

RESOLUTION *Pfc* 2022-08-04-0002R

AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF UP TO \$620,000,000.00 IN PRINCIPAL AMOUNT OF CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION 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 IMPROVEMENT AND REFUNDING LEASE REVENUE BONDS, SERIES 2012 (CONVENTION CENTER REFINANCING AND EXPANSION PROJECT) (THE "SERIES 2012 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; DELEGATING AUTHORITY TO A PRICING COMMITTEE TO SELECT SERIES 2012 BONDS TO BE REFUNDED (THE "REFUNDED BONDS") AND APPROVE ALL FINAL TERMS OF THE BONDS; APPROVING THE FORM AND EXECUTION OF AN AMENDED AND RESTATED TRUST AGREEMENT, AN AMENDED AND RESTATED LEASE AGREEMENT, AND A PURCHASE CONTRACT IN CONNECTION THEREWITH; CALLING THE REFUNDED BONDS FOR REDEMPTION; AUTHORIZING OTHER NECESSARY ACTIONS RELATED THERETO; AND AMENDING AND REPLACING RESOLUTION NO. PFC 06-16-0001R APPROVED ON JUNE 16, 2022, RELATING TO THE SAME SUBJECT.

* * * * *

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 Resolution 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 Resolution 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 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 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 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 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

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 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 this Resolution, 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 Resolution, 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 Corporation acknowledges that 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 has requested 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>MATURIT Y (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>	***	***

TR/MPH
08/04/2022
Item No. 25

(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.

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 Board of Directors hereby determines that it is necessary and desirable to designate a "Pricing Committee," to be composed of the President or Vice President of the Board and Mr. Mario Bravo or any other member of the Board selected by the President or Vice President in the event Mr. Bravo is unavailable, 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 this Resolution are hereafter referred to as the "**Refunded Bonds**"; and

WHEREAS, in addition to refunding the Refunded Bonds to achieve debt service savings, the City has advised the Corporation that it deems it appropriate and desirable to undertake certain improvements to the Convention Center (the "**Improvement Projects**") and that it desires to have the Corporation issue its bonds to finance such improvements up to a maximum amount of \$55,000,000; and

WHEREAS, the Series 2022 Bonds issued pursuant to this Resolution and the Trust Agreement are being issued for the purpose of (i) refunding the Refunded Bonds, (ii) financing the acquisition, construction and equipping of the Improvement Projects, including the payment of professional fees related thereto, and (iii) paying costs of issuance; and

WHEREAS, the portion of the Series 2022 Bonds that will be used to refund the Refunded Bonds and pay a portion of the costs of issuance is herein referred to as the "**Refunding Portion**," and the remaining portion of the Series 2022 Bonds, which will be used to finance the acquisition, construction and equipping of the Improvement Projects, pay professional fees related thereto, and pay a portion of the costs of issuance is herein referred to as the "**Construction Portion**"; and

WHEREAS, on August 4, 2022, the City Council of the City approved an ordinance which, among other matters:

(i) formally requested the Corporation to assist the City by issuing its bonds in accordance with the Act and as Additional Bonds permitted by the Original Trust Agreement for the purpose of refinancing the Convention Center by refunding all or a portion of the outstanding Series 2012 Bonds maturing on and after September 15, 2023, providing all or a portion of the funds required to finance the Improvement Projects (up to a maximum amount of \$55,000,000), and pay costs of issuance;

(ii) approved and authorized the execution of the Amended and Restated Lease Agreement (defined above and further described below) and all other documents related to the issuance of the Series 2022 Bonds authorized by this Resolution to which the City is a party; and

(iii) requested the Corporation to optionally redeem the Refunded Bonds on September 15, 2022, and to cause the Trustee to provide a conditional notice of redemption of the Refunded Bonds as permitted by and in accordance with the requirements of Section 5.02 of the Original Trust Agreement (with the condition being the issuance and delivery of the Series 2022 Bonds on or before September 15, 2022); and

