

**WASHINGTON CONVENTION AND SPORTS AUTHORITY**  
Formerly known as  
**WASHINGTON CONVENTION CENTER AUTHORITY**  
**(Washington, D.C.)**

**\$492,525,000**  
**SENIOR LIEN DEDICATED TAX REVENUE**  
**AND REFUNDING BONDS, SERIES 2007A**

**DATED: FEBRUARY 8, 2007**  
**BASE CUSIP<sup>+</sup>: 93877M**



**2014/15**  
**ANNUAL CONTINUING DISCLOSURE**  
**INFORMATION STATEMENT**  
**AS OF MARCH 8, 2016**

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## LIST OF PARTICIPANTS

**WASHINGTON CONVENTION AND SPORTS AUTHORITY**  
***www.dccconvention.com***

Henry W. Mosley  
Chief Financial Officer  
801 Mount Vernon Place NW  
Washington, District of Columbia 20001  
(202) 249-3000

**DISCLOSURE CONSULTANT  
& DISSEMINATION AGENT**

Willdan Financial Services\*  
Temecula, California 92590  
(951) 587-3500  
***www.willdan.com***

**REPRESENTATIVE UNDERWRITER**

Morgan Stanley & Co., Incorporated

**BOND COUNSEL**

Ballard Spahr LLP  
Washington, District of Columbia

**TRUSTEE**

Bridgett Casasnovas, Vice President  
The Bank of New York Mellon Trust Company, N.A.  
385 Rifle Camp Road, 3<sup>rd</sup> Floor  
West Paterson, New Jersey 07424  
(973) 247-4986

\* In its role as Disclosure Consultant and Dissemination Agent, Willdan Financial Services has not passed upon the accuracy, completeness or fairness of the statements contained herein.

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## ***I. INTRODUCTION***

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Pursuant to an Official Statement dated January 25, 2007, \$492,525,000 Senior Lien Dedicated Tax Revenue and Refunding Bonds, Series 2007A (the “2007A Bonds”) were issued by the Washington Convention Center Authority, now known as Washington Convention and Sports Authority (“WCSA”). Proceeds of the 2007A Bonds, together with other funds of WCSA, were used to finance the refunding of the Senior Lien Dedicated Tax Revenue Bonds, Series 1998 (the “Series 1998 Bonds”) and to refinance a portion of the land acquisition costs of WCSA related to the Headquarters Hotel. The Series 1998 Bonds were used to finance a portion of the construction costs of a new convention center in Washington D.C. (the “District”) in an area bounded by 7th and 9th Street, Mount Vernon Place and N Street NW.

Pursuant to an Official Statement dated October 20, 2010, the WCSA issued \$249,220,000 Senior Lien Dedicated Tax Revenue Bonds (Convention Center Hotel Project) consisting of \$66,710,000 Series 2010A (Tax-Exempt Recovery Zone Facility Bonds) (the “Series 2010A Bonds”) and \$109,670,000 Series 2010B (the “Series 2010B Bonds”); \$90,000,000 Subseries 2010B-1 (Federally Taxable – Issuer Subsidy-Recovery Zone Economic Development Bonds) (the “Subseries 2010B-1 Bonds”); \$19,670,000 Subseries 2010B-2 (Federally Taxable – Issuer Subsidy-Build America Bonds) (the “Subseries 2010B-2 Bonds”); and \$72,840,000 Senior Lien Dedicated Tax Revenue and Refunding Bonds (Convention Center Hotel Project), Series 2010C (Federally Taxable Bonds) (the “Series 2010C Bonds” and together with the Series 2010A Bonds, Series 2010B Bonds, Subseries 2010B-1 Bonds, and Subseries 2010B-2 Bonds, the “2010 Bonds”). A portion of the 2010C Bonds were used to defease to the earliest optional redemption date that portion of the WCSA’s 2007A Bonds, maturing on December 1, 2036 (the “Refunded Bonds”).

The 2007A Bonds are special obligations of WCSA, issued pursuant to the provisions of an Amended and Restated Master Trust Agreement as supplemented by a Second Supplemental Trust Agreement, both dated as of February 1, 2007 (collectively, the “Trust Agreement”). The 2007A Bonds are without recourse to, not a debt of, nor a pledge of the District. The principal of and interest on the 2007A Bonds are secured by and payable solely from dedicated tax receipts (the “Dedicated Taxes”) and pledged funds established under the Trust Agreement, as defined within the Official Statement, and are on parity with the 2010 Bonds. The Dedicated Taxes consist of 4.45% of the 14.5% sales tax on hotel-room charges, and 1.0% of the 10% sales-and-use tax on restaurant meals, alcoholic beverages consumed on-premises and rental-vehicle charges.

