

ORDINANCE NO. 5435

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALEXANDRIA, VIRGINIA AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION CAPITAL IMPROVEMENT BONDS IN THE ESTIMATED MAXIMUM AMOUNT OF \$50,000,000 AND PROVIDING FOR REIMBURSEMENT TO THE CITY OF ALEXANDRIA FROM BOND PROCEEDS

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

WHEREAS, the City Council (the "City Council") of the City of Alexandria, Virginia ("City") has determined that it is advisable to issue (a) up to \$50,000,000 general obligation bonds of the City to finance the cost, in whole or in part, of the development and construction of the Potomac Yard Metrorail Station located in the City (the "Project").

WHEREAS, a public hearing on the issuance of the Bonds has been held after notice was published in accordance with the requirements of Section 15.2-2606 of the Code of Virginia of 1950, as amended (the "Virginia Code").

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ALEXANDRIA, VIRGINIA, AS FOLLOWS:

1. Authorization of Bonds and Use of Proceeds. The City Council hereby determines that it is advisable to contract a debt and to issue and sell general obligation bonds in the aggregate maximum principal amount of \$50,000,000 (the "Bonds"). The issuance and sale of the Bonds are hereby authorized. The proceeds from the issuance and sale of the Bonds shall be used to pay all or a portion of the costs of the Project and the costs of issuing the Bonds.

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. Sale of Bonds; Terms and Conditions. The City Council hereby authorizes the sale of the Bonds to an underwriter or group of underwriters with demonstrated experience in underwriting municipal securities (the "Underwriter") to be selected by the City Manager and the Director of Finance of the City, or either one of them acting alone (the "Authorized Officer") or, if the Authorized Officer so elects, at public bid to the bidder with the lowest true interest cost to the City; provided however, that the Authorized Officer is hereby authorized to reject any or all bids.

The Authorized Officer is hereby authorized and directed to execute and deliver a Bond Purchase Agreement with the Underwriter, or, if sold at public bid, other appropriate documents with the successful bidder (the "Bid Documents") providing for the sale and delivery of the Bonds upon terms and conditions to be approved by the Authorized Officer including, without limitation, their original principal amounts and series, their maturity dates and amounts, redemption

provisions, make-whole provisions, prices, interest rates and interest provisions, and any elections under the Internal Revenue Code of 1986, as amended (the "Code"), provided that (a) the final maturity of the Bonds is not more than approximately 30 years from its date, (b) for any series of Bonds issued as tax-exempt bonds, the true interest cost of the Bonds shall not exceed 5.00% per annum, (c) for any series of Bonds issued as taxable bonds, the true interest cost of the Bonds shall not exceed 6.00% per annum (d) and the aggregate principal amount of the Bonds is not more than \$50,000,000 and (e) the sale price of any series of Bonds to the Underwriter or to the successful bidder, excluding original issue discount, if any, shall not be less than 97% of the aggregate principal amount thereof. The approval of the final terms and conditions of each series of Bonds subject to the foregoing parameters shall be evidenced conclusively by the execution and delivery of the Bond Purchase Agreement by the Authorized Officer and the Underwriter or, if sold by public bid, the Bid Documents.

The City Council hereby authorizes the sale of all or any series of Bonds by private placement or direct loan to one or more purchasers or banks, or both, selected by the Authorized Officer after consultation with the City's financial advisor. The Authorized Officer is hereby authorized and directed to execute and deliver such private placement or direct loan documents as may be necessary or desirable in connection with the sales and loans authorized hereby (the "Direct Purchase Documents"). The approval of the final terms and conditions of such Bonds, subject to parameters herein shall be evidenced conclusively by the execution and delivery of the Direct Purchase Documents by the Authorized Officer.

The City Council may provide for additional or other terms of the Bonds by subsequent resolution.

4. Details of Bonds. The Bonds shall be issued upon the terms established pursuant to this Ordinance and the Bond Purchase Agreement, the Bid Documents or the Direct Purchase Documents, as applicable, and upon such other terms as may be determined in the manner set forth in this Ordinance. The Bonds shall be issued in one or more taxable or tax-exempt series, in fully registered form, shall be dated such date or dates as the Authorized Officer may approve, shall be in the denominations of \$5,000 each or whole multiples thereof or such other denominations as the Authorized Officer may approve and shall be numbered from R-1 upwards consecutively. The Bonds shall mature on such dates and in such amounts, shall bear interest payable on such dates and at such rates, shall be subject to redemption prior to maturity and shall be issued in such principal amount, all as set forth in the Bond Purchase Agreement, the Bid Documents or the Direct Purchase Documents, as applicable.

Principal and premium, if any, shall be payable to the registered owners upon surrender of the Bonds as they become due at the office of the Bond Registrar, as defined below, or in such other manner as set forth in the Bonds. Interest shall be payable by wire transfer to any registered owner of \$1,000,000 or more in principal amount of Bonds or by check or draft mailed to the registered owners at their addresses as they appear on the registration books kept by the Bond Registrar on the date prior to each interest payment date that shall be determined by the Authorized Officer. Principal, premium, if any, and interest shall be payable in lawful money of the United States of America.

