

**THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED  
RESOLUTION ADOPTED BY THE CITY COUNCIL.**

**RESOLUTION NO. \_\_\_\_\_**

**REGARDING APPROVAL, FOR PURPOSES OF SECTION 147(f) OF THE  
INTERNAL REVENUE CODE, AS AMENDED, OF A TAX-EXEMPT  
LOAN AGREEMENT BY AND AMONG THE CITY OF BALCONES  
HEIGHTS, TEXAS CULTURAL EDUCATION FACILITIES FINANCE  
CORPORATION, GOODWILL INDUSTRIES OF SAN ANTONIO, TEXAS,  
GOODWILL INDUSTRIES OF SAN ANTONIO CONTRACT SERVICES,  
AND HANCOCK WHITNEY BANK**

\* \* \*

WHEREAS, the City of Balcones Heights, Texas (*Balcones Heights*), pursuant to the provisions of the Cultural Education Facilities Finance Corporation Act, codified under Chapter 337, Texas Local Government Code, as amended, and to the extent required, Chapter 221, Texas Health and Safety Code, as amended (collectively, the *Acts*), approved and created the CITY OF BALCONES HEIGHTS, TEXAS CULTURAL EDUCATION FACILITIES FINANCE CORPORATION (the *Issuer*) as a public, nonprofit corporation to exercise the powers enumerated under the Acts for and on behalf of Balcones Heights; and

WHEREAS, the Issuer, on behalf of Balcones Heights, is empowered pursuant to the provisions of the Acts to issue bonds, notes, or other obligations for acquiring, constructing, providing, improving, financing, and refinancing cultural and educational facilities (including Goodwill Industries of San Antonio, Texas and Goodwill Industries of San Antonio Contract Services (collectively, and jointly and severally, the *Borrower*), which are Texas non-profit corporations) and providing facilities incidental, subordinate, or related thereto or appropriate in connection therewith; and

WHEREAS, the Borrower has determined that it is necessary and appropriate to acquire, construct and equip the retail/warehouse facilities located at 7693 N. Loop 1604 E., Live Oak, Texas 78233 and 11722 Quincy Lee Drive, San Antonio, Texas 78250 (the *Projects*); and

WHEREAS, the Borrower has applied to the Issuer for a loan of up to \$10,000,000 to refinance debt used for the Projects and pay costs of issuance; and

WHEREAS, the Borrower has asked HANCOCK WHITNEY BANK, a Mississippi state chartered bank (the *Lender*), to make a loan of up to \$10,000,000 to the Issuer for the purpose of providing funds to enable the Issuer to make a loan to the Borrower for the above purposes; and

WHEREAS, the Lender is willing to make such loan to the Issuer for the benefit of the Borrower on the terms and conditions as set forth in a Loan Agreement, dated as of May 1, 2024 (the *Loan Agreement*), by and among the Issuer, the Borrower, and the Lender; and

WHEREAS, on March 25, 2024, the Issuer published notice of a public hearing in a newspaper of general circulation in the City of San Antonio, Texas (the *City*) relating to refinancing the Projects as required by Section 147(f) of the Internal Revenue Code (the *Code*), and such public hearing was held on March 25, 2024; and

WHEREAS, in order to satisfy the requirements of section 147(f) of the Code, it is necessary for the City Council of the City, as a jurisdiction in which part of the Projects are currently located, to approve the Issuer Loan, together with any other necessary elected official or governing body pursuant to the Code; 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, as amended; and

WHEREAS, the Governing Body hereby finds and determines that the adoption of this Resolution is in the best interests of the residents of the Issuer; now, therefore,

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

SECTION 1. DEFINITIONS; PURPOSE. Terms not otherwise defined herein shall have the meanings assigned to them in the Loan Agreement. This Resolution is adopted for the purpose of satisfying the conditions and requirements of the Acts, the bylaws of the Issuer, as applicable, and sections 103 and 147(f) of the Code and the regulations promulgated thereunder.

SECTION 2. SECTION 147(f) APPROVAL. The City hereby approves, solely for the purposes of satisfying Section 147(f) of the Code, the Issuer Loan in the principal amount of up to \$10,000,000, the Loan Agreement and the refinancing of the Projects, all as described in the public notice. The City shall have no liability in connection with the refinancing of the Projects and shall not be required to take any further action with respect thereto. The Issuer Loan 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 holder(s) of the Issuer Loan 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.

SECTION 3. AUTHORIZED ACTIONS. 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 an Approval Certificate 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 Resolution.

SECTION 4. INCORPORATION OF RECITALS. The City hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the City hereby incorporates such recitals as a part of this Resolution.

SECTION 5. SEVERABILITY. If any provision of this Resolution or the application thereof to any circumstance shall be held to be invalid, the remainder of this Resolution and the application thereof to other circumstances shall nevertheless be valid, and this Governing Body hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 6. Funds received for this Resolution for the administrative fee will be deposited in Fund 11001000, Internal Order 2800000000006 and General Ledger 4909930.

SECTION 7. 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 8. EFFECTIVE DATE. This Resolution shall become effective immediately.

*[The remainder of this page intentionally left blank]*

5/9/2024  
Item No. \_\_

**PASSED AND ADOPTED** by an affirmative vote of \_\_\_\_ members of the City Council  
of the City of San Antonio, Texas, this the 9th day of May, 2024

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**M A Y O R**  
Ron Nirenberg

**ATTEST:**

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Debbie Racca-Sittre, 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 Resolution prior to its adoption and  
passage as aforesaid.

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City Attorney  
City of San Antonio, Texas

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