

RESOLUTION NO. _____

A RESOLUTION APPROVING THE ISSUANCE OF REVENUE BONDS BY NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION ON BEHALF OF CHF – COLLEGIATE HOUSING DENTON, L.L.C. IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$100,000,000; RECOGNIZING THAT THE CITY OF DENTON IS NOT RESPONSIBLE FOR ISSUING THE REVENUE BONDS AND HAS NO FINANCIAL OBLIGATION TO PAY ANY PRINCIPAL OF OR INTEREST ON THE REVENUE BONDS; MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Denton, Texas (the “City”) is a duly organized and validly existing municipal corporation under the laws and Constitution of the State of Texas; and

WHEREAS, the New Hope Cultural Education Facilities Finance Corporation (the “*Issuer*”) was created pursuant to the Cultural Education Facilities Finance Corporation Act, Texas Local Government Code, Chapter 337, as amended (the “*Act*”), and has the power, authority and right to issue revenue bonds for the purpose of aiding any accredited institutions of higher education, secondary schools, and primary schools, and authorized charter schools in financing or refinancing educational facilities and housing facilities and facilities that are incidental, subordinate, or related thereto or appropriate in connection therewith; and

WHEREAS, CHF – Collegiate Housing Denton, L.L.C., a single member Alabama limited liability company (the “*Borrower*”), has requested that the Issuer issue, and the Issuer proposes to issue, its Capital Improvement Revenue Bonds (CHF – Collegiate Housing Denton, L.L.C. – Texas Woman's University Project) Series 2018 (the “*Bonds*”), pursuant to the Act, and to loan the proceeds of the Bonds to the Borrower for the purpose of providing funds to finance the cost of development, financing, construction, furnishing and equipping of an approximately 900-bed student housing facility and an approximately 32,000 square foot dining facility, along with associated site development and various related amenities and improvements to be located on the campus of Texas Woman's University, to fund interest on the Bonds during the period of construction and up to six months thereafter, to fund a debt service reserve fund for the Bonds, and to pay the costs of issuing the Bonds (collectively, the “*Projects*”); and

WHEREAS, the Bonds will be payable solely from revenues of the Borrower, and the City will have no obligation whatsoever for payment of the Bonds; and

WHEREAS, as a prerequisite for the issuance of the Bonds by the Issuer, a public hearing was held within the City on November 28, 2017, after publication in the *Denton Record-Chronicle* of a Notice of Public Hearing, and a report on the hearing has been presented to the City Council; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY RESOLVES:

SECTION 1. The findings set forth in the preamble of this Resolution are incorporated by reference into the body of this Resolution as if fully set forth herein.

SECTION 2. The City hereby approves the issuance of the aforesaid Bonds by the Issuer in the maximum aggregate principal amount of \$100,000,000 for the Projects, and further approves the Projects as described in the Notice relating to the public hearings for the Bonds, and such approval shall be solely for the purposes of satisfying Section 147(f) of the Internal Revenue Code of 1986 and the City shall have no liabilities for the payment of the Bonds nor shall any of its assets be pledged to payment of the Bonds.

SECTION 3. Further, it is recognized by the City that the instruments which authorize the issuance of bonds, notes or obligations by the Issuer will specifically state that the City is not obligated to pay the principal of or interest on the bonds, notes or obligations proposed to be issued by the Issuer. Nothing in this resolution shall be construed as an indication by the City that it will pay or provide for the payment of any obligations of the Issuer whether theretofore or hereafter incurred; and in this connection, attention is called to the Constitution of the State of Texas, wherein it is provided that a City may incur no indebtedness without having made provisions for its payment, and the City Council of the City hereby specifically refuses to set aside any present or future funds, assets or money for the payment of any indebtedness or obligation of the Issuer.

SECTION 4. This Resolution shall become effective immediately, upon its passage.

PASSED AND APPROVED this the _____ day of _____, 2018.

CHRIS WATTS, MAYOR

ATTEST:
JENNIFER WALTERS, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
AARON LEAL, CITY ATTORNEY

BY:  _____