

ORDINANCE NO. 2022-08-04-_____

AN ORDINANCE

REQUESTING THE CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION (THE "CORPORATION") TO ISSUE UP TO \$620,000,000 IN PRINCIPAL AMOUNT OF *LEASE REVENUE REFUNDING AND IMPROVEMENT BONDS, SERIES 2022 (CONVENTION CENTER FACILITIES PROJECT)* (THE "BONDS") FOR THE PURPOSE OF REFUNDING ALL OR A PORTION OF THE CORPORATION'S OUTSTANDING *IMPROVEMENT AND REFUNDING LEASE REVENUE BONDS, SERIES 2012 (CONVENTION CENTER REFINANCING AND EXPANSION PROJECT)* (THE "REFUNDED BONDS") AND FINANCING IMPROVEMENTS TO THE CITY'S CONVENTION CENTER; APPROVING THE FORM AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND A FINAL OFFICIAL STATEMENT RELATING TO THE BONDS; AUTHORIZING THE APPROVAL AND EXECUTION OF AN AMENDED AND RESTATED LEASE AGREEMENT AND A PURCHASE CONTRACT IN CONNECTION THEREWITH; APPROVING THE FORM OF A BOND RESOLUTION TO BE ADOPTED BY THE CORPORATION; CONSENTING TO THE EXECUTION AND DELIVERY BY THE CORPORATION OF AN AMENDED AND RESTATED TRUST AGREEMENT, THE AMENDED AND RESTATED LEASE AGREEMENT, THE PURCHASE CONTRACT, AND ALL OTHER RELATED DOCUMENTS AND AGREEMENTS, ALL IN CONNECTION WITH THE ISSUANCE BY THE CORPORATION OF THE BONDS; AUTHORIZING THE CORPORATION TO CALL THE REFUNDED BONDS FOR REDEMPTION; APPROVING AND AUTHORIZING THE EXECUTION BY THE CITY OF ALL OTHER DOCUMENTS AND AGREEMENTS RELATED TO THE ISSUANCE OF THE BONDS; AUTHORIZING OTHER NECESSARY ACTIONS RELATING THERETO; AMENDING AND REPLACING ORDINANCE NO. 2022-06-16-0450 APPROVED ON JUNE 16, 2022, RELATING TO THE SAME SUBJECT; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE

* * * * *

WHEREAS, the CITY OF SAN ANTONIO, TEXAS (the "*City*"), acting as a "sponsor" within the meaning of Chapter 303, Texas Local Government Code, as amended (the "*Act*"), created the CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION (the "*Corporation*"), as a nonprofit public facility corporation pursuant to the provisions of the Act to assist the City in financing, refinancing, or providing for convention center facilities (which are "public facilities" within the meaning of the Act), and facilities related thereto, at the request of the governing body of the City; and

WHEREAS, the City currently owns and operates convention center facilities located in the downtown area of the City known generally as the "Henry B. Gonzalez Convention Center" (herein referred to as the "**Convention Center**"); and

WHEREAS, in addition to the Convention Center, the City owns and operates (i) the Lila Cockrell Theatre, which is 2,319-seat performing arts theater located adjacent to the Convention Center (the "**Lila Cockrell Theatre**"), and (ii) the Alamodome, which is a 64,000-seat domed indoor multi-purpose stadium located near the Convention Center (the "**Alamodome**"); and

WHEREAS, the Convention Center, the Lila Cockrell Theatre, and the Alamodome are included within the meaning of the term "convention center facilities" defined in Section 351.001(2), Texas Tax Code, in that the Convention Center is a facility that is "primarily used to host conventions and meetings," the Lila Cockrell Theatre is considered to be an "auditorium," and the Alamodome is considered to be a "coliseum," all of which are owned by the City and are managed by the City through its Convention & Sports Facilities Department; and

