

## ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALEXANDRIA, VIRGINIA  
AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION DEBT INSTRUMENTS

## 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 necessary and desirable to provide short-term financing to facilitate efficient cash management operations as a part of the City's capital improvement program, and particularly to provide interim financing (the "Interim Financing") for all or a portion of the costs of capital improvements for which bond proceeds have been appropriated pursuant to the City's Capital Improvement Program, as the City Council may amend it from time to time hereafter, and the acquisition of various personal property (collectively, the "Projects") and that it is advisable to incur debt in the maximum aggregate principal amount of \$100,000,000, which amount may be borrowed, repaid and reborrowed, to provide funds to finance the costs of acquiring, constructing and equipping the Projects and the costs of issuance related to the Interim Financing; and

WHEREAS, the City Council has determined that it is advisable for the City to implement one or more of the following financing arrangements (each a "Financing Arrangement") to provide the Interim Financing: (i) a line of credit transaction with a lender, which line of credit may, but need not, be revolving and provide for the borrowing, repayment and reborrowing of the amounts thereof; (ii) a direct lending credit facility; (iii) a liquidity facility and (iv) an alternative short-term funding program; and

WHEREAS, the City Council desires to authorize the City Manager and the Director of Finance of the City, either of whom may act alone (the "Authorized Officer") (i) to select the particular Financing Arrangement or Financing Arrangements to be used to effect the Interim Financing and (ii) to determine the form and terms of the line of credit, the direct lending facility, the liquidity facility and the alternative short-term funding program, as applicable; and

WHEREAS, the City Council has held a public hearing on February 25, 2023, regarding the issuance of the Debt Instruments (as hereinafter defined) in accordance with the requirements of the Public Finance Act of 1991, Chapter 26, Title 15.2 of the Code of Virginia of 1950, as amended (the "Virginia Code").

1. Authorization of Interim Financing and Use of Proceeds. The City Council hereby determines that it is advisable and in the best interest of the City to undertake the Interim Financing with respect to the Projects and, in connection therewith, to contract debt, to enter into one or more of the Financing Arrangements and to issue and sell one or more Debt Instruments in connection with the Financing Arrangements. The proceeds from the issuance and sale of the Debt Instruments shall be used to pay all or a portion of the costs of the Projects and costs of issuance related to the Interim Financing. The Authorized Officer is authorized and directed to select and implement the Financing Arrangement or Financing Arrangements for the Interim Financing that

1 such officer, in consultation with the City's financial advisor, determines to be in the best interests  
2 of the City.

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4 2. Authorization of Debt Instruments and Financing Documents. The City Council hereby  
5 authorizes the issuance and delivery of notes, bonds or other obligations of the City for the payment  
6 of money (the "Debt Instruments") in connection with the Financing Arrangements. Such Debt  
7 Instruments may be issued on a revolving line of credit basis, and the City Council hereby  
8 authorizes the City to borrow, repay and reborrow amounts thereunder; provided however that  
9 the maximum amount of the Debt Instruments outstanding at any one time shall not exceed  
10 \$100,000,000. The City Council hereby authorizes the execution and delivery by the Authorized  
11 Officer on behalf of the City of such agreements, certificates and other documents (the "Financing  
12 Documents") as may be necessary or desirable in the determination of the Authorized Officer, to  
13 consummate the Financing Arrangements, including without limitation loan agreements, credit  
14 agreements, financing agreements, liquidity support agreements, reimbursement agreements and  
15 documents establishing any alternative short-term funding program. The Financing Documents  
16 shall contain such terms and provisions as the Authorized Officer, in consultation with the City's  
17 financial advisor, determines to be in the best interest of the City and may provide for the payment  
18 by the City of such fees (including without limitation unused line of credit fees and liquidity  
19 provider fees) as the Authorized Officer determines to be reasonable. The approval of the final  
20 terms and conditions of the Financing Documents shall be evidenced conclusively by the execution  
21 and delivery of the Financing Documents by the Authorized Officer, subject to the parameters set  
22 forth in Section 4.

