

RESOLUTION NO. EFC 2024-_____
OF THE
CITY OF SAN ANTONIO, TEXAS
EDUCATION FACILITIES CORPORATION

**AUTHORIZING THE ISSUANCE OF CITY OF SAN ANTONIO, TEXAS
EDUCATION FACILITIES CORPORATION HIGHER EDUCATION
REVENUE BONDS (TRINITY UNIVERSITY PROJECT); AUTHORIZING
THE EXECUTION OF A FOURTH AMENDED AND RESTATED LOAN
AGREEMENT, A FOURTH AMENDED AND RESTATED INDENTURE OF
TRUST, AND A PURCHASE CONTRACT; AUTHORIZING THE
PREPARATION AND DISTRIBUTION OF AN OFFICIAL STATEMENT;
CALLING CERTAIN OUTSTANDING BONDS FOR OPTIONAL
REDEMPTION; AND APPROVING OTHER MATTERS IN CONNECTION
THEREWITH**

* * * * *

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, Section 53A.35 further provides that the Issuer has all powers granted under the Texas Non-Profit Corporation Act for the purpose of aiding institutions of higher education in providing educational facilities and housing facilities and facilities incidental, subordinate, or related thereto or appropriate in connection therewith; and

WHEREAS, in furtherance of the purposes of the Act, Trinity University (the “University”) requested the Issuer to issue, and the Issuer issued its CITY OF SAN ANTONIO, TEXAS EDUCATION FACILITIES CORPORATION HIGHER EDUCATION VARIABLE RATE DEMAND REVENUE REFUNDING AND IMPROVEMENT BONDS (TRINITY UNIVERSITY PROJECT), SERIES 2002 (the “Series 2002 Bonds”), the proceeds of which were loaned to the University pursuant to the terms of a Loan Agreement, dated as of May 1, 2002, between the Issuer and the University; and

WHEREAS, the Series 2002 Bonds were issued under and pursuant to and were secured by an Indenture of Trust, dated as May 1, 2002 (the “2002 Indenture”), from the Issuer to Wells Fargo Bank, N.A., as trustee thereunder (including its successors, the “Trustee”); and

WHEREAS, in furtherance of the purposes of the Act and as permitted by the terms of a previously executed indenture, as amended and restated (the “Prior Indenture”) and loan agreement, as amended and restated (the “Prior Loan Agreement”), the University requested the Issuer to issue, and Issuer issued its CITY OF SAN ANTONIO, TEXAS EDUCATION FACILITIES CORPORATION HIGHER EDUCATION REVENUE REFUNDING BONDS (TRINITY UNIVERSITY PROJECT), SERIES 2011 (the “Series 2011 Bonds”), CITY OF SAN ANTONIO, TEXAS EDUCATION FACILITIES CORPORATION HIGHER EDUCATION REVENUE IMPROVEMENT BONDS (TRINITY UNIVERSITY PROJECT), SERIES 2014 (the “Series 2014 Bonds”), CITY OF SAN ANTONIO, TEXAS EDUCATION FACILITIES CORPORATION HIGHER EDUCATION REVENUE IMPROVEMENT BONDS (TRINITY UNIVERSITY PROJECT), SERIES 2017 (the “Series 2017 Bonds”) and CITY OF SAN ANTONIO, TEXAS EDUCATION FACILITIES CORPORATION HIGHER EDUCATION REVENUE REFUNDING AND IMPROVEMENT BONDS (TRINITY UNIVERSITY PROJECT), TAXABLE SERIES 2020 (the “Series 2020 Bonds”); and

WHEREAS, in accordance with the Prior Indenture, one or more series of “Additional Bonds” may be delivered by the Issuer pursuant to the Prior Indenture for the purposes provided in the Prior Loan Agreement and/or for the purpose of refunding any Outstanding Bonds, and such Additional Bonds shall be on a parity with respect to the Trust Estate (as defined in the Prior Indenture) and shall be payable by the Issuer solely from the revenues and other amounts derived pursuant to the Prior Loan Agreement (except to the extent paid out of moneys attributable to the proceeds derived from the sale of the Additional Bonds or to income from the temporary investment thereof); and