WHEREAS, the Series 2022 Bonds are special limited obligations of the Corporation, payable solely from the "Trust Estate" (as defined in the Amended and Restated 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, Section 9.02(a) of the Original Trust Agreement provides, in pertinent part, that any Parity Bond (including any Series 2012 Bond) and the interest thereon "*shall be deemed to be paid, retired and no longer outstanding . . . within the meaning of this Trust Agreement . . . when payment of the principal of such Parity Bond plus interest thereon to the due date, whether such due date be by reason of maturity or otherwise (or in the case of Capital Appreciation Bonds, the Maturity Amount or the Compounded Amount thereof, as applicable) . . . shall have been provided for on or before such due date by irrevocably depositing with or making available to the Trustee for such payment (1) lawful money of the United States of America sufficient to make such payment and/or (2) noncallable securities of the types listed in subsection (i) of the definition of Permitted Investments ("Defeasance Securities") that mature as to principal and interest in such amounts and at such times (which, in the case of a net defeasance, must be verified in writing by an independent certified public accountant) as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the Corporation with the Trustee for the payment of its services until all Defeased Parity Bonds shall have become due and payable*"; and

WHEREAS, to provide for the defeasance of the Refunded Bonds on the date of delivery of the Series 2022 Bonds in accordance with Section 9.02(a) of the Original Trust Agreement, a portion of the proceeds of the Series 2022 Bonds, together with certain available funds of the City, in an aggregate amount sufficient to pay the redemption price of the Refunded Bonds on the September 15, 2022 redemption date, shall be irrevocably deposited with the Trustee for such payment, all as further detailed in an instruction letter to be provided to the Trustee by the Treasurer of the Corporation and the Chief Financial Officer of the City; and

WHEREAS, the Amended and Restated Lease Agreement and the Amended and Restated Trust Agreement have been presented to the Board of Directors in substantially final form (except for the completion of the final terms to be approved by the Pricing Committee) for approval pursuant to this Resolution; and

WHEREAS, Securities and Exchange Commission Rule 15c2-12, codified at 17 C.F.R. §240.15c2-12 ("**Rule 15c2-12**"), requires that the Preliminary Official Statement prepared and distributed in connection with the issuance of the Series 2022 Bonds be "deemed final" as of its date by the Corporation (except for the omission of no more than the information permitted by Rule 15c2-12); and

WHEREAS, such Preliminary Official Statement has been presented to the Board of Directors 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, this Resolution amends and replaces Resolution No. PFC 2022-06-16-0001R approved on June 16, 2022 (the "**Original Resolution**"), which related to the same matters as set forth in this Resolution except that the Original Resolution contemplated the refunding and defeasance 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 potentially refund only a portion of the Series 2012 Bonds (and finance improvements to certain Convention Center Facilities); and

WHEREAS, it is hereby further officially found and determined that the meeting at which this Resolution 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 and the Bylaws of the Corporation; **NOW THEREFORE:**

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

SECTION 1. AUTHORIZATION OF THE ISSUANCE AND SALE OF THE SERIES 2022 BONDS; DELEGATION OF FINAL TERMS AND SELECTION OF REFUNDED BONDS TO PRICING COMMITTEE;

- (a) Authorization to Issue the Series 2022 Bonds. The Corporation is hereby authorized to sell up to **\$620,000,000** in principal amount of the Series 2022 Bonds under the terms set forth in this Resolution, the "Approval Certificate" described in Section 1(b) below, and the Amended and Restated Trust Agreement. The Series 2022 Bonds shall be sold pursuant to a negotiated sale with the Underwriters.

- (b) Delegation of Final Terms to Pricing Committee. As permitted by Section 303.039 of the Act and Section 4.2 of the Corporation's Bylaws, the Board hereby approves the creation and designation of a "Pricing Committee" consisting of the President or Vice President of the Board (who shall serve as the Chair of the Pricing Committee) and Mr. Mario Bravo (or any other member of the Board selected by the Chair of the Pricing Committee in the event Mr. Braovo is unavailable). The Pricing Committee is hereby authorized to exercise the authority of the Board to approve all final terms of the Series 2022 Bonds; provided, however, in no event shall the Pricing Committee be authorized to approve final terms of the Series 2022 Bonds for which a portion of the proceeds are to be used to refund all or a portion of the Series 2012 Bonds unless such final terms associated with the Refunding Portion of the Series 2022 Bonds shall enable the Corporation to achieve a net present value debt service savings of at least [3.00%] of the principal amount of the Refunded Bonds. Specifically, without limiting the generality of the preceding sentence, the Pricing Committee is hereby specifically authorized, appointed, and designated to act on behalf of the Corporation to:
 - (i) effect the sale of the Series 2022 Bonds;

