

## Public Finance

### Straight Talk on Public Finance

Andrews Kurth public finance lawyers provide bond and disclosure counsel services for state agencies and local governments and underwriter counsel services for major national and regional investment banking firms throughout Texas and the Southwest.

Our experience in these tax-exempt bond transactions includes general obligation bonds, revenue bonds and private activity bonds. Our Public Finance practice group earns high rankings on industry scorecards. Practice highlights include:

- Public Finance Practice Scope
- Public Finance Transactions and Projects
- Bond Counsel and Disclosure Counsel Clients
- Underwriter's Counsel Clients
- Bank Counsel Clients
- General and Special Counsel Clients
- Bond Volume and Rankings

We represent domestic and foreign commercial banks and trustees on:

- Credit enhancement and liquidity facilities
- Public debt financing
- Fixed and variable/adjustable rate structures
- Commercial paper and auction rate programs
- Lease/purchases
- Interest rate swaps
- Derivative and hedging transactions

In all public finance matters, and across a range of infrastructure projects, Andrews Kurth lawyers apply their straight talk approach—open communication, sound advice in clear terms and respect for deadlines. Industry sectors of our public finance representation include:

- Aviation
- Convention centers
- Education
- Electric utilities
- Health care
- Housing
- Land development
- Ports
- Sports and entertainment facilities
- Student loans
- Tax increment transactions
- Transportation and toll roads
- Water and sewer utilities

## Public Finance

### **Public Finance Practice Scope**

We believe that representing a government entity as bond or disclosure counsel requires a coordinated team of lawyers with diverse areas of experience.

The large size and wide diversity of our firm allow us to enlist lawyers from other practice areas to advise our clients on a variety of legal matters. Lawyers in our Houston, Dallas and Austin offices regularly provide services for state agencies, school districts, counties, cities and special authorities throughout Texas.

Our services in the public finance realm extend far beyond the basics. Many of our clients are involved in the issuance of debt for new projects, as well as refinancing existing facilities and programs. Our lawyers' experience includes both aspects of public finance law.

We regularly advise about changes in federal income tax, securities and state finance laws. Frequently, we work with financial advisors and investment bankers to develop alternative and creative financing structures for public improvement programs. Andrews Kurth lawyers have worked with federal and state regulatory agencies and, when called for, have secured statutory changes in the Texas Legislature.

### **Public Finance Transactions and Projects**

#### **Commercial Paper**

- Served as bond counsel for multiple Harris County CP programs, City of Houston general obligation CP programs, TxDOT, Port of Houston Authority and METRO CP programs
- Initiated first CP program for a school district in Texas (Austin ISD)

#### **Convention and Entertainment Facilities**

- Served as disclosure counsel for Houston Convention Center Hotel
- Represented developer for the Galveston Island Convention Center and the San Antonio Convention Center Hotel
- Advised as purchaser's counsel for the Golden Nugget Casino in Las Vegas

#### **Education**

- Serve as bond counsel or underwriter's counsel in numerous traditional and innovative Texas public school, community college district and higher education financings, including variable rate debt, interest rate swaps, commercial paper, QZAB, QSCB, lease-purchase and TIRZ transactions
- Represented Texas Education Agency before IRS in securing significant expansion of capacity of Texas public school bond guarantee program

#### **Health Care**

- Serve as bond counsel for the Harris County Hospital District
- Represented commercial banks in financings for medical institutions (Baylor, Christus, Methodist, St. Luke's) and hospitals throughout the state and country

#### **Housing**

- Advised as special counsel and bond counsel to local housing agencies and finance corporations throughout state
- Served as disclosure counsel, underwriter's counsel or trustee's counsel for Texas Department of Housing and Community Affairs and Texas State Affordable Housing Corporation financings

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### Nonprofit Organizations

- Acted as bond counsel in financing of educational and community facilities for the Roman Catholic Diocese of Austin
- Served as bond counsel and underwriter's counsel for financings for numerous nonprofit organizations, including charter and other private schools, colleges and universities

