

Memorandum



CITY OF DALLAS

DATE August 8, 2008

TO Members of the Finance, Audit & Accountability Committee
Chair, Mitchell Rasansky; Vice-Chair, Jerry Allen; Mayor Pro Tem Elba Garcia; Vonciel Jones Hill; Angela Hunt; Ron Natinsky; and David Neumann

SUBJECT Convention Center Hotel – Underwriter Team

At your August 12, 2008 Finance, Audit & Accountability Committee meeting, you will be briefed on the Convention Center Hotel – Underwriter Team. A copy of the briefing is attached for your review.

Please contact me if you need additional information.

A handwritten signature in black ink that reads "David Cook".

David Cook
Chief Financial Officer

Attachment

C: Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Ryan S. Evans, First Assistant City Manager
David O. Brown, Interim Assistant City Manager
A. C. Gonzalez, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Ramon F. Miguez, P.E., Assistant City Manager
Deborah Watkins, City Secretary
Tom Perkins, City Attorney
Craig Kinton, City Auditor
Jeanne Chipperfield, Director, Budget & Management Services
Frank Libro, Director, Public Information Office

Convention Center Hotel – Underwriter Team

Finance, Audit and Accountability Committee
August 12, 2008



Background

- On March 26, 2008, the City Council appointed six underwriting syndicate members and designated co-senior managers and co-managers to provide underwriting services for the financing of a convention center hotel

- The syndicate includes the following members:
 - Two national firms
 - Citigroup Global Markets, Inc. (senior)
 - UBS Securities LLC (co-senior)
 - Two regional firms
 - RBC Capital Markets (co-manager)
 - Southwest Securities, Inc. (co-manager)
 - Two M/WBE firms
 - Siebert Brandford Shank & Co., LLC (co-senior)
 - Jackson Securities, LLC (co-manager)

UBS Business Changes

- ❑ In May 2008, UBS Securities LLC (UBS) announced that it would be closing its Municipal Bond Department
- ❑ When UBS was evaluated during the selection process, the significant experience in hotel underwriting of the Managing Director was instrumental for the recommendation of UBS
- ❑ With the downsizing of UBS, this individual is now the Managing Director and Co-head of the Public Sector Banking Group for Goldman, Sachs & Co. and it is recommended that the City retain his expertise by replacing UBS with Goldman, Sachs & Co. on the underwriting syndicate

Recommendation

- Approve the August 27, 2008 agenda item to authorize a modification to the underwriting syndicate members for the Convention Center Hotel debt issuances
 - The modification will replace UBS Securities LLC (UBS) as a national firm and co-senior manager with Goldman, Sachs & Co.