

RESOLUTION NO. 2602

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALEXANDRIA, VIRGINIA AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION REFUNDING BONDS

WHEREAS, the City Council of the City of Alexandria, Virginia ("City") has determined that is advisable to authorize the issuance and sale of general obligation refunding bonds of the City to refund in advance of their maturities certain bonds previously issued by the City in order to achieve debt service savings.

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

1. **Authorization of Bonds; Refunding of Prior Bonds.** The City Council hereby determines that it is advisable to contract a debt and to issue and sell general obligation refunding bonds (the "Bonds") on the terms determined in the manner set forth in this Resolution. The issuance and sale of the Bonds are hereby authorized. The proceeds from the issuance and sale of the Bonds shall be used to refund, redeem, and/or defease certain outstanding bonds issued by the City (the "Refunded Bonds"). The specific bonds to be refunded shall be determined by the City Manager and the Finance Director/Chief Financial Officer, or either one of them ("the Authorized Officer") pursuant to the criteria set forth in this paragraph. The Authorized Officer is authorized to determine the series, maturities and amounts of the Refunded Bonds as such officer determines to be in the best interest of the City as long as the minimum savings achieved by the issuance of the Bonds is not less than 3% savings on a present value basis compared to the existing debt service on the Refunded Bonds. The Authorized Officer is authorized to enter into an escrow agreement providing for the deposit of proceeds of the Bonds and the refunding and redemption of the Refunded Bonds with such escrow agent as the City Manager may select.

2. **Pledge of Full Faith and Credit.** The full faith and credit of the City are hereby irrevocably pledged for the payment of the principal of, premium, if any, and interest on the Bonds as the same become due and payable. The City Council shall levy an annual ad valorem tax upon all property in the City, subject to local taxation, sufficient to pay the principal of, premium, if any, and interest on the Bonds as the same shall become due for payment unless other funds are lawfully available and appropriated for the timely payment thereof.

3. **Details and Sale of Bonds.** The Bonds shall be issued upon the terms established pursuant to this Resolution and upon such other terms as may be determined in the manner set forth in this Resolution. The Bonds shall be issued in one or more series, in fully registered form and shall be dated such date or dates as the Authorized Officer may approve. The Bonds shall mature on such dates and in such amounts and shall be issued in such principal amount as the City Manager may approve, provided that the final maturity of the Bonds is not later than one year after the final maturity of the Refunded Bonds and the aggregate principal amount of the Bonds is not more than the amount needed to pay principal of and premium, if any, and interest on the Refunded Bonds to the redemption date and to pay the cost of issuing the Bonds. The Bonds may be sold pursuant to a public or private placement and may be sold on a negotiated or competitive bid basis all as may be determined by the Authorized Officer. The Authorized Officer is authorized and directed to accept a bid or bids or a proposal for the purchase of the Bonds which such officer determines to be in the best interest of the City, subject to debt service savings criteria set forth in paragraph 1 above. The Authorized Officer is authorized to enter into a bond purchase agreement with the purchaser of the Bonds if required in connection with the sale of the Bonds. The Authorized Officer is authorized and directed to approve such optional redemption provisions for the Bonds as such officer or officers determine to be in the best interest of the City.

4. **Form of Bonds.** The Bonds shall be in substantially the form attached to this Resolution as Exhibit A, with such appropriate variations, omissions, and insertions as are permitted or required by this Resolution. There may be endorsed on the Bonds such legend or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

5. Book-Entry-Only Form. If the Bonds are sold publicly, the Bonds shall be issued in book-entry-only form as set forth in this paragraph. The Bonds shall be issued in fully-registered form and registered in the name of Cede & Co., as nominee of the Depository Trust Company, New York, New York (“DTC”) as registered owner of the Bonds, and immobilized in the custody of DTC. One fully-registered Bond in typewritten or printed form for the principal amount of each maturity of the Bonds shall be registered to Cede & Co. Beneficial owners of the Bonds shall not receive physical delivery of the Bonds. Principal, premium, if any, and interest payments on the Bonds shall be made to DTC or its nominee as registered owner of the Bonds on the applicable payment date.

Transfer of ownership interest in the Bonds shall be made by DTC and its participants (the “Participants”), acting as nominees of the beneficial owners of the Bonds in accordance with rules specified by DTC and its Participants. The City shall notify DTC of any notice required to be given pursuant to this Resolution or the Bonds not less than fifteen (15) calendar days prior to the date upon which such notice is required to be given. The City shall also comply with the agreements set forth in the City’s Letter of Representations to DTC.

