

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 (UNIVERSITY OF THE INCARNATE WORD
PROJECT); AUTHORIZING THE EXECUTION OF A LOAN
AGREEMENT, AN INDENTURE OF TRUST, A BOND PURCHASE
CONTRACT AND RELATED DOCUMENTS; AUTHORIZING THE
PREPARATION AND DISTRIBUTION OF AN OFFICIAL STATEMENT;
AND APPROVING OTHER MATTERS IN CONNECTION THEREWITH**

* * * * *

WHEREAS, the CITY OF SAN ANTONIO, TEXAS (the “City”), pursuant to Section 53A.35(b), Texas Education Code, as amended (which amended and recodified Section 53.35(b), Texas Education Code), 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 53A, Texas Education Code, as amended (which amended and recodified Chapter 53, Texas Education Code) (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.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, the University of the Incarnate Word (the “University”) has requested the Issuer to issue its revenue bonds (the “Bonds”), in one or more series, in an aggregate principal amount not to exceed \$55,000,000, and to loan the proceeds thereof to the University for the purpose of financing the acquisition, construction, improvement and/or equipping of educational facilities and related facilities located and/or to be located on or adjacent to the

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University's campus located at 4119 Broadway and 4301 Broadway, San Antonio, Texas 78209, and parking lots located on the southwest corner of the intersection of Broadway Street and Hildebrand Avenue in San Antonio, Texas 78209, as further described in the hereinafter defined Loan Agreement and/or the notice of public hearing described herein (the "Project") and paying costs of issuance of the Bonds; and

WHEREAS, the Bonds shall be payable by the Issuer solely from the loan payments and other amounts provided by the University pursuant to a Loan Agreement, and the Bonds shall not constitute a debt or liability of the City, and no public funds or credit of the City will be pledged to the payment of the Bonds; and

WHEREAS, the Issuer Board (as hereinafter defined) now deems it appropriate for the Issuer to assist the University with financing the Project, which may include educational facilities and other facilities incidental, subordinate, or related to or appropriate in connection therewith as permitted by the Act, by issuing one or more series of Bonds; and

WHEREAS, the Bonds are to be issued under and pursuant to, and are to be secured by an Indenture of Trust between the Issuer and Computershare Trust Company, National Association, as trustee (or such other trustee as may be selected by the University) (the "Trustee"); and

WHEREAS, the University will, pursuant to the Loan Agreement, agree to make payments to the Issuer or to the Trustee (as assignee of the Issuer) in amounts sufficient to pay debt service on the Bonds authorized hereby 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 and the Project financed therewith; and

WHEREAS, the issuance of the 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 than would otherwise be available to the University through a taxable financing; and

WHEREAS, there have been provided to the Issuer proposed forms of each of the following documents: (i) the Loan Agreement (the "Loan Agreement") to be entered into between the Issuer and the University, including a form of promissory note from the University to the Issuer in the principal amount of the Bonds; and (ii) the Indenture of Trust (the "Indenture") to be entered into between the Issuer and the Trustee; and

WHEREAS, the University has selected Raymond James to serve as the underwriters of the Bonds (together with any other investment bank(s) which may be selected by the University, the "Underwriters"), and the Issuer will be required to enter into a bond 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 Bonds at the agreed upon purchase price and under the conditions set forth therein (the "Purchase Contract"); and

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

WHEREAS, the Issuer desires to authorize and approve certain statements and information relating to the Issuer to be used in the preliminary and final official statements relating to the Bonds; and

WHEREAS, prior to the adoption of this Resolution a representative of the University or Bond Counsel held a public hearing in connection with the issuance of the Bonds and the Project to be financed 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 Bonds to be excludable from federal income taxation; and

WHEREAS, the Issuer has determined, based on representations of the University, that the proceeds of the Bonds loaned to the University under the Loan Agreement will be used in furtherance of the public purposes of the Act; 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 ISSUER DOCUMENTS. The Board of Directors of the Issuer (the “Issuer Board”) hereby approves the Loan Agreement (including the promissory note in the form attached thereto, which is to be assigned by the Issuer to the Trustee) 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 (or any one or more of them) to approve the form of the Purchase Contract, and hereby approves the form and substance of all of the Issuer Documents. The Issuer Board hereby further authorizes each of the President, Vice President, Executive Director and Treasurer of the Issuer (or any one or more of them) to finalize the terms and approve in final form, date, sign, and otherwise execute and deliver the Issuer Documents, and the Secretary and any Assistant Secretary each is authorized and directed, for and on behalf of the Issuer, to attest the Issuer Documents, if necessary, and any one or more of such officers are hereby authorized to deliver such Issuer Documents to the other parties thereto (and such execution and delivery shall evidence the final approval of the Issuer of such documents). Upon execution by the parties thereto and delivery thereof, the Issuer Documents shall be valid and binding upon the Issuer in accordance with the terms and provisions thereof.