 - (ii) establish the terms and details related to the issuance and sale of the Series 2022 Bonds including (A) the total aggregate principal amount of Series 2022 Bonds to be issued (but in no event to exceed **\$620,000,000** in the aggregate and in no event shall the Construction Portion of the Series 2022 Bonds exceed **\$55,000,000** to finance the Improvement Projects), (B) the price at which the Series 2022 Bonds will be sold, (C) the aggregate principal amount of each maturity thereof, (D) the due date of each maturity (but in no event later than *September 15, 2042*), (E) the rate of interest to be borne on the principal amount of each such maturity (but in no event to exceed a true interest costs rate for all Series 2022 Bonds of **5.50%**), (F) the dates, price and terms upon and at which the Series 2022 Bonds shall be subject to redemption prior to maturity at the option of the Corporation, as well as any mandatory sinking fund redemption provisions for any maturity, if any, (G) the allocation of the principal amount of the

Series 2022 Bonds between the Refunding Portion and the Construction Portion, and (H) all other matters and procedures relating to the issuance, sale and delivery of the Series 2022 Bonds which are not otherwise provided in this Resolution; and

- (iii) determine the maturities of the Series 2012 Bonds and the principal amount of such maturities to be refunded by the Series 2022 Bonds (i.e., the Refunded Bonds).

The Pricing Committee, upon consultation with the Treasurer of the Corporation, the City Financial Officer of the City, and the Corporation's Co-Financial Advisors, is further authorized to approve an amount to be contributed by the Corporation from funds on deposit in the Payment Account held under the Original Trust Agreement, if any, in order to refund the Refunded Bonds. The determination of the Refunded Bonds and the approval of the final terms of the Series 2022 Bonds by the Pricing Committee and the amount to be contributed from the Payment Account shall be evidenced by the execution of the Approval Certificate (to be completed to reflect the final terms approved by the Pricing Committee) in substantially the form attached to this Resolution as Exhibit A.

- (c) Authority to Complete 2022 Transaction Documents, Approve and Execute Purchase Contract, and Execute Series 2022 Bonds. Upon approval of the final terms of sale of the Series 2022 Bonds by the Pricing Committee, the President, Vice President, Treasurer and Executive Director of the Corporation, acting for and on behalf of the Corporation, each is authorized to cause the "2022 Transaction Documents" (as defined in Section 2 below) to be completed by Co-Bond Counsel related to the Series 2022 Bonds to reflect the final terms of the Series 2022 Bonds approved pursuant to the authority granted herein, and to enter into, execute and carry out the Purchase Contract with the Underwriters. The President or Vice President of the Board of Directors is authorized and directed to execute the Series 2022 Bonds, and the Secretary of the Corporation is authorized and directed to attest the Series 2022 Bonds and to affix the Corporation's seal thereto.
- (d) Determination Required by Section 1201.022(a)(3), Texas Government Code. In satisfaction of Section 1201.022(a)(3), Texas Government Code, the Board of Directors hereby determines that the delegation of the authority to the Pricing Committee to approve the final terms of the Series 2022 Bonds set forth in this Resolution is, and the decisions made by the Pricing Committee pursuant to such delegated authority and to be incorporated into Exhibit A attached hereto and into the appropriate 2022 Transaction Documents will be, in the Corporation's best interests, and the Pricing Committee is hereby authorized to make and include in Exhibit A an appropriate finding to that effect.

