

RESOLUTION **2019-01-10-0001R**

**RELATING TO A PUBLIC HEARING AND APPROVING FINANCING BY
DAINGERFIELD CULTURAL EDUCATION FACILITIES FINANCE
CORPORATION FOR THE BENEFIT OF CLARITY CHILD GUIDANCE
CENTER AND RELATED MATTERS.**

WHEREAS, the City of San Antonio, Texas (the "*City*") has been informed that the Daingerfield Cultural Education Facilities Finance Corporation (the "*Corporation*") created pursuant to Chapter 337, Texas Local Government Code ("*State Law*") will issue bonds, loans and/or other obligations (the "*Obligations*") in the maximum aggregate principal amount of \$7,000,000.00, whereby the proceeds of the Obligations will be loaned to Clarity Child Guidance Center (the "*Borrower*") for the purpose of financing and refinancing the Project (the "*Financing*"); and

WHEREAS, the Corporation is authorized by State Law to provide the Financing for cultural, health, educational and housing facilities by contractual arrangement, and the Obligations issued to the Corporation constitute contractual arrangements in which the Corporation is authorized by State Law to participate in; and

WHEREAS, the Obligations are being issued for the purpose of (a) financing and refinancing the construction, acquisition, renovation and/or equipping of health facilities to assist the maintenance of public health, including the expansion of the Living Unit to add 6 psychiatric emergency services beds and 14 acute care inpatient beds, expansion of the therapeutic recreation space including gymnasium, and the Partial Hospitalization Program area; construction of the Outpatient Services Building and parking garage; and infrastructure improvements to existing facilities, all located at 8535 Tom Slick Dr., San Antonio, Texas, 78229 (the "*Project*"); and (b) paying a portion of the costs of issuance of the Obligations; and

WHEREAS, the Borrower has agreed to make payments in amounts sufficient to pay the payments required to be made under the Obligations (the "*Payments*"); and

WHEREAS, section 147(f) of the Internal Revenue Code of 1986, as amended (the "*Code*") requires that the issuance of any qualified 501(c)(3) obligations be approved by either the governing body of the City or the chief elected executive officer of the City after a public hearing following reasonable public notice; and

WHEREAS, the publication of the Notice of Public Hearing (the "*Public Notice*") is evidenced by a Publisher's Affidavit (a copy of which is attached hereto as **Exhibit A**); and

WHEREAS, attached hereto as **Exhibit B** is the Certificate of Public Hearing regarding the conduct of the Public Hearing; and **NOW THEREFORE:**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO, TEXAS THAT:

SECTION 1. Solely for the purpose of satisfying the provisions of Section 147(f) of the Internal Revenue Code of 1986 as amended, the City hereby approves the issuance of the Note to finance the Project as defined above. The owner and user of the Project shall be Clarity Child Guidance Center and the maximum principal amount of the Note shall be \$7,000,000.00.

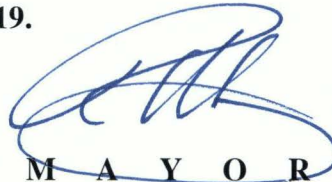
SECTION 2. This Resolution is passed based on the express understanding and representation by the Clarity Child Guidance Center that the Note does not and will not constitute in any way a liability or obligation of the City in any manner whatsoever, and that the City shall have no liability whatsoever for the Clarity Child Guidance Center.

SECTION 3. This approval is given solely for the limited purposes described in Section 1 above, and in no event does this approval extend to any other legal requirements regarding the Project, including, but not limited to, any requirement regarding a building permit, proper zoning, or other approval by the City.

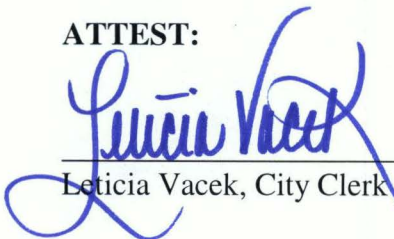
SECTION 4. It is officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and that notice of the time, place and subject matter of this meeting has been given in the manner required by law.

