

RESOLUTION NO. PFC 2012-09-20- 0002R

A RESOLUTION OF THE  
CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION

**AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF UP TO \$585,000,000 IN PRINCIPAL AMOUNT OF CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION IMPROVEMENT AND REFUNDING LEASE REVENUE BONDS, SERIES 2012 (CONVENTION CENTER REFINANCING AND EXPANSION PROJECT) FOR THE PURPOSE OF REFUNDING ALL OUTSTANDING HOTEL OCCUPANCY TAX BONDS ISSUED BY THE CITY OF SAN ANTONIO TO FINANCE AND REFINANCE ITS EXISTING CONVENTION CENTER FACILITIES AND FINANCING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A MAJOR EXPANSION TO THE CITY'S CONVENTION CENTER FACILITIES; APPROVING THE FORM AND EXECUTION OF A TRUST AGREEMENT, A LEASE AGREEMENT, AN ESCROW AGREEMENT, A DEPOSIT AGREEMENT, AND A PURCHASE CONTRACT IN CONNECTION THEREWITH; DELEGATING AUTHORITY TO A PRICING COMMITTEE TO APPROVE ALL FINAL TERMS OF THE BONDS; AND AUTHORIZING OTHER NECESSARY ACTIONS RELATED THERETO**

\* \* \* \* \*

**WHEREAS**, the CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION (the "**Corporation**"), is a nonprofit public facility government corporation created by the CITY OF SAN ANTONIO, TEXAS (the "**City**") pursuant to the provisions of Chapter 303, Texas Local Government Code, as amended, to assist the City in financing, refinancing, or providing for convention center facilities (which are "public facilities" within the meaning of the Act), and facilities related thereto, at the request of the governing body of the City; and

**WHEREAS**, the City currently owns and operates convention center facilities located in the downtown area of the City known generally as the "Henry B. Gonzalez Convention Center" (the "**Existing Convention Center**"); and

**WHEREAS**, for purposes of clarification, all references to the "Existing Convention Center" in this Resolution shall not include (i) the Alamodome, which is a venue that is owned and operated by the City as a part of the City's Convention, Sports and Entertainment Facilities, and (ii) the Grand Hyatt Hotel, which is a full-service hotel located adjacent to the Henry B. Gonzalez Convention Center but is owned and operated by private parties unrelated to the City; and

**WHEREAS**, Section 303.003(7) of the Act defines the term "public facilities" to mean "*any real, personal, or mixed property, or an interest in property devoted or to be devoted to public use, and authorized to be financed, refinanced, or provided by sponsor obligations;*" and

**WHEREAS**, Section 303.003(12) of the Act defines the term "sponsor obligation" to mean "*an evidence of indebtedness or obligation that a sponsor issues or incurs to finance, refinance, or provide a public facility, including bonds, notes, warrants, certificates of obligation, leases, and contracts authorized by Section 303.041 and Subchapter C;*" and

**WHEREAS**, the City's convention center facilities are real property and are owned and operated by the City and devoted to public use, and the City is authorized to issue bonds and other obligations to finance or refinance such convention center facilities under numerous laws of the State of Texas, including but not limited to Chapter 351, Texas Tax Code, Chapter 1504, Texas Government Code, and Subchapter C of Chapter 271, Texas Local Government Code; accordingly, the City's convention center facilities are "public facilities" within the meaning of the Act; and

**WHEREAS**, the Existing Convention Center was financed or refinanced, in part, with proceeds derived from the following outstanding obligations issued by the City that are secured with a lien on and pledge of certain revenues derived from hotel occupancy taxes levied and collected by the City:

*City of San Antonio, Texas Hotel Occupancy Tax Revenue Bonds, Series 1996*, dated as of March 1, 1996, originally issued in the aggregate principal amount of \$182,012,480.60, and currently outstanding in the aggregate principal amount of \$12,391,114.05 (the "**Series 1996 Bonds**");

*City of San Antonio, Texas Hotel Occupancy Tax Subordinate Lien Revenue Refunding Bonds, Series 2004A*, dated as of June 1, 2004, originally issued in the aggregate principal amount of \$10,390,000, and currently outstanding in the aggregate principal amount of \$10,390,000 (the "**Series 2004A Bonds**");

*City of San Antonio, Texas Hotel Occupancy Tax Subordinate Lien Revenue Refunding Bonds, Series 2006*, dated as of September 15, 2006, originally issued in the aggregate principal amount of \$72,620,000, and currently outstanding in the aggregate principal amount of \$70,485,000 (the "**Series 2006 Bonds**"); and

*City of San Antonio, Texas Hotel Occupancy Tax Subordinate Lien Variable Rate Demand Revenue and Refunding Bonds, Series 2008*, dated as of July 1, 2008, originally issued in the aggregate principal amount of \$135,000,000, and currently outstanding in the aggregate principal amount of \$128,600,000 (the "**Series 2008 Bonds**"); and

**WHEREAS**, Section 303.071 of the Act authorizes the Corporation to issue bonds, including refunding bonds, to finance, refinance, or provide one or more public facilities; and

