

RESOLUTION 2014-10-02-0034R

APPROVING A FINANCING BY THE POTTSBORO HIGHER
EDUCATION FINANCE CORPORATION FOR THE BENEFIT OF THE
JUBILEE ACADEMIC CENTER, INC. FOR PURPOSES OF SECTION
147(f) OF THE INTERNAL REVENUE CODE

* * * * *

WHEREAS, the Pottsboro Higher Education Finance Corporation (the "**Corporation**") was created by the City of Pottsboro, Texas, pursuant to Chapter 53, Texas Education Code (the "**Act**"), and is empowered thereby to borrow and make loans to finance and refinance the cost of certain "educational facilities," as defined in the Act; and

WHEREAS, Jubilee Academic Center, Inc. (the "**Borrower**") has requested that the Corporation make a loan to the Borrower, and the Borrower and the Corporation propose to enter into a loan agreement (the "**Loan Agreement**") with Compass Bank (the "**Lender**") for the purpose of borrowing funds from the Lender to be loaned by the Corporation to the Borrower (the "**Financing**") in accordance with the terms of the Loan Agreement, including provisions that the proceeds of the Financing shall be applied by the Borrower to refinance (on a tax exempt basis) a portion of the cost of constructing and equipping certain educational facilities of the Borrower located at 4434 Roland Rd, San Antonio, TX 78222 (the "**Project**"); and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986 (the "**Code**") requires that the issuance of any qualified 501(c)(3) obligations be approved by the "applicable elected representative" (the "**AER**") of the governmental unit in which the Project is located after a public hearing following reasonable public notice; and

WHEREAS, the Project is located in the City of San Antonio, Texas (the "**City**") and the City Council ("**City Council**") is an AER for the City; and

WHEREAS, attached hereto as Exhibit A is the Notice of Public Hearing (the "**Notice of Public Hearing**") which was published in a newspaper of general circulation in the City, as required by section 147(f) of the Code which public hearing was conducted by the Issuer on July 3, 2014; and

WHEREAS, attached hereto as Exhibit B is the Affidavit of Publication of the Notice of Public Hearing; and

WHEREAS, attached hereto as Exhibit C is the Certificate of Public Hearing Officer; and

WHEREAS, the City Council desires to approve the Project and the Financing solely for purposes of satisfying the requirements of section 147(f) of the Code; and

WHEREAS, the actions of the City Council with respect to the Project and the Financing and to the matters described herein will create no liability for the City, and is in the best interest of the City, and the City Council desires to approve this Resolution; **NOW THEREFORE:**

BE IT RESOLVED that the City Council is authorized to approve and deliver this Resolution.

BE IT FURTHER RESOLVED that the City Council hereby specifically approves the Financing and the Project solely for the purpose of satisfying the requirements of section 147(f) of the Code and is not to be construed as an undertaking by the City. The Financing shall not constitute a liability, an indebtedness or an obligation of the City nor shall any of the assets of the City be pledged to the payment of the Financing. This Resolution shall become effective immediately upon the execution hereof.

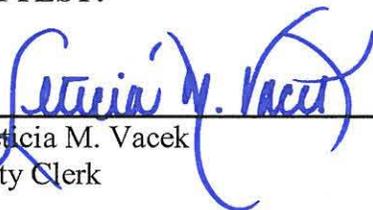
BE IT FURTHER RESOLVED that this Resolution shall become effective immediately upon its passage by eight (8) votes or more and upon ten (10) days following its passage if approved by fewer than eight (8) votes.

*[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK;
SIGNATURE PAGE FOLLOWS]*

PASSED AND APPROVED BY THE CITY COUNCIL of the City of San Antonio this 2nd day of October, 2014.