SECTION 2. APPROVAL OF 2022 TRANSACTION DOCUMENTS. The Amended and Restated Lease Agreement, the Amended and Restated Trust Agreement, and the Purchase Contract (collectively, the "**2022 Transaction Documents**") are hereby approved in substantially the forms presented at this meeting, with such changes thereto as are approved by the President or Vice President of the Board of Directors or the Executive Director or Treasurer of the Corporation, with advice of the Corporation's counsel and Co-Bond Counsel related to the Series 2022 Bonds, and the President and Vice President of the Board of Directors and the Executive Director, any Assistant Executive Director, and the Treasurer of the Corporation each are authorized to execute, and the Secretary of the Corporation is authorized to attest the 2022 Transaction Documents (if so provided therein) on behalf of the Corporation and deliver same, and when executed and delivered, the 2022 Transaction Documents shall become valid and binding obligations of the Corporation in accordance with their respective terms.

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 Corporation 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 Board of Directors 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. REDEMPTION OF REFUNDED BONDS. Attached hereto as *Exhibit B* is a *CONDITIONAL NOTICE OF REDEMPTION* for the Refunded Bonds (the "**Notice**"). The Corporation, after having been requested to do so by the City, hereby exercises its option to redeem prior to maturity the Refunded Bonds described in the Notice, and the Refunded Bonds are hereby called for redemption, and shall be redeemed, prior to maturity, on the date, at the place, and at the price set forth therein.

As soon as practicable after the approval of this Resolution, and in no event less than 30 days prior to the date set for redemption, a copy of the Notice shall be sent to all registered owners of the Refunded Bonds by first class mail postage prepaid, addressed to such registered owners at their respective addresses shown on the registration books of the Trustee for the Refunded Bonds. In addition, as soon as practicable after the approval of this Resolution, a copy of the Notice shall be filed with the MSRB through EMMA in order to comply with the Corporation's requirements under the Rule to provide notice of the occurrence of certain material events.

As permitted by Section 5.02(a) of the Original Trust Agreement, the Notice states that the redemption of the Refunded Bonds is conditioned on the issuance and delivery of the Series 2022 Bonds on or before the date of redemption set forth therein. In the event the Treasurer of the Corporation determines that the Corporation will be unable to issue and deliver the Series 2022 Bonds on or before the redemption date set forth in the Notice, the Treasurer of the Corporation is hereby directed to promptly instruct the Trustee to rescind the Notice, as permitted pursuant to Section 5.02(a) of the Original Trust Agreement.

SECTION 6. AUTHORIZING ALL NECESSARY ACTIONS.

(a) Authority to Take Other Actions and Execute Other Documents. The President and Vice President of the Board of Directors, and the Executive Director, any Assistant Executive Director, the Secretary, the Treasurer and all other officers, employees, and agents of the Corporation designated by the Executive Director, 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 Corporation 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, the Series 2022 Bonds, the sale of the Series 2022 Bonds and the 2022 Transaction Documents. In addition, prior to the initial delivery of the Series 2022 Bonds, the President and Vice President of Board of Directors, and the Executive Director, any Assistant Executive Director, the Secretary and the Treasurer of the Corporation, the Corporation's Counsel, and Co-Bond Counsel related to the Series 2022 Bonds are each hereby authorized and directed to approve any technical changes or correction to this Resolution or to any of the 2022 Transaction Documents necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Resolution, (ii) obtain the approval of the Series 2022 Bonds or any 2022 Transaction Document by the Attorney General of Texas, as required by law, or (iii) obtain the ratings contemplated in the Official Statement.

(b) Valid Signatures. In case any officer whose signature shall appear on any of the 2022 Transaction Documents or any other documents necessary in connection therewith shall cease to be such officer before the delivery of any of the 2022 Transaction Documents or any other documents necessary in connection therewith, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

(c) Designation of "Sublessor Representatives" and "Corporation Representatives." The President and Vice President of the Board of Directors, and the Executive Director, any Assistant Executive Director and the Treasurer of the Corporation each have previously been designated, and are each hereby continue to be designated, as a "Sublessor Representative" and a "Corporation Representative" for purposes of the Amended and Restated Lease Agreement and the Amended and Restated Trust Agreement, respectively.