**WHEREAS**, Section 303.075 of the Act further authorizes the Corporation to issue bonds "to refund its outstanding bonds or sponsor obligations of its sponsor, including any redemption premium on them and interest accrued to the date of redemption"; and

**WHEREAS**, the Series 1996 Bonds, the Series 2004A Bonds, the Series 2006 Bonds, and the Series 2008 Bonds are "sponsor obligations" within the meaning of the Act; and

**WHEREAS**, the City has advised the Corporation that the City now desires to refinance the Existing Convention Center by having the Corporation issue bonds, as permitted by the Act, to refund all of the City's outstanding Series 1996 Bonds, Series 2004A Bonds, Series 2006 Bonds, and Series 2008 Bonds (collectively referred to herein as the "**Refunded Bonds**"), which are more fully described as follows:

**SERIES 1996 BONDS TO BE REFUNDED**

<u>MATURITY (AUGUST 15)</u>	<u>PRINCIPAL AMOUNT MATURING IN YEAR (\$)</u>	<u>MATURITY VALUE (PRINCIPAL AND ACCRETED INTEREST) MATURING IN YEAR (\$)</u>	<u>CUSIP No. (796261)</u>
2013	2,811,249.70	7,915,000.00	BS3
2014	2,620,114.00	7,900,000.00	BT1
2015	2,540,174.00	8,210,000.00	BU8
2016	2,322,659.25	8,055,000.00	BV6
2017	<u>2,096,917.10</u>	<u>7,730,000.00</u>	BW4
Total	<u>12,391,114.05</u>	<u>39,810,000.00</u>	***

**SERIES 2004A BONDS TO BE REFUNDED**

<u>MATURITY (AUGUST 15)</u>	<u>PRINCIPAL AMOUNT MATURING IN YEAR (\$)</u>	<u>STATED INTEREST RATE (%)</u>	<u>CUSIP No. (796261)</u>
2029	<u>10,390,000</u>	5.000	BF1
Total	<u>10,390,000</u>	***	***

**SERIES 2006 BONDS TO BE REFUNDED**

<u>MATURITY (AUGUST 15)</u>	<u>PRINCIPAL AMOUNT MATURING IN YEAR (\$)</u>	<u>STATED INTEREST RATE (%)</u>	<u>CUSIP No. (796261)</u>
2013	300,000	4.000	CZ6
2014	310,000	4.000	DA0
2015	325,000	4.000	DB8
2016	335,000	4.000	DC6
2017	350,000	4.000	DD4
2018	6,420,000	4.000	DE2
2019	6,680,000	4.350	DF9
2020	6,965,000	4.375	DG7
2021	7,275,000	4.375	DH5
2022	7,590,000	4.500	DJ1
2023	7,930,000	4.500	DK8
2024	8,290,000	4.500	DL6
2025	8,660,000	4.500	DM4
2026	<u>9,055,000</u>	4.500	DN2
Total	<u>70,485,000</u>	***	***

**SERIES 2008 BONDS TO BE REFUNDED**

<u>MATURITY (AUGUST 15)</u>	<u>PRINCIPAL AMOUNT MATURING IN YEAR (\$)</u>	<u>STATED INTEREST RATE (%)</u>	<u>CUSIP No. (796261)</u>
2034	<u>128,600,000</u>	Variable	DU6
Total	<u>128,600,000</u>	***	***

**WHEREAS**, pursuant to the terms of the respective ordinances which authorized the issuance of the Refunded Bonds:

- (i) the Series 1996 Bonds are not subject to redemption prior to stated maturity;
- (ii) the Series 2004A Bonds and the Series 2008 Bonds may be called for redemption at the option of the City on any date at the redemption price of par plus accrued interest; and

(iii) the Series 2006 Bonds maturing on and after August 15, 2014 may be called for redemption on August 15, 2013, or on any date thereafter at the redemption price of par plus accrued interest; and

**WHEREAS**, in addition to refinancing the Existing Convention Center by refunding the Refunded Bonds, the City has advised the Corporation that it deems it appropriate and desirable to undertake a major expansion of the Existing Convention Center, which is generally described to include the construction and equipping of approximately 100,000 square feet of additional convention center facilities located to the east of the Existing Convention Center towards Interstate 37 and the demolition of a portion of the Existing Convention Center upon completion of the additional facilities (the "**Expansion Project**"); and

**WHEREAS**, the Existing Convention Center and the Expansion Project are collectively referred to herein as the "**Convention Center Facilities**"; and

**WHEREAS**, on September 20, 2012, the City Council of the City approved an ordinance which, among other matters:

(i) formally requested the Corporation to assist the City by issuing its lease revenue bonds in accordance with the Act for the purpose of refinancing the Existing Convention Center by refunding the Refunded Bonds and providing a portion of the funds required to finance the Expansion Project;

(ii) approved and authorized the execution of the "Lease Agreement," the "Escrow Agreement" and the "Deposit Agreement" (each described and defined below) and all other documents related to the issuance of the bonds authorized by this Resolution to which the City is a party; and

(iii) authorized the redemption on August 15, 2013 of the outstanding Series 2006 Bonds maturing on and after August 15, 2014, and the redemption of all outstanding Series 2004 Bonds and the Series 2008 Bonds on a date following the delivery of the bonds authorized by this Resolution; and