5. Form of Bonds. The Bonds shall be in substantially the form attached to this Ordinance as Exhibit A, with such appropriate variations, omissions and insertions as are permitted or required by this Ordinance. 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.

6. Appointment of Bond Registrar and Paying Agent. The Authorized Officer is authorized and directed to appoint a Bond Registrar and Paying Agent for the Bonds, and in the absence of such appointment by the Authorized Officer, any Authorized Officer may serve as Bond Registrar and Paying Agent.

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

7. Book-Entry-Only Form. Bonds sold to the public shall be issued in fully registered form and registered in the name of Cede & Co., a nominee of The Depository Trust Company ("DTC") as registered owner of the Bonds, and immobilized in the custody of DTC in accordance with the provisions of this paragraph 7. One fully registered Bond in typewritten or printed form for the principal amount of each maturity shall be registered to Cede & Co. Beneficial owners of such Bonds shall not receive physical delivery of such Bonds. Principal, premium, if any, and interest payments on such Bonds shall be made to DTC or its nominee as registered owner of such Bonds on the applicable payment date.

Transfer of ownership interest in such Bonds shall be made by DTC and its participants ("Participants"), acting as nominees of the beneficial owners of such 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 Ordinance or the Bonds not less than 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") shall be issued directly to beneficial owners of such Bonds rather than to DTC, or its nominee, but only in the event that:

- (a) DTC determines not to continue to act as securities depository for such Bonds;
- (b) The City has advised DTC of its determination that DTC is incapable of discharging its duties; or
- (c) The City has determined that it is in the best interest of the beneficial owners of such Bonds not to continue the book-entry system of transfer.

Upon occurrence of the events described in (a) or (b) 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 shall execute and deliver Replacement Bonds substantially in the form set forth in Exhibit A attached hereto to the Participants in accordance with their requests. In the event the City Council, in its discretion, makes the determination noted in (b) or (c) above

and has made provisions to notify the beneficial owners of 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 attached hereto to any Participants requesting such Bonds. Principal of, premium, if any, and interest on the Replacement Bonds shall be payable as provided in the Bonds, and such Replacement Bonds will be transferable in accordance with the provisions of paragraphs 10 and 11 of this Ordinance and the Bonds.

If any Bonds are sold pursuant to Direct Purchase Documents, such Bonds may be registered in the name of the purchaser or bank, as applicable, or such name as the purchase or bank may designate and may be delivered to the registered owner. If any Bonds are sold to pursuant to Direct Purchase Documents, principal of, premium, if any, and interest on such Bonds may be payable pursuant to payment instructions provided by the registered owner and approved by the Authorized Officer. No CUSIP identification shall be included on any Bonds that are sold pursuant to Direct Purchase Documents unless the Authorized Officer determines such identification is necessary.

8. 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.

9. CUSIP Numbers. The Bonds may 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.

10. 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 denomination 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, and shall be secured by this Ordinance and entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered.

11. 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.

12. 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 with respect to the Bonds one or more Non-Arbitrage Certificates 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 (the "Tax Code"), including the provisions of Section 148 of the Tax 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 relating to such Bonds, to be delivered simultaneously with the issuance and delivery of such Bonds and that the City shall comply with the other covenants and representations contained therein.

13. Disclosure Documents. The Authorized Officer, and such officers and agents of the City as the Authorized Officer may designate, are hereby authorized and directed to prepare, execute and deliver, as appropriate, a preliminary official statement, an official statement and such other disclosure documents as may be necessary to expedite the sale of the Bonds. The preliminary official statement, the official statement or other disclosure documents shall be published and distributed in such manner and at such times as the Authorized Officer, or such officers or agents of the City as the Authorized Officer may designate, shall determine. The Authorized Officer is authorized and directed to deem the preliminary official statement final prior to delivery to the Underwriter pursuant to Rule 15c2-12 (the "SEC Rule") of the Securities and Exchange Commission.

14. Continuing Disclosure. The City desires to comply with the provisions of Section (b)(5)(i) of the SEC Rule providing for continuing disclosure and therefore covenants in accordance with the SEC Rule, as it may be modified or amended, to provide: (a) certain annual financial information, including audited financial statements, prepared in accordance with generally accepted accounting principles; (b) annual operating data with respect to the City as determined by the Authorized Officer; and (c) notice as required of the occurrence of certain specified events with respect to the Bonds. The Authorized Officer is hereby authorized to execute a Continuing Disclosure Certificate or execute and enter into a Continuing Disclosure Agreement with one or more parties, including an entity selected by the Authorized Officer to serve as the City's information dissemination agent, in order to comply with the SEC Rule.

15. Further Actions. The Authorized Officer and such officers and agents of the City as the Authorized Officer may designate are authorized and directed to take such further action as they deem necessary regarding the issuance and sale of the Bonds including the execution and delivery of any documents, agreements and certificates as they may deem necessary or desirable, and all actions taken by such officers and agents in connection with the issuance and sale of the Bonds are ratified and confirmed.