SECTION 7. ORIGINAL RESOLUTION AMENDED AND REPLACED. The Original Resolution approved by the Board on June 16, 2022, which related to the same matters as set forth

in this Resolution, is hereby amended and replaced by this Resolution.

SECTION 8. 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 Corporation authorized or established by this Resolution, or the 2022 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 Corporation to the fullest extent permitted by law.

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

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

[The remainder of this page intentionally left blank]

**PASSED AND APPROVED ON AUGUST 4, 2022, BY THE BOARD OF DIRECTORS
OF THE CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION.**



President, Board of Directors

Attest:



Secretary, Board of Directors



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



City of San Antonio

City Council Meeting August 4, 2022

25.

PFC 2022-08-04-0002R

Resolution of the City of San Antonio, Texas Public Facilities Corporation authorizing the issuance, sale and delivery of up to \$620,000,000.00 in principal amount of City of San Antonio, Texas Public Facilities Corporation Lease Revenue Refunding Bonds, Series 2022 (Convention Center Facilities Project) (the "Bonds") for the purpose of refunding all or a portion of the Corporation's Improvement and Refunding Lease Revenue Bonds, Series 2012 (Convention Center Refinancing and Expansion Project) (the "Series 2012 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; delegating authority to a pricing committee to select Series 2012 Bonds to be refunded (the "Refunded Bonds") and approve all final terms of the Bonds; approving the form and execution of an Amended and Restated Trust Agreement, an Amended and Restated Lease Agreement, and a Purchase Contract in connection therewith; calling the Refunded Bonds for redemption; authorizing other necessary actions related thereto; and amending and replacing Resolution No. PFC 06-16-0001R approved on June 16, 2022, relating to essentially the same subject [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer]

Councilmember Viagran moved to Approve on the Consent Agenda. Councilmember Rocha Garcia seconded the motion. The motion carried by the following vote:

Aye: Nirenberg, Bravo, McKee-Rodriguez, Viagran, Rocha Garcia, Castillo, Cabello
Havrda, Sandoval, Pelaez, Courage, Perry

EXHIBIT A

FORM OF APPROVAL CERTIFICATE

CERTIFICATE APPROVING THE FINAL TERMS OF THE SERIES 2022 BONDS

I, the undersigned, in my capacity as the Chair of the Pricing Committee established and designated by the Board of Directors of the **CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION** (the "**Corporation**") pursuant to a resolution adopted by the Board of Directors on August 4, 2022 (the "**Bond Resolution**"), hereby certify as follows:

1. GENERAL. This Certificate is given in connection with the issuance by the Corporation of its **CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION LEASE REVENUE REFUNDING AND IMPROVEMENT BONDS, SERIES 2022 (CONVENTION CENTER FACILITIES PROJECT)** (the "**Series 2022 Bonds**") which, pursuant to the Bond Resolution, have been authorized to be issued by the Board of Directors. All capitalized terms used in this Certificate which are not otherwise defined herein shall have the same meanings as set forth in the Bond Resolution.

2. APPROVAL OF PRICING COMMITTEE. Pursuant to authority granted by Section 303.39 of the Act, Section 4.2 of the Corporation's Bylaws, and Section 1(b) of the Bond Resolution, the Pricing Committee (composed of the undersigned as [Vice] President of the Board of Directors and _____) met on _____, 2022, and, following consultations with the Treasurer of the Corporation, the Chief Financial Officer of the City, and the Co-Financial Advisors for the Corporation and the City, unanimously approved (i) the selection of the outstanding Series 2012 Bonds to be refunded by the Series 2022 Bonds (i.e., the "**Refunded Bonds**"), and (ii) the final terms of the Series 2022 Bonds, which are set forth in paragraphs 3 through 7 of this Certificate.