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

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31 4. Details and Sale of Debt Instruments. The Debt Instruments shall be issued upon the  
32 terms established pursuant to this Ordinance and upon such other terms as may be determined in  
33 the manner set forth in this Ordinance. The Debt Instruments shall be issued in one or more series,  
34 in fully registered form, shall be dated such date or dates as the Authorized Officer, may approve  
35 and shall be in the denominations of \$5,000 each or whole multiples thereof, or such other  
36 denominations as the Authorized Officer deems advisable. The Debt Instruments of a series shall  
37 be numbered from R-1 upwards consecutively or in such other manner as determined by the  
38 Authorized Officer. The Authorized Officer is hereby authorized and directed to determine the  
39 principal amount of the Debt Instruments, whether the Debt Instruments bear interest at a fixed or  
40 variable rate, whether the Debt Instruments bear interest that is includible in or excludable from  
41 gross income for purposes of federal income taxation, the payment dates for the principal,  
42 premium, if any, and interest on the Debt Instruments and the maturity dates for the Debt  
43 Instruments, provided that: (a) the final maturity of any series of Debt Instruments shall not be  
44 more than five (5) years from the dated date of such series of Debt Instruments; (b) the aggregate  
45 principal amount of the Debt Instruments outstanding at any one time shall not exceed  
46 \$100,000,000; and (c) the Debt Instruments shall (i) if issued bearing interest at a variable rate,

1 bear interest based on a public index and (ii) in no event bear interest at a rate exceeding the  
2 maximum rate permitted by law. The Debt Instruments may be sold pursuant to a public or private  
3 placement and may be sold on a negotiated or competitive bid basis, all as may be determined by  
4 the Authorized Officer. The Authorized Officer is authorized and directed, at his or her option, to  
5 accept a bid or bids for the purchase of the Debt Instruments which results in the lowest true interest  
6 cost to the City and the Debt Instruments shall bear interest at such rate or rates and shall be sold  
7 to the successful bidder or bidders at such price as may be set forth in the bid or bids so accepted,  
8 or, if he or she deems it to be in the City's financial interest, to forego such competitive bidding  
9 and negotiate the sale of the Debt Instruments to one or more initial purchasers. The Authorized  
10 Officer is authorized and directed to select or approve any underwriter, purchaser, liquidity  
11 provider or other facility provider as may be necessary or appropriate to implement the Financing  
12 Arrangements selected pursuant to Section 1. The Authorized Officer is authorized and directed  
13 to approve such optional redemption or prepayment provisions for the Debt Instruments as such  
14 officer determines to be in the best interest of the City. The City Council may provide for  
15 additional or other terms of the Debt Instruments by subsequent resolution.  
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17 5. Form of Debt Instruments. The Debt Instruments shall be in a form consistent with the  
18 provisions of this Ordinance and approved by the Authorized Officer, in consultation with the  
19 financial advisor and bond counsel to the City. There may be endorsed on the Debt Instruments  
20 such legend or text as may be necessary or appropriate to conform to any applicable rules and  
21 regulations of any governmental authority or any usage or requirement of law with respect thereto.  
22

23 6. Book-Entry-Only-Form. The Debt Instruments may, but need not, be issued in book-  
24 entry-only form. The Debt Instruments shall be issued in fully-registered form and may be  
25 registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York,  
26 New York ("DTC") as registered owner of the Debt Instruments, and immobilized in the custody  
27 of DTC. One fully-registered Debt Instrument in typewritten or printed form for the principal  
28 amount of each maturity of the Debt Instruments may be registered to Cede & Co. In such event,  
29 beneficial owners of the Debt Instruments shall not receive physical delivery of the Debt  
30 Instruments and principal, premium, if any, and interest payments on the Debt Instruments shall  
31 be made to DTC or its nominee as registered owner of the Debt Instruments on the applicable  
32 payment date.  
33

34 Transfer of ownership interest in the Debt Instruments may be made by DTC and its  
35 participants (the "Participants"), acting as nominees of the beneficial owners of the Debt  
36 Instruments in accordance with rules specified by DTC and its Participants. In such event, the  
37 City shall notify DTC of any notice required to be given pursuant to this Ordinance or the Debt  
38 Instruments not less than fifteen (15) calendar days prior to the date upon which such notice is  
39 required to be given and the City shall also comply with the agreements set forth in the City's  
40 Letter of Representations to DTC.  
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42 In the event the Debt Instruments are issued in book-entry-only form and registered in the  
43 name of DTC's nominee as permitted above, replacement Debt Instruments (the "Replacement  
44 Debt Instruments") may be issued directly to beneficial owners of the Debt Instruments rather than  
45 to DTC or its nominee but only in the event that:  
46

- (i) DTC determines not to continue to act as securities depository for the Debt Instruments; 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 Debt Instruments or the City not to continue the book-entry system of transfer.