**WHEREAS**, among numerous powers granted to the Corporation pursuant to Section 303.041 of the Act, the Corporation is specifically authorized to "*acquire title to a public facility in order to lease, convey, or dispose of the public facility to the corporation's sponsor or, on direction of the sponsor and in furtherance of the sponsor's purposes, to another entity*". . . to "*sell, convey, mortgage, pledge, lease, exchange, transfer, and otherwise dispose of all or any part of the corporation's property and other assets. . .*" and to "*make a contract, incur a liability, and borrow money at interest*"; and

**WHEREAS**, pursuant to the terms and conditions of the *Lease Agreement Relating to the City of San Antonio, Texas Convention Center Refinancing and Expansion Project*, dated as of October 1, 2012, by and between the Corporation and the City (the "**Lease Agreement**"), the City (as the "Lessor" under the "Primary Lease" created under the Lease Agreement) has agreed to lease the Convention Center Facilities (but not the land on which the Convention Center Facilities are located) to the Corporation (as the "Lessee" under the Primary Lease), and the Corporation has agreed (as the "Sublessor" of the "Sublease" created under the Lease Agreement) to lease the Convention Center Facilities back to the City (as the "Sublessee" under the Sublease), all pursuant to the terms and conditions of the Lease Agreement and in order to provide appropriate security for the issuance of the Bonds; and

**WHEREAS**, in connection with the Lease Agreement, the Corporation will enter into a *Trust Agreement Relating to the City of San Antonio, Texas Convention Center Refinancing and Expansion Project*, dated as of October 1, 2012 (the "**Trust Agreement**"), with U.S. BANK NATIONAL ASSOCIATION, as trustee (the "**Trustee**"), pursuant to which the Corporation will issue up to **\$585,000,000** in principal amount of **CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION IMPROVEMENT AND REFUNDING LEASE REVENUE BONDS, SERIES 2012 (CONVENTION CENTER REFINANCING AND EXPANSION PROJECT)** (the "**Bonds**") for the purpose of (i) refunding the Refunded Bonds, which constitute all outstanding indebtedness issued by the City to finance or refinance the City's Existing Convention Center, (ii) financing the acquisition, construction and equipping of the Expansion Project, which is a major expansion and renovation of the Existing Convention Center, (iii) paying professional fees related to the Expansion Project, (iv) paying capitalized interest, and (v) paying costs of issuance; and

**WHEREAS**, the portion of the Bonds that will be used to finance the acquisition, construction and equipping of the Expansion Project, pay professional fees related thereto and pay a portion of the costs of issuance is herein referred to as the "**Construction Portion**", and the remaining portion of the Bonds, which will be used to refund the Refunded Bonds and pay a portion of the costs of issuance, is herein referred to as the "**Refunding Portion**"; and

**WHEREAS**, for so long as the Sublease is in effect, the City will be obligated to pay lease payments to the Corporation in an amount sufficient to pay the principal of and interest on the Bonds when due under the Trust Agreement; provided, however, the Corporation acknowledges that the City's obligation to pay such lease payments is subject to annual appropriation by the City Council from any lawfully available funds; and

**WHEREAS**, for so long as the Primary Lease is in effect, the City will be obligated to pay "Operating Expenses" (as defined in the Lease Agreement) in an amount sufficient to pay all costs related to the operation and maintenance of the Convention Center Facilities, however, the City's obligation to pay such Operating Expenses is subject to annual appropriation by the City Council from any lawfully available funds; and

**WHEREAS**, the Bonds are special limited obligations of the Corporation, payable solely from the "Trust Estate" (as defined in the Trust Agreement), which includes the lease payments to be made by the City to the Corporation pursuant to the Sublease, and shall never constitute an indebtedness or general obligation of the Corporation, the State of Texas, the City, or any other political subdivision of the State of Texas, within the meaning of any constitutional provision or statutory limitation whatsoever; and

**WHEREAS**, the Bonds are to be initially sold to J.P. Morgan Securities LLC, Citigroup Global Markets, Inc., M.E. Allison & Co., Inc., Cabrera Capital Markets, LLC, Loop Capital Markets, LLC, Piper Jaffray & Co, RBC Capital Markets, LLC, SAMCO Capital Markets, Inc., Siebert Brandford Shank & Co., LLC, Stifel, Nicolaus & Company, Incorporated, and Wells Fargo Bank, National Association (collectively, the "**Underwriters**") at the price set forth in, and pursuant to the terms of, a Purchase Contract by and among the Corporation, the City and the Underwriters (the "**Purchase Contract**"); and

**WHEREAS**, Section 303.039 of the Act provides that "*[i]f permitted by the articles of incorporation or bylaws, the board of directors, by resolution adopted by a majority of directors in office, may designate one or more committees consisting of two or more directors to exercise the board's authority in the management of the corporation to the extent provided by the resolution, articles of incorporation, or bylaws*"; and