WHEREAS, for purposes of clarification, (i) as long as any "Series 2012 Bonds" (defined below) remain outstanding, all references to the defined term "Convention Center Facilities" in this Ordinance and in the "Amended and Restated Lease Agreement" and the "Amended and Restated Trust Agreement" (each as defined below) shall mean and refer only to the Convention Center and shall not include (i) the Alamodome, the Lila Cockrell Theatre, or the *Grand Hyatt San Antonio Riverwalk Hotel* (which is a full-service hotel located adjacent to the Convention Center but is owned and operated by private parties unrelated to the City), and (ii) when no Series 2012 Bonds remain outstanding either due to payment or defeasance in accordance with Section 9.02(a) of the Amended and Restated Trust Agreement, all references to the City's "Convention Center Facilities" in this Ordinance and in the Amended and Restated Lease Agreement and the Amended and Restated Trust Agreement shall mean and refer collectively to the Convention Center, the Alamodome, and the Lila Cockrell Theatre, but shall not include the *Grand Hyatt San Antonio Riverwalk Hotel*; and

WHEREAS, Section 303.003(7) of the Act defines the term "public facilities" to mean "*any real, personal, or mixed property, or an interest in property devoted or to be devoted to public use, and authorized to be financed, refinanced, or provided by sponsor obligations;*" and

WHEREAS, Section 303.003(12) of the Act defines the term "sponsor obligation" to mean "*an evidence of indebtedness or obligation that a sponsor issues or incurs to finance, refinance, or provide a public facility, including bonds, notes, warrants, certificates of obligation, leases, and contracts authorized by Section 303.041 and Subchapter C;*" and

WHEREAS, the City's Convention Center Facilities are composed of real and personal property, are owned and operated by the City, and are devoted to public use, and the City is authorized to issue bonds and other obligations to finance or refinance its Convention Center Facilities under numerous laws of the State of Texas, including but not limited to Chapter 351, Texas Tax Code, Chapter 1504, Texas Government Code, and Subchapter C of Chapter 271, Texas Local Government Code; accordingly, the City's Convention Center Facilities are "public facilities" within the meaning of the Act; and

WHEREAS, Section 303.071 of the Act authorizes the Corporation to issue bonds, including refunding bonds, to finance, refinance, or provide one or more public facilities; and

WHEREAS, among numerous powers granted to the Corporation pursuant to Section 303.041 of the Act, the Corporation is specifically authorized to "*acquire title to a public facility in order to lease, convey, or dispose of the public facility to the corporation's sponsor or, on direction of the sponsor and in furtherance of the sponsor's purposes, to another entity*". . . to "*sell, convey, mortgage, pledge, lease, exchange, transfer, and otherwise dispose of all or any part of the corporation's property and other assets. . .*" and to "*make a contract, incur a liability, and borrow money at interest*"; and

WHEREAS, pursuant to Paragraph 1, Section 3 of its City Charter, the City is authorized to "*purchase, take, hold, acquire and convey, lease, mortgage and dispose of any property whatever within the city limits*" and to "*acquire necessary property for sewer, sanitary, cemetery, waterworks, gas, electric light and power, and any other corporate purposes by purchase, condemnation or other means within or without the city limits, and may lease, convey and alienate the same*"; and

WHEREAS, Paragraph 14, Section 3 of its City Charter further provides that "*[t]he enumeration of particular powers and the specification of the manner of exercising the same by this Charter shall never be deemed to be exclusive nor construed as a limitation upon the general powers herein granted or upon their exercise in any other lawful manner, and in addition to the powers enumerated herein or implied thereby, or appropriate to the exercise of such powers, it is intended that the city shall have and may exercise all powers it would be competent for this Charter specifically to enumerate*"; and

WHEREAS, pursuant to the terms and conditions of the *Lease Agreement Relating to the City of San Antonio, Texas Convention Center Refinancing and Expansion Project*, dated as of October 1, 2012, entered into by and between the Corporation and the City (the "**Original Lease Agreement**"), the City (as the "Lessor" under the "Primary Lease" created under the Original Lease Agreement) agreed to lease the "Convention Center Facilities" (as defined in the Original Lease Agreement), but not the land on which the Convention Center Facilities are located, to the Corporation (as the "Lessee" under the Primary Lease), and the Corporation agreed (as the "Sublessor" of the "Sublease" created under the Original Lease Agreement) to lease the Convention Center Facilities back to the City (as the "Sublessee" under the Sublease), all pursuant to the terms

