

RESOLUTION NO. 2865

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALEXANDRIA, VIRGINIA

WHEREAS, the Industrial Development Authority of the City of Alexandria (the "Authority") has considered the application of The American Correctional Association, a New York corporation (the "Borrower") and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), requesting the issuance of the Authority's revenue bonds in an amount not to exceed \$7,300,000 (the "Bonds") at one time or from time to time in one or more series to assist the Borrower in (1) refunding all or a portion of the Authority's Refunding Revenue Bond (The American Correctional Association Project), Series 2011 (the "2011 Bond"), in the original principal amount of \$5,130,000, which refinanced prior obligations of the Borrower, which prior obligations were used to assist the Borrower in financing (a) costs of acquiring, renovating and equipping an office building located at 200-206 North Washington Street, 709 Cameron Street and 711 Cameron Street and the parking lots located at 298 Columbus Street N and 304 Columbus Street N, all in the City of Alexandria, Virginia (collectively, the "Facilities") and (b) certain other costs and expenses incurred by the Borrower in connection with the issuance of such prior obligations; (2) refinancing an existing taxable loan (the "Taxable Loan"), which financed or refinanced costs of acquiring, renovating and equipping the Facilities; and (3) financing, if and as needed, capitalized interest on the Bonds, a debt service reserve fund for the Bonds, costs of issuance related to the issuance of the Bonds, working capital, routine capital expenditures at the Facilities and other related costs (collectively (1) – (3), the "Project"), and has held a public hearing in connection therewith on January 15, 2019.

WHEREAS, Section 147(f) of the Code provides that the governmental unit having jurisdiction over the issuer of private activity bonds and over the area in which any facility financed with the proceeds of private activity bonds is located must approve the issuance of such bonds;

WHEREAS, the Authority issues its bonds on behalf of the City of Alexandria, Virginia (the "City"), the facilities of the Borrower described above are located in the City, and the City Council of the City (the "Council") constitutes the highest elected governmental unit of the City;

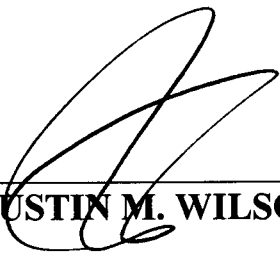
WHEREAS, the Authority has recommended that the Council approve the issuance of the Bonds; and

WHEREAS, a copy of the Authority's resolution approving the issuance of the Bonds, a certificate of the public hearing and a Fiscal Impact Statement for the Project have been filed with the Council.

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

1. The Council approves the issuance of the Bonds by the Authority for the benefit of the Borrower, as required by Section 147(f) of the Code and Section 15.2-4906 of the Code of Virginia of 1950, as amended (the "Virginia Code"), to permit the Authority to assist in financing or refinancing the Project.
2. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds of the creditworthiness of the Bonds or the Borrower.
3. The issuance of revenue bonds as requested by the Borrower will not constitute a debt or pledge of the faith and credit of the Commonwealth of Virginia or the City, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any political subdivision thereof will be pledged to the payment of such Bonds.
4. This resolution shall take effect immediately upon its adoption.

Adopted January 22, 2019.


JUSTIN M. WILSON MAYOR

ATTEST:

Gloria A. Sitton, CMC City Clerk

**RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF ALEXANDRIA
AUTHORIZING THE ISSUANCE OF UP TO \$7,300,000 REVENUE BONDS FOR THE
BENEFIT OF THE AMERICAN CORRECTIONAL ASSOCIATION**

WHEREAS, the Industrial Development Authority of the City of Alexandria, a political subdivision of the Commonwealth of Virginia (the "Authority"), is empowered by the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the "Act"), to issue its revenue bonds for the purpose of inducing non-profit enterprises to locate or remain in Virginia and to promote the commerce, safety, health, welfare, convenience or prosperity of citizens of Virginia;

