

WASHINGTON CONVENTION AND SPORTS AUTHORITY
Formerly known as
WASHINGTON CONVENTION CENTER AUTHORITY

DISTRICT OF COLUMBIA

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

DATED: FEBRUARY 8, 2007
BASE CUSIP NO. 93877M



2011/12
ANNUAL CONTINUING DISCLOSURE
INFORMATION STATEMENT
AS OF MARCH 28, 2013

Also available at:



+ Copyright, American Banker's Association. CUSIP data is provided by Standard and Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. This data is *not* intended to create a database and does not serve in any way as a substitute for the CUSIP service. The issuer takes no responsibility for the accuracy of such number.

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

UNDERWRITER

Morgan Stanley & Co.

BOND COUNSEL

Orrick, Herrington & Sutcliffe LLP
Washington, District of Columbia

TRUSTEE

Bridgett Casasnovas, Vice President
The Bank of New York
385 Rifle Camp Road, 3rd 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.

TABLE OF CONTENTS

I. INTRODUCTION.....	1
II. BOND INFORMATION	2
A. PRINCIPAL OUTSTANDING.....	2
B. SENIOR DEBT SERVICE RESERVE ACCOUNT.....	2
C. DEBT SERVICE	3
III. FINANCIAL INFORMATION.....	3
A. SCHEDULE OF ASSETS, LIABILITIES AND NET ASSETS	4
B. SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS.....	5
IV. OPERATING INFORMATION.....	6
A. HISTORICAL DEDICATED TAX RECEIPTS	6
B. DEBT SERVICE COVERAGE	6
C. OPERATING INFORMATION/COLLECTION OF REVENUES UPDATE	7
D. HOTEL AND TRAVEL TREND UPDATE	7
V. RECENT EVENTS–FUTURE IMPACTS	9
VI. OCCURRENCE OF LISTED EVENTS	10

I. INTRODUCTION

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”). The 2007A Bonds, together with other funds of WCSA, were sold 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 (the “New Convention Center”) in Washington D.C. (the “District”) in an area bounded by 7th and 9th Streets, 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 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 (Federal Taxable-Issuer Subsidy-Recovery Zone Economic Development Bonds) (the “Subseries 2010B-1 Bonds”); \$19,670,000 Subseries 2010B-2 (Federal Taxable – Issuer Subsidy-Build America Bonds) (the “Subseries 2010B-2 Bonds”); and \$72,840,000 Series 2010C Senior Lien Dedicated Tax Revenue and Refunding Bonds (Federally Taxable Bonds) (the “Series 2010C Bonds” and together with the Series 2010A Bonds, Series 2010B, Subseries 2010B-1 Bonds, and Subseries 2010B-2 Bonds, the “2010 Bonds”).

The 2007A Bonds are special obligations of WCSA. The 2007A Bonds are without recourse to, not a debt of, nor a pledge of the District. The principal and interest on the 2007A Bonds are secured by and payable from dedicated tax receipts (the “Dedicated Taxes”) and pledged funds established under a 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. The District has entered into a Master Trust Agreement, dated as September 1, 1998, as Amended and Restated Master Trust Agreement dated February 1, 2007.

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 sources, which are 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.

II. BOND INFORMATION

A. PRINCIPAL OUTSTANDING

Bond Issue	As of January 31, 2013
Senior Lien Dedicated Tax Revenue and Refunding Bonds, Series 2007A	\$403,440,000

B. SENIOR DEBT SERVICE RESERVE ACCOUNT

Account Name	As of January 31, 2013
Debt Service Reserve Account	\$33,710,293 ⁽¹⁾
Debt Service Reserve Account Requirement	33,702,749

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

C. DEBT SERVICE

Debt Service Requirements for the 2007A Bonds

As of October 1,	Principal ⁽¹⁾	Interest	Debt Service
2013	\$14,545,000	\$28,848,638	\$43,393,638
2014	15,235,000	18,543,325	33,778,325
2015	15,935,000	26,766,713	42,701,713
2016	16,725,000	25,578,713	42,303,713
2017	17,545,000	24,349,013	41,894,013
2018	18,415,000	15,362,975	33,777,975
2019	19,335,000	14,442,225	33,777,225
2020	20,300,000	13,475,475	33,775,475
2021	21,315,000	12,460,475	33,775,475
2022	22,385,000	11,394,725	33,779,725
2023	23,390,000	15,581,100	38,971,100
2024	24,470,000	9,309,850	33,779,850
2025	25,690,000	8,086,350	33,776,350
2026	26,975,000	6,801,850	33,776,850
2027	28,325,000	5,453,100	33,778,100
2028	29,600,000	4,178,475	33,778,475
2029	30,930,000	2,846,475	33,776,475
2030	32,325,000	1,454,625	33,779,625
Total Outstanding ⁽²⁾	\$403,440,000	\$244,934,100	\$648,374,100

(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 refunded by the 2010 Bonds on October 1, 2016.