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and conditions of the Original Lease Agreement and in order to provide appropriate security for the issuance of lease revenue bonds or other obligations (defined in the Original Lease Agreement as "*Parity Bonds*"), which include the "Series 2012 Bonds" and the "Series 2022 Bonds" described and defined below; and

WHEREAS, in connection with the approval of the Original Lease Agreement, the City Council represented and determined that it was advantageous to, and in the best interest of, the City to enter into the Original Lease Agreement, which is a sponsor obligation within the meaning of the Act, for the purpose of enabling the Corporation to issue bonds pursuant to the provisions of the Act that would be secured with revenues derived by the Corporation from the City pursuant to the "Sublease" included under the Original Lease Agreement, and the City Council further represented and determined that the approval and execution of the Original Lease Agreement was within the City Council's powers provided by the City Charter with respect to the acquisition and disposition of property, including Paragraphs 1 and 14 of Section 3 thereof; and

WHEREAS, in connection with the Original Lease Agreement, the Corporation, at the request of the City, entered into a *Trust Agreement Relating to the City of San Antonio, Texas Convention Center Refinancing and Expansion Project*, dated as of October 1, 2012 (the "**Original Trust Agreement**"), with **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, as successor to the original trustee thereunder - U.S. Bank National Association, as trustee (the "**Trustee**"), pursuant to which the Corporation, at the request of the City, issued and delivered on October 31, 2012, \$550,373,641.50 in principal amount of its *City of San Antonio, Texas Public Facilities Corporation Improvement and Refunding Lease Revenue Bonds, Series 2012 (Convention Center Refinancing and Expansion Project)* (the "**Series 2012 Bonds**") for the purpose of (i) refunding all then outstanding indebtedness issued by the City to finance or refinance the City's then existing convention center facilities, (ii) financing the acquisition, construction and equipping of a major expansion and renovation of the then existing convention center facilities (defined and referred to in the Original Trust Agreement as the "Expansion Project"), (iii) paying professional fees related to the Expansion Project, (iv) paying capitalized interest, and (v) paying costs of issuance; and

WHEREAS, Section 3.09 of the Original Trust Agreement provides that the Corporation has "*the right and power at any time and from time to time, and in one or more series or issues, to authorize, issue, and deliver, at the request of the City, additional parity lease revenue bonds or other obligations (herein called "**Additional Bonds**"), in accordance with law, in any amounts, for the purpose of (i) completing the Expansion Project, if necessary, (ii) making additional renovations and improvements to the Convention Center Facilities, and/or (iii) refunding any Parity Bonds then outstanding*"; and

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WHEREAS, Section 13.04 of the Original Lease Agreement provides that the Corporation and the City may amend the Original Lease Agreement, "*without the consent of any Bondholders or the Trustee, to cure any ambiguity, inconsistency, or formal defect or omission therein and in a*

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manner appropriate to provide for the issuance of Additional Bonds in accordance with Section 3.09 of the Trust Agreement"; and

WHEREAS, in connection with the issuance of the **CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION LEASE REVENUE REFUNDING AND IMPROVEMENT BONDS, SERIES 2022 (CONVENTION CENTER FACILITIES PROJECT)** (the "**Series 2022 Bonds**") being authorized by the Corporation pursuant to the "Bond Resolution" described below, the Corporation and the City will enter into an "*Amended and Restated Lease Agreement*" (the "**Amended and Restated Lease Agreement**"), which will amend and restate the Original Lease Agreement primarily for the purpose of providing for the issuance of the Series 2022 Bonds as Additional Bonds contemplated and permitted by the Original Lease Agreement and the Original Trust Agreement; and

WHEREAS, similarly, Section 9.01(a) of the Original Trust Agreement provides that the Corporation and the Trustee may amend the Original Trust Agreement without the consent of the Bondholders "*to provide for the issuance of Additional Bonds as permitted pursuant to Section 3.09 hereof*"; and