Replacement Bonds (the “Replacement Bonds”) may be issued directly to beneficial owners of the Bonds rather than to DTC or its nominee but only in the event that:

- (i) DTC determines not to continue to act as securities depository for the Bonds; or
- (ii) The City has advised DTC of its determination not to use DTC as a securities depository; or
- (iii) The City has determined that it is in the best interest of the beneficial owners of the Bonds or the City not to continue the book-entry system of transfer.

Upon occurrence of the event described in (i) or (ii) above, the City shall attempt to locate another qualified securities depository. If the City fails to locate another qualified securities depository to replace DTC, the City Council shall execute and deliver Replacement Bonds substantially in the form set forth in Exhibit A to this Resolution to the Participants. In the event the City Council, in its discretion, makes the determination noted in (iii) above and has made provisions to notify the beneficial owners of the Bonds by mailing an appropriate notice to DTC, the appropriate officers and agents of the City shall execute and deliver Replacement Bonds substantially in the form set forth in Exhibit A to this Resolution to any Participants requesting such Replacement Bonds. Principal of and interest on the Replacement Bonds shall be payable as provided in this Resolution and in the Bonds and Replacement Bonds will be transferable in accordance with the provisions of paragraphs 9 and 10 of this Resolution and the Bonds.

6. Appointment of Bond Registrar and Paying Agent. The City Manager is authorized and directed to appoint a Bond Registrar and Paying Agent for the Bonds and as long as the Bonds are in book-entry form, either the City Manager or the Chief Financial Officer/Director of Finance may serve as Paying Agent.

The City Manager may appoint a subsequent registrar and/or one or more paying agents for the Bonds upon given written notice to the owners of the Bonds specifying the name and location of the principal office of such registrar or paying agent.

7. Execution of Bonds. The Mayor and the Clerk of the City are authorized and directed to execute appropriate negotiable Bonds and to affix the seal of the City thereto and to deliver the Bonds to the purchaser thereof upon payment of the purchase price. The manner of execution and affixation of the seal may be by facsimile, provided, however, that if the signatures of the Mayor and the Clerk are both by facsimile, the Bonds shall not be valid until signed at the foot thereof by the manual signature of the Bond Registrar.

8. CUSIP Numbers. If the Bonds are sold publicly, the Bonds shall have CUSIP identification numbers printed thereon. No such number shall constitute a part of the contract evidenced by the Bond on which it is imprinted and no liability shall attach to the City, or any of its officers or agents by reason of such numbers or any use made of such numbers, including any

use by the City and any officer or agent of the City, by reason of any inaccuracy, error or omission with respect to such numbers.

9. **Registration, Transfer and Exchange.** Upon surrender for transfer or exchange of any Bond at the principal office of the Bond Registrar, the City shall execute and deliver and the Bond Registrar shall authenticate in the name of the transferee or transferees a new Bond or Bonds of any authorized denominations in an aggregate principal amount equal to the Bond surrendered and of the same form and maturity and bearing interest at the same rate as the Bond surrendered, subject in each case to such reasonable regulations as the City and the Bond Registrar may prescribe. All Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and substance reasonably satisfactory to the City and the Bond Registrar, duly executed by the registered owner or by his or her duly authorized attorney-in-fact or legal representative. No Bond may be registered to bearer.

New Bonds delivered upon any transfer or exchange shall be valid obligations of the City, evidencing the same debt as the Bonds surrendered, shall be secured by this Resolution and entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered.

10. **Charges for Exchange or Transfer.** No charge shall be made for any exchange or transfer of Bonds, but the City may require payment by the registered owner of any Bond of a sum sufficient to cover any tax or other governmental charge which may be imposed with respect to the transfer or exchange of such Bond.

11. **Non-Arbitrage Certificate and Tax Covenants.** The Authorized Officer and such officers and agents of the City as the Authorized Officer may designate are authorized and directed to execute a Non-Arbitrage Certificate and Tax Covenants setting forth the expected use and investment of the proceeds of the Bonds and containing such covenants as may be necessary in order to comply with the provisions of the Internal Revenue Code of 1986, as amended ("Code"), including the provisions of Section 148 of the Code and applicable regulations relating to "arbitrage bonds." The City Council covenants on behalf of the City that the proceeds from the issuance and sale of the Bonds will be invested and expended as set forth in the City's Non-Arbitrage Certificate and Tax Covenants, to be delivered simultaneously with the issuance and delivery of the Bonds and that the City shall comply with the other covenants and representations contained therein.

12. **Disclosure Documents.** The Authorized Officer and such officers and agents of the City as either of them may designate are hereby authorized and directed, if required, to prepare, execute, and deliver an appropriate notice of sale, preliminary official statement, official statement, continuing disclosure agreement or such other offering or disclosure documents as may be necessary to expedite the sale of the Bonds. The notice of sale, preliminary official statement, official statement, continuing disclosure agreement or other documents, if required, shall be published in such publications and distributed in such manner, including electronically, and at such times as the Director of Finance shall determine. The Director of Finance is authorized and directed to deem the preliminary official statement "final" for purposes of Securities and Exchange Commission Rule 15c2-12.