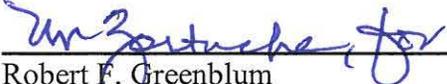

M A Y O R
Ivy R. Taylor

ATTEST:



Leticia M. Vacek
City Clerk

APPROVED AS TO FORM:



Robert F. Greenblum
City Attorney

Agenda Item:	25 (in consent vote: 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16, 17, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33)
Date:	10/02/2014
Time:	09:16:19 AM
Vote Type:	Motion to Approve
Description:	A Resolution approving a financing by the Pottsboro Higher Education Finance Corporation for the benefit of the Jubilee Academic Center, Inc. for purposes of Section 147(f) of the Internal Revenue Code. [Ben Gorzell, Jr., Chief Financial Officer; Troy Elliott, Director of Finance]
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor		x				
Diego Bernal	District 1		x				
Keith Toney	District 2	x					
Rebecca Viagran	District 3		x				x
Rey Saldaña	District 4		x			x	
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Mari Aguirre-Rodriguez	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9	x					
Michael Gallagher	District 10		x				

EXHIBIT A

NOTICE OF PUBLIC HEARING

POTTSBORO HIGHER EDUCATION FINANCE CORPORATION JUBILEE ACADEMIC CENTER, INC.

Notice is hereby given of a public hearing to be held on behalf of the Pottsboro Higher Education Finance Corporation (the "Corporation") on July 3, 2014, at 3:00 p.m. at 4434 Roland Rd, San Antonio, TX 78222, to provide an opportunity for all interested persons to be heard with respect to a proposed loan from Compass Bank (d/b/a BBVA Compass) to the Corporation in the maximum amount of \$3,200,000 (the "Corporation Loan") and a proposed loan from the Corporation to Jubilee Academic Center, Inc. (the "Borrower"), in the same amount as the Corporation Loan (collectively, the "Financing").

The proceeds of the Financing will be used for the purposes (1) refinancing certain loans used for purchasing, renovating, expanding and equipping certain educational facilities of the Borrower located at 4434 Roland Rd, San Antonio, TX 78222 (the "Project"); and (2) paying the costs of issuance of the Financing. The Project will be owned and operated by the Borrower. The Financing is not payable out of taxes and are secured by and payable solely from funds provided by the Borrower.

The public hearing will be conducted by Tom Sage or his designee (the "Hearing Officer"). All interested persons are invited to attend such public hearing to express their views with respect to the Project. Questions or requests for additional information may be directed to the Hearing Officer via telephone at (713) 220-3833. Any interested persons unable to attend the hearing may submit their views in writing to the Hearing Officer prior to the date scheduled for the hearing via fax at (713) 238-5040. This notice is published and the hearing is to be held in satisfaction of the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended.

EXHIBIT B
AFFIDAVIT OF PUBLICATION



Media Works

San Antonio Express-News
mySA.com | ExpressNews.com
Conexión | The San Antonio Light
EN Community & Military Newspapers

SAN ANTONIO EXPRESS NEWS
AFFIDAVIT OF PUBLICATION

STATE OF TEXAS:
COUNTY OF BEXAR

Before me, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared: Lynette Nelson, who after being duly sworn, says that she is the BOOKKEEPER of THE HEARST CORPORATION (SAN ANTONIO EXPRESS-NEWS DIVISION), a daily newspaper published in Bexar County, Texas and that the publication, of which the annexed is a true copy, was published to wit:

Customer ID: 710940
Customer Name: Andrews Northrup
Order ID: 2593050

Publication: EN Classified Pub Date: 16-JUN-14

Lynette Nelson

Lynette Nelson
Bookkeeper

Sworn and subscribed to before me, this 18 day of June A.D. 2014

Notary public in and for the State of Texas

Wini A. Kaneskie



NOTICE OF PUBLIC HEARING

POTTSBORO HIGHER EDUCATION
FINANCE CORPORATION
JUBILEE ACADEMIC CENTER, INC.