WHEREAS, in connection with the issuance of the Series 2022 Bonds being authorized by this Ordinance, the Corporation and the Trustee will enter into an "*Amended and Restated Trust Agreement*" (the "**Amended and Restated Trust Agreement**"), which will amend and restate the Original Trust Agreement primarily for the purpose of providing for the issuance of the Series 2022 Bonds as Additional Bonds contemplated and permitted by the Original Lease Agreement and the Original Trust Agreement; and

WHEREAS, for so long as the Sublease is in effect, the City is obligated to pay lease payments to the Corporation in an amount sufficient to pay the principal of and interest on all Parity Bonds when due under the Amended and Restated Trust Agreement; *provided, however, the City's obligation to pay such lease payments is subject to annual appropriation by the City Council from any lawfully available funds*; and

WHEREAS, for so long as the Primary Lease is in effect, the City is obligated to pay "Operating Expenses" (as defined in the Amended and Restated Lease Agreement) in an amount sufficient to pay all costs related to the operation and maintenance of the Convention Center Facilities, however, the City's obligation to pay such Operating Expenses is subject to annual appropriation by the City Council from any lawfully available funds; and

WHEREAS, the currently outstanding Series 2012 Bonds mature as (i) "current interest bonds" on September 15 in the years 2022 through 2035 and 2042 in the aggregate principal amount of \$505,345,000 (the "**Series 2012 Current Interest Bonds**"), and (ii) "capital appreciation bonds" on September 15 in the years 2035 through 2037 in the aggregate principal amount of \$29,998,641.50 and the aggregate "Maturity Amount" of \$99,495,000 (the "**Series 2012 Capital Appreciation Bonds**"); and

WHEREAS, (i) pursuant to Section 5.01(a) of the Original Trust Agreement, the Series 2012 Current Interest Bonds maturing on and after September 15, 2023, are subject to redemption, at the request and option of the City, on September 15, 2022, or any date thereafter, at the redemption price equal to par plus accrued interest to the date of redemption, and (ii) pursuant to Section 5.01(b) of the Original Trust Agreement, the Series 2012 Capital Appreciation Bonds are subject to redemption, at the request and option of the City, on September 15, 2022, or on any "Bond Payment Date" (as defined in the Original Lease Agreement) thereafter, at the redemption price equal to the "Compounded Amount" (as defined in the Original Lease Agreement) with respect to the applicable maturity of such Series 2012 Capital Appreciation Bonds shown in the table set forth in Section 4.03(d) of the Original Trust Agreement; and

WHEREAS, Section 5.02(a) of the Original Trust Agreement (which sets forth the requirements to give notice of redemption of any Parity Bonds, including the Series 2012 Bonds) provides that "*[t]he notice with respect to an optional redemption of Parity Bonds may state (i) that it is conditioned upon the deposit of money, in an amount equal to the amount necessary to effect the redemption, with the Trustee no later than the redemption date, . . . and such notice and optional redemption shall be of no effect if such money is not so deposited . . .*"; and

WHEREAS, Section 303.075 of the Act authorizes the Corporation to issue bonds "*to refund its outstanding bonds or sponsor obligations of its sponsor, including any redemption premium on them and interest accrued to the date of redemption*"; and

WHEREAS, in order to assist the City with managing its financial resources and to achieve debt service savings, the City hereby requests the Corporation issue refunding bonds, as permitted by Section 303.075 of the Act, to refund all or a portion of the Corporation's outstanding Series 2012 Bonds maturing on and after September 15, 2023, which are more fully described as follows:

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SERIES 2012 CURRENT INTEREST BONDS ELIGIBLE TO BE REFUNDED

<u>MATURITY (SEPT. 15)</u>	<u>PRINCIPAL AMOUNT MATURING IN YEAR (\$)</u>	<u>PRINCIPAL AMOUNT ELIGIBLE TO BE REFUNDED (\$)</u>	<u>STATED INTEREST RATE (%)</u>	<u>CUSIP No. (796334)</u>
2023	7,050,000	7,050,000	5.000	AG5
2024	8,720,000	8,720,000	5.000	AH3
2025	10,545,000	10,545,000	5.000	AJ9
2026	12,260,000	12,260,000	5.000	AK6
2027	15,460,000	15,460,000	3.000	AL4
2028	17,400,000	17,400,000	3.125	AM2
2029	19,460,000	19,460,000	5.000	AN0
2030	22,000,000	22,000,000	4.000	AW0
2031	24,475,000	24,475,000	4.000	AX8
2032	27,075,000	27,075,000	4.000	AY6
2033	29,910,000	29,910,000	4.000	AP5
2034	32,935,000	32,935,000	4.000	AQ3
2035	16,215,000	16,215,000	4.000	AR1
***	***	***	***	***
2042	<u>256,300,000</u>	<u>256,300,000</u>	4.000	AS9
Total	<u>499,805 000</u>	<u>499,805 000</u>		