13. **Defeasance.** Bonds may be defeased pursuant to Section 15.2-2623 of the Code of Virginia of 1950, as amended, or any successor statute and shall be deemed no longer outstanding upon the establishment of an escrow or sinking fund for such Bonds meeting the requirements of, and the satisfaction of other conditions, if any, to defeasance, set forth in such Section 15.2-2623 or successor statute.

14. **Further Actions.** The Authorized Officer and such officers and agents of the City as either of them may designate are authorized and directed to take such further action as they deem necessary regarding the issuance and sale of the Bonds and all actions taken by such officers and agents in connection with the issuance and sale of the Bonds are ratified and confirmed.

15. **Effective Date; Applicable Law.** In accordance with Section 15.2-2601 of the Code of Virginia of 1950, as amended, the City Council elects to issue the Bonds pursuant to the

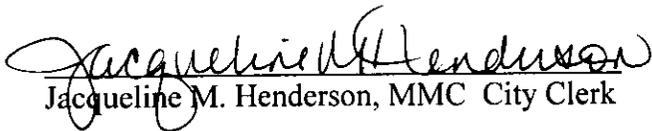
provisions of the Public Finance Act of 1991. This Resolution shall take effect at the time of its enactment.

Adopted: February 11, 2014



WILLIAM D. EULLE MAYOR

ATTEST:



Jacqueline M. Henderson, MMC City Clerk

**Exhibit A
FORM OF BOND**

**UNITED STATES OF AMERICA
COMMONWEALTH OF VIRGINIA**

No. R-

**CITY OF ALEXANDRIA
GENERAL OBLIGATION REFUNDING BOND,
SERIES _____**

MATURITY DATE

INTEREST RATE

CUSIP

REGISTERED OWNER:

PRINCIPAL AMOUNT:

CITY OF ALEXANDRIA, VIRGINIA (the "City"), for value received, acknowledges itself indebted and promises to pay to the registered owner of this Bond or legal representative, the principal amount stated above on the maturity date set forth above and to pay interest on the principal amount of this Bond at the rate specified above per annum, payable semiannually on _____ 1 and _____ 1, beginning on _____ 1, _____. This Bond shall bear interest (a) from _____, _____, if this Bond is authenticated before _____ 1, _____ or (b) otherwise from the _____ 1 or _____ 1 that is, or immediately precedes, the date on which this Bond is authenticated; provided that, if at the time of authentication of this Bond, interest on this Bond is in default, this Bond shall bear interest from the date to which interest has been paid. Both principal of and interest on this Bond are payable in lawful money of the United States of America. The principal of this Bond is payable upon presentation and surrender hereof at the office of _____, as Bond Registrar and Paying Agent ("Bond Registrar"). Interest on this Bond is payable by check or draft mailed to the registered owner hereof at its address as it appears on the registration books maintained by the Bond Registrar without presentation of this Bond (or by wire if requested by any owner of at least \$1,000,000 in principal amount of the Bonds). All interest payments shall be made to the registered owner as it appears on the registration books kept by the Bond Registrar on the [fifteenth day of the month preceding each interest payment date][first day of the month in which each interest payment date occurs].

This Bond has been duly authorized by the City Council of the City (the "City Council") and is issued for the purpose of providing funds to refund, redeem and/or defease certain outstanding maturities of the City's _____, Series _____. The full faith and credit of the City are irrevocably pledged for the payment of the principal of and premium, if any, and interest on this Bond in accordance with its terms.

This Bond is one of a series of \$ _____ General Obligation Refunding Bonds, Series _____ of the City, (the "Bonds") of like date and tenor, except as to number, denomination, rate of interest and maturity, issued under the authority of and in full compliance

with the Constitution and statutes of the Commonwealth of Virginia, and, more particularly, issued pursuant to the Public Finance Act of 1991, Chapter 26 of Title 15.2 of the Code of Virginia of 1950, as amended and a Resolution adopted by the City Council on _____, 2014 (the "Resolution").

