

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

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  
\$35,997,000; 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 up to \$35,997,000 general obligation bonds of the City to finance the cost, in whole or in part, of various capital improvements as described below (the "Projects").

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 \$35,997,000 (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 Projects as described below and the City's Chief Financial Officer (acting or otherwise) and Director of Finance, or either of them, is authorized and directed to determine the portion of the cost of each Project to be financed with Bond proceeds and to reallocate Bond proceeds among the Projects if necessary or desirable.

<u>General Project Description</u>	<u>Estimated Maximum Cost</u>
<u>Schools</u> Construction, remodeling and repairing of school buildings and acquisition of necessary equipment (includes projects contained in the capital improvement program under "Alexandria City Public Schools").	\$17,808,000
<u>City Parks and Public Buildings</u> Construction, renovation and improvement of existing and new City buildings and park facilities and acquisition of necessary land and equipment (includes projects contained in the capital improvement program under "Recreation and Parks", "Public Buildings" and "Information Technology Plan").	\$10,989,000
<u>Transportation and Metro Improvements</u> Maintenance and upgrade of the City's transportation	\$3,621,000

1 infrastructure, transit infrastructure and traffic control  
2 infrastructure (includes projects contained  
3 in the capital improvement program under  
4 “Transportation and Transit Infrastructure,” and  
5 including, without limitation, payment of the City’s  
6 share of certain Washington Metropolitan Area  
7 Transit Authority (i.e., “METRO”) capital  
8 improvements).

9  
10 Infrastructure \$3,225,000

11 Construction, renovation and improvement of City  
12 storm sewers and waterways and acquisition  
13 of necessary equipment (includes projects contained  
14 in the capital improvement program under  
15 “Community Development” and “Stormwater Management.”

16  
17 Fire Department Vehicles and Apparatus \$354,000

18 Acquisition of Fire Department vehicles and  
19 apparatus contained in the capital improvement  
20 program under “Community Development”

21  
22  
23 Total: \$35,997,000

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

31  
32 3. Details and Sale of Bonds. The Bonds shall be issued upon the terms established  
33 pursuant to this Ordinance and upon such other terms as may be determined in the manner set  
34 forth in this Ordinance. The Bonds shall be issued in one or more taxable or tax-exempt series,  
35 in fully registered form, shall be dated such date or dates as the City Manager, the Chief  
36 Financial Officer (acting or otherwise) and the Director of Finance, or any one of them (the  
37 “Authorized Officer”), may approve, shall be in the denominations of \$5,000 each or whole  
38 multiples thereof and shall be numbered from R-1 upwards consecutively. The Bonds shall  
39 mature on such dates and in such amounts and shall be issued in such principal amounts as the  
40 Authorized Officer may approve, provided that the final maturity of any Bond is not more than  
41 approximately 25 years from its date and the aggregate principal amount of the Bonds is not  
42 more than \$35,997,000. The Authorized Officer is authorized and directed, at his or her option,  
43 to accept a bid or bids for the purchase of the Bonds which results in the lowest true interest cost  
44 to the City and the Bonds shall bear interest, payable semi-annually, at such rate or rates and  
45 shall be sold to the successful bidder or bidders at such price as may be set forth in the bid or  
46 bids so accepted, or, if the Authorized Officer deems it to be in the City’s financial interest, to

1 forego such competitive bidding and negotiate the sale of the Bonds to one or more initial  
2 purchasers; provided that the true interest cost of the Bonds to the City shall not exceed 6.5% per  
3 annum. The Authorized Officer is authorized and directed to approve such optional redemption  
4 provisions for the Bonds as such officer or officers determine to be in the best interest of the  
5 City. The City Council may provide for additional or other terms of the Bonds by subsequent  
6 resolution.

7  
8 4. Form of Bonds. The Bonds shall be in substantially the form attached to this  
9 Ordinance as Exhibit A, with such appropriate variations, omissions and insertions as are  
10 permitted or required by this Ordinance. There may be endorsed on the Bonds such legend or  
11 text as may be necessary or appropriate to conform to any applicable rules and regulations of any  
12 governmental authority or any usage or requirement of law with respect thereto.