3. APPROVAL OF SERIES 2012 BONDS TO BE REFUNDED. The Board of Directors of the Corporation authorized the Pricing Committee to select all or a portion of the Series 2012 Bonds maturing on and after September 15, 2023, to be refunded with proceeds of the Series 2022 Bonds. In accordance with such authority, and after consulting with the Treasurer of the Corporation, the Chief Financial Officer of the City, and the City's and the Corporation's Co-Financial Advisors, the Pricing Committee selected and approved [all] OR [a portion] of the Series 2012 Bonds maturing on and after September 15, 2023, to be refunded with proceeds of the Series 2022 Bonds which are further described as follows:

[The remainder of this page intentionally left blank]

SERIES 2012 CURRENT INTEREST BONDS TO BE REFUNDED*

<u>MATURITY (SEPT. 15)</u>	<u>PRINCIPAL AMOUNT MATURING IN YEAR (\$)</u>	<u>PRINCIPAL AMOUNT 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	*** 256,300,000	256,300,000	4.000	
	AS9			
Total	499,805 000	499,805 000		

SERIES 2012 CAPITAL APPRECIATION BONDS TO BE REFUNDED*

<u>MATURITY (SEPT. 15)</u>	<u>PRINCIPAL AMOUNT MATURING IN YEAR (\$)</u>	<u>MATURITY AMOUNT MATURING IN YEAR AND TO BE REFUNDED (\$)</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

11,660,436.80

40,805,000.00

5.10

AV2

Total

29,998,641.50

99,495,000.00

*Preliminary, subject to change.

2. DATED DATE AND AGGREGATE PRINCIPAL AMOUNT OF THE SERIES 2022 BONDS. The Series 2022 Bonds shall be dated____, 2022, and shall be issued in the aggregate principal amount of \$_____.

3. CERTAIN FINAL TERMS OF THE SERIES 2022 BONDS.

(a) *Principal Amounts and Interest Rates.* The Series 2022 Bonds shall (i) mature on **September 15** in each of the years and in the respective principal amounts, and (ii) bear interest from the date of initial delivery of the Series 2022 Bonds to their respective date of maturity or prior redemption at the respective interest rates, all as set forth below:

**CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES
CORPORATION LEASE REVENUE REFUNDING AND
IMPROVEMENT BONDS,SERIES 2022
(CONVENTION CENTER FACILITIES PROJECT)**

<u>YEAR OF</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>YEAR OF</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
<u>MATURITY</u>	<u>AMOUNT (\$)</u>	<u>RATE (%)</u>	<u>MATURITY</u>	<u>AMOUNT (\$)</u>	<u>RATE (%)</u>
2023	_____	_____	2033	_____	_____
2024	_____	_____	2034	_____	_____
2025	_____	_____	2035	_____	_____
2026	_____	_____	2036	_____	_____
2027	_____	_____	2037	_____	_____
2028	_____	_____	2038	_____	_____
2029	_____	_____	2038	_____	_____
2030	_____	_____	2040	_____	_____
2031	_____	_____	2041	_____	_____
2032	_____	_____	2042	_____	_____

The true interest cost rate on the Series 2022 Bonds is equal to_____%, which is less than the maximum true interest cost rate of_% approved by the Board of Directors in the Bond Resolution.

b. *Interest Payment Dates.* Interest on the Series 2022 Bonds shall be payable on each March 15 and September 15, commencing on March 15, 2023, until stated maturity or redemption.

c. Optional Redemption. The Series 2022 Bonds maturing on and after September 15, 20 , may be redeemed prior to their scheduled maturities, at the option of the Corporation and the request of the City, on September 15, 20 , or on any date thereafter at the redemption price equal to par plus accrued interest to the date fixed for redemption.

d. Mandatory Sinking Fund Redemption. The Series 2022 Bonds maturing on September 15 in the years 20 , 20 , and 20 (collectively, the "**Term Bonds**") are subject to mandatory sinking fund redemption prior to maturity in part by lot, at a price equal to the principal amount thereof plus accrued interest to the date of redemption, on the dates and in the respective principal amounts shown below:

**TERM BONDS
MATURING
SEPTEMBER15,
20 _____**

**TERM BONDS
MATURING
SEPTEMBER15,
20 _____**

<u>Mandatory Redemption Date</u>	<u>Redemption Amount (\$)</u>	<u>Mandatory Redemption Date</u>	<u>Redemption Amount (\$)</u>

