WHEREAS in accordance with and as required for qualification under the 2019 PLR and Chapter 351, the Corporation hereby designates the Hotel as a “qualified hotel” that satisfies the requirements of Section 351.151(3); and

WHEREAS in accordance with and as required for qualification under the 2019 PLR and Chapter 351, the Corporation hereby designates the Project as a “qualified project” that satisfies the requirements of Section 351.151(4); and

WHEREAS in accordance with and as required for qualification under the 2019 PLR and Chapter 351, the Corporation hereby finds and determines that the Hotel is a component of the Project and that the Hotel benefits from the Local HOT Pledge; and

WHEREAS, the Act and the corporate proceedings creating the Corporation authorize the Corporation to issue revenue bonds for such purpose; and

WHEREAS, the Corporation has agreed and intends to issue its Abilene Convention Center Hotel Development Corporation First-Lien Hotel Revenue Bonds, Series 2021A and its Abilene Convention Center Hotel Development Corporation Second-Lien Hotel Revenue Bonds, Series 2021B (together, the “Bonds”), pursuant to the Act and an indenture of trust (the “Indenture”) between the Corporation and a

bond trustee to be selected by the President of the Board of Directors of the Corporation ("Board") or the Chief Executive Officer of the Corporation and determined to be a bank or trust company or national or state banking association (the "Bond Trustee"); and

WHEREAS, pursuant to the terms of this Resolution and the Indenture, the Bonds will be issued in accordance with the parameters set forth herein for the purpose of acquiring, constructing, furnishing and equipping the Hotel, providing for the funding of various accounts and funds, paying capitalized interest, paying costs of issuance of the Bonds and other purposes permitted by law; and

WHEREAS, the Board has been presented with and has examined proposed forms of the Indenture and the related financing documents and agreements with respect to the issuance, sale and delivery of the Bonds and the Project, and all other documents necessary and appropriate for the development, financing, construction, management and operation of the Project and the Board finds that the form and substance of such documents are satisfactory and the recitals and findings contained therein are true, correct and complete and hereby adopts and incorporates by reference such recitals and findings as if set forth in full in this Resolution, and finds that it is in the best interest of the Corporation and assists in carrying out the public purpose of the Corporation to authorize the execution and delivery of such documents; and

WHEREAS, the Corporation understands that an underwriter or a syndicate of underwriters ("Underwriters") intends to distribute a Preliminary Official Statement (as defined below) and an Official Statement (as defined below) in connection with the public offering and sale of the Bonds; and

WHEREAS, in addition to the issuance the Bonds authorized hereby, the Corporation is making an equity contribution to the payment of costs of development and construction of the Hotel; and

WHEREAS, it is officially found, determined, and declared that the meeting at which this Resolution has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Resolution, was given, all as required by the applicable provisions of Chapter 551 Texas Government Code; Now, Therefore

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ABILEN CONVENTION CENTER HOTEL DEVELOPMENT CORPORATION, THAT:

Section 1. The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section.

Section 2. The Board hereby authorizes and directs the issuance of the Bonds within the parameters set forth below:

- (a) the Bonds shall be issued on a date no later than six months from the date of adoption of this Resolution;
- (b) the aggregate principal amount of the Bonds shall not exceed \$50,000,000;
- (c) the net effective interest rate of the Bonds shall not exceed 7.5%, in accordance with an indenture of trust substantially in the form of the 2021 Bond Indenture;
- (d) the maximum maturity of the Bonds shall not exceed September 1, 2051.

Section 3. The form, terms and provisions of Indenture and the Bonds being hereby authorized and approved, and the President of the Board or the Chief Executive Officer of the Corporation are hereby authorized and directed to select the Trustee and execute and deliver such Indenture and the President of the Board is further authorized to execute and deliver the Bonds on behalf of the Corporation, and the Secretary of the Board is hereby authorized to attest and affix the Corporation's seal thereto, with such changes therein as the officers executing the same may approve, such approval to be conclusively evidenced

by such execution thereof.

Section 4. The Board hereby authorizes the execution and delivery of a purchase contract or contracts, to provide for the sale of the Bonds, to be dated the date of its execution ("Purchase Contract"), between the Corporation and the Underwriters, the terms and provisions of the Purchase Contract being hereby authorized and approved, and the President of the Board or the Chief Executive Officer of the Corporation are hereby authorized and directed to execute and deliver the Purchase Contract on behalf of the Corporation, with such changes therein as they may approve, such approval to be conclusively evidenced by such execution thereof.

Section 5. The Board hereby authorizes the use of a preliminary official statement ("Preliminary Official Statement") and a final official statement, to be dated the date of the Purchase Contract ("Official Statement") by the Underwriters, and further authorizes the execution and distribution of the Preliminary Official Statement and the Official Statement and any other offering documents or circulars in connection with the sale and delivery of the Bonds.

Section 6. The Board hereby authorizes the President of the Board and/or the Chief Executive Officer of the Corporation or their designees, to negotiate the terms of all other agreements, contracts and instruments as may be necessary or required to carry out the terms and provisions of this Resolution, the Indenture and the Purchase Contract and any and all other documents relating to the sale, issuance and delivery of the Bonds, and the development, construction, management and operation of the Project, and, upon the determination of the final terms and provisions as are necessary and in the best interests of the Corporation, further authorizes the execution of any such documents and agreements by the President of the Board and/or the Chief Executive Officer of the Corporation or their designees.

Section 7. The President and Secretary of the Board, the Chief Executive Officer and all officers, employees and agents of the Corporation, and each of them, shall be and each is expressly authorized, empowered and directed from time to time and at any time to do and perform all acts and things, including taking action necessary to nominate members to fill vacancies on the Board, select the Trustee, receive the approval of the Bonds from the Attorney General of Texas, register the Bonds with the Comptroller of Public Accounts or his designee, and comply with federal tax and securities laws, as necessary, in connection with the issuance, sale and delivery of the Bonds, and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the Corporation all certificates, agreements, financing statements, instruments and other papers, whether or not herein mentioned, as they may determine to be necessary or desirable in order to carry out the terms and provisions of this Resolution, the Indenture, the Bonds, the Purchase Contract, the Official Statement, and any and all other documents and agreements related to the issuance, sale and delivery of the Bonds and the development, financing, construction, operation and management of the Project, such determination to be conclusively evidenced by the performance of such acts and things and the execution of any such certificate, agreement, financing statement, instrument or other paper.

Section 8. This Resolution shall be effective immediately from and after its passage.

[Signature Page Follows]

ADOPTED: August 5, 2021.

Wondrich

President

ATTEST:

Delores J. Moore

Secretary

