

**CITY OF EL PASO DOWNTOWN DEVELOPMENT CORPORATION
AGENDA ACTION ITEM**

AGENDA DATE: June 18, 2013

CONTACT PERSON NAME AND PHONE NUMBER: Carmen Arrieta-Candelaria, CFO, (915) 541-4011

SUBJECT:

APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the Executive Director to do what? Be descriptive of what we want the Board to approve. Include \$ amount if applicable.

Discussion and action to approve a Resolution amending the resolution authorizing the issuance of "City of El Paso Downtown Development Corporation Special Revenue Bonds, Series 2013A (Downtown Ballpark Venue Project)" and "City of El Paso Downtown Development Corporation Special Revenue Bonds, Taxable Series 2013B (Downtown Ballpark Venue Project);" and resolving other matters incident and related thereto. [Carmen Arrieta-Candelaria, Chief Financial Officer (915) 541-4011]

BACKGROUND / DISCUSSION:

Discussion of the what, why, where, when, and how to enable the Board to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the LGC of this action?

At City Council meeting of May 28, 2013, City Council approved a resolution that authorized the issuance of "City of El Paso Downtown Development Corporation Special Revenue Bonds, Series 2013A (Downtown Ballpark Venue Project)" (the "Series 2013A Bonds") and the "City of El Paso Downtown Development Corporation Special Revenue Bonds, Taxable Series 2013B (Downtown Ballpark Venue Project)" (the "Series 2013B Bonds") (collectively, the Series 2013A Bonds and the Series 2013B Bonds are referred to herein as the "Series 2013 Bonds") with the following parameters:

- (a) the aggregate original principal amount of the Series 2013 Bonds shall not exceed \$52.8 million;
- (b) the aggregate true interest cost for the Series 2013A Bonds shall not exceed 5.00%;
- (c) the aggregate true interest cost for the series 2013B Bonds shall not exceed 5.75%; and
- (d) the maximum maturity date for the Series 2013 Bonds shall not exceed December 31, 2040.

The Pricing Officers designated were the Executive Director and the Treasurer of the Corporation. The delegation will expire six months from adoption.

At this time, given the additional project cost requirements and additional contributions from the MountainStar Group (the "Team"), staff is recommended that the original principal amount of the Series 2013 bonds be increased by \$8 million to \$60.8 million.

In addition, the maximum maturity date should be increase to December 31, 2045. This change in maturity date will allow staff with flexibility in issuing the bonds.

Members of the financing team will be on hand at the meeting of the Board to answer questions that the Board may have regarding this financing.

Additional Background: On November 6, 2012, an election held authorized the City to provide for the planning, acquisition, establishment, development, construction and financing of a sports and community venue project within the City of the type described and defined in Section 334.001(4)(A) of and permitted by Chapter 334, Local Government Code, as amended (the "Venue Project Act"), and described in summary form as a multipurpose coliseum, stadium or other type of arena or facility that is planned for use for one or more professional or amateur sports events, including minor league baseball games, and related infrastructure as defined in the Venue Project Act (the "Project"), and to impose a tax on the occupancy of a room in hotels located within the City, at a maximum rate of two percent (2%) of the price paid for such room, as authorized by Subchapter H of the Venue Project Act.

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On December 18, 2012, the City of El Paso Downtown Development Corporation (the "Corporation") was created and organized as a public, nonprofit local government corporation incorporated pursuant to Subchapter D of Chapter 431, Texas Transportation Code, as amended ("Chapter 431"), Chapter 394, Texas Local Government Code, as amended ("Chapter 394"), and the Texas Non-Profit Corporation Act (formerly Article 1396, Vernon's Texas Civil Statutes, as amended), now codified in the Texas Business Organizations Code as the Texas Nonprofit Corporation Law, as defined in Section 1.008 of the Texas Business Organizations Code, as amended (Chapter 431, Chapter 394 and the Texas Nonprofit Corporation Law are referred to collectively as the "LGC Act") to aid, assist and act on behalf of the City of El Paso, Texas (the "City") in the performance of the City's governmental functions.

The Corporation has determined that the financing of the Project through the issuance of the revenue bonds authorized by this Resolution will further the purposes and policies of the Venue Project Act, the LGC Act and its Articles of Incorporation. In order to provide for (i) financing the Project, (ii) paying capitalized interest, if any, on the Series 2013 Bonds (as defined herein) and (iii) financing the cost of issuance of the Series 2013 Bonds, the Corporation now proposes to issue "City of El Paso Downtown Development Corporation Special Revenue Bonds, Series 2013A (Downtown Ballpark Venue Project)" (the "Series 2013A Bonds") and the "City of El Paso Downtown Development Corporation Special Revenue Bonds, Taxable Series 2013B (Downtown Ballpark Venue Project)" (the "Series 2013B Bonds") (collectively, the Series 2013A Bonds and the Series 2013B Bonds are referred to herein as the "Series 2013 Bonds") pursuant to (A) the terms of this Resolution, (B) the Trust Agreement relating to the City of El Paso, Texas, Downtown Ballpark Venue Project Financing, dated as of June 1, 2013 (the "Trust Agreement"), by and between the Corporation and Wells Fargo Bank, National Association, as trustee (the "Trustee") and (C) the provisions of the LGC Act.

PRIOR BOARD ACTION:

Has the Board previously considered this item or a closely related one?

n/a

AMOUNT AND SOURCE OF FUNDING:

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

n/a

*****REQUIRED AUTHORIZATION*****

Treasurer of the LGC:

Carmen Anita Candalaria

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A RESOLUTION amending the resolution authorizing the issuance of "City of El Paso Downtown Development Corporation Special Revenue Bonds, Series 2013A (Downtown Ballpark Venue Project)" and "City of El Paso Downtown Development Corporation Special Revenue Bonds, Taxable Series 2013B (Downtown Ballpark Venue Project);" and resolving other matters incident and related thereto.