SERIES 2012 CAPITAL APPRECIATION BONDS ELIGIBLE TO BE REFUNDED

<u>MATURITY (SEPT. 15)</u>	<u>PRINCIPAL AMOUNT MATURING IN YEAR AND ELIGIBLE TO BE REFUNDED (\$)</u>	<u>MATURITY AMOUNT MATURING IN YEAR AND ELIGIBLE TO BE REFUNDED (\$)⁽¹⁾</u>	<u>INITIAL YIELD TO MATURITY (%)</u>	<u>CUSIP No. (796334)</u>
2035	6,498,575.10	19,930,000.00	4.960	AT7
2036	11,839,629.60	38,760,000.00	5.030	AU4
2037	<u>11,660,436.80</u>	<u>40,805,000.00</u>	5.10	AV2
Total	<u>29,998,641.50</u>	<u>99,495,000.00</u>	***	***

⁽¹⁾Equals the original principal amount of the respective Series 2012 Capital Appreciation Bonds plus interest accrued thereon and compounded from the date of original issuance to the respective maturity date.

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WHEREAS, in addition to refunding the Refunded Bonds to achieve debt service savings, the City deems it appropriate and desirable to finance certain improvements to the Convention Center (the "**Improvement Projects**") up to a maximum amount of \$55,000,000; and

WHEREAS, Section 303.039 of the Act provides that "[i]f permitted by the articles of incorporation or bylaws, the board of directors, by resolution adopted by a majority of directors in office, may designate one or more committees consisting of two or more directors to exercise the board's authority in the management of the corporation to the extent provided by the resolution, articles of incorporation, or bylaws"; and

WHEREAS, Section 4.2 of the Bylaws of the Corporation provides that the Board "may, by resolution or resolutions adopted by a majority of the whole Board, designate one or more committees, each committee to consist of two or more of the directors of the Board as designated, which, to the extent permitted by law and provided in said resolution or resolutions, shall have and exercise the authority of the Board in the management of the business and affairs of the Corporation"; and

WHEREAS, the City Council has been advised that the Board of Directors has determined that it is necessary and desirable to designate a "Pricing Committee," to be composed of the President or Vice President of the Board and any member of the Board selected by the President or Vice President, for the purpose of delegating authority to (i) select and approve the specific maturities and principal amounts of the Series 2012 Bonds maturing on and after September 15, 2023, to be refunded with proceeds of the Series 2022 Bonds, and (ii) approve all final terms of the Series 2022 Bonds, upon following consultation with the Chief Financial Officer or Deputy Chief Financial Officer of the City and the Co-Financial Advisors of the City regarding such selection and proposed final terms; and

WHEREAS, the Series 2012 Bonds selected by the Pricing Committee to be refunded as authorized by Section 1(b) of the Corporation's Bond Resolution are hereafter referred to as the "**Refunded Bonds**"; and

WHEREAS, the Series 2022 Bonds are special limited obligations of the Corporation, payable solely from the "Trust Estate" (as defined in the Trust Agreement), which includes the lease payments to be made by the City to the Corporation pursuant to the Sublease, and shall never constitute an indebtedness or general obligation of the Corporation, the State of Texas, the City, or any other political subdivision of the State of Texas, within the meaning of any constitutional provision or statutory limitation whatsoever; and