Notice is hereby given of a public hearing to be held on behalf of the Pottsboro Higher Education Finance Corporation (the Corporation) on July 3, 2014, at 1:00 p.m. at 4124 Island Rd., San Antonio, TX 78222, to provide an opportunity for all interested persons to be heard with respect to a proposed loan from Campus Cash (d/b/a CASH Company) to the Corporation in the main an amount of \$3,500,000 (the "Cash Loan") and a proposed loan from the Corporation to Jubilee Academic Center, Inc. (the "Jubilee Loan"), in the same amount as the Corporation Loan (collectively, the "loans").

The proceeds of the financing will be used for the purpose (1) refinancing certain loans used for purchases, renovating, expanding and operating certain educational facilities of the borrower located at 4124 Island Rd., San Antonio, TX 78222 (the "Project") and (2) paying the costs of issuance of the financing. The Project will be owned and operated by the borrower. The financing is not payable out of taxes and are secured by and payable solely from funds provided by the borrower.

The public hearing will be conducted by Tom Sage or his designee (the "Hearing Officer"). All interested persons are invited to attend such public hearing to express their views with respect to the Project. Questions or requests for additional information may be directed to the Hearing Officer at telephone at (214) 220-3033. Any interested persons unable to attend the hearing may submit their views in writing to the Hearing Officer prior to the date advised for the hearing by fax at (214) 220-3040. This notice is published and the hearing is to be held in satisfaction of the requirements of Section 217(i) of the Internal Revenue Code of 1986, as amended.

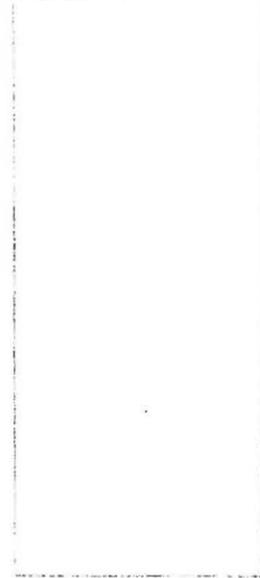


EXHIBIT C
CERTIFICATE OF PUBLIC HEARING OFFICER

CERTIFICATE OF PUBLIC HEARING

I, the undersigned, hereby certify in connection with a loan transaction to be entered into by the Pottshoro Higher Education Finance Corporation (the "Corporation"), Jubilee Academic Center, Inc. ("Borrower") and Compass Bank d/b/a BBVA Compass in the maximum principal amount of \$3,200,000 (the "Loans") for the benefit of Borrower, as follows:

I served as Hearing Officer for the Corporation for the purpose of conducting a public hearing on the Loans and the use of the proceeds thereof to provide ((1) refinancing certain loans used for purchasing, renovating, expanding and equipping certain educational facilities of the Borrower located at 4434 Roland Rd, San Antonio, TX 78222 (the "Project"); and (2) paying the costs of issuance of the Financing (collectively, the "Project").

I hereby certify as follows:

1. I am the duly appointed hearing officer for the public hearing which was held in connection with the issuance of the Loans at the time and place indicated in the Notice of Public Hearing included in Exhibit A attached hereto.
2. Notice of the public hearing was published no less than 14 days before the date of the public hearing in *San Antonio Express News*, as evidenced by the Affidavit of Publication of the Notice of Public Hearing attached hereto as Exhibit A.
3. All persons appearing at the public hearing were given an opportunity to comment on the proposed issuance of the Loans and the project to be financed with proceeds of the Loans. No such persons appeared or made comments except as is set forth on Exhibit B attached hereto.
4. After giving all interested persons an opportunity to appear and comment, the public hearing was declared closed.

IN WITNESS WHEREOF, I have hereunto set my hand this July 3, 2014.



Fern Skye, Hearing Officer

Exhibit A - Affidavit of Publication of the Notice of Public Hearing
Exhibit B - Names and Comments of Persons Attending Public Hearing

EXHIBIT B

NAMES AND COMMENTS OF PERSONS ATTENDING PUBLIC HEARING

NONE

Name of Attendee

Comment

1. _____

2. _____

3. _____