WHEREAS, pursuant to the Prior Loan Agreement, the University is permitted to incur additional “Long Term Indebtedness” (as defined therein, which includes, but is not limited to, Additional Bonds as permitted by the Prior Indenture) if, prior to incurring such additional Long Term Indebtedness, the chief financial officer of the University provides the Issuer and the Trustee with a certificate (i) stating that for the Fiscal Year immediately preceding the incurring or assumption of Long Term Indebtedness, the University was in compliance with the requirements of the Prior Loan Agreement, and (ii) demonstrating and concluding that, based on the University’s most recent audited financial statements, the University’s Expendable Financial Resources (as defined therein) are greater than 50% of all outstanding Long Term Indebtedness (including the Long Term Indebtedness proposed to be incurred); and

WHEREAS, the Series 2002 Bonds currently are outstanding in the aggregate principal amount of \$12,000,000 and are scheduled to mature on June 1, 2033;

WHEREAS, the Series 2002 Bonds are subject to optional redemption by the Issuer (which option may be exercised only at the direction of the University) at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the date of redemption; and

WHEREAS, in February 2024, the Board of Trustees of the University approved a resolution delegating to the University's Operations Committee the authority to (a) incur debt for the purposes of (i) financing a new Welcome Center, Event Space building, the renovation of residence halls, and other capital projects on the University's campus (collectively, the "New Money Project") and (ii) refunding the Series 2002 Bonds to a fixed rate structure (the "Refunding Project" and together with the New Money Project, the "Project") and (b) take such actions as may be necessary or desirable in connection with such delegation; provided that the principal amount related to the New Money Project shall not exceed \$75,000,000, and the principal amount related to the Refunding Project shall not exceed \$13,000,000 (the "Board of Trustees' Resolution"); and

WHEREAS, pursuant to the Board of Trustees' Resolution, the University has requested the Issuer to issue up to \$88,000,000 in principal amount of fixed rate revenue bonds (which may be tax-exempt or taxable), the proceeds of which will be loaned to the University to (i) refinance the projects originally financed or refinanced with proceeds of the Series 2002 Bonds by refunding all outstanding Series 2002 Bonds, (ii) finance or refinance educational facilities and housing facilities, including the Welcome Center, the Event Space building, the renovation of residence halls, and other capital projects on the University's campus (collectively with (i), the "Project"), and (iii) pay costs of issuing the bonds; and

WHEREAS, the University also requests and directs the Issuer to call for redemption all Series 2002 Bonds, in accordance with the terms of the 2002 Indenture; and

WHEREAS, the Issuer Board (as hereinafter defined) now deems it appropriate for the Issuer to assist the University with (i) refinancing the projects originally financed or refinanced with proceeds of the Series 2002 Bonds by refunding all outstanding Series 2002 Bonds, and (ii) financing or refinancing educational facilities or housing facilities, and facilities incidental, subordinate, or related to or appropriate in connection with such educational and housing facilities as permitted by the Act, by issuing one or more series of Additional Bonds (which may be issued as federally tax-exempt and/or taxable obligations) as permitted by the Prior Loan Agreement and the Prior Indenture (the "Series 2024 Bonds"); and

WHEREAS, as a condition to delivery of the Series 2024 Bonds, the Vice President for Finance and Administration of the University, who is the chief financial officer of the University, will provide the Issuer and the Trustee with the certificate required by the Prior Loan Agreement in connection with incurring additional Long Term Indebtedness that is represented by the issuance of the Series 2024 Bonds; and

WHEREAS, pursuant to the Prior Indenture, the Issuer and the Trustee may, without the consent of or notice to any of the owners of the “Bonds” (generally defined therein to collectively mean, at this time, the Series 2017 Bonds and the Series 2020 Bonds), enter into an indenture or indentures supplemental to the Prior Indenture as shall not be inconsistent with the terms and provisions hereof in connection with the issuance of Additional Bonds; and

WHEREAS, similarly, pursuant to the Prior Indenture, the Issuer and the Trustee may, without the consent of or notice to any of the owners of the Bonds, consent to any amendment, change, or modification of the Prior Loan Agreement as may be required by the provisions of the Prior Loan Agreement and the Prior Indenture in connection with the issuance of Additional Bonds, or for the purpose of complying with the provisions of the Prior Loan Agreement; and

WHEREAS, the Series 2024 Bonds are to be issued under and pursuant to, and are to be secured by, a Fourth Amended and Restated Indenture of Trust between the Issuer and Computershare Trust Company, National Association, as successor Trustee (the “Indenture”), which will serve as an indenture supplemental to the Prior Indenture and will completely amend and restate the Prior Indenture and provide for the issuance of the Series 2024 Bonds; and