**WHEREAS**, Section 4.2 of the Bylaws of the Corporation provides that the Board "*may, by resolution or resolutions adopted by a majority of the whole Board, designate one or more committees, each committee to consist of two or more of the directors of the Board as designated, which, to the extent permitted by law and provided in said resolution or resolutions, shall have and exercise the authority of the Board in the management of the business and affairs of the Corporation*"; and

**WHEREAS**, the Board of Directors hereby determines that it is necessary and desirable to designate a "Pricing Committee," to be composed of the President or Vice President of the Board and any member of the Board selected by the President or Vice President, for the purpose of approving all final terms of the Bonds upon consultation with the City Manager and the Chief Financial Officer of the City regarding such proposed final terms; and

**WHEREAS**, to provide for the defeasance of the Refunded Bonds on the date of delivery of the Bonds, a portion of the proceeds of the Bonds, together with certain available funds of the City, shall be deposited into an "Escrow Fund" to be established under an Escrow Agreement, dated as of October 1, 2012, by and among the Corporation, the City and **U.S. BANK NATIONAL ASSOCIATION**, as the "Escrow Agent" thereunder (the "**Escrow Agreement**"); and

**WHEREAS**, to provide for the defeasance of the Series 2004A Bonds and the Series 2008 Bonds on the date of delivery of the Bonds, a portion of the proceeds of the Bonds, together with certain available funds of the City, shall be deposited into a "Trust Account" to be established under a

Deposit Agreement, dated as of October 1, 2012, by and among the Corporation, the City and U.S. BANK NATIONAL ASSOCIATION, as the "Deposit Agent" thereunder (the "*Deposit Agreement*"); and

*WHEREAS*, the Lease Agreement, the Trust Agreement, the Escrow Agreement, the Deposit Agreement and the Purchase Contract have been presented to the Board of Directors in substantially final form (except for the completion of the final terms to be approved by the Pricing Committee) for approval pursuant to this Resolution; and

*WHEREAS*, it is hereby further 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 and the Bylaws of the Corporation; *NOW THEREFORE*:

***BE IT RESOLVED BY THE BOARD OF DIRECTORS OF CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION THAT:***

**SECTION 1. AUTHORIZATION OF THE ISSUANCE AND SALE OF THE BONDS; DELEGATION OF FINAL TERMS TO PRICING COMMITTEE.**

(a) *Authorization to Issue the Bonds.* The Corporation is hereby authorized to sell up to **\$585,000,000** in principal amount of the Bonds under the terms set forth in the Trust Agreement. The Bonds shall be sold pursuant to a negotiated sale with the Underwriters.

(b) *Delegation of Final Terms to Pricing Committee.* As permitted by Section 303.039 of the Act and Section 4.2 of the Corporation's Bylaws, the Board hereby approves the creation and designation of a "Pricing Committee" consisting of the President or Vice President of the Board (who shall serve as the Chair of the Pricing Committee) and W. Reed Williams (or any other member of the Board selected by the Chair of the Pricing Committee in the event Mr. Williams is unavailable). The Pricing Committee is hereby authorized to exercise the authority of the Board to approve all final terms of the Bonds. Specifically, without limiting the generality of the preceding sentence, the Pricing Committee is hereby specifically authorized, appointed, and designated to act on behalf of the Corporation to effect the sale of the Bonds and to establish the terms and details related to the issuance and sale of the Bonds including the total aggregate principal amount of Bonds to be issued (but in no event to exceed **\$585,000,000**), the price at which the Bonds will be sold, the aggregate principal amount of each maturity thereof, the due date of each maturity (but in no event later than *September 15, 2042*), the rate of interest to be borne on the principal amount of each such maturity (but in no event to exceed a net effective interest rate for all Bonds of **6.00%**), the dates, price and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the Corporation, as well as any mandatory sinking fund redemption provisions for any maturity, if any, the allocation of the principal amount of the Bonds between the Construction Portion and the Refunding Portion, and all other matters and procedures relating to the issuance, sale and delivery of the Bonds which are not otherwise provided in this Resolution. The approval of the final terms of the Bonds by the Pricing Committee shall be evidenced by the execution of the Approval

Certificate (to be completed to reflect the final terms approved by the Pricing Committee) in substantially the form attached to this Resolution as Exhibit A.

(c) Authority to Complete Financing Documents and Approve and Execute Purchase Contract. Upon approval of the final terms of sale of the Bonds by the Pricing Committee, the President, Vice President, Treasurer and Executive Director of the Corporation, acting for and on behalf of the Corporation, each is authorized to cause the "Financing Documents" (as defined in Section 2 below) to be completed by Co-Bond Counsel related to the Bonds to reflect the final terms of the Bonds approved pursuant to the authority granted herein and to approve, enter into, execute and carry out the Purchase Contract with the Underwriters. The President or Vice President of the Board of Directors is authorized and directed to execute the Bonds, and the Secretary of the Corporation is authorized and directed to attest the Bonds and to affix the Corporation's seal thereto.