This Annual Continuing Disclosure Information Statement is being provided pursuant to a covenant made by WCSA for the benefit of the holders of the 2007A Bonds and includes the information specified in a Continuing Disclosure Agreement. For further information and a more complete description of WCSA and the 2007A Bonds, reference is made to the Official Statement.

The information set forth herein has been furnished by the WCSA and by other sources, which is believed to be accurate and reliable, but is not guaranteed as to accuracy or completeness. Statements contained in this Annual Continuing Disclosure Information Statement that involve estimates, forecasts, or other matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact. Further, the information and expressions of opinion contained herein are subject to change without notice and the delivery of this Annual Continuing Disclosure Information Statement will not, under any circumstances, create any implication that there has been no change in the affairs of the WCSA or any other parties described herein.

This report is of a factual nature without subjective assumptions, opinions, or views and may not be relied upon as advice or recommendation to purchase or sell any product or utilize any particular strategy relating to the issuance of municipal securities or purchase of financial products. Willdan Financial Services and its employees (collectively "Willdan") do not recommend any actions and are not acting as an advisor to any municipal entity, board, officer, agent, employee or obligated person pursuant to Section 15B of the Exchange Act. Prior to acting on any information or material contained in this communication, you should discuss it with appropriate internal or external advisors and experts and only rely upon their advice.

## **II. BOND INFORMATION**

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### **A. PRINCIPAL OUTSTANDING**

<b>Bond Issue</b>	<b>As of September 30, 2015 (in thousands)</b>
Senior Lien Dedicated Tax Revenue and Refunding Bonds, Series 2007A	\$373,660 <sup>(1)</sup>

(1) Principal balance excludes the Refunded Bonds.

### **B. SENIOR DEBT SERVICE RESERVE ACCOUNT**

<b>Account Name</b>	<b>As of September 30, 2015 (in thousands)</b>
Debt Service Reserve Account	\$34,043 <sup>(1)</sup>
Debt Service Reserve Account Requirement	\$33,700

(1) The WCSA decided to meet the requirements of the indenture by fully funding the debt service reserve account to substitute the surety bond.

Note: For additional fund information, reference is made to Note 2 of the WCSA's Audited Financial Statements for the fiscal year ended September 30, 2015.