SECTION 2. AUTHORIZATION TO ISSUE THE BONDS. The Bonds are authorized and approved to be issued in one or more series in an aggregate principal amount not to exceed **\$55,000,000**, maturing on the respective dates and principal amounts, and bearing interest at the

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respective per annum rates (which may be federally tax-exempt and/or taxable and which may be fixed and/or variable), and being subject to redemption and having such other terms, as determined and set forth in the Issuer Documents. The Bonds are authorized to be issued for the purpose of loaning the proceeds thereof to the University for the purposes as described in the Issuer Documents and the recitals of this Resolution, and such loan to the University is hereby approved. The Board hereby approves the issuance of the 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 (or any one or more of them), are hereby authorized and directed, for and on behalf of the Issuer, to execute the Bonds or have their facsimile signatures placed upon the Bonds, and such officers are hereby authorized and directed to deliver the Bonds, and the seal of the Issuer is hereby authorized and directed to be affixed or placed in facsimile on the Bonds. The 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 terms and characteristics, as provided in the Indenture and/or in the Bonds. The Bonds shall be issued, authenticated, and delivered as provided in the Indenture.

SECTION 3. SALE OF BONDS. The 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. APPROVAL OF OFFICIAL STATEMENT. The Board hereby authorizes the preparation and distribution of a Preliminary Official Statement relating to the issuance of the Bonds and further approves the distribution of the Preliminary Official Statement by the Underwriters in connection with the sale of the Bonds. The Issuer Board further approves the preparation and distribution of the final Official Statement incorporating all final terms of the Bonds and other changes deemed necessary by officers of the Issuer, the University, or Bond Counsel related to the Bonds. The Issuer Board further approves the information relating to the Issuer to be set forth in the Preliminary Official Statement and the Official Statement.

SECTION 5. AUTHORIZATION TO COMPLETE ISSUER DOCUMENTS AND APPROVE CHANGES. Bond Counsel for the Bonds is hereby authorized to complete the Issuer Documents by incorporating the final terms of the 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 and delivery of the Issuer Documents, provided that such changes are not inconsistent with this Resolution.

SECTION 6. 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 Bonds, as well as the terms and provisions of the Issuer Documents.

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SECTION 7. AUTHORIZATION TO AUTHENTICATE 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 Bonds by the Trustee in accordance with the Indenture. Bracewell LLP, as Bond Counsel, is hereby authorized to deliver a transcript of proceedings to the Attorney General of the State of Texas, along with the initial Bond of each series, which shall be delivered to the Comptroller of Public Accounts of the State of Texas for registration upon Attorney General approval. If requested or required by the Attorney General of the State of Texas or his representative, the President, Vice President, Executive Director or Treasurer of the Issuer may authorize such changes in the written text of this resolution as he or she determines are consistent with the intent and purpose of this resolution, which determination shall be final.

SECTION 8. APPROVAL AND RATIFICATION OF PUBLIC HEARING. A public hearing relating to the issuance of the Bonds and the Project was conducted on behalf of the Issuer on November 15, 2024 in order to comply with the provisions of Section 147(f) of the Code, and a representative from Bracewell LLP, as Bond Counsel, served as the hearing officer for such public hearing. The Issuer Board hereby approves and ratifies the holding of such public hearing and the hearing officer of such public hearing, along with the publication of notice of such hearing.

SECTION 9. RESOLUTION IRREPEALABLE. After any of the Bonds are issued, this Resolution shall be and remain irrevocable until the Bonds or the interest thereon shall have been fully paid or provision for payment shall have been made pursuant to the Indenture.

SECTION 10. 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 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 11. 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 12. EFFECTIVE DATE. This Resolution shall become effective immediately upon its adoption.

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PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE CITY OF SAN ANTONIO, TEXAS EDUCATION FACILITIES CORPORATION THIS 12TH DAY OF DECEMBER, 2024.

President, Board of Directors

Attest:

Secretary, Board of Directors

(Seal)