

AN ORDINANCE 2012 - 08 - 30 - 0659

APPROVING THE FINANCIAL UNDERWRITING SYNDICATE SELECTED FROM THE FINANCIAL UNDERWRITING POOL FOR FINANCING OF THE CONVENTION CENTER EXPANSION ANTICIPATED TO BE SOLD IN OCTOBER, 2012.

* * * *

WHEREAS, pursuant to Ordinance No. 2011-05-19-0411, passed and approved May 19, 2011, the City Council has created a Financial Underwriting Pool consisting of seventeen (17) firms from which future underwriting syndicates may be selected (“Pool”), with the Pool to remain in effect until September 30, 2014; and

WHEREAS, the City anticipates the issuance and sale of Public Facilities Corporation Lease Revenue and Refunding Bonds (the “2012 Lease Revenue and Refunding Bonds”) for the Convention Center Expansion financing in October, 2012; and

WHEREAS, pursuant to Ordinance No. 2012-02-09-0094, passed and approved February 9, 2012, J.P. Morgan Securities, L.L.C. was selected and approved as the Senior Book Running Manager in connection with the issuance of the 2012 Lease Revenue and Refunding Bonds, for the purpose of assisting the City in structuring this financing; and

WHEREAS, it is now necessary to select and designate from the Pool all of the firms which will comprise the syndicate to be utilized in connection with the 2012 Lease Revenue and Refunding Bonds; and

WHEREAS, a selection committee comprised of representatives from the City’s Department of Finance and the City’s Co-Financial Advisors has recommended the syndicate set forth below for this transaction; and

WHEREAS, in light of the current volatility and uncertainty within the financial markets in general and the municipal securities market in particular, City staff is recommending that City Council give the Chief Financial Officer and/or the Director of Finance, with the prior concurrence of the City Manager, the authority to **(1)** revise the assigned role of any firm(s) within the Syndicate, and/or **(2)** completely remove any firm(s) from participation in the syndicate, at any time after the effective date of this Ordinance and up to and including the day of pricing, without further action by the City Council, based on the most current information available on the underwriting firm, and current market conditions; and

WHEREAS, the City Council finds and determines that the recommended syndicates should be selected and approved and that the authorization requested by City staff as set forth above should be granted;
NOW THEREFORE:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The Financial Underwriting Syndicate (“Syndicate”) identified with specificity in Exhibit I, which is attached hereto and made a part hereof for all purposes, is hereby selected and approved to provide underwriting services in connection with the potential underwriting and sale of the 2012 Lease Revenue and Refunding Bonds but only in the event the City, through the adoption of subsequent ordinances, proceeds with this financing transaction. It is anticipated that the 2012 Lease Revenue and Refunding Bonds will be sold in October, 2012; however, the City is under no obligation to proceed with this financing transaction if bond market conditions are not favorable or for any other reason and may delay or cancel this financing transaction if deemed to be in the City’s best interests. As such, there is no property right to provide service or receive any consideration vested in any of the firms in the Syndicate as a result of this Ordinance.

SECTION 2. In order to protect and further the City’s interests in selling the 2012 Lease Revenue and Refunding Bonds at the price and on the terms and conditions most advantageous and favorable to the City, the Chief Financial Officer and/or the Director of Finance, with the prior concurrence of the City Manager, is hereby authorized to (1) revise the assigned role of any firm(s) within the Syndicate, and/or (2) completely remove any firm(s) from participation in the Syndicate, at any time after the effective date of this Ordinance up to and including the day of pricing, based on the most current information available on the underwriting firm, and current market conditions, without further action by the City Council. Any such revision(s) or removal(s) will be made solely for the purpose of ensuring successful bond financings for the City.

SECTION 3. Fees for underwriting services for this financing transaction are paid from the proceeds derived from the issuance and sale of the 2012 Lease Revenue and Refunding Bonds, if the City elects to proceed with this financing transaction.

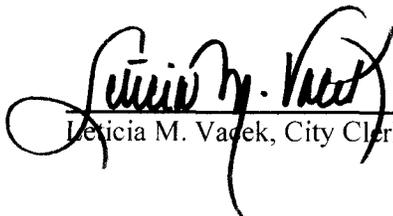
SECTION 4 This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED and APPROVED this 30th day of August, 2012.



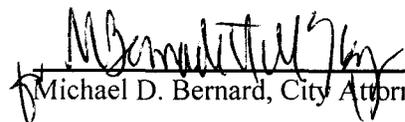
M A Y O R
Julián Castro

ATTEST:

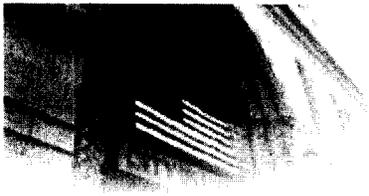


Leticia M. Vadek, City Clerk

APPROVED AS TO FORM:



Michael D. Bernard, City Attorney



Request for
COUNCIL
ACTION

City of San Antonio



Agenda Voting Results - 24

Name:	4, 6, 7, 8A, 8B, 8C, 9, 10, 13, 16, 19, 20A, 20B, 20C, 20D, 20E, 22, 23, 24, 26, 27, 28, 29						
Date:	08/30/2012						
Time:	09:27:22 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance approving the Financial Underwriter Syndicate selected from the Financial Underwriting Pool for the Convention Center Expansion financing. [Ben Gorzell , Jr., Chief Financial Officer, Troy Elliott , Director of Finance]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor		x				
Diego Bernal	District 1		x				
Ivy R. Taylor	District 2		x				
Leticia Ozuna	District 3		x				
Rey Saldaña	District 4		x				
David Medina Jr.	District 5		x				
Ray Lopez	District 6		x				x
Cris Medina	District 7		x			x	
W. Reed Williams	District 8	x					
Elisa Chan	District 9		x				
Carlton Soules	District 10		x				

E X H I B I T I

EXHIBIT I

Proposed Financial Underwriting Syndicate

Convention Center Expansion Financing

<u>Firm</u>	<u>Role</u>	<u>SBEDA Designation</u>
1 J.P. Morgan Securities, LLC	Senior Book Running Manager	
2 Citigroup Global Markets, Inc.	Co-Senior Manager	
3 Cabrera Capital Markets, LLC	Co-Manager	
4 Loop Capital Markets, LLC	Co-Manager	MBE
5 M.E. Allison & Co., Inc.	Co-Manager	SBE
6 Piper Jaffray & Co.	Co-Manager	
7 RBC Capital Markets, LLC	Co-Manager	
8 SAMCO Capital Markets, Inc.	Co-Manager	
9 Siebert Brandford Shank & Co., LLC	Co-Manager	MBE, WBE
10 Stifel, Nicolaus & Company, Incorporated	Co-Manager	
11 Wells Fargo Bank, National Association	Co-Manager	