### C. SENIOR DEBT SERVICE REQUIREMENTS

Fiscal Year Ending Sept 30,	Series 2007 Principal <sup>(1)(2)</sup>	Series 2007 Interest	Total Series 2007 Debt Service	Series 2010A Principal <sup>(1)</sup>	Series 2010A Interest	Series 2010B Principal <sup>(1)</sup>	Series 2010B Interest	Series 2010C Principal <sup>(1)</sup>	Series 2010C Interest	Total Series 2010 Debt Service	Less Subsidy Payments <sup>(3)</sup>	Less Projected DSRF Earnings <sup>(4)</sup>	Aggregate Series 2010 Debt Service (NET)
2016	\$16,725,000	\$17,052,475	\$33,777,475	-	\$3,254,900	\$3,035,000	\$6,406,792	-	\$5,054,432	\$17,751,124	(\$2,805,787)	(\$229,952)	\$14,715,385
2017	17,545,000	16,232,675	33,777,675	-	3,254,900	3,110,000	6,295,833	-	5,054,432	17,715,165	(2,766,951)	(229,952)	14,718,262
2018	18,415,000	15,362,975	33,777,975	-	3,254,900	3,185,000	6,175,911	-	5,054,432	17,670,243	(2,724,978)	(229,952)	14,715,313
2019	19,335,000	14,442,225	33,777,225	-	3,254,900	3,280,000	6,032,140	\$810,000	5,054,432	18,431,472	(2,674,658)	(229,952)	15,526,862
2020	20,300,000	13,475,475	33,775,475	-	3,254,900	3,380,000	5,880,801	865,000	4,999,644	18,380,345	(2,621,690)	(229,952)	15,528,703
2021	21,315,000	12,460,475	33,775,475	-	3,254,900	3,485,000	5,721,468	925,000	4,941,135	18,327,503	(2,565,923)	(229,952)	15,531,628
2022	22,385,000	11,394,725	33,779,725	-	3,254,900	3,585,000	5,547,020	985,000	4,878,568	18,250,488	(2,496,159)	(229,952)	15,524,377
2023	23,390,000	10,387,400	33,777,400	-	3,254,900	3,685,000	5,360,098	1,055,000	4,811,943	18,166,941	(2,412,044)	(229,952)	15,524,945
2024	24,470,000	9,309,850	33,779,850	-	3,254,900	3,790,000	5,167,962	1,125,000	4,740,582	18,078,444	(2,325,583)	(229,952)	15,522,909
2025	25,690,000	8,086,350	33,776,350	\$2,155,000	3,254,900	3,895,000	4,970,351	1,200,000	4,664,487	20,139,738	(2,236,658)	(229,952)	17,673,128
2026	26,975,000	6,801,850	33,776,850	2,350,000	3,157,925	4,005,000	4,767,266	1,280,000	4,583,319	20,143,510	(2,145,270)	(229,952)	17,768,288
2027	28,325,000	5,453,100	33,778,100	2,560,000	3,052,175	4,150,000	4,505,379	2,060,000	4,496,740	20,824,294	(2,027,421)	(229,952)	18,566,921
2028	29,600,000	4,178,475	33,778,475	2,780,000	2,936,975	4,295,000	4,234,011	2,550,000	4,357,402	21,153,388	(1,905,305)	(229,952)	19,018,131
2029	30,930,000	2,846,475	33,776,475	3,015,000	2,811,875	4,445,000	3,953,161	2,825,000	4,184,920	21,234,956	(1,778,922)	(229,952)	19,226,082
2030	32,325,000	1,454,625	33,779,625	3,260,000	2,676,200	4,600,000	3,662,502	3,120,000	3,993,837	21,312,539	(1,648,126)	(229,952)	19,434,461
2031	-	-	-	3,520,000	2,529,500	4,765,000	3,361,708	3,440,000	3,782,800	21,399,008	(1,512,769)	(229,952)	19,656,287
2032	-	-	-	3,815,000	2,353,500	4,940,000	3,039,403	3,790,000	3,542,000	21,479,903	(1,367,732)	(229,952)	19,882,219
2033	-	-	-	4,120,000	2,162,750	5,120,000	2,705,262	4,170,000	3,276,700	21,554,712	(1,217,368)	(229,952)	20,107,392
2034	-	-	-	4,450,000	1,956,750	5,305,000	2,358,945	4,580,000	2,984,800	21,635,495	(1,061,525)	(229,952)	20,344,018
2035	-	-	-	4,795,000	1,734,250	5,500,000	2,000,115	5,025,000	2,664,200	21,718,565	(900,052)	(229,952)	20,588,561
2036	-	-	-	5,160,000	1,494,500	5,700,000	1,628,095	5,500,000	2,312,450	21,795,045	(732,643)	(229,952)	20,832,450
2037	-	-	-	5,545,000	1,236,500	5,905,000	1,242,547	6,010,000	1,927,450	21,866,497	(559,146)	(229,952)	21,077,399
2038	-	-	-	5,955,000	959,250	6,120,000	843,133	6,565,000	1,506,750	21,949,133	(379,410)	(229,952)	21,339,771
2039	-	-	-	6,385,000	661,500	6,345,000	429,176	7,160,000	1,047,200	22,027,876	(193,129)	(229,952)	21,604,795
2040	-	-	-	6,845,000	342,250	-	-	7,800,000	546,000	15,533,250	-	(153,586)	15,379,664
<b>Total Outstanding <sup>(5)</sup></b>	<b>\$357,725,000</b>	<b>\$148,939,150</b>	<b>\$506,664,150</b>	<b>\$66,710,000</b>	<b>\$62,614,900</b>	<b>\$105,625,000</b>	<b>\$96,289,079</b>	<b>\$72,840,000</b>	<b>\$94,460,655</b>	<b>\$498,539,634</b>	<b>(\$43,059,249)</b>	<b>(\$5,672,434)</b>	<b>\$449,807,951</b>

(1) Principal payments are due on October 1 of every Fiscal Year; however, funds required for debt service will be collected over the prior Fiscal Year.

(2) Excludes \$25,405,000 to be redeemed by the 2010 Bonds refunding on October 1, 2016.