13  
14 5. Book-Entry-Only-Form. The Bonds may be issued in book-entry-only form. The  
15 Bonds shall be issued in fully-registered form and may be registered in the name of Cede & Co.,  
16 as nominee of The Depository Trust Company, New York, New York ("DTC") as registered  
17 owner of the Bonds, and immobilized in the custody of DTC. One fully-registered Bond in  
18 typewritten or printed form for the principal amount of each maturity of the Bonds may be  
19 registered to Cede & Co. In such event, beneficial owners of the Bonds shall not receive  
20 physical delivery of the Bonds and principal, premium, if any, and interest payments on the  
21 Bonds shall be made to DTC or its nominee as registered owner of the Bonds on the applicable  
22 payment date.

23  
24 Transfer of ownership interest in the Bonds may be made by DTC and its participants  
25 (the "Participants"), acting as nominees of the beneficial owners of the Bonds in accordance with  
26 rules specified by DTC and its Participants. In such event, the City shall notify DTC of any  
27 notice required to be given pursuant to this Ordinance or the Bonds not less than fifteen (15)  
28 calendar days prior to the date upon which such notice is required to be given and the City shall  
29 also comply with the agreements set forth in the City's Letter of Representations to DTC.

30  
31 In the event the Bonds are issued in book-entry-only form and registered in the name of  
32 DTC's nominee as permitted above, replacement Bonds (the "Replacement Bonds") may be  
33 issued directly to beneficial owners of the Bonds rather than to DTC or its nominee but only in  
34 the event that:

- 35  
36 (i) DTC determines not to continue to act as securities depository for the Bonds; or  
37  
38 (ii) The City has advised DTC of its determination not to use DTC as a securities  
39 depository; or  
40  
41 (iii) The City has determined that it is in the best interest of the beneficial owners of  
42 the Bonds or the City not to continue the book-entry system of transfer.

43  
44 Upon occurrence of an event described in (i) or (ii) above, the City shall attempt to locate  
45 another qualified securities depository. If the City fails to locate another qualified securities  
46 depository to replace DTC, the City Council shall execute and deliver Replacement Bonds

1 substantially in the form set forth in Exhibit A to this Ordinance to the Participants. In the event  
2 the City Council, in its discretion, makes the determination noted in (iii) above and has made  
3 provisions to notify the beneficial owners of the Bonds by mailing an appropriate notice to DTC,  
4 the appropriate officers and agents of the City shall execute and deliver Replacement Bonds  
5 substantially in the form set forth in Exhibit A to this Ordinance to any Participants requesting  
6 such Replacement Bonds. Principal of and interest on the Replacement Bonds shall be payable  
7 as provided in this Ordinance and in the Bonds and Replacement Bonds will be transferable in  
8 accordance with the provisions of paragraphs 9 and 10 of this Ordinance and the Bonds.

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10 6. Appointment of Bond Registrar and Paying Agent. The Authorized Officer is  
11 authorized and directed to appoint a Bond Registrar and Paying Agent for the Bonds, and as long  
12 as the Bonds are in book-entry form, any Authorized Officer may serve as Paying Agent.

13  
14 The Authorized Officer may appoint a subsequent registrar and/or one or more paying  
15 agents for the Bonds upon giving written notice to the owners of the Bonds specifying the name  
16 and location of the principal office of any such registrar or paying agent.

17  
18 7. Execution of Bonds. The Mayor and the Clerk of the City are authorized and directed  
19 to execute appropriate negotiable Bonds and to affix the seal of the City thereto and to deliver  
20 the Bonds to the purchaser thereof upon payment of the purchase price. The manner of  
21 execution and affixation of the seal may be by facsimile, provided, however, that if the  
22 signatures of the Mayor and the Clerk are both by facsimile, the Bonds shall not be valid until  
23 signed at the foot thereof by the manual signature of the Bond Registrar.

24  
25 8. CUSIP Numbers. The Bonds may have CUSIP identification numbers printed  
26 thereon. No such number shall constitute a part of the contract evidenced by the Bond on which  
27 it is imprinted and no liability shall attach to the City, or any of its officers or agents by reason of  
28 such numbers or any use made of such numbers, including any use by the City and any officer or  
29 agent of the City, by reason of any inaccuracy, error or omission with respect to such numbers.

