

WHEREAS, the City will issue the proposed Combination Tax and Revenue Certificates of Obligation pursuant to the authority granted by Subchapter C of Chapter 271, Texas Local Government Code (the "Certificate of Obligation Act of 1971"), as amended; and

WHEREAS, the land acquisition for the Convention Center Hotel requires issuance of an amount not to exceed \$42,000,000 Series 2008 Certificates of Obligation for various capital purposes; and

WHEREAS, it is desired to proceed with the preparatory work necessary to issue obligations through a negotiated sale on April 23, 2008; and

WHEREAS, the City of Dallas, Texas (the "City") expects to pay expenditures in connection with the acquisition of land as more fully described in Exhibit A to this Resolution prior to the issuance of the Certificates of Obligation hereinafter described; and

WHEREAS, the City Council hereby finds, considers and declares that the reimbursement of the payment by the City of such expenditures will be appropriate and consistent with the lawful objectives of the City and, as such, chooses to declare its intention, in accordance with the provisions of Section 1.150-2 of the U.S. Treasury Regulations, to reimburse itself for such payments at such time as it issues the hereinafter described Certificates of Obligation; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Resolution was considered was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS, TEXAS:

Section 1. That the City Manager be and is hereby authorized to proceed with the necessary preparations for the sale in amount not to exceed \$42,000,000 of Combination Tax and Revenue Certificates of Obligation, Series 2008, with such sale to occur on April 23, 2008.

Section 2. That the City Manager, the City's Co-Financial Advisors, and the City's Co-Bond Counsel are hereby authorized and directed to prepare an Official Statement with respect to such obligations and to take such other action and prepare such other documents as are necessary and incidental to the issuance, sale and delivery of the certificates of obligation.

Section 3. That the City Manager be and is hereby authorized to use the previously contracted professional services of First Southwest Company and Estrada Hinojosa & Company, Inc. as co-financial advisors for the proposed certificate of obligation sale. If certificates of obligation are issued, payment for the advisory services and out-of-pocket expenses of First Southwest Company (Vendor #193056) are estimated to be \$41,820 and payment for the advisory services and out-of-pocket expenses of Estrada Hinojosa & Company, Inc. (Vendor #259910) are estimated to be \$18,880 and shall be made from the certificates of obligation proceeds.

Section 4. That the City Manager be and is hereby authorized to use the previously contracted professional services of McCall, Parkhurst & Horton, L.L.P. and Escamilla & Poneck Inc. as co-bond counsel in connection with the sale and delivery of the certificates of obligation. If certificates of obligation are issued, payment for the opinion of McCall, Parkhurst & Horton, L.L.P. (Vendor #193173) shall be at the rate of \$0.30 per \$1,000 increment of obligations issued plus an hourly rate of \$90.00 to \$300.00 for services rendered by individual attorneys and paralegals (estimated to be \$45,000), and shall be made from the certificates of obligation proceeds. If certificates of obligation are issued, payment for the opinion of Escamilla & Poneck Inc. (Vendor #518903) shall be at the rate of \$0.15 per \$1,000 increment of obligations issued plus an hourly rate of \$90.00 to \$300.00 for services rendered by individual attorneys and paralegals (estimated to be \$17,500), and shall be made from the certificates of obligation proceeds.

Section 5. That the City Manager be and is hereby authorized to obtain bond ratings from Moody's Investors Service (Vendor #951236) and from Standard & Poor's, Inc. (Vendor #954974) in connection with the sale of the obligations. If the certificates of obligation are issued, payment for the bond ratings are estimated to be \$29,750 and shall be made from the certificates of obligation proceeds.

Section 6. That the City Manager be and is hereby authorized to use the previously contracted professional services of KPMG L.L.P. to obtain an independent auditor's consent letter in connection with the sale and delivery of the obligations. If certificates of obligation are issued, payment for the services of KPMG L.L.P. (Vendor #092122) are estimated to be \$5,000 and shall be made from the certificates of obligation proceeds.

Section 7. That the City Manager be and is hereby authorized to use Munoz Printing Co. to print and mail official statements. If certificates of obligation are issued, payment for the services of Munoz Printing Co. (Vendor #129044) are estimated to be \$8,000 and shall be made from the certificates of obligation proceeds.

Section 8. That the City Controller be and is hereby authorized to make payment to U.S. Bank National Association for services provided as paying agent/registrar with respect to the obligations at an annual cost of \$200 plus mailing expenses from the General Fund 0001, Department BMS, Unit 1125, Object 3537, (Vendor # 355655) if the certificates of obligation are issued.