(3) Subsidy payments are *estimated* and pledged to the Series 2010B Bonds upon deposit to the Series 2010B Bonds Subsidy Payment Sub-Account within the Subsidy Account of the Revenue Fund, as stated in the Official Statement.

(4) Assumes an earnings rate of 1.15%.

(5) Balances as of October 1, 2015.

### III. FINANCIAL INFORMATION

#### A. AUDITED FINANCIAL STATEMENTS

The audited financial statements for the WCSA for the fiscal year ended September 30, 2015 have been separately filed with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access website ("EMMA") and are hereby incorporated by reference into this Annual Continuing Disclosure Information Statement.

#### B. STATEMENTS OF NET POSITION

The following table sets forth a five-year history of the WCSA's Assets, Liabilities, and Net Position (Dollars in thousands).

	For Fiscal Years Ended September 30,				
	2011	2012	2013	2014	2015
<b>ASSETS</b>					
<b>Current Assets:</b>					
Cash and Cash Equivalents	\$11,611	\$10,455	\$12,506	\$8,828	\$13,162
Restricted Cash	936	2,287	7,600	8,975	7,094
Investments	45,082	59,056	66,700	80,866	99,912
Due from District of Columbia	8,405	12,611	8,224	12,370	11,258
Accounts Receivable, Net of Allowance for Uncollectible Accounts	3,846	2,533	2,335	3,160	1,845
Prepaid Expenses and Other Assets	27	-	70	35	275
Accrued Interest Receivable	2,925	678	254	190	219
<b>Total Current Assets</b>	<b>\$72,832</b>	<b>\$87,620</b>	<b>\$97,689</b>	<b>\$114,424</b>	<b>\$133,765</b>
<b>Noncurrent Assets:</b>					
Notes Receivable	-	-	\$25,008	\$27,181	-
Other Assets	-	-	47,000	47,000	\$47,000
Long-Term Investments	-	-	-	-	20,000
Restricted Investments	\$337,476	\$327,045	147,022	145,169	180,860
Non-Depreciable Capital Assets	45,374	46,998	47,535	7,527	7,527
Depreciable Capital Assets, Net of Accumulated Depreciation	606,680	591,954	569,434	574,294	547,298
<b>Total Noncurrent Assets</b>	<b>\$989,530</b>	<b>\$965,997</b>	<b>\$835,999</b>	<b>\$801,171</b>	<b>\$802,685</b>
<b>Total Assets</b>	<b>\$1,062,362</b>	<b>\$1,053,617</b>	<b>\$933,688</b>	<b>\$915,595</b>	<b>\$936,450</b>
Bond Deferral of Refunding Costs	\$10,119	\$9,743	\$19,622	\$16,871	\$15,688
<b>Total Assets and Deferred Outflow of Resources</b>	<b>\$1,072,481</b>	<b>\$1,063,360</b>	<b>\$953,310</b>	<b>\$932,466</b>	<b>\$952,138</b>

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	For Fiscal Years Ended September 30,				
	2011	2012	2013	2014	2015
<b>LIABILITIES AND NET POSITION</b>					
<b>Current Liabilities:</b>					
Accounts Payable	\$8,222	\$8,413	\$6,394	\$3,719	\$5,209
Other Liabilities	-	6,477	9,956	9,965	8,518
Due to District of Columbia	791	5,666	1,886	3,535	1,703
Compensation Liabilities	361	588	665	1,254	1,572
Unearned Revenue	2,561	3,202	3,442	2,980	3,486
Accrued Interest Payable	17,676	17,376	17,037	16,692	16,326
Other Financing Arrangement Payable, Current Portion	719	719	-	-	-
Capital Lease - Current portion	5,000	2,121	2,120	115	113
Bonds Payable - Current Portion	13,265	13,865	15,625	16,315	18,900
<b>Total Current Liabilities</b>	<b>\$48,595</b>	<b>\$58,427</b>	<b>\$57,125</b>	<b>\$54,575</b>	<b>\$55,827</b>
<b>Noncurrent Liabilities:</b>					
Compensated Absences	\$1,004	\$982	\$1,081	\$1,061	\$1,003
Bonds Payable, Net of Current Portion	659,044	645,299	648,861	633,117	613,708
Capital Lease, Net of Current Portion	3,985	14,719	12,609	3,938	3,824
Long-term Other Financing Arrangement Payable	7,213	6,494	-	-	-
<b>Total Noncurrent Liabilities</b>	<b>\$671,246</b>	<b>\$667,494</b>	<b>\$662,551</b>	<b>\$638,116</b>	<b>\$618,535</b>
<b>Total Liabilities</b>	<b>\$719,841</b>	<b>\$725,921</b>	<b>\$719,676</b>	<b>\$692,691</b>	<b>\$674,362</b>
<b>Net Position:</b>					
Net Investment in Capital Assets, Net of Related Debt	\$212,311	\$200,710	\$176,359	\$162,200	\$151,890
<b>Restricted:</b>					
Debt Service and Capital Interest	\$38,135	\$26,888	\$26,659	\$26,214	\$24,857
Capital Renewal	17,445	17,672	17,901	18,134	18,370
Operating and Marketing Fund	31,098	31,580	33,706	35,031	36,959
Senior Proceeds Account	2	2	2	2	-
Debt Service Reserve	36,919	37,207	33,700	33,700	33,700
Kenilworth Park	145	144	144	144	144
Hotel Project	25,004	46,961	-	-	-
<b>Unrestricted (Deficit)</b>	<b>(8,419)</b>	<b>(23,725)</b>	<b>(54,837)</b>	<b>(35,650)</b>	<b>11,856</b>
<b>Total Net Position</b>	<b>\$352,640</b>	<b>\$337,439</b>	<b>\$233,634</b>	<b>\$239,775</b>	<b>\$277,776</b>