SECTION 5. This Resolution shall become effective immediately upon passage by eight (8) or more affirmative votes or, if passed by fewer than eight (8) affirmative votes, shall be effective ten (10) days after passage.

PASSED AND APPROVED this 10th day of January, 2019.



M A Y O R
Ron Nirenberg

ATTEST:



Leticia Vacek, City Clerk

APPROVED AS TO FORM:



Andrew Segovia, City Attorney

Agenda Item:	19 (in consent vote: 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23)						
Date:	01/10/2019						
Time:	09:38:33 AM						
Vote Type:	Motion to Approve						
Description:	Resolution approving the issuance by the Daingerfield Cultural Education Facilities Finance Corporation of bonds, loans and/or other obligations for purposes of Section 147(f) of the Internal Revenue Code. An administrative fee of \$2,500.00, payable by the Clarity Child Guidance Center, will be deposited into the General Fund in accordance with the FY 2019 Adopted Budget. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ron Nirenberg	Mayor		x				
Roberto C. Treviño	District 1		x				x
	District 2	x					
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x			x	
Shirley Gonzales	District 5	x					
Greg Brockhouse	District 6		x				
Ana E. Sandoval	District 7		x				
Manny Pelaez	District 8		x				
John Courage	District 9		x				
Clayton H. Perry	District 10		x				

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01/10/19
Item No. 19

EXHIBIT A

PUBLISHER'S AFFIDAVIT

HEARST

MEDIA SOLUTIONS

San Antonio Express-News | ExpressNews.com | mySA.com

SAN ANTONIO EXPRESS NEWS AFFIDAVIT OF PUBLICATION

STATE OF TEXAS:
COUNTY OF BEXAR

Before me, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared: Lynette Nelson, who after being duly sworn, says that she is the BOOKKEEPER of HEARST NEWSPAPERS, LLC - dba: SAN ANTONIO EXPRESS-NEWS, a daily newspaper published in Bexar County, Texas and that the publication, of which the annexed is a true copy, was published to wit:

Customer ID: 849439

Customer Name: Orrick, Herrington Sutcliffe

Order ID: 2992640

Publication
EN Classified

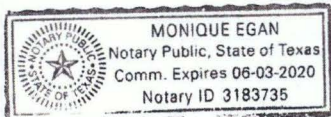
Pub Date
02-NOV-18


Lynette Nelson
Bookkeeper

Sworn and subscribed to before me, this 9 day of Nov. A.D. 2018

Notary public in and for the State of Texas





NOTICE OF PUBLIC HEARING

Notice is hereby given that the Daingerfield Cultural Education Facilities Finance Corporation (the "Corporation"), a nonprofit corporation created by the City of Daingerfield, Texas pursuant to Chapter 337, Texas Local Government Code, will hold a public hearing on November 16, 2018, commencing at 10:00 a.m. at Clarity Child Guidance Center, in the Administrative Conference Room, 8535 Tom Slick Dr., San Antonio, Texas, 78229, to provide an opportunity for all interested persons to be heard with respect to proposed loan from Frost Bank (the "Bank") to the Corporation in the maximum amount of \$7,000,000 and proposed loan from the Corporation to Clarity Child Guidance Center (the "Borrower") in the same amount (collectively, the "Loans"); all pursuant to a Loan Agreement by and among the Corporation, the Bank and the Borrower.

The Loans are being made for the purpose of (a) financing and refinancing the construction, acquisition, renovation and/or equipping of health facilities to assist the maintenance of public health, including the expansion of the Living Unit to add 6 psychiatric emergency services beds and 14 acute care inpatient beds, expansion of the therapeutic recreation space including gymnasium, and the Partial Hospitalization Program area; construction of the Outpatient Services Building and parking garage; and infrastructure improvements to existing facilities, all located at 8535 Tom Slick Dr., San Antonio, Texas, 78229 (the "Project"); and (b) paying a portion of the costs of issuance of the Loans. The Project is owned by the Borrower. The Loans are not payable out of taxes and are secured by and payable solely from funds provided by the Borrower.