(d) Determination Required by Section 1201.022(a)(3), Texas Government Code. In satisfaction of Section 1201.022(a)(3), Texas Government Code, the Board of Directors hereby determines that the delegation of the authority to the Pricing Committee to approve the final terms of the Bonds set forth in this Resolution is, and the decisions made by the Pricing Committee pursuant to such delegated authority and to be incorporated into Exhibit A attached hereto and into the appropriate Financing Documents will be, in the Corporation's best interests, and the Pricing Committee is hereby authorized to make and include in Exhibit A an appropriate finding to that effect.

(e) Purpose for Refunding Portion. At the request of the City, the Corporation is undertaking the refinancing of the Existing Convention Center by refunding the Refunded Bonds in order to permit the City to refinance the Existing Convention Center with lease revenue bonds issued by the Corporation on financial terms that are more favorable and cost effective to the City than would otherwise be available if the City issued additional revenue bonds secured with hotel occupancy tax revenues to refund the Refunded Bonds (as well as financing the Expansion Project). Such favorable terms include, but are not limited to, the elimination of the need for a debt service reserve fund to provide security for the Bonds, which will result in significant costs savings to the City. Accordingly, while it is expected that the issuance of the Refunding Portion of the Bonds will result in a debt service savings to the City (the actual amount of savings, however, cannot be determined due to the fact that a portion of the Refunded Bonds bear interest at a variable rate), the issuance of such Refunding Portion of the Bonds is being done to accomplish other legitimate public purposes of the City, and the City has authorized the Corporation to issue the Refunding Portion of the Bonds regardless of whether an actual debt service savings is achieved. The Pricing Committee is hereby directed to determine (to the extent possible in light of the fact that a portion of the Refunded Bonds bear interest at a variable rate), and set forth in Exhibit A, the amount of any debt service savings or loss that will result from the issuance of the Refunding Portion of the Bonds.

**SECTION 2. APPROVAL OF FINANCING DOCUMENTS.** The Lease Agreement, the Trust Agreement, the Escrow Agreement, the Deposit Agreement and the Purchase Contract (collectively, the "**Financing Documents**") are hereby approved in substantially the forms presented at this meeting, with such changes thereto as are approved by the President or Vice President of the Board of

Directors or the Executive Director or Treasurer of the Corporation, with advice of the Corporation's counsel and Co-Bond Counsel related to the Bonds, and the President and Vice President of the Board of Directors and the Executive Director, any Assistant Executive Director, and the Treasurer of the Corporation each are authorized to execute, and the Secretary of the Corporation is authorized to attest the Financing Documents (if so provided therein) on behalf of the Corporation and deliver same, and when executed and delivered, the Financing Documents shall become valid and binding obligations of the Corporation in accordance with their respective terms.

**SECTION 3. APPROVAL OF OFFICIAL STATEMENT.** On September 20, 2012, the Board of Directors approved the form and distribution of the Preliminary Official Statement relating to the Bonds. The Board of Directors hereby approves the preparation and distribution of the final Official Statement incorporating all final terms of the Bonds and other changes deemed necessary by officers of the Corporation or the City and by the Corporation's counsel and Co-Bond Counsel related to the Bonds.

**SECTION 4. AUTHORIZING ALL NECESSARY ACTIONS.**

(a) *Authority to Take Other Actions and Execute Other Documents.* The President and Vice President of the Board of Directors, and the Executive Director, any Assistant Executive Director, the Secretary, the Treasurer and all other officers, employees, and agents of the Corporation designated by the Executive Director, shall be and are expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the Corporation all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution, the Bonds, the sale of the Bonds and the Financing Documents. In addition, prior to the initial delivery of the Bonds, the President and Vice President of Board of Directors, and the Executive Director, any Assistant Executive Director, the Secretary and the Treasurer of the Corporation, the Corporation's Counsel, and Co-Bond Counsel related to the Bonds are each hereby authorized and directed to approve any technical changes or correction to this Resolution or to any of the Financing Documents necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Resolution, (ii) obtain the approval of the Lease Agreement, the Bonds or any other Financing Document by the Attorney General of Texas, as required by law, or (iii) obtain the ratings contemplated in the Official Statement.

(b) *Valid Signatures.* In case any officer whose signature shall appear on any of the Financing Documents or any other documents necessary in connection therewith shall cease to be such officer before the delivery of any of the Financing Documents or any other documents necessary in connection therewith, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

(c) Designation of "Sublessor Representatives" and "Corporation Representatives." The President and Vice President of the Board of Directors, and the Executive Director, any Assistant Executive Director and the Treasurer of the Corporation are each hereby designated as a "Sublessor Representative" and a "Corporation Representative" for purposes of the Lease Agreement and the Trust Agreement, respectively.

**SECTION 5. ENFORCEABILITY OF RESOLUTION.** If any section, paragraph, clause, or provision 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 obligation of the Corporation authorized or established by this Resolution or the Financing Documents is held to be in violation of law as applied to any person or any circumstance, such obligation shall be deemed to be the obligation of the Corporation to the fullest extent permitted by law.

**SECTION 6. INCORPORATION OF RECITALS.** The Board of Directors hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the Board of Directors hereby incorporates such recitals as a part of this Resolution.