### Port

- Acts as general counsel and bond counsel to Port of Houston Authority (PHA)
- Represented PHA in protracted permitting litigation of Public Finance of new Bayport Container Terminal
- Underwriter's counsel on other port/navigation district financings

### Sports Facilities

- Acted as general and disclosure counsel to HCHSA in development of Minute Maid Park for the Houston Astros, Reliant Stadium for the Houston Texans and RodeoHouston, and Toyota Center for the Houston Rockets and Houston Comets
- Represent Harris County in redevelopment of the Astrodome

### State of Texas

- Served as bond counsel to TxDOT in its first note and bond financings secured by state highway fund, \$500 million and \$3 billion, respectively
- Advised as disclosure counsel to TxDOT for its \$4 billion mobility fund bond program
- Represented underwriters in major unemployment compensation bond financing by Texas Public Finance Authority

### Transportation

- Acts as general counsel and bond counsel to METRO since its creation in 1978
- Represented Harris County Toll Road Authority for more than 20 years
- Serve as bond counsel and disclosure counsel to TxDOT and other issuers of road bonds and underwriter's counsel in toll road and aviation financings throughout the state, e.g., NTTA, Williamson County and Galveston County

### Utilities

- Served as disclosure counsel for more than \$3 billion in transactions in 2004 to establish the City of Houston's combined utility system
- Represented North Harris County Regional Water Authority in its first bond financings
- Served as underwriter's counsel in San Antonio CPS and City of Austin water and sewer financings
- Serve as bond counsel, disclosure counsel and underwriter's counsel in numerous city and utility district financings

### Bond Counsel and Disclosure Counsel Clients

#### State

- Texas Department of Transportation (TxDOT)
- Veterans Land Board
- Texas Public Finance Authority
- Texas Water Development Board
- Texas A&M University

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- University of Houston

### Local

- City of Houston
- Harris County Toll Road Authority/Harris County
- Houston Independent School District/Austin Independent School District
- Metropolitan Transit Authority of Harris County, Texas (METRO)
- North Harris County Regional Water Authority
- Port of Houston Authority
- Multiple Texas school districts

### Underwriter's Counsel Clients

- Banc of America Securities/Merrill Lynch
- Barclays Capital
- Citigroup Global Markets
- Estrada Hinojosa
- First Southwest Company
- Goldman Sachs
- JPMorgan
- Morgan Keegan
- Morgan Stanley
- RBC Capital Markets
- Siebert Brandford
- Southwest Securities
- Wells Fargo

### Bank Counsel Clients

- Bank of America
- Bank of Texas
- BBVA Compass Bank
- Capital One
- The Frost National Bank
- JPMorgan Chase Bank
- Lloyds Bank
- Wells Fargo Bank

### General and Special Counsel Clients

- Harris County-Houston Sports Authority (HCHSA)
- Houston Community College System
- METRO

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- Port of Houston Authority

### Bond Volume and Rankings

Each year, Andrews Kurth public finance lawyers serve as bond, underwriter/placement agent, disclosure, liquidity/credit bank, special tax or trustee counsel. We represent clients in the issuance of publicly offered short-term obligations and hundreds of additional private transactions that total several billion dollars in principal amount.

Andrews Kurth served as bond counsel to TxDOT in its \$600 million offering of state highway revenue bonds sold in August 2006. The deal, which was the first issuance of its kind by the State of Texas, was named “Deal of the Year, Southwest Region” in the large issuer category by *The Bond Buyer*.

In public offerings of US municipal obligations in recent years, Andrews Kurth served as Bond Counsel and Underwriters Counsel in the following number of transactions, totaling the following dollar volumes:

### Bond Counsel (Long & Short Term)

**2011:** 94 transactions, \$12.39 billion (#5 in national ranking)

**2010:** 99 transactions, \$13.69 billion (#8 in national ranking)

**2009:** 49 transactions, \$9.04 billion (#12 in national ranking)

### Underwriters Counsel

**2011:** 156 transactions, \$3.458 billion (#14 in national ranking)

**2010:** 206 transactions, \$6.39 billion (#9 in national ranking)

**2009:** 165 transactions, \$6.54 billion (#9 in national ranking)