III. FINANCIAL INFORMATION

The audited financial statements for the WCSA for the fiscal year ended September 30, 2012 will be separately filed with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access website ("EMMA") and are hereby incorporated by reference into this Annual Information Statement.

A. SCHEDULE OF ASSETS, LIABILITIES AND NET ASSETS (in thousands)

	For Fiscal Years Ending September 30,				
	2008	2009	2010	2011	2012
Assets					
Current assets:					
Cash and Cash Equivalents	\$2,927	\$7,240	\$14,103	\$11,611	\$10,455
Restricted Cash	-	-	2,500	936	2,287
Due from District of Columbia	7,606	8,438	8,487	8,405	12,611
Uncollectible Accounts	1,199	699	2,185	3,846	2,533
Prepaid Expenses and Other Assets	29	-	1	27	-
Accrued Interest Receivable	123	-	1,526	2,925	678
Investments	76,579	87,351	81,645	45,082	59,056
Total current assets	\$88,463	\$103,728	\$110,447	\$72,832	\$87,620
Noncurrent Assets					
Restricted Investments	\$67,331	\$73,046	\$83,137	\$337,476	\$327,045
Non-Depreciable Capital Assets	43,341	44,004	45,004	45,374	46,998
Depreciation	649,834	630,166	626,555	606,680	591,954
Unamortized Bond Issue Costs	6,340	6,116	5,892	10,119	9,743
Total Noncurrent Assets	\$766,846	\$753,332	\$760,588	\$999,649	\$975,740
Total Assets	\$855,309	\$857,060	\$871,035	\$1,072,481	\$1,063,360
Liabilities					
Current Liabilities					
Accounts Payable	\$3,834	\$7,875	\$5,234	\$8,222	\$8,413
Due to District Government	-	-	2,422	791	5,666
Compensation Liabilities	298	324	599	361	588
Deferred Revenue	3,088	2,488	2,807	2,561	3,202
Accrued Interest Payable	11,614	11,381	11,111	17,676	17,376
Portion	719	719	719	719	719
Other Short-Term Liabilities	2,300	-	-	-	6,477
Capital Lease - Current portion	-	-	-	5,000	2,121
Bonds Payable, Current Portion	11,690	12,160	12,700	13,265	13,865
Total Current Liabilities	\$33,543	\$34,947	\$35,592	\$48,595	\$58,427
Noncurrent Liabilities					
Compensated Absences	\$763	\$791	\$884	\$1,004	\$982
Long-term Bonds Payable including Premium	477,412	465,625	453,298	659,044	645,299
Other Long-Term Liabilities	-	-	-	3,985	14,719
Long-term Other Financing Arrangement Payable	9,370	8,651	7,932	7,213	6,494
Total Noncurrent Liabilities	\$487,545	\$475,067	\$462,114	\$671,246	\$667,494
Total Liabilities	\$521,088	\$510,014	\$497,706	\$719,841	\$725,921
Net Assets					
Restricted Net Assets					
Invested in Capital Assets, Net of Related Debt	\$191,684	\$187,015	\$196,910	\$212,311	\$200,710
Restricted For:					
Debt Services and Capitalized Interest	22,733	23,540	23,811	38,135	26,888
Capital Renewal	17,000	17,000	17,221	17,445	17,672
Operating Fund	23,000	23,000	28,126	31,098	31,580
Senior Proceeds Account	2	2	2	2	2
Marketing Fund	2,904	2,502	-	-	-
Bond Issuance	48	-	-	-	-
Debt Services Reserve	-	7,001	13,977	36,919	37,207
Kenilworth Park	-	-	145	145	144
Hotel Project	-	-	-	25,004	46,961
Capitalized Bond Interest	1,643	-	-	-	-
Unrestricted Net Assets	75,207	86,986	93,137	(8,419)	(23,725)
Total Net Assets	\$334,221	\$347,046	\$373,329	\$352,640	\$337,439

B. SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

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

	For Fiscal Year Ending September 30,				
	2008	2009	2010	2011	2012
Operating Revenues:					
Building Rental	\$9,157	\$8,448	\$8,126	\$9,151	\$8,536
Ancillary Charges	9,303	9,170	14,274	16,336	14,017
Total Operating Revenues	\$18,460	\$17,618	\$22,400	\$25,487	\$22,553
Operating Expenses:					
Personal Services	\$15,256	\$15,974	\$17,173	\$18,422	\$18,291
Contractual Services	12,067	12,513	16,105	18,201	18,064
Depreciation	27,700	27,516	32,385	33,215	31,442
Occupancy	5,838	6,023	6,598	7,003	7,056
Supplies	615	652	-	-	-
Payments to District	-	-	3,527	2,775	2,380
Miscellaneous	682	420	936	1,013	964
Bad Debt	254	252	204	335	1,213
Total Operating Expenses	\$62,412	\$63,350	\$76,928	\$80,964	\$79,410
Operating Loss	(\$43,952)	(\$45,732)	(\$54,528)	(\$55,477)	(\$56,857)
Non-operating Revenues and (Expenses):					
Interest Income	\$3,439	\$139	\$959	\$2,094	\$2,006
Dedicated Taxes	91,494	91,468	94,108	97,996	101,026
Parking lot revenue (old center site)	2,709	2,601	-	-	-
Miscellaneous	1,293	416	189	1,231	4,284
Bond Interest and Amortization Issue Cost	(25,074)	(24,412)	(23,873)	(35,860)	(36,320)
Marketing Agencies Payments	(9,994)	(10,740)	(10,416)	(10,073)	(10,610)
Parking lot expenses	(1,015)	(915)	-	-	-
Funding Hotel Project	-	-	-	(20,600)	(18,730)
Total Non-operating Revenues and (Expenses)	\$62,852	\$58,557	\$60,967	\$34,788	\$41,656
Net Assets Deficit	\$18,900	\$12,825	\$26,283	(\$20,689)	(\$15,201)
Net Assets, Beginning of Year	315,321	334,221	347,046	373,329	352,640
Net Assets, End of Year	\$334,221	\$347,046	\$373,329	\$352,640	\$337,439