**SECTION 7. EFFECTIVE DATE.** This Resolution shall become effective immediately upon its adoption.

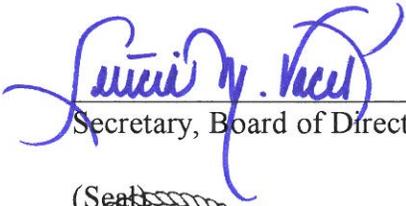
*[The remainder of this page intentionally left blank]*

MBM 9/20/12  
ITEM #6G

**PASSED AND APPROVED THIS 20<sup>TH</sup> DAY OF SEPTEMBER, 2012 BY THE BOARD OF DIRECTORS OF THE CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION.**

  
\_\_\_\_\_  
President, Board of Directors  
**JULIÁN CASTRO**

Attest:

  
\_\_\_\_\_  
Secretary, Board of Directors



Execution Page to Bond Resolution Relating to the  
City of San Antonio, Texas Public Facilities Corporation  
Improvement and Refunding Lease Revenue Bonds, Series 2012  
(Convention Center Refinancing and Expansion Project)

**EXHIBIT A**

**FORM OF APPROVAL CERTIFICATE**

**CERTIFICATE APPROVING THE FINAL TERMS OF THE BONDS**

I, the undersigned, in my capacity as the Chair of the Pricing Committee established and designated by the Board of Directors of the **CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION** (the "**Corporation**") pursuant to a resolution adopted by the Board of Directors on September 20, 2012 (the "**Bond Resolution**"), hereby certify as follows:

1. **GENERAL**. This Certificate is given in connection with the issuance by the Corporation of its **CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION IMPROVEMENT AND REFUNDING LEASE REVENUE BONDS, SERIES 2012 (CONVENTION CENTER REFINANCING AND EXPANSION PROJECT)** (the "**Bonds**") which, pursuant to the Bond Resolution, have been authorized to be issued by the Board of Directors. All capitalized terms used in this Certificate which are not otherwise defined herein shall have the same meanings as set forth in the Bond Resolution.

2. **APPROVAL OF PRICING COMMITTEE**. Pursuant to authority granted by Section 303.039 of the Act, Section 4.2 of the Corporation's Bylaws, and Section 1(b) of the Bond Resolution, the Pricing Committee (composed of the undersigned as [Vice] President of the Board of Directors and [W. Reed Williams]) met on October \_\_, 2012, and, following consultations with the City Manager (or her designee) and the Chief Financial Officer of the City and the Co-Financial Advisors for the Corporation and the City, unanimously approved the final terms of the Bonds, which are set forth in paragraphs 3 through 7 of this Certificate.

3. **DATED DATE AND AGGREGATE PRINCIPAL AMOUNT OF THE BONDS**. The Bonds shall be dated October 1, 2012, and shall be issued in the aggregate principal amount of \$\_\_\_\_\_.

4. **CERTAIN FINAL TERMS OF THE CURRENT INTEREST BONDS**.

(a) **Principal Amounts and Interest Rates**. The Current Interest Bonds shall (i) mature on **September 15** in each of the years and in the respective principal amounts, and (ii) bear interest from the date of initial delivery of the Current Interest Bonds to their respective date of maturity or prior redemption at the respective interest rates, all as set forth below:

*[The remainder of this page intentionally left blank]*

**CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION  
IMPROVEMENT AND REFUNDING LEASE REVENUE BONDS, SERIES 2012  
(CONVENTION CENTER REFINANCING AND EXPANSION PROJECT)  
CURRENT INTEREST BONDS**

<u>YEAR OF MATURITY</u>	<u>PRINCIPAL AMOUNT (\$)</u>	<u>INTEREST RATE (%)</u>	<u>YEAR OF MATURITY</u>	<u>PRINCIPAL AMOUNT (\$)</u>	<u>INTEREST RATE (%)</u>
2016	_____	_____	2030	_____	_____
2017	_____	_____	2031	_____	_____
2018	_____	_____	2032	_____	_____
2019	_____	_____	2033	_____	_____
2020	_____	_____	2034	_____	_____
2021	_____	_____	2035	_____	_____
2022	_____	_____	2036	_____	_____
2023	_____	_____	2037	_____	_____
2024	_____	_____	2038	_____	_____
2025	_____	_____	2038	_____	_____
2026	_____	_____	2040	_____	_____
2027	_____	_____	2041	_____	_____
2028	_____	_____	2042	_____	_____
2029	_____	_____			

b. Interest Payment Dates. Interest on the Current Interest Bonds shall be payable on each March 15 and September 15, commencing on March 15, 2013, until stated maturity or redemption.

c. Optional Redemption. The Current Interest Bonds maturing on and after September 15, 20\_\_, may be redeemed prior to their scheduled maturities, at the option of the Corporation on September 15, 20\_\_, or on any date thereafter at the redemption price equal to par plus accrued interest to the date fixed for redemption.