Upon the occurrence of an 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 Debt Instruments substantially in the form of the Debt Instruments being replaced 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 Debt Instruments by mailing an appropriate notice to DTC, the appropriate officers and agents of the City shall execute and deliver Replacement Debt Instruments substantially in the form of the Debt Instruments being replaced to any Participants requesting such Replacement Debt Instruments. Principal of and interest on the Replacement Debt Instruments shall be payable as provided in this Ordinance and in the Debt Instruments and Replacement Debt Instruments will be transferable in accordance with the provisions of paragraphs 10 and 11 of this Ordinance and the Debt Instruments.

7. Appointment of Registrar and Paying Agent. The City Council hereby appoints the Director of Finance as Registrar and Paying Agent (the "Registrar") for the Debt Instruments. The Authorized Officer may appoint a subsequent registrar and/or one or more paying agents for any Debt Instruments upon giving written notice to the registered owners of the affected Debt Instruments specifying the name and location of the principal office of any such registrar or paying agent.

8. Execution of Debt Instruments. The Mayor and the Clerk of the City are authorized and directed to execute the Debt Instruments and to affix the seal of the City thereto and to deliver the Debt Instruments to the purchaser or purchasers thereof. 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 Debt Instruments shall not be valid until signed at the foot thereof by the manual signature of the Registrar. The Authorized Officer's approval or determination of the details and provisions of the Debt Instruments that the Authorized Officer has been authorized or directed to approve under this Ordinance shall be evidenced conclusively by the execution and delivery of the Debt Instruments by the Mayor and the Clerk of the City on the City's behalf, subject to the parameters set forth in Section 4.

9. CUSIP Numbers. The Debt Instruments may, but need not, have CUSIP identification numbers printed thereon. No such number shall constitute a part of the contract evidenced by the Debt Instrument 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.

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2       10. Registration, Transfer and Exchange. Upon surrender for transfer or exchange of any  
3 Debt Instrument at the principal office of the Registrar, the City shall execute and deliver and the  
4 Registrar shall authenticate in the name of the transferee or transferees a new Debt Instrument or  
5 Debt Instruments of any authorized denomination in an aggregate principal amount equal to the  
6 Debt Instrument surrendered and of the same form and maturity and bearing interest at the same  
7 rate as the Debt Instrument surrendered, subject in each case to such reasonable regulations as the  
8 City and the Registrar may prescribe. All Debt Instruments presented for transfer or exchange  
9 shall be accompanied by a written instrument or instruments of transfer or authorization for  
10 exchange, in form and substance reasonably satisfactory to the City and the Registrar, duly  
11 executed by the registered owner or by his or her duly authorized attorney-in-fact or legal  
12 representative. No Debt Instrument may be registered to bearer.  
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14       New Debt Instruments delivered upon any transfer or exchange shall be valid obligations  
15 of the City, evidencing the same debt as the Debt Instruments surrendered, and shall be secured by  
16 this Ordinance and entitled to all of the security and benefits hereof to the same extent as the Debt  
17 Instruments surrendered.  
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19       11. Charges for Exchange or Transfer. No charge shall be made for any exchange or  
20 transfer of Debt Instruments, but the City may require payment by the registered owner of any  
21 Debt Instrument of a sum sufficient to cover any tax or other governmental charge which may be  
22 imposed with respect to the transfer or exchange of such Debt Instrument.  
23