IV. OPERATING INFORMATION

A. HISTORICAL DEDICATED TAX RECEIPTS

The following table shows the amount of Dedicated Tax Receipts transferred to WCSA pursuant to the WCSA Act for Fiscal Years 2003 through 2012.

**Receipts from Dedicated Taxes
for Fiscal Years 2003 through 2012
(dollars in thousands)**

Fiscal Year	Hotel Sales Tax ⁽¹⁾	% Change	Restaurant Rental Car Sales Tax ⁽¹⁾	% Change	Total Receipts ⁽²⁾	% Change
2003	\$39,888	14.2%	\$19,017	0.3%	\$58,905	9.3%
2004	42,264	6.0%	19,936	4.8%	62,200	5.6%
2005	53,722	27.1%	23,768	19.2%	77,490	24.6%
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%

(1) The breakdown between hotel and restaurant/rental car sales tax is unaudited and based on actual 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) Total receipts are based on audited financial statements.

Note: numbers may not add up due to rounding.

B. DEBT SERVICE COVERAGE – Actual (dollars in thousands)

Fiscal Year	Dedicated Taxes	Debt Service		Total	Debt Service Coverage
		2007A Bonds	2010 Bonds		
2007/08	\$91,493	\$34,918	(1)	\$34,918	2.62x
2008/09	91,468	34,921	(1)	34,921	2.62x
2009/10	94,108	34,382	(1)	34,382	2.74x
2010/11	97,996	33,777 ⁽²⁾	\$2,172 ⁽³⁾	35,949	2.73x
2011/12	101,026	33,777 ⁽²⁾	2,333 ⁽³⁾	36,110	2.80x

(1) Debt service on the 2010 Bonds began in fiscal year 2010/11.

(2) Net of the Refunded Bonds.

(3) Net of subsidy payments and capitalized interest.

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 2013 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 2012, the 25 largest hotels in the District accounted for approximately 13,735 guest rooms (or approximately 47.9% 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. VISITORS VOLUME 2007 – 2012 (In Millions of Visitors)

Since overseas tracking began in 1998, the District of Columbia “DC” maintained its 7th position. For 2011, slightly weaker overseas visitor volume growth in DC (4.0%) compared to the U.S. overall (5.7%). An estimated 17.9 million visitors came to the District. DC’s total visitor volume in 2011 reached a record high and is expected to continue to increase through 2015.

The following table indicates the annual volume of domestic and international visitors to the District in 2007 through 2011.

Year	Number of Visitors Domestic	Number of Visitors International	Total Number of Visitors
2007	14.8	1.2	16.0
2008	15.1	1.5	16.6
2009	14.8	1.5	16.3
2010	15.5	1.7	17.3
2011	16.1	1.8	17.9

Source: Destination DC, 2011 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 hotel occupancy’s reach their 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. in 2012 there were 120 hotels and 28,664 hotel rooms in DC. There are approximately 662 hotels and 106,327 hotel rooms in the metro area. The following are the top ten hotels based on number of total rooms.

Hotel	Rooms
Washington Marriott Wardman Park	1,314
Hilton Washington	1,070
Grand Hyatt Washington	888
Omni Shoreham Hotel	836
Hyatt Regency Washington	834
Renaissance Washington, DC	807
JW Marriott	772
Renaissance Mayflower	583
Capital Hilton	544
Holiday Inn Capitol	532

Source: Hotel Association of Washington, D.C.

V. RECENT EVENTS–FUTURE IMPACTS

WCSA is exposed to various asserted claims arising from the normal course of business. As of September 30, 2012, WCSA did not record an additional liability as the potential exposures for the current or pending contingencies to the Authority cannot be determined at this time.

WCSA did not have any subsequent events that, based on the facts and circumstances, required recording or disclosure in the financial statements for the year ended September 30, 2012. Events and transactions were evaluated through January 28, 2013, the date the financial statements were available to be issued.

VI. OCCURRENCE OF LISTED EVENTS

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, 2012.

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, 2012.

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.