WHEREAS, in compliance with the Prior Indenture, prior to entering into the Loan Agreement (defined below) and the Indenture (which as noted above will amend and restate the Prior Loan Agreement and the Prior Indenture, respectively, and will apply to the Series 2024 Bonds, the Series 2020 Bonds and the Series 2017 Bonds), the Trustee must receive an opinion of Bond Counsel to the effect that (i) such amendment, change, or modification will not cause the interest on any of the Bonds originally issued as tax-exempt obligations (i.e., the Series 2017 Bonds) to become subject to federal income taxation and an opinion of counsel that such amendment, change, or modification is authorized by the Prior Indenture and (ii) all conditions or consents required for the Trustee to enter into such amendment, change, or modification have been met; and

WHEREAS, as a condition to delivery of the Series 2024 Bonds, Bond Counsel will provide prior to the issuance and delivery of the Series 2024 Bonds and the Indenture, to the Trustee the opinions required by the Prior Indenture; and

WHEREAS, the University will, pursuant to the Loan Agreement, agree to make payments to the Issuer or its designee in amounts sufficient to pay debt service on the Series 2024 Bonds authorized hereby (as well as the outstanding Series 2017 Bonds and Series 2020 Bonds) and to pay certain costs of administration and indemnification, if required, to hold the Issuer and the City harmless with respect to the issuance of the “Bonds” (as defined in the Loan Agreement) and the projects financed and refinanced thereby; and

WHEREAS, the issuance of the tax-exempt portion of the Series 2024 Bonds authorized hereby will enable the University to borrow funds at the lower costs available in the tax-exempt market and will reduce the University’s interest expenses to finance the Project at a fixed rate of interest than would otherwise be available to the University through a taxable financing; and

WHEREAS, there have been described or presented to the Issuer substantially final forms of each of the following documents:

1. The Fourth Amended and Restated Loan Agreement (the “Loan Agreement”) by and between the Issuer and the University, including a promissory note from the University to the Issuer in the principal amount of the Series 2024 Bonds;
2. The Fourth Amended and Restated Indenture of Trust (the “Indenture”), between the Issuer and the Trustee; and

WHEREAS, the University has selected Jefferies LLC and certain other financial institutions to serve as the underwriters of the Series 2024 Bonds (the “Underwriters”), and the Issuer will be required to enter into a purchase contract by and among the Issuer, the University and the Underwriters for the purpose of obligating the underwriters to purchase, and obligating the Issuer to deliver, the Series 2024 Bonds at the agreed upon purchase price and under the conditions set forth therein (the “Purchase Contract”); and

WHEREAS, this Resolution, the Series 2024 Bonds, the Loan Agreement, the Indenture, and the Purchase Contract are collectively referred to herein as the “Issuer Documents”; and

WHEREAS, prior to the adoption of this Resolution a representative of the University held a public hearing in connection with the issuance of the Series 2024 Bonds and the project to be refinanced with proceeds thereof in order to comply with the provisions of Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), the compliance with which is required to permit the interest on the Series 2024 Bonds to be excludable from federal income taxation; 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; **NOW THEREFORE:**

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

SECTION 1. APPROVAL OF LOAN AGREEMENT, INDENTURE, AND PURCHASE CONTRACT. The Board of Directors of the Issuer (the “Issuer Board”) hereby approves the Loan Agreement and the Indenture in substantially the form and substance described or presented to the Issuer Board, hereby authorizes each of the President, Vice President, Executive Director and Treasurer of the Issuer to approve the form of the Purchase Contract, and hereby further authorizes each of the President, Vice President, Executive Director and Treasurer of the Issuer to approve in final form, date, sign, and otherwise execute the Loan Agreement, the Indenture and the Purchase Contract, and the Secretary and any Assistant Secretary each is authorized and directed, for and on

behalf of the Issuer, to attest the Loan Agreement, the Indenture and the Purchase Contract, if necessary, and such officers are hereby authorized to deliver such documents to the other parties thereto. Upon execution by the parties thereto and delivery thereof, the Loan Agreement, the Indenture and the Purchase Contract shall be binding upon the Issuer in accordance with the terms and provisions thereof.