September 15, 20_		September 15, 20_	
_____		September 15, 20_	
September 15, 20_			

September 15, 20_(maturity)		September 15, 20_(maturity)	

**TERM BONDS
MATURING
SEPTEMBER15,
20 _____**

<u>Mandatory Redemption Date</u>	<u>Redemption Amount (\$)</u>

September 15, 20__

September 15, 20__

September 15, 20__(maturity)

4. PURCHASE PRICE OF THE SERIES 2022 BONDS; APPLICATION OF PROCEEDS.

a. Purchase Price of the Series 2022 Bonds. The Series 2022 Bonds shall be purchased by the Underwriters at a price equal to \$_____
_____(which amount is equal to par, plus/less an original issue premium/discount of \$_____, and less Underwriters' discount of \$_____), and no accrued interest.

b. Application of Proceeds. The proceeds received by the Corporation from the sale of the Series 2022 Bonds to the Underwriters as set forth in paragraph 6(a) above shall be deposited and applied as follows:

Deposit to Redemption Account to refund the Refunded Bonds:	\$	Deposit to
Project Account to pay costs of the Improvement Projects of Issuance	\$_____	Pay Costs
		\$_
Total		\$_

5. ALLOCATION OF SERIES 2022 BONDS BETWEEN REFUNDING PORTION AND CONSTRUCTION PORTION. The principal amount of the Series 2022 Bonds is hereby allocated between the Refunding Portion and the Construction Portion as follows:

ALLOCATION OF THE SERIES 2022 BONDS

<u>YEAR OF MATURITY</u>	<u>PRINCIPAL AMOUNT APPLIED TO REFUNDING PORTION</u>	<u>PRINCIPAL AMOUNT APPLIED TO CONSTRUCTION PORTION</u>	<u>TOTAL (\$)</u>
	<u>(\$)</u>	<u>(\$)</u>	

2023
2024
2025
2026
2027
2028
2029
2030
2031
2032
2033
2034
2035
2036
2037
2038
2039
2040
2041
2042
TOTAL

6. DEBT SERVICE SAVINGS. In accordance with the final numbers prepared by the Co- Financial Advisors for the Corporation and the City, the issuance of the Refunding Portion of the Series 2022 Bonds will result in a gross debt service savings of \$_____ and a net present value debt service savings of \$_____(or ____% of the principal amount of the Refunded Bonds), after taking into account a contribution from the Corporation and/or the City in the amount of \$ _____[and excess proceeds of the Refunding Portion of the Series 2022 Bonds in the amount of \$ _ _____)].

7. CONTRIBUTION FROM PAYMENT ACCOUNT. Following consultations with the Treasurer of the Corporation, the Chief Financial Officer of the City, and the Corporation's Co-Financial Advisors, the Corporation shall cause the Trustee to transfer \$_ of funds on deposit in the Payment Account and deposit such funds into the Redemption Account as a contribution to the refunding of the Refunded Bonds.

8. DETERMINATION REQUIRED BY SECTION 1201.022(A)(3), TEXAS GOVERNMENT CODE. In satisfaction of Section 1201.022(a)(3), Texas Government Code, as

authorized by Section 1(d) of the Bond Resolution, and upon consultation with the Treasurer of the Corporation, the Chief Financial Officer of the City, and the Co-Financial Advisors for the Corporation and the City, the Pricing Committee determined that the final terms of the Series 2022 Bonds as set forth in this Certificate are in the Corporation's best interests.