**5. CERTAIN FINAL TERMS OF THE CAPITAL APPRECIATION BONDS.**

a. Principal Amounts, Maturity Amounts, and Interest Rates. The Capital Appreciation Bonds shall (i) mature and be payable on **September 15** in each of the years and in the respective aggregate principal amount and aggregate maturity amount, and (ii) bear interest from the Issuance Date to their respective date of maturity at the respective interest rate, all as set forth below:

**CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION  
 IMPROVEMENT AND REFUNDING LEASE REVENUE BONDS, SERIES 2012  
 (CONVENTION CENTER REFINANCING AND EXPANSION PROJECT)  
 CAPITAL APPRECIATION BONDS**

<u>YEAR OF MATURITY</u>	<u>PRINCIPAL AMOUNT (\$)</u>	<u>MATURITY AMOUNT (\$)</u>	<u>INTEREST RATE (%)</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

b. Optional Redemption. The Capital Appreciation Bonds maturing on and after September 15, 20\_\_, may be redeemed prior to their scheduled maturities, at the option of the Corporation, on September 15, 20\_\_, or on any March 15 or September thereafter at the redemption price equal to the Compounded Amount as of such redemption date related to the applicable maturity of such Capital Appreciation Bonds shown in paragraph 5(c) below.

*[The remainder of this page intentionally left blank]*

(c) Compounded Amounts. The Compounded Amounts for each maturity of the Capital Appreciation Bonds are as follows:

<u>Compounding Date</u>	<b>Capital Appreciation Bonds Maturing</b>	<b>Capital Appreciation Bonds Maturing</b>	<b>Capital Appreciation Bonds Maturing</b>	<b>Capital Appreciation Bonds Maturing</b>	<b>Capital Appreciation Bonds Maturing</b>
	<u>(Approximate Yield %)</u>				
___/___/___	_____	_____	_____	_____	_____
___/___/___	_____	_____	_____	_____	_____
___/___/___	_____	_____	_____	_____	_____
___/___/___	_____	_____	_____	_____	_____
___/___/___	_____	_____	_____	_____	_____
___/___/___	_____	_____	_____	_____	_____
___/___/___	_____	_____	_____	_____	_____
___/___/___	_____	_____	_____	_____	_____
___/___/___	_____	_____	_____	_____	_____

*[The remainder of this page intentionally left blank]*

**6. ALLOCATION OF BONDS BETWEEN CONSTRUCTION PORTION AND REFUNDING PORTION.** The principal amount of the Bonds is hereby allocated between the Construction Portion and the Refunding Portion as follows:

<b>ALLOCATION OF THE BONDS</b>			
<b>YEAR OF MATURITY</b>	<b>PRINCIPAL AMOUNT APPLIED TO CONSTRUCTION PORTION (\$)</b>	<b>PRINCIPAL AMOUNT APPLIED TO REFUNDING PORTION (\$)</b>	<b>TOTAL (\$)</b>
2016			
2017			
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2025			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
TOTAL			

7. **PURCHASE PRICE OF THE BONDS.** The Bonds shall be purchased by the Underwriters at a price equal to \$ \_\_\_\_\_ (which amount is equal to par, plus original issue premium on the Current Interest Bonds of \$ \_\_\_\_\_, less Underwriter's discount of \$ \_\_\_\_\_), and no accrued interest.

8. **DEBT SERVICE SAVINGS/LOSS RELATED TO REFUNDING PORTION.** In accordance with the final numbers prepared by the Co-Financial Advisors for the Corporation and the City, the issuance of the Refunding Portion of the Bonds will result in a gross debt service savings/loss of \$ \_\_\_\_\_ and a net present value debt service savings/loss of \$ \_\_\_\_\_ (or \_\_\_\_\_% of the principal amount of the Refunded Bonds), after taking into account a contribution from the City in the amount of \$ \_\_\_\_\_ and based on the assumption that the Refunded Bonds that are bearing interest at a variable rate (i.e., the Series 2008 Bonds) would have continued to bear interest at the average rate of \_\_\_\_\_% until the final stated maturity thereof (i.e., August 15, 2034).

9. **DETERMINATION REQUIRED BY SECTION 1201.022(A)(3), TEXAS GOVERNMENT CODE.** In satisfaction of Section 1201.022(a)(3), Texas Government Code, as authorized by Section 1(d) of the Bond Resolution, and upon consultation with the City Manager (or her designee), the Chief Financial Officer of the City, and the Co-Financial Advisors for the Corporation and the City, the Pricing Committee determined that the final terms of the Bonds as set forth in this Certificate are in the Corporation's best interests.

*[The remainder of this page intentionally left blank.]*

MBM 9/20/12  
ITEM #6G

***EXECUTED AS OF THE \_\_\_\_\_ DAY OF OCTOBER, 2012 TO EVIDENCE THE APPROVAL ON SUCH DATE OF THE FINAL TERMS OF THE BONDS BY THE PRICING COMMITTEE OF THE CORPORATION IN ACCORDANCE WITH SECTION 1(b) OF THE BOND RESOLUTION.***

---

Chair, Pricing Committee  
City of San Antonio, Texas Public Facilities Corporation

Signature Page to "Certificate Approving the Final Terms of the Bonds" Relating to the  
City of San Antonio, Texas Public Facilities Corporation  
Improvement and Refunding Lease Revenue Bonds, Series 2012  
(Convention Center Refinancing and Expansion Project)

