

RESOLUTION **2019-08-15-0052R**

**RELATING TO A PUBLIC HEARING AND APPROVING FINANCING
BY THE WOODLOCH CULTURAL EDUCATION FACILITIES
FINANCE CORPORATION FOR THE BENEFIT OF EL CENTRO
DEL BARRIO DBA CENTROMED AND RELATED MATTERS.**

* * * * *

WHEREAS, the City of San Antonio, Texas (the “City”) has been informed that the Woodloch 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 \$17,000,000, whereby the proceeds of the Obligations will be loaned to El Centro Del Barrio dba CentroMed (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) refinancing the cost of the acquisition, construction, renovation, and equipping of the CentroMed Southside Medical Clinic located at 3750 and 3800 Commercial Avenue, San Antonio, Texas 78221 (approximately \$11,500,000.00 of proceeds), (b) refinancing the cost of the acquisition, construction, renovation, and equipping of the CentroMed South Park Medical Clinic located at 6315 South Zarzamora Street, San Antonio, Texas 78211 (approximately \$500,000.00 of proceeds), (c) refinancing the cost of the acquisition, construction, renovation, and equipping of the CentroMed South Park Dental Clinic located at 910 Wagner Avenue, San Antonio, Texas 78211 (approximately \$500,000.00 of proceeds); (d) financing the costs of acquisition, construction, renovation, and equipping an approximately 20,500 square foot facility (including a 2,000 square foot parking garage) for a PACE Elder Care Program located at 1444 Division Avenue, San Antonio, Texas 78225 (approximately \$5,000,000.00 of proceeds) (collectively, the “Project”); and (e) 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 Certificate of Public Hearing regarding the conduct of the Public Hearing; **NOW THEREFORE**:

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

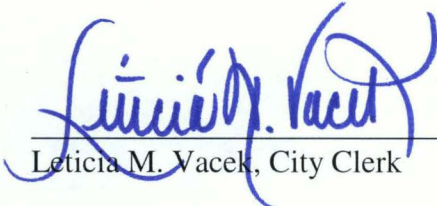
SECTION 1. The City hereby approves the Financing and the Project solely for the purpose of satisfying the requirements of section 147(f) of the Code; provided that the City shall have no liabilities for the Payments nor shall any of the City's assets be pledged to secure the Payments.

SECTION 2. This Resolution shall become effective immediately upon its passage.

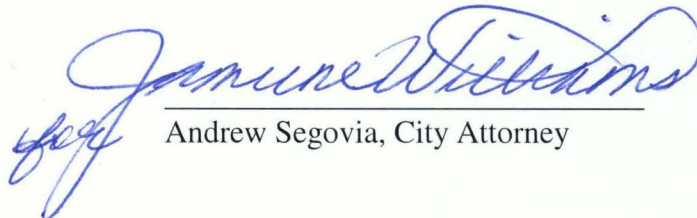
PASSED AND APPROVED this 15th day of August, 2019.


M A Y O R
Ron Nirenberg

ATTEST:


Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:


Andrew Segovia, City Attorney

| Agenda Item: | 21 (in consent vote: 5, 6, 7, 9, 10, 12A, 12B, 14, 15, 16, 17, 18, 19, 20, 21, 22A, 22B) | | | | | | |
|--------------------------|--|--------------------|------------|------------|----------------|---------------|---------------|
| Date: | 08/15/2019 | | | | | | |
| Time: | 12:00:00 AM | | | | | | |
| Vote Type: | Motion to Approve | | | | | | |
| Description: | Resolution approving the issuance by the Woodloch Cultural Education Facilities Finance Corporation of bonds, loans and/or other obligations for purposes of Section 147(f) of the Internal Revenue Code [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 |
| Jada Andrews-Sullivan | District 2 | | x | | | | |
| Rebecca Viagran | District 3 | | x | | | | |
| Dr. Adriana Rocha Garcia | District 4 | | x | | | | |
| Shirley Gonzales | District 5 | | x | | | | |
| Melissa Cabello Havrda | District 6 | | x | | | | |
| Ana E. Sandoval | District 7 | | x | | | | |
| Manny Pelaez | District 8 | | x | | | | |
| John Courage | District 9 | | x | | | x | |
| Clayton H. Perry | District 10 | | x | | | | |

