

A RESOLUTION

APPROVING THE ISSUANCE OF UP TO \$50,000,000 IN PRINCIPAL AMOUNT OF "HIGHER EDUCATION REVENUE IMPROVEMENT BONDS" BY THE CITY OF SAN ANTONIO, TEXAS EDUCATION FACILITIES CORPORATION FOR TRINITY UNIVERSITY, A TEXAS NONPROFIT CORPORATION, AND APPROVING OTHER MATTERS RELATED THERETO

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WHEREAS, the CITY OF SAN ANTONIO, TEXAS (the "**City**"), pursuant to Section 53.35(b), Texas Education Code (now amended and recodified as Section 53A.35(b), Texas Education Code, as amended), approved and created the CITY OF SAN ANTONIO, TEXAS EDUCATION FACILITIES CORPORATION (the "**Issuer**") as a nonprofit corporation to exercise the powers enumerated and provided in Chapter 53, Texas Education Code (now amended and recodified as Chapter 53A, Texas Education Code, as amended - the "**Act**"), for and on behalf of the City; and

WHEREAS, Section 53A.34 of the Act authorizes the Issuer to issue and execute revenue bonds or other obligations to loan or otherwise provide funds to an institution of higher education to enable an institution of higher education to acquire, construct, enlarge, extend, repair, renovate, or otherwise improve an "educational facility" or "housing facility" (as such terms are defined in the Act) or any facility incidental, subordinate, or related to or appropriate in connection with an educational facility or housing facility, or for acquiring land to be used for those purposes, or to create operating and debt service reserves for and to pay issuance costs related to the bonds or other obligations; and

WHEREAS, Section 53A.331 of the Act further authorizes the Issuer to refinance any educational facility or housing facility acquired, constructed, or improved; and

WHEREAS, the City has been informed by representatives of the Issuer that the Board of Directors of the Issuer has approved a resolution (the "**Bond Resolution**," a copy of which has been filed with the City) authorizing the issuance of a series of revenue bonds for the benefit of TRINITY UNIVERSITY, a Texas nonprofit corporation located in the City (the "**University**"), which bonds are further described as follows:

CITY OF SAN ANTONIO, TEXAS EDUCATION FACILITIES CORPORATION HIGHER EDUCATION REVENUE IMPROVEMENT BONDS (TRINITY UNIVERSITY PROJECT), SERIES 2013, in the aggregate principal amount not to exceed \$50,000,000 (the "**Bonds**");

WHEREAS, representatives of the Issuer have assured the City that the Bonds will be payable solely from revenues derived by the Issuer from the University pursuant to provisions of the Bond Resolution and an Amended and Restated Loan Agreement, dated as of December 1, 2013, between the Issuer and the University, and other applicable documents being entered into by the Issuer in connection with the issuance of the Bonds, and the City will have no responsibility in any manner for the payment of the debt service requirements of the Bonds; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended, requires the City Council of the City (as the "applicable elected representative" of the "governmental unit" on behalf of which the Bonds are issued) to approve the issuance of the Bonds; and

WHEREAS, on November 7, 2013, a public hearing was held by a representative of the Issuer with respect to the aforementioned subject matter and notice of such public hearing was published in a newspaper of general circulation in the City at least 14 days prior to such public hearing; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Resolution was adopted 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

WHEREAS, it is hereby deemed necessary and advisable that this Resolution be adopted; **NOW THEREFORE:**

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

SECTION 1. APPROVING THE ISSUANCE OF THE BONDS. In order to satisfy the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended, the City hereby approves the issuance of the Bonds described above in the aggregate principal amount not to exceed \$50,000,000 in order to obtain funds to pay costs of issuance and finance a portion of the costs to construct and equip certain science facilities generally known as the Center for Science and Innovation (CSI) complex located at the University's main campus.

SECTION 2. INCORPORATION OF RECITALS. The City Council hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the City Council hereby incorporates such recitals as a part of this Resolution.

SECTION 3. EFFECTIVE DATE. Pursuant to Article II, Section 15 of the City's Charter, this Resolution shall become effective ten days following its passage.

LOH 11/21/13
Item #__

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO, TEXAS AT A REGULAR MEETING ON THIS 21ST DAY OF NOVEMBER, 2013.

M A Y O R
Julián Castro

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

_____, City Attorney

(CITY SEAL)

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Signature Page to the Resolution of the Governmental Unit Relating to the
City of San Antonio, Texas Education Facilities Corporation
Higher Education Revenue Improvement Bonds (Trinity University Project), Series 2013