

AN ORDINANCE **97759**

APPROVING THE ISSUANCE, SALE, AND DELIVERY OF APPROXIMATELY **\$25,070,000** CITY OF SAN ANTONIO, TEXAS, STARBRIGHT INDUSTRIAL DEVELOPMENT CORPORATION CONTRACT REVENUE BONDS, SERIES **2003** (TAXABLE) (PROJECT STARBRIGHT); APPROVING THE FORM, TERMS, AND SUBSTANCE OF A RESOLUTION OF THE CORPORATION RELATING TO ITS CONTRACT REVENUE BONDS, SERIES **2003** (TAXABLE) (STARBRIGHT PROJECT); APPROVING THE USE OF FINANCIAL INFORMATION IN A PRELIMINARY OFFICIAL STATEMENT AND A FINAL OFFICIAL STATEMENT; MAKING CERTAIN FINDINGS AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT; AND PROVIDING FOR THE IMMEDIATE EFFECTIVE DATE UPON APPROVAL OF EIGHT (8) AFFIRMATIVE VOTES.

* * * * *

WHEREAS, pursuant to the Development Corporation Act of 1979, Article 5190.6, Vernon's Texas Civil Statutes, as amended (the "Act"), the City of San Antonio, Texas, Starbright Industrial Development Corporation (the "Corporation") was created by the City of San Antonio, Texas (the "City") pursuant to Resolution 2003-07-06 as an industrial development corporation for the purpose of aiding and assisting the City in fulfilling its obligations under the Project Starbright Agreement by and among the Toyota Motor Manufacturing North America, Inc., a Kentucky corporation, the State of Texas, the City of San Antonio, Texas and various other political subdivisions of the State of Texas (the "Starbright Agreement"); and

WHEREAS, pursuant to the laws of the State of Texas, including particularly the Act, the Corporation is authorized and has the power to issue, sell, and deliver revenue bonds, for and on behalf of the Corporation, for the purpose, among others, of financing, as a portion of Project Starbright (as defined in the Starbright Agreement), the construction of the City Project (as defined in the Indenture); and

WHEREAS, the Corporation has entered into an Economic Development Contract by and among the City and the Corporation pursuant to which the Corporation is to provide for the financing of the City Project; and

WHEREAS, the Act authorizes the Corporation to issue the City of San Antonio, Texas, Starbright Industrial Development Corporation Contract Revenue Bonds, Series 2003 (Taxable) (Starbright Project) (the "Bonds") to finance the City Project; and

WHEREAS, the Corporation, pursuant to a Resolution adopted by the Board of Directors of the Corporation on June 12, 2003 (the "Bond Resolution"), attached hereto as Exhibit A, has authorized the issuance of the Bonds; and

WHEREAS, the proceeds of such Bonds shall be used to pay for the costs to finance the acquisition of land and related site preparation and costs associated with a job training facility, along with all extensions, additions, enlargements, improvements and modifications to the City Project, including amounts necessary to provide for capitalized interest, fund the debt service reserve fund and to pay costs of issuance; and

WHEREAS, the form and substance of this Resolution, the Bond Resolution, the Preliminary Official Statement, attached hereto as Exhibit B, and the final Official Statement together with such changes thereto as are authorized pursuant to the Bond Resolution and this Resolution and such other documents and instruments as may be executed pursuant to the authority granted herein, including, without limitation, the insurance commitment from the municipal bond or financial guaranty insurance provider, reserve fund surety provider and guaranteed investment contract provider shall be collectively referred to herein as the "Transaction Document(s)."

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE CITY COUNCIL OF CITY OF SAN ANTONIO, TEXAS THAT:

ARTICLE I THE BONDS

Section 1.1 Findings and Determinations. The City hereby finds and declares that:

- (i) the recitals contained in this Resolution are true and correct;
- (ii) the actions, documents, instruments and other matters herein authorized and approved by the City are carried out pursuant to the Constitution and the laws of the State of Texas, including the Act and Chapter 1201, et. seq., Texas Government Code, as amended

Section 1.2 Approval of Issuance of the Bonds. That, for purposes of compliance with requirements of the Section 25(f) of the Act and the Corporation's Articles of Incorporation, the Bond Resolution providing for the issuance of the Bonds and the sale and delivery of the Bonds in accordance with the terms of the Bond Resolution is hereby approved. The matters relating to the sale of the Bonds, including, without limitation, the aggregate principal amount of the Bonds, maturities of the Bonds, redemption provisions, prices, dates, interest payment dates, interest rates, selection of bond insurer and surety provider shall be as set forth in the Transaction Documents authorized under the Bond Resolution, a copy of which shall be filed with the City Clerk.

Section 1.3 Use of Information Relating to the City. That the Corporation is authorized to use information relating to the City in a Preliminary Official Statement (and in a final Official Statement, in substantially the same form as the Preliminary Official Statement, together with such additions, deletions and modifications as shall be necessary and desirable or consistent with the terms of the Bond Resolution or as may be approved by the President or Executive Director of the Corporation) relating to the Bonds. For purposes of Rule 15c2-12

promulgated by the Securities and Exchange Commission, the City hereby deems final, as of its date, those portions of the Preliminary Official Statement and final Official Statements, that relate to the City and the City's Utility Systems, a copy of which is attached hereto as Exhibit "B."

ARTICLE II MISCELLANEOUS PROVISIONS

Section 2.1 Execution and Delivery of Other Documents. That the City Manager, the Director of Finance, the City Clerk, the City Attorney, the Director of Economic Development and other officers of the City are hereby authorized and directed to execute and attest all certificates and such other documents necessary to effectuate the sale and delivery of the Bonds, and are further authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this Resolution.

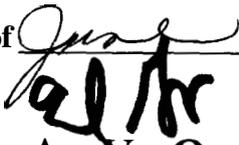
Section 2.2 Open Meeting. It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of the meeting of City Council at which this Resolution was adopted was posted at a place convenient and readily accessible at all times to the general public at the City Hall for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Resolution and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 2.3 Severability. If any section, paragraph, clause, or provisions of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution. In case any obligations of the Corporation authorized or established by this Resolution or the Bonds is held to be in violation of law as applied to any person or in any circumstance, such obligation shall be deemed to be the obligation of the Corporation to the fullest extent permitted by law.

Section 2.4 Exhibits Incorporated Herein. All of the terms and provisions of each of the exhibits to this Bond Resolution shall be and are hereby incorporated into and made a part of this Ordinance for all purposes.

Section 2.5 Effective Date. This Resolution shall be immediately effective if passed by at least eight votes. Otherwise, it shall be effective June 22, 2003.

PASSED AND APPROVED this 12th day of June, 2003.


M A Y O R
EDWARD D. GARZA

ATTEST:


City Clerk

APPROVED AS TO FORM:


City Attorney