**CERTIFICATE FOR RESOLUTION**

I, the undersigned Secretary of the **CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION** (the "*Corporation*"), hereby certify as follows:

1. The Board of Directors of the Corporation convened in **SPECIAL MEETING ON THE 20<sup>TH</sup> DAY OF SEPTEMBER, 2012** at the San Antonio City Hall, and the roll was called of the duly constituted officers and members of said Board of Directors, to wit:

Julián Castro, President	Ray Lopez
Diego M. Bernal	Cris Medina
Ivy R. Taylor	W. Reed Williams
Leticia d. Ozuna	Elisa Chan
Rey Saldaña	Carlton Soules
David Medina, Jr.	

all of said officers and members of said Board of Directors were present, except the following absentees: NONE. Whereupon, among other business, the following was transacted at said Meeting: a written

**RESOLUTION NO. PFC 2012-09-20- 0002R**

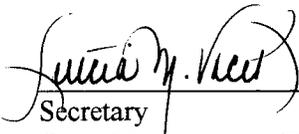
**RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF UP TO \$585,000,000 IN PRINCIPAL AMOUNT OF CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION IMPROVEMENT AND REFUNDING LEASE REVENUE BONDS, SERIES 2012 (CONVENTION CENTER REFINANCING AND EXPANSION PROJECT) FOR THE PURPOSE OF REFUNDING ALL OUTSTANDING HOTEL OCCUPANCY TAX BONDS ISSUED BY THE CITY OF SAN ANTONIO TO FINANCE AND REFINANCE ITS EXISTING CONVENTION CENTER FACILITIES AND FINANCING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A MAJOR EXPANSION TO THE CITY'S CONVENTION CENTER FACILITIES; APPROVING THE FORM AND EXECUTION OF A TRUST AGREEMENT, A LEASE AGREEMENT, AN ESCROW AGREEMENT, A DEPOSIT AGREEMENT, AND A PURCHASE CONTRACT IN CONNECTION THEREWITH; DELEGATING AUTHORITY TO A PRICING COMMITTEE TO APPROVE ALL FINAL TERMS OF THE BONDS; AND AUTHORIZING OTHER NECESSARY ACTIONS RELATED THERETO**

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

AYES: 11 NOES: Ø ABSTENTIONS: Ø

2. 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; the Resolution has been duly recorded in said Board of Directors's minutes of said Meeting; the above and foregoing paragraph is a true, full and correct excerpt from said Board of Directors's minutes of said Meeting pertaining to the passage of said Resolution; the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said Board of Directors as indicated therein; each of the officers and members of said Board of Directors was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid Meeting, and that said Resolution would be introduced and considered for passage 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.

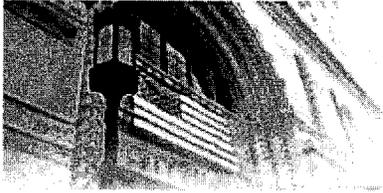
SIGNED AND SEALED THE 20<sup>TH</sup> DAY OF SEPTEMBER, 2012.

  
Secretary  
City of San Antonio, Texas Public Facilities Corporation

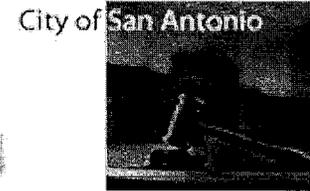
(Seal)



Execution Page to Certificate for PFC Resolution Authorizing the Issuance of  
City of San Antonio, Texas Public Facilities Corporation  
Improvement and Refunding Lease Revenue Bonds, Series 2012  
(Convention Center and Expansion Project)



Request for  
**COUNCIL  
ACTION**



## Agenda Voting Results - 6G

<b>Name:</b>	6F, 6G, 6H						
<b>Date:</b>	09/20/2012						
<b>Time:</b>	10:31:08 AM						
<b>Vote Type:</b>	Motion to Approve						
<b>Description:</b>	A Resolution of the City of San Antonio, Texas Public Facilities Corporation authorizing the issuance, sale and delivery of up to \$585,000,000.00 in principal amount of City of San Antonio, Texas Public Facilities Corporation Improvement and Refunding Lease Revenue Bonds, Series 2012 (Convention Center Refinancing and Expansion Project) for the purpose of refunding all outstanding Hotel Occupancy Tax Bonds issued by the City of San Antonio to finance and refinance its existing Convention Center facilities and financing the acquisition, construction and equipping of a major expansion to the City's Convention Center facilities and the renovation and demolition of certain portions of the existing Convention Center; approving the form and execution of a Trust Agreement, a Lease Agreement, an Escrow Agreement, and a Purchase Contract in connection therewith; delegating authority to a pricing committee to approve all final terms of the bonds; and authorizing other necessary actions related thereto.						
<b>Result:</b>	Passed						
<b>Voter</b>	<b>Group</b>	<b>Not Present</b>	<b>Yea</b>	<b>Nay</b>	<b>Abstain</b>	<b>Motion</b>	<b>Second</b>
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				
Cris Medina	District 7		x				
W. Reed Williams	District 8		x			x	
Elisa Chan	District 9		x				x
Carlton Soules	District 10		x				