### C. STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The following table sets forth a five-year history of the WCSA's revenues, expenses, and changes in net position.

	For Fiscal Years Ended September 30,				
	2011	2012	2013	2014	2015
<b>Operating Revenues:</b>					
Building Rental	\$9,151	\$8,536	\$10,030	\$9,508	\$10,316
Plumber's Building Rental	-	-	-	-	2,300
Ancillary Charges	16,336	14,017	16,475	15,842	15,988
<b>Total Operating Revenues</b>	<b>\$25,487</b>	<b>\$22,553</b>	<b>\$26,505</b>	<b>\$25,350</b>	<b>\$28,604</b>
<b>Operating Expenses:</b>					
Personal Services	\$18,422	\$18,291	\$19,964	\$21,929	\$23,092
Contractual Services	18,201	18,064	18,207	18,267	17,432
Depreciation	33,215	31,442	30,510	36,368	31,890
Occupancy	7,003	7,056	6,925	5,803	9,085
Payments to District	2,775	2,380	2,292	1,995	2,378
Miscellaneous	1,013	964	914	822	1,009
Provision for Doubtful Accounts	335	1,213	100	117	231
<b>Total Operating Expenses</b>	<b>\$80,964</b>	<b>\$79,410</b>	<b>\$78,913</b>	<b>\$85,301</b>	<b>\$85,117</b>
<b>Operating Loss</b>	<b>(\$55,477)</b>	<b>(\$56,857)</b>	<b>(\$52,408)</b>	<b>(\$59,951)</b>	<b>(\$56,513)</b>
<b>Non-operating Revenues and (Expenses):</b>					
Investment Income	\$2,094	\$2,006	\$614	\$3,322	\$2,744
Dedicated Taxes	97,996	101,026	104,108	105,451	116,448
Tax Increment Financing Taxes	-	-	-	4,131	18,298
Miscellaneous Revenues	1,231	4,284	3,085	2,792	2,634
Bond Amortization Expense	(35,860)	(36,320)	(35,835)	(35,395)	(33,340)
Marketing Agencies and Internal Marketing Expenses	(10,073)	(10,610)	(10,844)	(10,578)	(12,270)
Funding Hotel Project	(20,600)	(18,730)	(95,197)	(1,335)	-
Funding Baseball Academy	-	-	(7,925)	(2,296)	-
<b>Total Non-operating Revenues and (Expenses)</b>	<b>\$34,788</b>	<b>\$41,656</b>	<b>(\$41,994)</b>	<b>\$66,092</b>	<b>\$94,514</b>
<b>Change in Net Position</b>	<b>(20,689)</b>	<b>(15,201)</b>	<b>(94,402)</b>	<b>6,141</b>	<b>38,001</b>
Change in Accounting Principle	-	-	(9,403)	-	-
Net Position, Beginning of Year	\$373,329	\$352,640	\$337,439	\$233,634	\$239,775
<b>Net Position, End of Year</b>	<b>\$352,640</b>	<b>\$337,439</b>	<b>\$233,634</b>	<b>\$239,775</b>	<b>\$277,776</b>

## IV. OPERATING INFORMATION

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### A. HISTORICAL DEDICATED TAX RECEIPTS

The following table shows a ten-year history of Dedicated Tax Receipts transferred to WCSA and the Total Hotel Sales and Use Tax collected by WCSA (calculated based on actual Hotel Sales and Use Tax transferred to WCSA) for fiscal years ended September 30, 2006 through 2015.