SECTION 2. AUTHORIZATION TO ISSUE THE SERIES 2024 BONDS. The Series 2024 Bonds are authorized to be issued in one or more series in an aggregate principal amount not to exceed **\$88,000,000**, maturing on the respective dates and principal amounts, and bearing interest at the respective per annum rates (which may be federally tax-exempt and/or taxable), and being subject to redemption, as determined and set forth in the Indenture. The Series 2024 Bonds are issued for the purpose of loaning the proceeds thereof to the University for the purposes as described in the recitals of this Resolution. The Board hereby approves the Series 2024 Bonds in substantially the form and substance set forth in the Indenture, and the President and Vice President, and the Secretary and any Assistant Secretary, are hereby authorized and directed, for and on behalf of the Issuer, to execute the Series 2024 Bonds or have their facsimile signatures placed upon the Series 2024 Bonds, and such officers are hereby authorized and directed to deliver the Series 2024 Bonds, and the seal of the Issuer is hereby authorized and directed to be affixed or placed in facsimile on the Series 2024 Bonds. The Series 2024 Bonds shall be issued, executed, authenticated, and delivered in the form and manner, and shall be dated, shall and may be redeemed prior to maturity, and shall have all of the characteristics, as provided in the Indenture. The Series 2024 Bonds shall be issued, authenticated, and delivered as provided in the Indenture, and the Series 2024 Bonds of each series shall be issued initially as one fully registered bond, without coupons, numbered as set forth in the Indenture.

SECTION 3. SALE OF SERIES 2024 BONDS. The Series 2024 Bonds are hereby authorized to be sold and delivered in accordance with the provisions of the Purchase Contract at the purchase price set forth therein.

SECTION 4. CALLING CERTAIN SERIES 2002 BONDS FOR OPTIONAL REDEMPTION. The Issuer hereby calls for redemption all Series 2002 Bonds at the redemption price of par plus all unpaid accrued interest to the date of redemption directed by the University.

Attached to this Resolution as Exhibit A and made a part hereof for all purposes is the form of a NOTICE OF REDEMPTION for the Series 2002 Bonds. As soon as practicable after the issuance and delivery of the Series 2024 Bonds, a copy of the NOTICE OF REDEMPTION shall be issued and delivered to Registered Owners of the Series 2002 Bonds in accordance with the 2002 Indenture and filed with the MSRB through EMMA in accordance with the University's continuing disclosure agreement entered into pursuant to Securities and Exchange Commission Rule 15c2-12.

SECTION 5. APPROVAL OF OFFICIAL STATEMENT. The Board hereby authorizes the preparation and distribution of a Preliminary Official Statement relating to the issuance of the Series 2024 Bonds and further approves the distribution of the Preliminary Official Statement by

the Underwriters in connection with the sale of the Series 2024 Bonds. The Issuer Board further approves the preparation and distribution of the final Official Statement (in substantially the form of the Preliminary Official Statement) incorporating all final terms of the Series 2024 Bonds and other changes deemed necessary by officers of the Issuer or the Bond Counsel and the Disclosure Counsel related to the Series 2024 Bonds.

SECTION 6. AUTHORIZATION TO COMPLETE ISSUER DOCUMENTS AND APPROVE CHANGES. Bond Counsel for the Series 2024 Bonds is hereby authorized to complete the Issuer Documents by incorporating the final terms of the Series 2024 Bonds therein and to make any other changes deemed necessary, provided that such changes are not inconsistent with this Resolution. The President, Vice President, Executive Director, and Treasurer of the Issuer each are hereby individually authorized to approve any changes made to the Issuer Documents and the Official Statement as they relate to the Issuer from the forms presented to and approved by the Board, such approval to be evidenced by the execution of the Issuer Documents, provided that such changes are not inconsistent with this Resolution.

SECTION 7. AUTHORIZATION TO APPROVE ADDITIONAL ACTIONS AND DOCUMENTS. All officers, employees, agents and representatives of the Issuer and the Issuer Board shall be and are hereby 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 and deliver in the name and on behalf of the Issuer 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 and of the Series 2024 Bonds, as well as the terms and provisions of the Issuer Documents.