Section 9. That the proceeds received from the certificates of obligation sale shall be deposited in Fund 0564, Department CCT, Unit P431, Revenue Source 8448, established for the purposes as set forth in Exhibit "A" hereto. Any accrued interest from these proceeds will be deposited in the Debt Service Fund 0981, Department BMS, Revenue Source 8438.

Section 10. That the City Manager is hereby authorized to establish appropriations in an amount not to exceed \$42,000,000 in the 2008 Certificates of Obligation Fund 0564.

Section 11. That attached hereto and marked "Exhibit A" is a form of notice, the form and substance of which are hereby passed and approved.

Section 12. That the City Manager shall cause said notice to be published, in substantially the form attached hereto, in a newspaper of general circulation in the City of Dallas, Texas, for two consecutive weeks, the date of the first publication to be before the thirtieth (30th) day before the day tentatively proposed for authorizing the issuance of the Certificates of Obligation as shown in said notice.

Section 13. That the property to be financed with proceeds from the proposed Certificates of Obligation shall be used for the purposes described in the attached Notice of Intention.

Section 14. That the City Controller be and is hereby authorized to pay the Dallas Morning News (Vendor #028774) to publish the Notice. Payment for the services of the Dallas Morning News shall not exceed \$950 and shall be made from Fund 0001, Department BMS, Unit 1125, Object 3320, Encumbrance Number CT SPRING08 DMN FEE.

Section 15. That the City Manager is authorized and directed to file an Official Statement with respect to such bonds and prepare such other documents as are necessary and incidental to the issuance, sale and delivery of the bonds with the Attorney General; and that the City Controller be and is hereby authorized to make the payment for filing with the Attorney General's office prior to receiving the Bond Proceeds (no later than May 20, 2008). The cost is estimated to be \$9,500 and shall be made from the General Fund 0001, Department BMS, Unit 1125, Object 3537, Encumbrance Number CT SPRING08 EQ AG FEE, Vendor 344989 and shall be reimbursed with proceeds.

COUNCIL CHAMBER
080712
February 27, 2008

Section 16. That the property to be financed with proceeds from the proposed Certificates of Obligation shall be used for the purposes described in the attached Notice of Intention.

Section 17. That all costs to be reimbursed pursuant to this Resolution will be capital expenditures; the proposed Certificates of Obligation shall be issued within 18 months of the later of (i) the date the expenditures are paid or (ii) the date on which the property, with respect to which such expenditures were made, is placed in service; and the foregoing notwithstanding, the Certificates of Obligation will not be issued pursuant to this Resolution on a date that is more than three years after the date any expenditure which is to be reimbursed is paid.

Section 18. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas and it is accordingly so resolved.

Distribution: Office of Financial Services
Convention and Event Services

APPROVED BY
CITY COUNCIL

FEB 27 2008


City Secretary

080712

EXHIBIT A

NOTICE OF INTENTION TO ISSUE
CERTIFICATES OF OBLIGATION

NOTICE IS HEREBY GIVEN that it is the intention of the City Council of the City of Dallas, Texas, to issue one or more series of the interest bearing certificates of obligation of the City to be entitled "City of Dallas, Texas Combination Tax and Revenue Certificates of Obligation", for the purpose of paying contractual obligations to be incurred by the City, to-wit, the acquisition of approximately 8.4 acres of land located at the intersection of Lamar and Young Streets, for authorized municipal purposes including, without limitation, as a site for the construction of a proposed convention center hotel; and the payment of fiscal, engineering and legal fees incurred in connection therewith. The City Council tentatively proposes to authorize the issuance of said series (one or more) of Certificates of Obligation at its regular meeting place in the City Hall at a meeting to commence at 9 o'clock, a.m., on the 23rd day of April, 2008. The maximum amount of Certificates of Obligation indebtedness that may be authorized to be sold on said date for such purposes described above is \$42,000,000. The City Council presently proposes to provide for payment of said series (one or more) of Certificates of Obligation from the levy of ad valorem taxes and from a limited pledge (not to exceed \$1,000) of surplus revenues derived from the operation of the City's Municipal Drainage Utility System remaining after payment of all operation and maintenance expenses thereof and any other obligations heretofore or hereafter incurred to which such revenues have been or shall be encumbered by a lien on and pledge of such revenues superior to the lien on and pledge of such revenues to the proposed certificates of obligation.

CITY OF DALLAS, TEXAS

/s/ Tom Leppert
Mayor