

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
 \$105,300,000; 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 \$105,300,000 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 \$105,300,000 (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 Manager and the Director of Finance of the City, or either one of them acting alone (the "Authorized Officer"), 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>	\$40,800,000
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").	
<u>City Parks and Buildings</u>	\$32,700,000
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).	
<u>Transportation Improvements</u>	\$21,800,000
Maintenance and upgrade of the City's transportation infrastructure, transit infrastructure	

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

7
8 Infrastructure

\$4,100,000

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

14
15 Fire Department Vehicles and Apparatus

\$1,500,000

16 Acquisition of Fire Department vehicles and
17 apparatus contained in the capital improvement
18 program under “Community Development.”

19
20 Affordable Housing

\$4,400,000

21 Acquisition, construction, remodeling and repairing
22 of affordable housing and acquisition of necessary
23 land and equipment.

24
25
26 Total:

\$105,300,000

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

34
35 3. Details and Sale of Bonds. The Bonds shall be issued upon the terms established
36 pursuant to this Ordinance and upon such other terms as may be determined in the manner set
37 forth in this Ordinance. The Bonds shall be issued in one or more taxable or tax-exempt series,
38 in fully registered form, shall be dated such date or dates as the Authorized Officer may approve,
39 shall be in the denominations of \$5,000 each or whole multiples thereof and shall be numbered
40 from R-1 upwards consecutively. The Bonds shall mature on such dates and in such amounts
41 and shall be issued in such principal amount as the Authorized Officer may approve, provided
42 that the final maturity of any Bond is not more than approximately 25 years from its date and the
43 aggregate principal amount of the Bonds is not more than \$105,300,000. The Bonds may be sold
44 pursuant to a public or private placement and may be sold on a negotiated or competitive bid
45 basis, all as may be determined by the Authorized Officer. The Authorized Officer is authorized
46 and directed, at his or her option, to accept a bid or bids for the purchase of the Bonds which

1 results in the lowest true interest cost to the City and the Bonds shall bear interest, payable semi-
2 annually, at such rate or rates and shall be sold to the successful bidder or bidders at such price as
3 may be set forth in the bid or bids so accepted, or, if he or she deems it to be in the City's
4 financial interest, to forego such competitive bidding and negotiate the sale of the Bonds to one
5 or more initial purchasers; provided that the true interest cost of the Bonds shall not exceed 6.5%
6 per annum. The Authorized Officer is authorized and directed to approve such optional
7 redemption provisions for the Bonds as such officer or officers determine to be in the best
8 interest of the City. The City Council may provide for additional or other terms of the Bonds by
9 subsequent resolution.

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

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

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

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

- 38
39 (i) DTC determines not to continue to act as securities depository for the Bonds; or
40
41 (ii) The City has advised DTC of its determination not to use DTC as a securities
42 depository; or
43
44 (iii) The City has determined that it is in the best interest of the beneficial owners of
45 the Bonds or the City not to continue the book-entry system of transfer.
46

1 Upon occurrence of an event described in (i) or (ii) above, the City shall attempt to locate
2 another qualified securities depository. If the City fails to locate another qualified securities
3 depository to replace DTC, the City Council shall execute and deliver Replacement Bonds
4 substantially in the form set forth in Exhibit A to this Ordinance to the Participants. In the event
5 the City Council, in its discretion, makes the determination noted in (iii) above and has made
6 provisions to notify the beneficial owners of the Bonds by mailing an appropriate notice to DTC,
7 the appropriate officers and agents of the City shall execute and deliver Replacement Bonds
8 substantially in the form set forth in Exhibit A to this Ordinance to any Participants requesting
9 such Replacement Bonds. Principal of and interest on the Replacement Bonds shall be payable
10 as provided in this Ordinance and in the Bonds, and Replacement Bonds will be transferable in
11 accordance with the provisions of paragraphs 9 and 10 of this Ordinance and the Bonds.
12

13 6. Appointment of Bond Registrar and Paying Agent. The Authorized Officer is
14 authorized and directed to appoint a Bond Registrar and Paying Agent for the Bonds, and as long
15 as the Bonds are in book-entry form, any Authorized Officer may serve as Paying Agent.
16

17 The Authorized Officer may appoint a subsequent registrar and/or one or more paying
18 agents for the Bonds upon giving written notice to the owners of the Bonds specifying the name
19 and location of the principal office of any such registrar or paying agent.
20

21 7. Execution of Bonds. The Mayor and the Clerk of the City are authorized and directed
22 to execute appropriate negotiable Bonds and to affix the seal of the City thereto and to deliver
23 the Bonds to the purchaser thereof upon payment of the purchase price. The manner of
24 execution and affixation of the seal may be by facsimile, provided, however, that if the
25 signatures of the Mayor and the Clerk are both by facsimile, the Bonds shall not be valid until
26 signed at the foot thereof by the manual signature of the Bond Registrar.
27

28 8. CUSIP Numbers. The Bonds may have CUSIP identification numbers printed
29 thereon. No such number shall constitute a part of the contract evidenced by the Bond on which
30 it is imprinted and no liability shall attach to the City, or any of its officers or agents by reason of
31 such numbers or any use made of such numbers, including any use by the City and any officer or
32 agent of the City, by reason of any inaccuracy, error or omission with respect to such numbers.
33