WHEREAS, the Series 2022 Bonds are to be initially sold to *Piper Sandler & Co., Citigroup Global Markets, Inc., Drexel Hamilton, LLC, Morgan Stanley & Co., RBC Capital Markets LLC, SAMCO Capital Markets, Inc., Samuel A. Ramirez & Co., Inc., and Stifel Nicolaus & Company, Inc.* (collectively, the "**Underwriters**") at the price set forth in, and pursuant to the terms of, a Purchase

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Contract by and among the Corporation, the City and the Underwriters (the "**Purchase Contract**"); and

WHEREAS, the Amended and Restated Lease Agreement, the Amended and Restated Trust Agreement, and the resolution to be adopted by the Corporation's Board of Directors authorizing the issuance of the Series 2022 Bonds and approving all documents to which the Corporation is a party (the "**Bond Resolution**") have been presented to the City Council in substantially final form for approval pursuant to this Ordinance; and

WHEREAS, the City Council hereby finds and declares a public purpose and deems it advisable and in the best interests of the City (i) for the Corporation to issue the Series 2022 Bonds and use the proceeds thereof to refund the Refunded Bonds in order to achieve debt service savings, and to pay costs of issuance; (ii) to enter into the Amended and Restated Lease Agreement and the Purchase Contract, and to consent to the Corporation's entering into the Amended and Restated Lease Agreement, the Amended and Restated Trust Agreement, the Purchase Contract, and all other documents and agreements relating to the issuance of the Series 2022 Bonds; and (iii) authorize the Corporation to call all Refunded Bonds for optional redemption on September 15, 2022 or on any date thereafter as permitted pursuant to the terms of the Original Trust Agreement; and

WHEREAS, on August 4, 2022, the Board of Directors of the Corporation is expected to approve the form and content of the Preliminary Official Statement relating to the Series 2022 Bonds and deem it "final" within the meaning of Rule 15c2-12, and the City Council of the City deems it necessary and appropriate to also approve the form and content of such Preliminary Official Statement since it contains significant and material statistical and financial information pertaining to the City; and

WHEREAS, such Preliminary Official Statement has been presented to the City Council for review and has been prepared or reviewed by representatives of the staff of the City and by the Corporation's and the City's Co-Financial Advisors and Co-Bond Counsel relating to the Series 2022 Bonds; and

WHEREAS, the City Council further deems it necessary and appropriate to amend and replace Ordinance No. 2022-06-16-0450 approved on June 16, 2022 (the "**Original Ordinance**"), which related to the same matters as set forth in this Ordinance except that the Original Ordinance contemplated the refunding and defeasance by the Corporation of all outstanding Series 2012 Bonds and financing improvements to certain Convention Center Facilities through the issuance of a new series of "Lease Revenue Refunding and Improvement Bonds" under a new "Trust Agreement" and "Lease Agreement" instead of the issuance of "Additional Bonds" (such as the Series 2022 Bonds authorized hereunder) as contemplated by the Original Trust Agreement and the Original Lease Agreement to refund a portion of the Series 2012 Bonds; and

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WHEREAS, it is hereby further officially found and determined that the meeting at which this Ordinance was passed 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 ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO, TEXAS:

SECTION 1. REQUEST TO CORPORATION TO ISSUE SERIES 2022 BONDS; CONSENT TO AND APPROVAL OF SERIES 2022 BONDS AND OTHER RELATED DOCUMENTS; AUTHORIZATION TO TRANSFER CERTAIN FUNDS INTO ESCROW FUND.

(a) *Request to Issue Series 2022 Bonds; Approval of Documents.* The City Council hereby formally requests the Corporation to issue the Series 2022 Bonds in order to (i) refinance public facilities for the City, specifically refinancing the Convention Center by refunding all or a portion of the Corporation's outstanding Series 2012 Bonds in order to achieve debt service savings, which will reduce the annual Lease Payments the City would otherwise pay under the Original Lease Agreement, if lawfully appropriated by the City Council, (ii) finance the acquisition, construction and equipping of the Improvement Projects, including the payment of professional fees related thereto, and (iii) paying costs of issuance. In connection with such request, the City Council acknowledges, consents and approves (i) the issuance of the Series 2022 Bonds by the Corporation and the execution and delivery by the Corporation of the Amended and Restated Lease Agreement, the Amended and Restated Trust Agreement, the Purchase Contract, and all other agreements deemed necessary in connection with the issuance of the Series 2022 Bonds (collectively, the "**Transaction Documents**"), and further approves the Bond Resolution to be adopted by the Board of Directors of the Corporation in substantially the form presented at this meeting.