24       12. Non-Arbitrage Certificate and Tax Covenants. The Authorized Officer and such  
25 officers and agents of the City that the Authorized Officer may designate are authorized and  
26 directed to execute with respect to any Debt Instruments, the interest on which is intended to be  
27 excludable from gross income for federal income tax purposes, one or more Non-Arbitrage  
28 Certificate and Tax Covenants setting forth the expected use and investment of the proceeds of the  
29 Debt Instruments and containing such covenants as may be necessary in order to comply with the  
30 provisions of the Internal Revenue Code of 1986, as amended (the "Tax Code"), including the  
31 provisions of Section 148 of the Tax Code and applicable regulations relating to "arbitrage bonds."  
32 The City Council covenants on behalf of the City that the proceeds from the issuance and sale of  
33 any such Debt Instruments will be invested and expended as set forth in the City's respective Non-  
34 Arbitrage Certificate and Tax Covenants relating to such Debt Instruments and that the City shall  
35 comply with the other covenants and representations contained therein.  
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38       13. Disclosure Documents. The Authorized Officer and such officers and agents of the  
39 City as the Authorized Officer may designate are hereby authorized and directed to prepare,  
40 execute, if required, and deliver, in connection with any public offering of the Debt Instruments,  
41 an appropriate notice of sale, preliminary official statement, official statement, continuing  
42 disclosure agreement or such other offering or disclosure documents as may be necessary to  
43 expedite the sale of the Debt Instruments. The notice of sale, preliminary official statement,  
44 official statement, continuing disclosure agreement or other documents shall be published in such  
45 publications and distributed in such manner, including electronically, and at such times as the  
46 Authorized Officer shall determine. The Authorized Officer is authorized and directed to deem

1 the preliminary official statement “final” for purposes of Securities and Exchange Commission  
2 Rule 15c2-12.  
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4 14. Interest Rate Hedge. The Authorized Officer is hereby authorized to the extent he or  
5 she deems to be in the best interest of the City to procure, for any series of Debt Instruments, an  
6 interest rate hedge, cap, collar or similar arrangement (the “Interest Rate Hedge”) to protect the  
7 City against increases in interest rates if such Debt Instruments bear interest at a variable rate;  
8 provided that the notional amount of any Interest Rate Hedges shall not exceed \$100,000,000 in  
9 the aggregate. The documents evidencing the Interest Rate Hedge and the City’s obligations in  
10 connection therewith shall be typical for such arrangements and the Authorized Officer is hereby  
11 authorized to execute and deliver the same on behalf of the City.  
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13 15. Further Actions. The Authorized Officer and such officers and agents of the City as  
14 the Authorized Officer may designate are authorized and directed to take such further action as  
15 they deem necessary regarding the issuance and sale of the Debt Instruments including the  
16 execution and delivery of such purchase agreement or agreements as may be required in connection  
17 with any negotiated sale of the Debt Instruments and the execution and delivery of any such other  
18 documents, agreements and certificates as they may deem necessary or desirable, and all actions  
19 taken by such officers and agents in connection with the issuance and sale of the Debt Instruments  
20 are ratified and confirmed. The authorizations granted in this Ordinance to the Mayor, the City  
21 Clerk, the City Manager and the Director of Finance may be carried out by the Vice Mayor, any  
22 Deputy City Clerk, any Acting or Deputy City Manager or any Assistant Director of Finance, as  
23 appropriate, in the absence of the primary officer.  
24

25 16. Reimbursement. The City Council adopts this declaration of official intent under  
26 Treasury Regulations Section 1.150-2. The City Council reasonably expects to reimburse  
27 advances made or to be made by the City to pay the costs of the Projects from the proceeds of its  
28 debt. The maximum amount of debt expected to be issued for the Projects is \$100,000,000.  
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30 17. Applicable Law. In accordance with Section 15.2-2601 of the Virginia Code, the City  
31 Council elects to issue the Debt Instruments pursuant to the provisions of the Public Finance Act  
32 of 1991 without regard to the requirements, restrictions or other provisions contained in the Charter  
33 of the City.  
34

35 18. Effective Date. That this ordinance shall become effective upon the date and at the  
36 time of its final passage.  
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38 JUSTIN M. WILSON  
39 Mayor  
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41 Introduction: 2/14/2023  
42 First Reading: 2/14/2023  
43 Publication:  
44 Public Hearing:  
45 Second Reading:  
46 Final Passage:

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