#### Receipts from Dedicated Taxes (Dollars in Thousands)

<b>Fiscal Year</b>	<b>Hotel Sales Tax <sup>(1)</sup></b>	<b>% Change</b>	<b>Restaurant/ Rental Car Sales Tax <sup>(1)</sup></b>	<b>% Change</b>	<b>Total Receipts <sup>(2)</sup></b>	<b>% Change</b>
2006	\$53,702	0.0%	\$26,005	9.4%	\$79,707	2.9%
2007	56,329	4.9%	26,983	3.8%	83,312	4.5%
2008	62,295	10.6%	29,199	8.2%	91,493	9.8%
2009	62,070	(0.4%)	29,398	0.7%	91,468	0.0%
2010	61,927	(0.2%)	32,181	9.5%	94,108	2.9%
2011	65,291	5.4%	32,705	1.6%	97,996	4.1%
2012	67,309	3.1%	33,717	3.1%	101,026	3.1%
2013	70,266	4.4%	33,842	0.4%	104,168	3.1%
2014	70,089	(0.2%)	35,362	4.5%	105,451	1.3%
2015	78,378	11.8%	38,070	7.7%	116,448	10.4%

(1) The breakdown between hotel and restaurant/rental car sales tax is unaudited and based on reports from the D.C. Office of Tax and Revenue and the Lockbox Bank for the specific year and are reflected on an accrual basis.

(2) Numbers may not add up due to rounding.

## B. DEBT SERVICE COVERAGE

**Actual**  
(Dollars in Thousands)

Fiscal Year	Dedicated Taxes	Debt Service				Debt Service Coverage	Debt Service Coverage Including TIF
		TIF Revenues <sup>(1)</sup>	2007A Bonds <sup>(2)</sup>	2010 Bonds	Total		
2010/11	\$97,996	-	\$34,639	\$2,209 <sup>(3)</sup>	\$36,824	2.66x	N/A
2011/12	101,026	-	34,620	2,374 <sup>(3)</sup>	36,94	2.73x	N/A
2012/13	104,168	-	34,580	2,374 <sup>(3)</sup>	36,994	2.73x	N/A
2013/14	105,451	\$4,131	33,433	7,465 <sup>(3)</sup>	40,898	2.58x	2.68
2014/15	116,448	18,298 <sup>(5)</sup>	33,429	12,295 <sup>(4)</sup>	45,724	2.55x	2.95

(1) Tax Increment Financing (TIF) means the available real property tax revenues, as defined in the Official Statement.

(2) Net of the Refunded Bonds.

(3) Net of subsidy payments and capitalized interest.

(4) Net of subsidy payments.

(5) First full year of the TIF revenues received.

## C. OPERATING INFORMATION/COLLECTION OF REVENUES UPDATE

In addition to the pledge of dedicated taxes, the District has pledged not to limit or alter any rights vested in the WCSA to fulfill agreements made with holders of the 2007A Bonds, or to impair rights and remedies of bondholders until the 2007A Bonds and the interest thereon are paid in full.

In connection to the projected pledge of revenues to meet the operating and debt service expenditures, if the projected revenues are insufficient, the WCSA Act requires the Mayor to impose a surtax in an amount sufficient to meet the projected deficiency. The District's Auditor determined that the projected dedicated taxes for fiscal year ending 2015 are expected to be sufficient to meet the projected expenditures and reserve requirements. Therefore, the Mayor imposed no surtax.

## D. HOTEL AND TRAVEL TREND UPDATE

In 2005, the Washington Convention and Tourism Corporation, d/b/a Destination DC, began tracking visitation to the District of Columbia instead of visitation to the Washington, DC region to better reflect spending and tax benefits to the D.C. government.