(b) *Request to Redeem Refunded Bonds.* In satisfaction of Sections 5.01(a) and 5.01(b) of the Original Trust Agreement, the City Council hereby requests the Corporation to take all necessary actions to redeem on September 15, 2022 (or on any date thereafter as permitted by the terms of the Original Trust Agreement) all outstanding Refunded Bonds selected and approved by the Pricing Committee of the Corporation.

(c) *Authorization to Transfer Available Funds into Redemption Account.* The Chief Financial Officer, the Deputy Chief Financial Officer, and any Assistant Director of Finance of the City, upon consultation with the City's and the Corporation's Co-Financial Advisors, are hereby authorized to use available funds of the City to make a contribution into the Redemption Account in connection with the refunding of the Refunded Bonds in an amount deemed appropriate and to the extent such funds are not already on deposit in the Payment Account established under the Trust Agreement and contributed by the Corporation.

SECTION 2. APPROVAL OF AMENDED AND RESTATED LEASE AGREEMENT AND PURCHASE CONTRACT. The Amended and Restated Lease Agreement is hereby approved in substantially the form presented at this meeting, and the Mayor, the City Manager or his designee, any Deputy City Manager, any Assistant City Manager, the Chief Financial Officer, and the Deputy Chief Financial Officer of the City are each authorized to approve any and all changes thereto and execute and deliver the Amended and Restated Lease Agreement on behalf of the City, and the City Clerk of the City is authorized to attest such signature thereon, if so required. The City Council further hereby authorizes the Mayor, the City Manager or his designee, any Deputy City Manager, any Assistant City Manager, the Chief Financial Officer, and the Deputy Chief Financial Officer of the City to approve, execute, and deliver the Purchase Contract as generally described in this Ordinance, and the City Clerk of the City is authorized to attest such signature thereon, if so required. When executed and delivered upon the issuance of the Bonds, the Lease Agreement and the Purchase Contract shall become valid and binding obligations of the City in accordance with their terms.

In connection with the approval of the Amended and Restated Lease Agreement, the City Council represents and determines that it is advantageous to, and in the best interest of, the City to enter into the Amended and Restated Lease Agreement, which is a sponsor obligation within the meaning of the Act, for the purpose of enabling the Corporation to issue the Series 2022 Bonds pursuant to the provisions of the Act that will be secured with revenues derived by the Corporation from the City pursuant to the "Sublease" included under the Amended and Restated Lease Agreement, and the City Council further represents and determines that the approval and execution of the Amended and Restated Lease Agreement is within the City Council's powers provided by the City Charter with respect to the acquisition and disposition of property, including Paragraphs 1 and 14 of Section 3 thereof.

SECTION 3. APPROVAL OF FORM AND DISTRIBUTION OF PRELIMINARY OFFICIAL STATEMENT. The form and content of the Preliminary Official Statement in connection with the issuance and sale of the Series 2022 Bonds is hereby approved. The Preliminary Official Statement is hereby "deemed final" as of its date (subject to the permissible omissions described in Rule 15c2-12) within the meaning of the provision of 17 C.F.R. §240.15c2-12(b)(1). The officers of the City and the Corporation's and the City's Co-Financial Advisors, Co-Bond Counsel, and the Underwriters in connection with the issuance of the Series 2022 Bonds are authorized to take all actions deemed necessary in connection with preparing for the sale of the Series 2022 Bonds, including but not limited to approving all changes deemed necessary to the Preliminary Official Statement and to print and distribute the Preliminary Official Statement to potential purchasers.

SECTION 4. APPROVAL OF FINAL OFFICIAL STATEMENT. The City Council hereby approves the preparation and distribution of the final Official Statement incorporating all final terms of the Series 2022 Bonds and other changes to the Preliminary Official Statement deemed necessary by officers of the Corporation or the City and by the Corporation's and the City's Co-Financial Advisors and Co-Bond Counsel related to the Series 2022 Bonds.

