

RESOLUTION NO. 171-2023

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF THE ABILENE CONVENTION CENTER HOTEL PROJECT REBATE AGREEMENT BETWEEN THE CITY OF ABILENE, TEXAS AND THE ABILENE CONVENTION CENTER HOTEL DEVELOPMENT CORPORATION

WHEREAS, Abilene Convention Center Hotel Development Corporation (the "Corporation") is a nonprofit local government corporation created by the City of Abilene, Texas (the "City") for the purpose of developing and financing a convention center hotel in the City; and

WHEREAS, the City and the Corporation have collaborated to plan, develop and finance the Abilene Convention Center Hotel Project (the "Project") and to qualify the project as a "qualified project" eligible to receive certain revenues available under Chapter 351 of the Texas Tax Code (the "Chapter 351"); and

WHEREAS, on October 4, 2019, the Texas Comptroller of Public Accounts (the "Comptroller") 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 (as such term is defined in the 2019 PLR) meets the requirements of a "qualified hotel"; (iii) the City Facilities (as such term is defined in the 2019 PLR) 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 351.155(b) and 351.155(e); and

WHEREAS, on September 23, 2021 the Corporation issued its First-Lien Hotel Revenue Bonds, Series 2021A and its Second-Lien Hotel Revenue Bonds, Series 2021B in compliance with the 2019 PLR to fund the Hotel component of the Project; and

WHEREAS, on September 23, 2021 the City issued its Combination Tax and Limited Surplus Revenue Certificates of Obligation, Series 2021B, which were secured by the Local HOT Pledge in satisfaction of the requirement of Section 351.155 and in compliance with the 2019 PLR to fund the City Facilities component of the Project; and

WHEREAS, as a result of the foregoing, the City is entitled to receive revenues under Chapter 351 for a period of 10 years after the date the Project is open for initial occupancy; and

WHEREAS, the Project was open for initial occupancy on July 11, 2023; and

WHEREAS, as a result of the foregoing, the City intends to enter into the rebate agreement attached hereto as Exhibit A (the "Agreement") for the purpose of securing the revenues of the Project authorized and available to be received from the Comptroller under Chapter 351.

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

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 City hereby approves the Agreement. For and on behalf of the City, the Mayor or City Manager is hereby authorized and directed to sign, deliver, and otherwise execute, the Agreement in substantially the form and substance attached to this Resolution and made a part hereof for all purposes.

Section 3. The Agreement shall become effective and enforceable in accordance with their terms immediately upon execution and delivery thereof for all intents and purposes.


Section 4. Each of the officers and members of the City Council was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the meeting at which this Resolution was introduced, and that this Resolution would be introduced and considered for passage at this meeting, and each of said officers and members consented, in advance, to the holding of this meeting for such purpose, and that this meeting was open to the public and public notice of the time, place and purpose of this meeting was given, all as required by the Texas Government Code, Chapter 551.

[Execution Page Follows.]

APPROVED AND ADOPTED September 28, 2023

ATTEST:

  
\_\_\_\_\_  
City Secretary

  
\_\_\_\_\_  
Mayor

APPROVED:

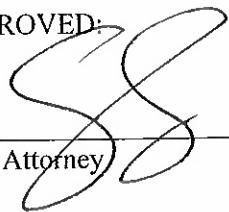
  
\_\_\_\_\_  
City Attorney



Exhibit A

ABILENE CONVENTION CENTER HOTEL PROJECT  
REBATE AGREEMENT

**ABILENE CONVENTION CENTER HOTEL PROJECT  
REBATE AGREEMENT  
BETWEEN THE  
ABILENE CONVENTION CENTER HOTEL DEVELOPMENT CORPORATION  
AND  
THE CITY OF ABILENE, TEXAS**

This Rebate Agreement ("Agreement"), as authorized by Chapter 351, Texas Tax Code, as amended ("Chapter 351"), is entered into by and between the City of Abilene, Texas ("City") and the Abilene Convention Center Hotel Development Corporation ("Corporation") (collectively, the "Parties"), acting by and through their authorized representatives, to set forth the Parties' agreement concerning the transfer of available funds authorized under Chapter 351 in connection with the Abilene Convention Center Hotel Project (the "Project").

**RECITALS**

WHEREAS, the City and the Corporation have collaborated to plan, develop and finance the Project and to qualify the Project as a "qualified project" eligible to receive certain revenues available under Chapter 351; and

WHEREAS, on October 4, 2019, the Texas Comptroller of Public Accounts (the "Comptroller") 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 (as such term is defined in the 2019 PLR) meets the requirements of a "qualified hotel"; (iii) the City Facilities (as such term is defined in the 2019 PLR) 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 351.155(b) and 351.155(e); and

WHEREAS in accordance with and as required for qualification under the 2019 PLR and Chapter 351, the Parties hereby confirm 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 designated the Hotel as a "qualified hotel" that satisfies the requirements of Section 351.151(3) in a Resolution of the Corporation adopted on August 5, 2021 (the "Corporation Resolution"); and

WHEREAS in accordance with and as required for qualification under the 2019 PLR and Chapter 351, the Corporation adopted the Corporation Resolution designating 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 adopted the Corporation Resolution which included findings that the Hotel is a component of the Project and that the Hotel benefits from the Local HOT Pledge; and

WHEREAS, on September 23, 2021 the Corporation issued its First-Lien Hotel Revenue Bonds, Series 2021A and its Second-Lien Hotel Revenue Bonds, Series 2021B in compliance with the 2019 PLR to fund the Hotel component of the Project; and

WHEREAS, on September 23, 2021 the City issued its Combination Tax and Limited Surplus Revenue Certificates of Obligation, Series 2021B, which were secured by the Local HOT Pledge in satisfaction of the requirement of Section 351.155 and in compliance with the 2019 PLR to fund the City Facilities component of the Project; and

WHEREAS, as a result of the foregoing, the City is entitled to receive revenues under Chapter 351 for a period of 10 years after the date the Project is open for initial occupancy; and


WHEREAS, the Project was open for initial occupancy on July 11, 2023.

NOW THEREFORE, IN CONSIDERATION OF THE ABOVE-REFERENCED CLAUSES, WHICH ARE INCORPORATED HEREIN, THE PARTIES AGREE AS FOLLOWS:

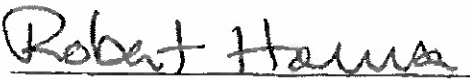
The City shall receive all revenue authorized to be received from the Comptroller in connection with the Project under Chapter 351.

[Execution Page Follows.]

ABILENE CONVENTION CENTER  
HOTEL DEVELOPMENT CORPORATION

BY:   
President of the Board of Directors

CITY OF ABILENE, TEXAS

BY:   
City Manager