## 1. HOTEL SALES TAXPAYERS

The Dedicated Hotel Sales Tax constitutes the largest portion of the Dedicated Tax Receipts. According to the Hotel Association, in 2015, the 26 largest hotels in the District accounted for approximately 14,777 guest rooms (or approximately 48.2% of all hotel rooms in the District).

## 2. HOSPITALITY INDUSTRY IN THE DISTRICT

The hospitality industry that services the business traveler, conventioner and tourist is one of the District's core industries and is a major source of jobs and personal income. The convention and tourism industry is second only to the government sector in terms of economic benefits generated for the District.

## 3. DOMESTIC VISITORS VOLUME TREND 2009 – 2014 (In Millions of Visitors)

Since overseas tracking began in 1998, the District of Columbia "DC" remained in 8<sup>th</sup> position in 2014. The overseas visitor volume increased 14% in 2014.

DC's total visitor volume in 2014 reached a record high and is expected to continue to increase by 2 to 3% each year through 2018. The following table indicates the annual volume (in millions) of domestic and international visitors to the District from 2010 through 2014.

Year	Number of Visitors Domestic	Number of Visitors International	Total Number of Visitors
2010	15.5	1.5	17.2
2011	16.1	1.7	17.8
2012	16.8	1.7	18.5
2013	17.4	1.6	19.0
2014	18.3	1.9	20.2

Source: Destination DC, 2014 Visitor Statistics, most recent data available.

Note: Totals may not add up due to rounding.

#### 4. HOTEL SUPPLY CHANGES IN WASHINGTON, DC

The District of Columbia's hotels' occupancy reaches its peak in March through July and October. Average daily rates reach their highest levels during April, May and October. According to the Hotel Association of Washington, D.C., there were 126 hotels and 30,665 hotel rooms in DC in 2015. There are approximately 686 hotels and 110,227 hotel rooms in the Metro Area. The following are the top ten hotels based on number of total rooms.

<u>Hotel</u>	<u>Rooms</u>
Washington Marriott Marquis	1,175
Washington Marriott Wardman Park	1,152
Washington Hilton	1,070
Grand Hyatt Washington	897
Hyatt Regency Washington Capitol Hill	836
Omni Shoreham	834
Renaissance Washington Downtown	807
JW Marriott	737
The Mayflower	657
Capital Hilton	547

Source: Hotel Association of Washington, D.C.

#### ***V. RECENT EVENTS–FUTURE IMPACTS***

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Due to the nature of the Authority's business, it is involved in several claims and lawsuits. In the opinion of management and legal counsel, the expected outcome of claims and lawsuits, individually, or in the aggregate will not have a material adverse effect on the financial statements.

The Authority did not have any subsequent events, that based on the facts and circumstances, required recording or disclosure in the financial statements for the fiscal year ended September 30, 2015. Events and transactions were evaluated through December 30, 2015, the date the financial statements were available to be issued.

## **VI. OCCURRENCE OF LISTED EVENTS**

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As amended, the Continuing Disclosure Covenants outline the Occurrence of Listed Events that must be reported in not more than ten (10) business days after the occurrence of the event, ***irrespective of any determination as to whether such event may or may not be deemed material.*** The WCSA has no knowledge that any of the events listed below have occurred or have not been previously reported during the fiscal year ended September 30, 2015.

1. Principal and interest payment delinquencies on the 2007A Bonds.
2. Unscheduled draws on debt service reserves reflecting financial difficulties.
3. Unscheduled draws on credit enhancements reflecting financial difficulties.
4. Substitution of credit or liquidity providers, or their failure to perform.
5. Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the 2007A Bonds.
6. Defeasances.
7. Tender offers.
8. Bankruptcy, insolvency, receivership or similar proceedings pertaining to WCSA.
9. Ratings changes.

As amended, the Continuing Disclosure Covenants outline the Occurrence of Listed Events that must be reported in not more than ten (10) business days after the occurrence of the event, ***if deemed material.*** WCSA has no knowledge that any of the events listed below have occurred or have not been previously reported during the fiscal year ended September 30, 2015.

10. Mergers, consolidations, acquisitions, the sale of all or substantially all of the assets of WCSA or the dissolution of WCSA.
11. Appointment of a successor or additional Trustee or the change of the name of the Trustee or any successor or additional Trustee.
12. Non-payment related defaults.
13. Modifications to the rights of Holders.
14. Optional, contingent or unscheduled bond calls, prepayment or redemptions other than defeasances.
15. Release, substitution or sale of property securing repayment of the 2007A Bonds.