

RESOLUTION NO.

WHEREAS, the Public Finance Authority, a joint powers commission created under Sections 66.0301, 66.0303 and 66.0304 of the Wisconsin Statutes (the “Issuer”), on July 17, 2024 adopted a resolution authorizing the issuance of its Special Facility Revenue Bonds (Million Air Three LLC General Aviation Facilities Project), Series 2024 (the “Series 2024 Bonds”) in one or more series for various purposes, including bonds (the “Series 2024B Bonds”) to be issued for the purpose of making a loan to Austin FBO, LLC (the “Borrower”) to (a) provide original financing of the cost of the acquisition, construction and/or equipping of certain facilities (the “Facilities”) for an airport under section 142(a)(1) of the Internal Revenue Code of 1986, as amended (the “Code”), (b) pay capitalized interest with respect to the Series 2024B Bonds, (c) pay the portion of the costs of issuance of Series 2024 Bonds and (d) fund the portion of debt service reserve fund for the 2024B Bonds (collectively, the “Project”); and

WHEREAS, on December 5, 2024, the Issuer issued the Series 2024B Bonds bearing interest includable in the gross income, for federal income tax purposes, of the holders thereof (the “Series 2024B Taxable Bonds”); and

WHEREAS, in accordance with applicable provisions of the indenture pursuant to which the Series 2024B Taxable Bonds were issued, the interest on the Series 2024B Taxable Bonds may be converted to tax-exempt interest through an exchange of such bonds for bonds bearing interest not includable in gross income, for federal income tax purposes, of such holders (the “Series 2024B Tax-Exempt Bonds”), provided certain conditions are satisfied; and

WHEREAS, the Facilities will be located on a site of approximately 38 acres in the southeast corner of the Austin-Bergstrom International Airport (the “Airport”); and

27 **WHEREAS**, the Facilities will be owned by the City of Austin, Texas and
28 will be used and operated by the Borrower in its business of providing services to
29 general aviation aircraft operators at the Airport; and

30 **WHEREAS**, the Series 2024B Tax-Exempt Bonds will be special limited
31 obligations of the Issuer payable solely from the loan repayments payable jointly
32 and severally to the Issuer by the Borrower and the borrower of the proceeds of
33 the portion of the Series 2024 Bonds other than the Series 2024B Tax-Exempt
34 Bonds, and certain funds and accounts established by the trust indenture for the
35 Series 2024 Bonds; and

36 **WHEREAS**, Section 147(f) of the Code requires the approval of the City of
37 Austin as the local jurisdiction where the Facilities are situated before the Series
38 2024B Tax-Exempt Bonds can be issued in exchange for the Series 2024B Taxable
39 Bonds; and

40 **WHEREAS**, the City Council is informed that the required public hearing
41 regarding the issuance of the Series 2024B Tax-Exempt Bonds in exchange for
42 the Series 2024B Taxable Bonds was properly noticed and then held on May 21,
43 2025 at 2:00 p.m. at the Austin-Bergstrom International Airport, 2716 Spirit of
44 Texas Drive, Room 174-A, Austin, Texas 78719; **NOW THEREFORE;**

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

46 Section 1. The City Council approves the issuance of the Series 2024B
47 Tax-Exempt Bonds in an amount not to exceed \$53,410,000 in exchange for the
48 Series 2024B Taxable Bonds. It is the intent of this City Council that this
49 Resolution constitutes approval of such issuance and exchange for the sole
50 purpose of compliance with Section 147(f) of the Code and with any state law
51 applicable to the Issuer and the Series 2024B Tax-Exempt Bonds. The proceeds

of the Series 2024B Tax-Exempt Bonds will be used solely for the purposes described in this Resolution. It is a condition precedent to the effectiveness of this approval that City and Austin FBO, LLC, execute an amendment to the amended and restated fixed base operator lease and development agreement for approximately 38 acres of land at Austin-Bergstrom International Airport, to provide for the reimbursement by Austin FBO, LLC, to City of an amount not to exceed \$3,118,000 for the construction and renovation costs associated with the AUS AEDP MFT-Economy Lot 3 Project, as part of the Midfield Taxiway Project, and their proportionate share of the design costs.

Section 2. The Mayor and City Clerk are authorized and directed to take any action and to execute and deliver any documents that are necessary or advisable to comply with the terms and intent of this Resolution and to facilitate the financing transaction.

Section 3. Nothing in this Resolution shall be construed to create any obligation whatsoever of the City with respect to the issuance or repayment of the Series 2024B Taxable Bonds, the Series 2024B Tax-Exempt Bonds, or the Project. The Series 2024B Taxable Bonds and the Series 2024B Tax-Exempt Bonds shall never constitute an indebtedness, obligation or pledge of the City within the meaning of any constitutional or statutory provision, and the Series 2024B Taxable Bonds and the Series 2024B Tax-Exempt Bonds shall never be paid in whole or in part out of any funds raised or to be raised by taxation or any other revenues of the City.

Section 4. This Resolution is adopted solely to approve the issuance of the Series 2024B Tax-Exempt Bonds in exchange for the Series 2024B Taxable Bonds and the continuation of the financing of the Project. This Resolution does not constitute an approval by the City of any other aspect of the Project. In

particular, but without limitation, the Resolution does not constitute zoning approval, approval of any building permit, or any other approval required by the City in regard to the Project other than approval of the Series 2024B Tax-Exempt Bonds.

BE IT FURTHER RESOLVED:

The City Council authorizes, empowers, and directs Erika Brady, City Clerk to certify this resolution to the Public Finance Authority.

ADOPTED: _____, 2025 **ATTEST** _____
Erika Brady
City Clerk