30  
31 9. Registration, Transfer and Exchange. Upon surrender for transfer or exchange of any  
32 Bond at the principal office of the Bond Registrar, the City shall execute and deliver and the  
33 Bond Registrar shall authenticate in the name of the transferee or transferees a new Bond or  
34 Bonds of any authorized denomination in an aggregate principal amount equal to the Bond  
35 surrendered and of the same form and maturity and bearing interest at the same rate as the Bond  
36 surrendered, subject in each case to such reasonable regulations as the City and the Bond  
37 Registrar may prescribe. All Bonds presented for transfer or exchange shall be accompanied by  
38 a written instrument or instruments of transfer or authorization for exchange, in form and  
39 substance reasonably satisfactory to the City and the Bond Registrar, duly executed by the  
40 registered owner or by his or her duly authorized attorney-in-fact or legal representative. No  
41 Bond may be registered to bearer.

42  
43 New Bonds delivered upon any transfer or exchange shall be valid obligations of the  
44 City, evidencing the same debt as the Bonds surrendered, shall be secured by this Ordinance and  
45 entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered.

1           10. Charges for Exchange or Transfer. No charge shall be made for any exchange or  
2 transfer of Bonds, but the City may require payment by the registered owner of any Bond of a  
3 sum sufficient to cover any tax or other governmental charge which may be imposed with  
4 respect to the transfer or exchange of such Bond.  
5

6           11. Non-Arbitrage Certificate and Tax Covenants. The Authorized Officer and such  
7 officers and agents of the City the Authorized Officer may designate are authorized and directed  
8 to execute with respect to the Bonds a Non-Arbitrage Certificate and Tax Covenants setting forth  
9 the expected use and investment of the proceeds of the Bonds and containing such covenants as  
10 may be necessary in order to comply with the provisions of the Tax Code, including the  
11 provisions of Section 148 of the Tax Code and applicable regulations relating to “arbitrage  
12 bonds.” The City Council covenants on behalf of the City that the proceeds from the issuance  
13 and sale of the Bonds will be invested and expended as set forth in the City’s Non-Arbitrage  
14 Certificate and Tax Covenants relating to such Bonds, to be delivered simultaneously with the  
15 issuance and delivery of the Bonds, and that the City shall comply with the other covenants and  
16 representations contained therein.  
17

18           12. Defeasance. Bonds may be defeased pursuant to Section 15.2-2623 of the Code of  
19 Virginia of 1950, as amended, or any successor statute and shall be deemed no longer  
20 outstanding upon the establishment of an escrow or sinking fund for such Bonds meeting the  
21 requirements, and the satisfaction of other conditions, if any, to defeasance, set forth in such  
22 Section 15.2-2623 or successor statute.  
23

24           13. Disclosure Documents. The Authorized Officer and such officers and agents of the  
25 City as the Authorized Officer may designate are hereby authorized and directed to prepare,  
26 execute, if required, and deliver an appropriate notice of sale, preliminary official statement,  
27 official statement, continuing disclosure agreement or such other offering or disclosure  
28 documents as may be necessary to expedite the sale of the Bonds. The notice of sale,  
29 preliminary official statement, official statement, continuing disclosure agreement or other  
30 documents shall be published in such publications and distributed in such manner, including  
31 electronically, and at such times as the Chief Financial Officer (acting or otherwise) and the  
32 Director of Finance, or either of them, shall determine. The Chief Financial Officer (acting or  
33 otherwise) and the Director of Finance, or either of them, is authorized and directed to deem the  
34 preliminary official statement “final” for purposes of Securities and Exchange Commission Rule  
35 15c2-12.  
36

37           14. RESERVED.  
38

39           15. Further Actions. The Authorized Officer and such officers and agents of the City as  
40 the Authorized Officer may designate are authorized and directed to take such further action as  
41 they deem necessary regarding the issuance and sale of the Bonds including the execution and  
42 delivery of such bond purchase agreement as may be required in connection with any negotiated  
43 sale of the Bonds and the execution and delivery of any such other documents, agreements and  
44 certificates (including applications for tax credits, if applicable) as they may deem necessary or  
45 desirable and all actions taken by such officers and agents in connection with the issuance and  
46 sale of the Bonds are ratified and confirmed.

16. Reimbursement. The City Council adopts this declaration of official intent under 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 Projects from the proceeds of its debt. The maximum amount of debt expected to be issued for the Projects is set forth in paragraph 1 above. The City hereby authorizes the Chief Financial Officer (acting or otherwise) and the Director of Finance, or either of them, on behalf of the City, to specifically declare the City's official intent to reimburse portions of the cost of the Projects with Bond proceeds.

17. 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 Ordinance shall take effect at the time of its enactment.

WILLIAM D. EUILLE  
Mayor

Introduction:	4/8/14
First Reading:	4/8/14
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Public Hearing:	4/12/14
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