16. Reimbursement. The City Council adopts this declaration of official intent under U.S. Treasury Regulations Section 1.150-2. The City Council reasonably expects to reimburse advances made or to be made by the City to pay the costs of the Project from the proceeds of its

Exhibit A

FORM OF BOND

**UNITED STATES OF AMERICA
COMMONWEALTH OF VIRGINIA**

No. R-

**CITY OF ALEXANDRIA
GENERAL OBLIGATION CAPITAL IMPROVEMENT 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 [_____, 2022], 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. Interest on this Bond is computed on the basis of a [360-day year of twelve 30-day months]. 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 the City's Director of Finance], as Bond Registrar and Paying Agent (the "Bond Registrar" or "Paying Agent"). 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 [first day of the month in which each interest payment date occurs][fifteenth day of the month preceding each interest payment date] (the "Record Date")].

[Notwithstanding any other provision hereof, this bond is subject to a book-entry system maintained by The Depository Trust Company ("DTC"), and the payment of principal, premium, if any, and interest, the providing of notices and other matters shall be made as described in the City's Letter of Representation to DTC.]

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 pay the cost, in whole or in part, of the development and construction of the Potomac Yard Metrorail Station located in the City and the cost of issuing the Bonds. 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 Public Improvement Bonds, Series 2022 of the City (the "Bonds"), of like date and tenor, except as to number, denomination, rate of interest and maturity.] This Bond is 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 an ordinance enacted by the City Council on _____, 2022 (the "Ordinance").

[This Bond may be redeemed 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> <u>(both dates inclusive)</u>	<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, each portion of \$5,000 principal amount being counted as one Bond for such purpose.]

If this Bond is called for redemption, the Bond Registrar shall send notice of the call for redemption identifying the Bond 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 facsimile transmission, electronic mail, registered or certified mail or overnight express delivery 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, this Bond or portions hereof so called for redemption shall cease to bear interest on such date, shall no longer be secured by the Ordinance 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.

If at the time of mailing of any notice of optional redemption there has not been deposited with the Paying Agent for the Bonds moneys sufficient to redeem the portion of the Bond called for redemption, the notice may state that it is conditional on the deposit of redemption moneys with the Paying Agent not later than the opening of business on the redemption date.

[This Bond is issuable as a fully registered bond 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 Record 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 have 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 Ordinance.

Authentication Date: _____

By: _____
[Director of Finance], as Bond Registrar

NOTICE OF PUBLIC HEARING ON PROPOSED BOND FINANCING
BY THE CITY OF ALEXANDRIA, VIRGINIA

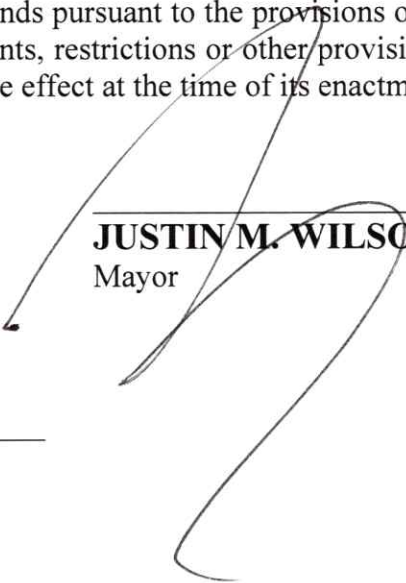
Notice is hereby given that the City Council of the City of Alexandria, Virginia (the "City Council") will hold a public hearing in accordance with Section 15.2-2606 of the Code of Virginia of 1950, as amended, on the proposed issuance by the City of Alexandria (the "City") of its general obligation bonds in the estimated maximum principal amount of \$50,000,000 to finance the costs of various approved City capital improvements and the costs of issuing the bonds. The City expects that more than ten percent of the total bond proceeds will be used to finance all or a portion of the costs of the development and construction of the Potomac Yard Metrorail Station. The expected uses of bond proceeds are subject to change in accordance with the City's capital expenditure cash flow needs and Virginia law.

The public hearing, at which persons may appear and present their views and which may be continued or adjourned, will be held at 9:30 a.m., or as soon thereafter as the matter may be heard by the City Council, on Saturday, May 14, 2022, before the City Council in the Council Chambers, City Hall, 301 King Street, in Alexandria, Virginia.

[PUBLISH ON APRIL 30 AND MAY 7]

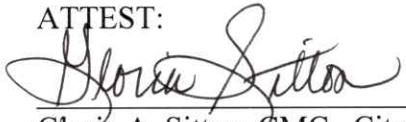
debt. The maximum amount of debt expected to be issued for the Project is set forth in paragraph 1 above. The City hereby authorizes the Authorized Officer, on behalf of the City, to specifically declare the City's official intent to reimburse portions of the cost of the Project with Bond proceeds.

17. Effective Date; Applicable Law. In accordance with Section 15.2-2601 of the Virginia Code, the City Council elects to issue the Bonds pursuant to the provisions of the Public Finance Act of 1991 without regard to the requirements, restrictions or other provisions contained in the Charter of the City. This Ordinance shall take effect at the time of its enactment.



JUSTIN M. WILSON
Mayor

ATTEST:



Gloria A. Sitton, CMC City Clerk

Final Passage: May 14, 2022