Bonds maturing on or before _____, _____ are not subject to redemption before maturity. Bonds at the time outstanding which are stated to mature on or after _____, _____ may be redeemed before their maturities on or after _____, _____, at the option of the City in whole or in part (in installments of \$5,000) at any time or from time to time during the following redemption periods upon payment of the following redemption prices (expressed as a percentage of the principal amount to be redeemed) together with the interest accrued thereon to the date fixed for redemption:

<u>Redemption Period</u> (both dates inclusive)	<u>Redemption Price</u>
_____, _____ through _____, _____	_____%
_____, _____ through _____, _____	_____%
_____, _____ and thereafter	_____%

If less than all of the Bonds are called for redemption, the maturities of the Bonds to be redeemed shall be selected by the [Director of Finance] of the City in such officer's discretion. If less than all of the Bonds of any maturity are called for redemption, the Bonds or portions thereof to be redeemed within a maturity shall be selected by lot by the Bond Registrar, each portion of \$5,000 principal amount being counted as one Bond for such purpose.

If any of the Bonds or portions thereof are called for redemption, the Bond Registrar shall send notice of the call for redemption identifying the Bonds by serial or CUSIP numbers, and in the case of partial redemption, identifying the principal amount to be redeemed, and identifying the redemption date and price and the place where Bonds are to be surrendered for payment, by first class mail not less than 30 nor more than 60 days before the redemption date to the registered owner of each Bond to be redeemed at such owner's address as it appears on the registration books maintained by the Bond Registrar, but failure to mail such notice shall not affect the validity of the proceedings for redemption. Provided funds for their redemption are on deposit at the place of payment on the redemption date, all Bonds or portions thereof so called for redemption shall cease to bear interest on such date, shall no longer be secured by the Resolution and shall not be deemed to be outstanding. If a portion of this Bond shall be called for redemption, a new Bond in principal amount equal to the unredeemed portion hereof will be issued to the registered owner upon the surrender of this Bond.

The Bonds are issuable as fully registered bonds in denominations of \$5,000 and integral multiples thereof. Any Bond may be exchanged for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations at the principal office of the Bond Registrar.

This Bond may be transferred only by an assignment duly executed by the registered owner hereof or such owner's attorney or legal representative in a form satisfactory to the Bond

Registrar. Such transfer shall be made in the registration books kept by the Bond Registrar upon presentation and surrender hereof and the City shall execute, and the Bond Registrar shall authenticate and deliver in exchange, a new Bond or Bonds having an equal aggregate principal amount, in authorized denominations, of the same form and maturity, bearing interest at the same rate, and registered in names as requested by the then registered owner hereof or such owner's attorney or legal representative. Any such exchange shall be at the expense of the City, except that the Bond Registrar may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The City may designate a successor Bond Registrar and/or Paying Agent, provided that written notice specifying the name and location of the principal office of any such successor shall be given to the registered owner of the Bonds. Upon registration of transfer of this Bond, the Bond Registrar shall furnish written notice to the transferee of the name and location of the principal office of the Bond Registrar and/or the Paying Agent.

The Bond Registrar shall treat the registered owner as the person exclusively entitled to payment of principal and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as the owner on the registration books on the 15th day of the month preceding each interest payment date.

This Bond shall not be valid or obligatory for any purpose unless and until authenticated at the foot hereof by the Bond Registrar.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to the issuance of this Bond have happened, exist or been performed in due time, form and manner as so required and that the indebtedness evidenced by this Bond is within every debt and other limit prescribed by the Constitution and statutes of the Commonwealth of Virginia.

IN WITNESS WHEREOF, the City Council of the City of Alexandria, Virginia, has caused this Bond to be signed by the facsimile signature of its Mayor, a facsimile of its seal to be affixed and attested by the facsimile signature of its Clerk and this Bond to be dated _____, _____.

CITY OF ALEXANDRIA, VIRGINIA

By _____
Mayor, City of Alexandria, Virginia

[SEAL]

ATTEST:

Clerk, City Council,
City of Alexandria, Virginia

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE OF ASSIGNEE)

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE: _____

the within Bond and does hereby irrevocably constitute and appoint

_____, attorney, to transfer said Bond on the books kept for registration of said Bond, with full power of substitution in the premises.

Dated _____

Signature Guaranteed:

(NOTICE: Signature(s) must be guaranteed.)

Registered Owner
(NOTICE: The signature above must correspond with the name of the Registered Owner as it appears on the books kept for registration of this Bond in every particular, without alteration or change.)

CERTIFICATE OF AUTHENTICATION

The undersigned Bond Registrar hereby certifies that this is one of a series of Bonds of the City of Alexandria, Virginia described in the within-mentioned Resolution.

Authentication Date: _____

By: _____
[Director of Finance]

CERTIFICATION

I, Jackie M. Henderson, City Clerk and Clerk of Council, do hereby certify that the attached is a true copy of the Resolution which was adopted by the Alexandria City Council at its Regular Meeting held on February 11, 2014.

Dated this ____ day of _____, 2014

Jackie M. Henderson, City Clerk
City of Alexandria, Virginia