

THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED ORDINANCE ADOPTED BY THE CITY OF SAN ANTONIO, TEXAS.

AN ORDINANCE

BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO, TEXAS AUTHORIZING THE MAYOR TO EXECUTE A CERTIFICATE OF APPROVAL CONCERNING THE ISSUANCE OF REVENUE BONDS DESIGNATED AS “CITY OF HONDO, TEXAS CULTURAL EDUCATION FACILITIES FINANCE CORPORATION REVENUE BONDS (GOODWILL INDUSTRIES OF SAN ANTONIO PROJECT), SERIES 2019” BY CITY OF HONDO, TEXAS CULTURAL EDUCATION FACILITIES FINANCE CORPORATION IN SATISFACTION OF THE REQUIREMENTS CONTAINED IN SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED

* * * * *

WHEREAS, the City of Hondo, Texas has, pursuant to Chapter 337, as amended, Texas Local Government Code, and to the extent applicable, Chapter 221, as amended, Texas Health and Safety Code (collectively, the *Act*), approved and created or will cause to be created City of Hondo, Texas Cultural Education Facilities Finance Corporation, a Texas non-profit corporation (the *Issuer*); and

WHEREAS, the Issuer is empowered to finance the cost of cultural facilities which promote the health, education, and general welfare of the people of the State of Texas, as set forth in the Act, as well as facilities incidental, subordinate, or related thereto or appropriate in connection therewith, by the issuance of obligations of the Issuer; and

WHEREAS, the Board of Directors (the *Board*) of the Issuer intends to issue its limited obligation revenue bonds pursuant to the terms of the Act, to finance the costs of cultural facilities and/or facilities incidental, subordinate, or related thereto or appropriate in connection therewith (the *Project*), for the benefit of Goodwill Industries of San Antonio (the *Borrower*); and

WHEREAS, Norton Rose Fulbright US LLP, the Issuer’s Bond Counsel, will, pursuant to section 147(f) of the Internal Revenue Code of 1986, as amended (the *Code*), conduct a public hearing (the *Hearing*) following reasonable public notice with respect to the Bonds and the Project in the City of San Antonio, Texas (the *City*); and

WHEREAS, in order to satisfy the requirements of section 147(f) of the Code, it is necessary for the City Council or the Mayor of the City in which the Project is located to approve the Bonds after the Hearing has been held, together with any other necessary elected official or governing body pursuant to the Code; and

WHEREAS, it is deemed necessary and advisable that this Ordinance be adopted; now, therefore,

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

Section 1. This Ordinance is adopted for the purpose of satisfying the conditions and requirements of the Act, the bylaws of the Issuer, as applicable, and sections 103 and 147(f) of the Code and the regulations promulgated thereunder.

Section 2. The Bonds, which are issued in a maximum aggregate principal amount not to exceed \$6,000,000 to finance the costs associated with the Project and to pay certain costs of issuance of the Bonds, are hereby approved pursuant to section 147(f) of the Code.

Section 3. The approvals herein given are in accordance with the provisions of section 147(f) of the Code, and are not to be construed as any undertaking by the City, and the Bonds shall never constitute an indebtedness or pledge of the City, or the State of Texas, within the meaning of any constitutional or statutory provision, and the holders of the Bonds shall never be paid in whole or in part out of any funds raised or to be raised by taxation or any part out of any funds raised or to be raised by taxation or any other revenues of the Issuer, the City, or the State of Texas, except those revenues assigned and pledged by the Issuer in the Indenture of Trust and Security Agreement to be executed by and among the Issuer, UMB Bank, N.A., and the Borrower, in connection with the issuance of the Bonds.

Section 4. The Mayor and the City Clerk and the other officers of the City are hereby authorized, jointly and severally and after satisfaction of all conditions precedent to such execution as provided in Section 147(f) of the Code, to execute the Approval Certificate, in the form attached hereto as Exhibit A, as well as to execute and deliver such additional endorsements, instruments, certificates, documents, or paper necessary and advisable to carry out the intent and purposes of this Ordinance and the Issuer Ordinance on behalf of the City.

Section 5. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the City Council.

Section 6. All resolutions or ordinances, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters resolved herein.

Section 7. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 8. If any section, paragraph, clause, or provision of this Ordinance 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 Ordinance. In case any obligation of the Issuer authorized or established by this Ordinance or the Bonds is held to be in violation of law as applied to any person or in any circumstance, such obligation shall be deemed to be the obligation of the Issuer to the fullest extent permitted by law.

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Section 9. The effective date of this Ordinance shall be governed by the provisions of Section 1-15 of the City Code of San Antonio, Texas. This Ordinance shall take effect immediately if passed by eight (8) affirmative votes; otherwise, this Ordinance shall take effect ten (10) days from the date of passage.

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PASSED AND ADOPTED by an affirmative vote of _____ members of the City Council of the City of San Antonio, Texas, this the 17th day of October, 2019.

CITY OF SAN ANTONIO, TEXAS

M A Y O R
Ron Nirenberg

ATTEST:

City Clerk

I, the undersigned, City Attorney of the City of San Antonio, Texas, hereby certify that I read, passed upon, and approved as to form the foregoing Ordinance prior to its adoption and passage as aforesaid.

Andrew Segovia, City Attorney
City of San Antonio, Texas

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EXHIBIT A

Approval Certificate

See Tab __

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