[The remainder of this page intentionally left blank]

**EXECUTED AS OF THE ____ DAY OF _____, 2022 TO EVIDENCE THE
APPROVAL ON SUCH DATE OF THE FINAL TERMS OF THE SERIES 2022 BONDS
BY THE PRICING
COMMITTEE OF THE CORPORATION IN ACCORDANCE WITH SECTION 1(b) OF
THE BOND RESOLUTION.**

Chair, Pricing Committee
City of San Antonio, Texas Public Facilities Corporation

Signature Page to "Certificate Approving the Final Terms of the
Bonds" Relating to the City of San Antonio, Texas Public Facilities
Corporation Lease Revenue Refunding and Improvement Bonds,
Series 2022 (Convention Center Facilities Project)

EXHIBIT B

FORM OF CONDITIONAL NOTICE OF REDEMPTION

CONDITIONAL NOTICE OF REDEMPTION

To the Holders of the
**CITY OF SAN ANTONIO, TEXAS PUBLIC
FACILITIES CORPORATION IMPROVEMENT
AND REFUNDING LEASE REVENUE BONDS,
SERIES 2012 (CONVENTION CENTER
REFINANCING AND EXPANSION PROJECT)
MATURING ON SEPTEMBER 15 IN THE YEARS**

NOTICE IS HEREBY GIVEN that the **CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION** (the "**Corporation**") has called for optional redemption on September 15, 2022 (the "**Redemption Date**") at the Redemption Price equal to 100% of par plus accrued interest to the Redemption Date, all of the Corporation's outstanding **IMPROVEMENT AND REFUNDING LEASE REVENUE BONDS, SERIES 2012 (CONVENTION CENTER REFINANCING AND EXPANSION PROJECT)**, dated October 1, 2012, which mature on September 15 in the years _____, and which are further described as follows (the "**Refunded Bonds**"):

**CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES
CORPORATION IMPROVEMENT AND REFUNDING
LEASE REVENUE BONDS, SERIES 2012
(CONVENTION CENTER REFINANCING AND EXPANSION PROJECT)**

MATUR ITY (SEPT. 15)	PRINCIPAL AMOUNT MATURING IN YEAR (\$)	PRINCIPAL AMOUNT BEING REFUNDED (\$)*	STATED INTEREST RATE (%)	CUSIP NO. (796334)(1)
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

08/4/22	17,400,000	17,400,000	3.125	AM2
Item # 2028				
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	256,300,000	256,300,000	4.000	AS9

B-1

NOTICE IS FURTHER GIVEN that the redemption of the Refunded Bonds on the Redemption Date is conditioned on the issuance and delivery by the Corporation on or before the Redemption Date of its *Lease Revenue Refunding and Improvement Bonds, Series 2022 (Convention Center Facilities Project)* (the "**Series 2022 Bonds**"), which is the primary source of funds to be used to redeem the Refunded Bonds. In the event the Corporation determines it will be unable to issue and deliver the Series 2022 Bonds on or before the Redemption Date, it promptly will direct U.S. Bank Trust Company, National Association, the Trustee for the Refunded Bonds, to rescind this Notice of Redemption.

NOTICE IS FURTHER GIVEN that upon delivery of the Series 2022 Bonds, if such delivery occurs, due and proper arrangements will be made by the Corporation to provide U.S. Bank Trust Company, National Association, the Trustee for the Refunded Bonds, with funds sufficient to pay the redemption price of the Refunded Bonds and the interest thereon to the Redemption Date. If due provision for the payment of the redemption price is made, then the Refunded Bonds automatically shall be deemed to have been redeemed on the Redemption Date, they shall not bear interest after the Redemption Date, and they shall not be regarded as being outstanding except for the right of the owner thereof to receive the redemption price from the Trustee. In the event the Refunded Bonds, or any of them are not presented for redemption by the Redemption Date, they shall not thereafter bear interest.

THIS NOTICE is issued and given pursuant to the redemption provisions in the proceedings authorizing the issuance of the Refunded Bonds and in accordance with the provisions of each of the Refunded Bonds.

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

**Overnight Courier or Hand
Delivery**

U.S. Bank Trust Company Corporate
Trust Services Attn: Original
Issuances, 2nd floor
60 Livingston
Ave. St. Paul,
MN 55107

First Class/Registered/Certified Mail

U.S. Bank Trust Company Corporate Trust
Services Attn: Original Issuances
P.O. Box 64111
St. Paul, MN
55164-0111

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.

(1) The above referenced CUSIP numbers are provided for the convenience of the bondholders. Neither the Trustee nor the Corporation are responsible for any error of any nature relating to the CUSIP numbers.