WHEREAS, pursuant to a resolution adopted on May 28, 2013 (the "Original Resolution") by the Board of Directors (the "Board") of the City of El Paso Downtown Development Corporation (the "Corporation"), the Board authorized the issuance of "City of El Paso Downtown Development Corporation Special Revenue Bonds, Series 2013A (Downtown Ballpark Venue Project)" (the "Series 2013A Bonds") and the "City of El Paso Downtown Development Corporation Special Revenue Bonds, Taxable Series 2013B (Downtown Ballpark Venue Project)" (the "Series 2013B Bonds") (collectively, the Series 2013A Bonds and the Series 2013B Bonds are referred to herein as the "Series 2013 Bonds");

WHEREAS, the Original Resolution delegated to a Pricing Officer (therein designated) the authority to determine and approve all final terms of the Series 2013 Bonds, subject to certain specified parameters;

WHEREAS, the Board hereby finds it is in the best interest of the Corporation to modify such previously specified parameters;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF EL PASO DOWNTOWN DEVELOPMENT CORPORATION THAT:

SECTION 1: Pricing Parameters. The first paragraph of Section 5 of the Original Resolution is hereby deleted in its entirety and in its place the following is inserted:

SECTION 5: Delegation of Authority to Pricing Officer. As authorized by applicable law including the LGC Act, each of the Executive Director, Deputy Executive Director and the Treasurer of the Corporation (each a "Pricing Officer") is hereby authorized to act on behalf of the Corporation in selling and delivering the Series 2013 Bonds and carrying out the other procedures specified in this Resolution, including, but not limited to, determining the aggregate original principal amount of each series of Series 2013 Bonds, the date of each series of Series 2013 Bonds, the date of the Trust Agreement and the Lease Agreement, any additional or different designation or title by which each series of the Series 2013 Bonds shall be known, determining whether the Series 2013 Bonds shall be issued in one or more taxable or tax-exempt series or subseries, the terms of any bond insurance applicable to each series of the Series 2013 Bonds, the price at which each series of the Series 2013 Bonds will be sold, the years in which each series of the Series 2013 Bonds will mature, the principal amount of each series of Series 2013 Bonds to mature in each of such years, the rate of interest to be borne by each such maturity, the interest payment dates, the record dates, the compounding dates, the price and terms upon and at which each series of the Series 2013 Bonds shall be subject to redemption prior to maturity at the option of the Corporation, as well as any mandatory sinking fund

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redemption or extraordinary optional redemption provisions, the designation of one or more funds for the payment of the Series 2013 Bonds, and all other matters relating to the issuance, sale and delivery of the Series 2013 Bonds, all of which shall be specified in the final executed Trust Agreement and one or more approval certificates executed by the Pricing Officer, provided that:

- (a) the aggregate original principal amount of the Series 2013 Bonds shall not exceed \$60.8 million;
- (b) the aggregate true interest cost for the Series 2013A Bonds shall not exceed 5.00%;
- (c) the aggregate true interest cost for the series 2013B Bonds shall not exceed 5.75%; and
- (d) the maximum maturity date for the Series 2013 Bonds shall not exceed December 31, 2045.

SECTION 2: Incorporation of Findings and Determinations. The findings and determinations of the Board contained in the preamble hereof are hereby incorporated by reference and made a part of this Resolution for all purposes as if the same were restated in full in this Section. Except as otherwise expressly modified by the terms hereof, all of the remaining terms of the Original Resolution remain in effect and are hereby ratified and affirmed.

SECTION 3: Further Procedures. Each of the Chair, Vice Chair, Executive Director, Deputy Executive Director and Treasurer of the Corporation is, individually and collectively, authorized and directed to take all action necessary or reasonably required to effectuate the transactions described in this Resolution, and any other instruments authorized by this Resolution or required to effect the transaction contemplated hereby. In the event that any officer of the Corporation whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

In addition, prior to the initial delivery of the Series 2013 Bonds, any of the Chair, Vice Chair, Executive Director, Deputy Executive Director, Treasurer or bond counsel to the Corporation are each hereby authorized and directed to approve any technical changes or corrections to this Resolution or to any of the documents authorized and approved by this Resolution: (i) in order to cure any ambiguity, formal defect, or omission in the Resolution or such other document; (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Series 2013 Bonds by the Attorney General; (iii) as requested by any of the national bond rating agencies to obtain a rating or ratings on the Series 2013 Bonds; or (iv) to accomplish the issuance and delivery of the Series 2013 Bonds and if such officer or counsel determines that such changes are consistent with the intent and purpose of the Resolution, which determination shall be final.

SECTION 4: Severability. If any section, paragraph, clause, or provision of the 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.

SECTION 5: Public Meeting. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, Texas Government Code, as amended.

SECTION 6: Effective Date. This Resolution shall be in force and effect from and after its passage on the date shown below.

[Remainder of page left blank intentionally.]

APPROVED AND ADOPTED this ____ day of _____, 2013.

John F. Cook
Chair, Board of Directors
City of El Paso
Downtown Development Corporation

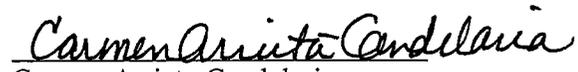
ATTEST:

Richarda Duffy Momsen
Secretary, City of El Paso
Downtown Development Corporation

Approved as to Form:


Sylvia B. Firth
City Attorney
City of El Paso, Texas

Approved as to Content:


Carmen Arrieta-Candelaria
Treasurer, City of El Paso
Downtown Development Corporation

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