

**RESOLUTION OF THE COUNCIL OF THE CITY OF ALEXANDRIA, VIRGINIA  
WITH RESPECT TO ECONOMIC DEVELOPMENT AUTHORITY OF MONTGOMERY  
COUNTY, VIRGINIA REVENUE BOND FINANCING FOR  
VIRGINIA TECH FOUNDATION, INC.**

**WHEREAS**, the Virginia Tech Foundation, Inc. (the “Foundation”), a non-profit organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), has described to the Economic Development Authority of Montgomery County, Virginia (the “Montgomery Authority”) its plans to finance or refinance various facilities owned or to be owned by or leased to the Foundation or affiliated non-profit entities controlled by or under common control with the Foundation of benefit to, and in connection with its support of, the Virginia Polytechnic Institute and State University (the “University”) and its programs, located in Montgomery County, Virginia, as well as in Rockbridge County, Virginia, Arlington County, Virginia, the City of Roanoke, Virginia and the City of Alexandria, Virginia;

**WHEREAS**, the Foundation has requested that the Montgomery Authority agree to issue its revenue bonds or other obligations (collectively, the “Bonds”), pursuant to the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the “Act”), in such amount up to \$45,000,000 as may be necessary to finance or refinance the cost of such facilities and related issuance costs;

**WHEREAS**, an aggregate principal amount of the Bonds not to exceed \$4,000,000 will be issued, and the proceeds thereof used together with other funds of the Foundation in the City of Alexandria, Virginia (the “City”), to finance or refinance the acquisition, construction and equipping of the approximately 12,000 square foot facility known as the 601 Prince Street facility (the “Project”), located at 601 Prince Street, Alexandria, Virginia, owned by the Foundation for use by the University for instructional purposes (the “Alexandria Plan of Financing”);

**WHEREAS**, Section 147(f) of the Code requires that the highest elected governmental unit having jurisdiction over the area in which any facility financed with the proceeds of tax-exempt private activity bonds is located approve the issuance of the bonds after a public hearing, and Section 15.2-4906 of the Act provides that such public hearing shall be conducted by an applicable industrial development authority;

**WHEREAS**, Section 15.2-4905 of the Act provides that if a locality has created an industrial development authority, no industrial development authority created by a second locality may finance a facility located in the first locality unless the governing body of such first locality concurs with the inducement resolution adopted by the industrial development authority created by the second locality and shows such concurrence in a duly adopted resolution;

**WHEREAS**, the City has created the Industrial Development Authority of the City of Alexandria (the “Alexandria Authority”), which is the applicable industrial development authority pursuant to the Act with respect to the Alexandria Plan of Financing, and the Council of the City (the “City Council”) constitutes the highest elected governmental unit and the governing body of the City;

**WHEREAS**, the Alexandria Authority held a public hearing with respect to the Alexandria Plan of Financing on September 3, 2013;

**WHEREAS**, the Montgomery Authority adopted an inducement resolution (the “Inducement Resolution”) with respect to the issuance of the Bonds on August 20, 2013, and the Alexandria Authority has recommended that the City Council (i) approve the Alexandria Plan of Financing and the proposed

issuance of Bonds as required by Section 15.2-4906 of the Act and Section 147(f) of the Code, and (ii) concur in the Inducement Resolution with respect to the Project located or to be located in the City as required by Section 15.2-4905 of the Act; and

**WHEREAS**, a copy of the Inducement Resolution, notice of the Alexandria Authority's public hearing, a copy of a resolution adopted by the Alexandria Authority describing the action taken by the Alexandria Authority, including a summary of the public hearing, and a Fiscal Impact Statement have been filed with the City Council.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ALEXANDRIA, VIRGINIA:**

1. The City Council, in order to permit the Montgomery Authority to assist the Foundation in the financing, hereby (i) approves the Alexandria Plan of Financing and the proposed issuance of Bonds by the Montgomery Authority, as required by Section 15.2-4906 of the Act and Section 147(f) of the Code, and (ii) concurs in the Inducement Resolution regarding the issuance of the Bonds by the Montgomery Authority for the Project located in the City, as required by Section 15.2-4905 of the Act.

2. The City Council's approval of the issuance of the Bonds by the Montgomery Authority and concurrence in the Inducement Resolution of the Montgomery Authority do not constitute an endorsement to a prospective purchaser of the Bonds or the creditworthiness of the Foundation. The issuance of the Bonds as requested by the Foundation will not constitute a debt or pledge of the faith and credit of the Commonwealth of Virginia or the City, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any political subdivision thereof, including the City, will be pledged to the payment of the Bonds. Neither the City nor the Alexandria Authority shall be obligated to pay the Bonds or the interest thereon or other costs incident thereto.

3. This resolution shall take effect immediately upon its adoption.

Adopted by the Council of the City of Alexandria, Virginia this 24<sup>th</sup> day of September, 2013.