All interested persons are invited to attend the hearing to express their views, both orally and in writing, with respect to the Loans and the Project. Any interested persons unable to attend the hearing may submit their views in writing to the President of the Board of Directors of the Corporation, c/o Orrick, Herrington & Sutcliffe LLP, Attn: Hoang Vu, 609 Main Street, 40th Floor, Houston, Texas 77002, prior to the date scheduled for the hearing.

DAINGERFIELD CULTURAL EDUCATION
FACILITIES FINANCE CORPORATION

JW/lpg
01/10/19
Item No. 19

EXHIBIT B

CERTIFICATE OF PUBLIC HEARING

CERTIFICATE OF PUBLIC HEARING

I, the undersigned, hereby certify in connection with a series of loan transactions to be entered into by the Daingerfield Cultural Education Facilities Finance Corporation (the "Corporation"), Clarity Child Guidance Center ("Borrower") and Frost Bank in the maximum amount of \$7,000,000 (the "Loans") for the benefit of Borrower, as follows:

1. I served as Hearing Officer for the Corporation for the purpose of conducting a public hearing on the Loans and the use of the proceeds thereof for the purpose of financing and refinancing the construction, acquisition, renovation and/or equipping of health facilities to assist the maintenance of public health, including the expansion of the Living Unit to add 6 psychiatric emergency services beds and 14 acute care inpatient beds, expansion of the therapeutic recreation space including gymnasium, and the Partial Hospitalization Program area; construction of the Outpatient Services Building and parking garage; and infrastructure improvements to existing facilities, all located at 8535 Tom Slick Dr., San Antonio, Texas, 78229 (the "Project").

2. Such hearing was conducted commencing at 10:00 a.m. on November 16, 2018 at Clarity Child Guidance Center, in the Administrative Conference Room, 8535 Tom Slick Dr., San Antonio, Texas, 78229, which building and office was open to the public for purposes of the hearing.

3. At the time for the commencement of the hearing, comments, either orally or in writing, were publicly requested on the Project to be financed with proceeds of the Loan and on the making of the Loans.

4. At the hearing,

☒ no persons presented comments orally or in writing.

☐ the comments summarized in Exhibit B-1 were made orally by the persons listed therein.

☐ the written comments attached hereto were presented.

5. No time limitations were imposed on any public comments.

IN WITNESS WHEREOF, I have hereunto set my hand this November 16, 2018.


Hearing Officer

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
COUNTY OF BEXAR §
CITY OF SAN ANTONIO §

We, the undersigned officers of the City of San Antonio, Texas (the "City"), hereby certify as follows:

1. The City Council of said City convened in regular meeting on January 10, 2019 (the "Meeting"), at the designated meeting place, and the roll was called of the duly constituted officers and members of said City Council, to wit:

Ron Nirenberg	Mayor
Roberto C. Trevino	District 1 Councilmember
William Shaw	District 2 Councilmember
Rebecca J. Viagran	District 3 Councilmember
Rey Saldana	District 4 Councilmember
Shirley Gonzales	District 5 Councilmember
Greg Brockhouse	District 6 Councilmember
Ana Sandoval	District 7 Councilmember
Manny Pelaez	District 8 Councilmember
John Courage	District 9 Councilmember
Clayton Perry	District 10 Councilmember

and all of said persons were present, except _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said Meeting: a written

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(the "Resolution") was duly introduced for the consideration of said City Council. It was then duly moved and seconded that said Resolution be adopted and, after due discussion, said motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

AYES: All members of the City Council shown present above voted "Aye," except
 as provided below:

NAYS: —

ABSTENTIONS: —

2. That 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; that said Resolution has been duly recorded in said City Council's minutes of said Meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said City Council's minutes of said Meeting pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said City Council as indicated therein; that each of the officers and members of said City Council 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 adoption 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.

3. That the Mayor of said City has approved and hereby approves the aforesaid Resolution; that the Mayor and the City Secretary of said City have duly signed said Resolution; and that the Mayor and the City Secretary of said City hereby declare that their signing of this Certificate shall constitute the signing of the attached and following copy of said Resolution for all purposes.

SIGNED January 10, 2019.

Leticia Vacek, City Clerk

Ron Nirenberg, Mayor