SECTION 8. AUTHORIZATION TO AUTHENTICATE SERIES 2024 BONDS AND DELIVER TRANSCRIPT TO THE ATTORNEY GENERAL. The President and Vice President of the Board and the Executive Director and Treasurer of the Issuer each are individually hereby authorized to execute and deliver to the Trustee a written order of the Issuer for the authentication and delivery of the Series 2024 Bonds by the Trustee in accordance with the Indenture, and to deliver a transcript of proceedings to the Attorney General of the State of Texas, along with the initial Series 2024 Bond, which shall be delivered to the Comptroller of Public Accounts of the State of Texas for registration upon Attorney General approval.

SECTION 9. APPROVAL AND RATIFICATION OF PUBLIC HEARING. The Board of Directors has been advised that a public hearing relating to the issuance of the Series 2024 Bonds was conducted on behalf of the Issuer on April 29, 2024 in order to comply with the provisions of Section 147(f) of the Code and that Samantha Savoy served as the hearing officer for such public hearing. The Issuer Board hereby approves and ratifies the holding of such public hearing and Samantha Savoy serving as the hearing officer of such public hearing.

SECTION 10. RESOLUTION IRREPEALABLE. After any of the Series 2024 Bonds are issued, this Resolution shall be and remain irrevocable until the Series 2024 Bonds or the interest thereon shall have been fully paid or provision for payment shall have been made pursuant to the Indenture.

SECTION 11. 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 Issuer authorized or established by this Resolution or the Series 2024 Bonds 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 Issuer to the fullest extent permitted by law.

SECTION 12. INCORPORATION OF RECITALS. The Issuer Board hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the Issuer Board hereby incorporates such recitals as a part of this Resolution.

SECTION 13. Funds received for this Resolution for the administrative fee will be deposited in Fund 11001000, Internal Order 2800000000006 and General Ledger 4909930.

SECTION 14. The financial allocations in this Resolution are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Resolution.

SECTION 15. EFFECTIVE DATE. This Resolution shall become effective immediately upon its adoption.

[The remainder of this page intentionally left blank]

OHS
05/09/24
Item No. ____

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE CITY OF SAN ANTONIO, TEXAS EDUCATION FACILITIES CORPORATION THIS 9TH DAY OF MAY, 2024.

President, Board of Directors

Attest:

Secretary, Board of Directors

(Seal)

DRAFT

EXHIBIT A

FORM OF NOTICE OF REDEMPTION

To the Holders of the
**CITY OF SAN ANTONIO, TEXAS EDUCATION FACILITIES CORPORATION
HIGHER EDUCATION VARIABLE RATE DEMAND REVENUE REFUNDING AND
IMPROVEMENT BONDS (TRINITY UNIVERSITY PROJECT), SERIES 2002
(CUSIP NO. 796247AB0*)**

NOTICE IS HEREBY GIVEN that the City of San Antonio, Texas Education Facilities Corporation (the “Issuer”) has deposited cash and authorized investment securities into an irrevocable trust account in order to pay all of the Issuer’s outstanding HIGHER EDUCATION VARIABLE RATE DEMAND REVENUE REFUNDING AND IMPROVEMENT BONDS (TRINITY UNIVERSITY PROJECT) SERIES 2002, dated May 1, 2002 (the “Refunded Bonds”).

NOTICE IS FURTHER GIVEN that, as directed by Trinity University, as the obligor of the Refunded Bonds (the “University”), all Refunded Bonds have been called for redemption by the Issuer on [_____]¹, 2024 (the “Redemption Date”) at the Redemption Price equal to 100% of par plus accrued interest to the Redemption Date. Such Refunded Bonds shall be redeemed and shall become due and payable on the Redemption Date, and the interest thereon shall cease to accrue from and after the Redemption Date.

DUE AND PROPER ARRANGEMENTS have been made to provide Computershare Trust Company, National Association, the Trustee and Paying Agent for the Refunded Bonds, with funds sufficient to pay the redemption price of the Refunded Bonds when due.

NOTICE IS FURTHER GIVEN THAT the Refunded Bonds will be payable at and should be submitted either in person or by certified mail to the following address:

[TO BE PROVIDED BY TRUSTEE FOR SERIES 2002 BONDS]

To avoid a backup withholding tax required by Section 3406 of the Internal Revenue Code of 1986, holders must submit a properly completed IRS Form W-9

* The above referenced CUSIP numbers are provided for the convenience of the holders. Neither the Trustee, Paying Agent, the Issuer, nor the University are responsible for any error of any nature relating to the CUSIP Numbers.

¹ The redemption date will be completed at the direction of the University.