JYW
08/15/2019
Item No. 21

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: 3028009

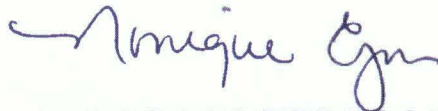
Publication
EN Classified

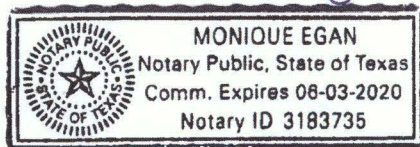
Pub Date
24-JUN-19


Lynette Nelson
Bookkeeper

Sworn and subscribed to before me, this 26 day of June A.D. 2019

Notary public in and for the State of Texas





NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing will be held on July 3, 2019, commencing at 10:00 a.m., at CentroMed, 3750 Commercial, San Antonio, Texas 78221, to provide an opportunity for all interested persons to be heard with respect to proposed loans from Frost Bank (the "Bank") to one or more cultural education facilities corporations, initially Ames Cultural Education Facilities Finance Corporation (the "Corporation"), in the maximum aggregate principal amount of \$17,000,000 and proposed loans (qualified 501(c)(3) bonds as defined in Section 145 of the Internal Revenue Code of 1986, as amended) from the Corporation to El Centro Del Barrio dba CentroMed (the "Borrower") in the same amount (collectively, the "Loans"); all pursuant to one or more loan agreements by and among the Corporation, the Bank and the Borrower.

The Loans are being made pursuant to a plan of finance for the purpose of (a) refinancing the cost of the acquisition, construction, renovation and equipping of the CentroMed Southside Medical Clinic located at 3750 and 3800 Commercial Avenue, San Antonio, Texas 78221 (approximately \$11,500,000 of proceeds); (b) refinancing the cost of the acquisition, construction, renovation and equipping of the CentroMed South Park Medical Clinic located at 6315 South Zarzamora Street, San Antonio, Texas 78211 (approximately \$500,000 of proceeds); (c) refinancing the cost of the acquisition, construction, renovation and equipping of the CentroMed South Park Dental Clinic located at 910 Wagner Avenue, San Antonio, Texas 78211 (approximately \$500,000 of proceeds); (d) financing the costs of acquisition, construction, renovation and equipping an approximately 20,500 square foot facility (including a 2,000 square foot parking garage) for a PACE Elder Care Program located at 1444 Division Avenue, San Antonio, Texas 78225 (approximately \$5,000,000 of proceeds); and (e) paying certain expenses in connection with the issuance of the Loans (collectively, the "Project"). 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.

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 Woodloch Cultural Education Facilities Finance Corporation (the "Corporation"), El Centro Del Barrio dba CentroMed ("Borrower") and Frost Bank in the maximum amount of \$17,000,000 (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 (a) refinancing the cost of the acquisition, construction, renovation and equipping of the CentroMed Southside Medical Clinic located at 3750 and 3800 Commercial Avenue, San Antonio, Texas 78221, (b) refinancing the cost of the acquisition, construction, renovation and equipping of the CentroMed South Park Medical Clinic located at 6315 South Zarzamora Street, San Antonio, Texas 78211, (c) refinancing the cost of the acquisition, construction, renovation and equipping of the CentroMed South Park Dental Clinic located at 910 Wagner Avenue, San Antonio, Texas 78211; (d) financing the costs of acquisition, construction, renovation and equipping an approximately 20,500 square foot facility (including a 2,000 square foot parking garage) for a PACE Elder Care Program located at 1444 Division Avenue, San Antonio, Texas 78225 and (e) paying certain expenses in connection with the issuance of the Loans (the "Project").

2. Such hearing was conducted commencing at 10:00 a.m. on July 3, 2019 at CentroMed, 3750 Commercial, San Antonio, Texas 78221, 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,

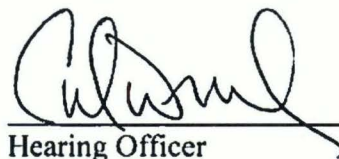
☒ no persons presented comments orally or in writing.

☐ 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 July 3, 2019.


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 July __, 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 |
| Jada Andrews-Sullivan | District 2 Councilmember |
| Rebecca J. Viagran | District 3 Councilmember |
| Dr. Adriana Rocha Garcia | District 4 Councilmember |
| Shirley Gonzales | District 5 Councilmember |
| Melissa Cabello Havrda | 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 August __, 2019.

City Secretary

Mayor