34 9. Registration, Transfer and Exchange. Upon surrender for transfer or exchange of any
35 Bond at the principal office of the Bond Registrar, the City shall execute and deliver and the
36 Bond Registrar shall authenticate in the name of the transferee or transferees a new Bond or
37 Bonds of any authorized denomination in an aggregate principal amount equal to the Bond
38 surrendered and of the same form and maturity and bearing interest at the same rate as the Bond
39 surrendered, subject in each case to such reasonable regulations as the City and the Bond
40 Registrar may prescribe. All Bonds presented for transfer or exchange shall be accompanied by
41 a written instrument or instruments of transfer or authorization for exchange, in form and
42 substance reasonably satisfactory to the City and the Bond Registrar, duly executed by the
43 registered owner or by his or her duly authorized attorney-in-fact or legal representative. No
44 Bond may be registered to bearer.
45

1 New Bonds delivered upon any transfer or exchange shall be valid obligations of the
2 City, evidencing the same debt as the Bonds surrendered, and shall be secured by this Ordinance
3 and entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered.
4

5 10. Charges for Exchange or Transfer. No charge shall be made for any exchange or
6 transfer of Bonds, but the City may require payment by the registered owner of any Bond of a
7 sum sufficient to cover any tax or other governmental charge which may be imposed with
8 respect to the transfer or exchange of such Bond.
9

10 11. Non-Arbitrage Certificate and Tax Covenants. The Authorized Officer and such
11 officers and agents of the City as the Authorized Officer may designate are authorized and
12 directed to execute with respect to the Bonds a Non-Arbitrage Certificate and Tax Covenants
13 setting forth the expected use and investment of the proceeds of the Bonds and containing such
14 covenants as may be necessary in order to comply with the provisions of the Internal Revenue
15 Code of 1986, as amended (the "Tax Code"), including the provisions of Section 148 of the Tax
16 Code and applicable regulations relating to "arbitrage bonds." The City Council covenants on
17 behalf of the City that the proceeds from the issuance and sale of the Bonds will be invested and
18 expended as set forth in the City's Non-Arbitrage Certificate and Tax Covenants relating to such
19 Bonds, to be delivered simultaneously with the issuance and delivery of the Bonds and that the
20 City shall comply with the other covenants and representations contained therein.
21

22 12. Defeasance. Bonds may be defeased pursuant to Section 15.2-2623 of the Code of
23 Virginia of 1950, as amended, or any successor statute and shall be deemed no longer
24 outstanding upon the establishment of an escrow or sinking fund for such Bonds meeting the
25 requirements of, and the satisfaction of other conditions, if any, to defeasance set forth in such
26 Section 15.2-2623 or successor statute.
27

28 13. Disclosure Documents. The Authorized Officer and such officers and agents of the
29 City as the Authorized Officer may designate are hereby authorized and directed to prepare,
30 execute, if required, and deliver an appropriate notice of sale, preliminary official statement,
31 official statement, continuing disclosure agreement or such other offering or disclosure
32 documents as may be necessary to expedite the sale of the Bonds. The notice of sale,
33 preliminary official statement, official statement, continuing disclosure agreement or other
34 documents shall be published in such publications and distributed in such manner, including
35 electronically, and at such times as the Authorized Officer shall determine. The Authorized
36 Officer is authorized and directed to deem the preliminary official statement "final" for purposes
37 of Securities and Exchange Commission Rule 15c2-12.
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 or agreements as may be required in connection with
43 any negotiated sale of the Bonds and the execution and delivery of any such other documents,
44 agreements and certificates (including applications for tax credits) as they may deem necessary
45 or 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.

1
2 16. Reimbursement. The City Council adopts this declaration of official intent under
3 U.S. Treasury Regulations Section 1.150-2. The City Council reasonably expects to reimburse
4 advances made or to be made by the City to pay the costs of the Projects from the proceeds of its
5 debt. The maximum amount of debt expected to be issued for the Projects is set forth in
6 paragraph 1 above. The City hereby authorizes the Authorized Officer, on behalf of the City, to
7 specifically declare the City's official intent to reimburse portions of the cost of the Projects with
8 Bond proceeds.
9

10 17. Effective Date; Applicable Law. In accordance with Section 15.2-2601 of the Code
11 of Virginia of 1950, as amended, the City Council elects to issue the Bonds pursuant to the
12 provisions of the Public Finance Act of 1991 without regard to the requirements, restrictions or
13 other provisions contained in the Charter of the City. This Ordinance shall take effect at the time
14 of its enactment.
15

16 ALLISON SILBERBERG
17 Mayor
18

19 Introduction:
20 First Reading:
21 Publication:
22 Public Hearing:
23 Second Reading:
24 Final Passage:

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 [ISSUE DATE], 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”).

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 costs of various capital improvements for the City. 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 Capital Improvement 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 an ordinance enacted by the City Council on _____, 2017 (the "Ordinance").

[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> <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 Bonds to be redeemed shall be redeemed in such order as may be determined by the [Director of Finance] of the City in such officer's discretion. If at any time less than all of the Bonds of any maturity are called for redemption, the particular Bonds of such maturity or portions thereof to be redeemed shall be selected by The Depository Trust Company or any successor securities depository, or, if the book-entry-only system is discontinued, by the Bond Registrar and Paying Agent by lot in such manner as the Bond Registrar in its discretion may determine.

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 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, all Bonds or portions thereof 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 all of the Bonds 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.

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 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