SECTION 5. AUTHORIZATION OF OTHER NECESSARY ACTIONS; DESIGNATION OF REPRESENTATIVES.

(a) *Authority to Take Other Actions and Execute Other Documents.* The Mayor, the City Manager, any Deputy City Manager, any Assistant City Manager, the City Clerk, the Chief Financial Officer, the Deputy Chief Financial Officer, any Assistant Director of Finance, and all other officers, employees, and agents of the City designated by the City Manager shall be and are 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, acknowledge, and deliver in the name and under the corporate seal and on behalf of the City 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 Ordinance and the Transaction Documents, and to provide for the defeasance of the Refunded Bonds in accordance with the requirements of the Original Trust Agreement. In addition, prior to the initial delivery of the Series 2022 Bonds, the Mayor, the City Manager, any Deputy City Manager, any Assistant City Manager, the City Clerk, the Chief Financial Officer, the Deputy Chief Financial Officer, any Assistant Director of Finance, and all other officers of the City designated by the City Manager, and Co-Bond Counsel related to the Series 2022 Bonds are each hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any of the instruments authorized and approved by this Ordinance necessary in order to: (i) correct any ambiguity or mistake, or properly or more completely document the transactions contemplated and approved by this Ordinance; (ii) obtain the approval of the Series 2022 Bonds or any Transaction Document by the Attorney General of Texas, as required by law; and (iii) obtain the ratings contemplated in the Official Statement related to the Series 2022 Bonds.

(b) *Designation of "Sublessee Representatives" and "City Representatives."* The Mayor, the City Manager, any Deputy City Manager, any Assistant City Manager, the City Clerk, the Chief Financial Officer, the Deputy Chief Financial Officer, and any Assistant Director of Finance of the City are hereby authorized and designated to continue serving as a "Sublessee Representative" and a "City Representative" for the purposes of the Amended and Restated Lease Agreement and the Amended and Restated Trust Agreement, respectively.

SECTION 6. ADDITIONAL AUTHORIZATION TO CERTAIN FINANCIAL OFFICERS. The Chief Financial Officer and the Deputy Chief Financial Officer of the City are hereby authorized to account for the issuance of the Series 2022 Bonds by the Corporation to finance and refinance the Convention Center and to continue to account for the Amended and Restated Lease Agreement and the Amended and Restated Trust Agreement in connection therewith in accordance with Generally Accepted Accounting Principles (GAAP) and all applicable laws. Upon the issuance and delivery of the Series 2022 Bonds, the Chief Financial Officer and the Deputy Chief Financial Officer of the City are further authorized to amend the City's 2021-2022 annual budget, if necessary, to provide for the payment to the Corporation of all Lease Payments that will come due during the 2021-2022 fiscal year following the issuance of the Series 2022 Bonds and the refunding of the Refunded Bonds being accomplished therewith.

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SECTION 7. ORIGINAL ORDINANCE AMENDED AND REPLACED. The Original Ordinance approved by the City Council on June 16, 2022, which related to the same matters as set forth in this Ordinance, is hereby amended and replaced by this Ordinance.

SECTION 8. ENFORCEABILITY OF ORDINANCE. 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 City authorized or established by this Ordinance or the Transaction Documents 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 City to the fullest extent permitted by law.

SECTION 9. INCORPORATION OF RECITALS. The City Council hereby finds that the statements set forth in the recitals of this Ordinance are true and correct, and the City Council hereby incorporates such recitals as a part of this Ordinance.

SECTION 10. EFFECTIVE DATE. In accordance with Article II, Section 15 of the City Charter, this Ordinance shall be effective ten days after its passage.

[The remainder of this page intentionally left blank]

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PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO, TEXAS AT A REGULAR MEETING ON AUGUST 4, 2022.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Debbie Racca-Sittre, City Clerk

City Attorney

(City Seal)

** ** * * *

Execution Page to City Ordinance Relating to the Issuance of
City of San Antonio, Texas Public Facilities Corporation
Lease Revenue Refunding and Improvement Bonds, Series 2022
(Convention Center Facilities Project)