WHEREAS, the Authority has received a request from The American Correctional Association, a New York corporation (the "Borrower") and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), requesting that the Authority issue its revenue bonds at one time or from time to time in one or more series to assist the Borrower in (1) refunding all or a portion of the Authority's Refunding Revenue Bond (The American Correctional Association Project), Series 2011 (the "2011 Bond"), in the original principal amount of \$5,130,000, which refinanced prior obligations of the Borrower, which prior obligations were used to assist the Borrower in financing (a) costs of acquiring, renovating and equipping an office building located at 200-206 North Washington Street, 709 Cameron Street and 711 Cameron Street and the parking lots located at 298 Columbus Street N and 304 Columbus Street N, all in the City of Alexandria, Virginia (collectively, the "Facilities") and (b) certain other costs and expenses incurred by the Borrower in connection with the issuance of such prior obligations; (2) refinancing an existing taxable loan (the "Taxable Loan"), which financed or refinanced costs of acquiring, renovating and equipping the Facilities; and (3) financing, if and as needed, capitalized interest on the Bonds, a debt service reserve fund for the Bonds, costs of issuance related to the issuance of the Bonds, working capital, routine capital expenditures at the Facilities and other related costs (collectively (1) – (3), the "Project").

WHEREAS, such assistance will induce the Borrower to remain in Virginia and benefit the inhabitants of the City of Alexandria and the Commonwealth of Virginia, either through the increase of their commerce or through the promotion of their safety, health, welfare, convenience or prosperity;

WHEREAS, the Project has been described to the Authority and a public hearing has been held as required by Section 147(f) of the Code and Section 15.2-4906 of the Act;

WHEREAS, the Borrower has represented that the estimated cost of the Project and all expenses of issue will require one or more issues of revenue bonds in the aggregate principal amount not to exceed \$7,300,000 (the "Bonds");

WHEREAS, the Bonds will be issued and sold to Sandy Spring Bank, or an affiliate thereof (the "Bond Purchaser") pursuant to a Loan and Financing Agreement (the "Agreement"), to be dated a date on or prior to the date of issuance of the Bonds, among the Bond Purchaser, the Authority and the Borrower;

WHEREAS, the Bonds will be limited obligations of the Authority, the principal of, premium, if any, and interest on which will be payable solely out of the receipts and revenues of the Authority from the Agreement, the issuance of the Bonds as requested by the Borrower will not constitute a debt or pledge of the faith and credit of the Commonwealth of Virginia or the City of Alexandria, Virginia, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any political subdivision thereof will be pledged to the payment of such Bonds;

WHEREAS, the foregoing arrangements will be reflected in the following documents (the "Basic Documents"), which the Authority proposes to execute to carry out the transactions described above, substantially final forms of which have been received by the Authority's counsel and filed with the Authority's records:

- (1) the Agreement;

(2) Forms of the Bonds, bearing interest and payable as provided therein and in the Agreement; and

(3) Forms of the Borrower's promissory notes (the "Notes"), including the form of the Authority's endorsement thereof;

WHEREAS, no member of the Board of Directors of the Authority is an officer or employee of the City of Alexandria, Virginia, each member has, before entering upon such member's duties during such member's present term of office, taken and subscribed to the oath prescribed by Section 49-1 of the Code of Virginia of 1950, as amended, and at the time of their appointments and at all times thereafter, including the date hereof, all of the members of the Board of Directors of the Authority have satisfied the residency requirements of the Act; and

WHEREAS, no member of the Board of Directors of the Authority has any personal or business interest in the Borrower, the Bonds, the Basic Documents or any of the transactions contemplated therein or has otherwise engaged in conduct prohibited under the State and Local Government Conflict of Interests Act, Chapter 31, Title 2.2 of the Code of Virginia of 1950, as amended, in connection with this Resolution, the Bonds, the Basic Documents or any other official action of the Authority in connection therewith.

NOW, THEREFORE, BE IT RESOLVED BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF ALEXANDRIA:

1. It is hereby found and determined that assisting the Borrower in financing or refinancing the Project will be in the public interest and will promote the commerce, safety, health, welfare, convenience or prosperity of the Commonwealth of Virginia, the City of Alexandria and their citizens.

2. To induce the Borrower to remain in the Commonwealth of Virginia, and particularly in the City of Alexandria, the Authority hereby authorizes and approves the issuance of the Bonds in an amount not to exceed \$7,300,000. The Bonds shall be substantially in the form attached as an exhibit to the Agreement.

3. The Bonds and the Basic Documents are approved in substantially the forms on file with the Secretary of the Authority, with such changes, insertions, or omissions (including, without limitation, changes of the dates thereof) as may be approved by the Chairman or the Vice Chairman of the Authority, whose approval will be evidenced conclusively by the execution and delivery of the Bonds. The formula for determining the interest rates on the Bonds and the other terms of the Bonds, all as set forth in the Agreement, are hereby approved. The Chairman and the Vice Chairman of the Authority, either of whom may act, are hereby each authorized and directed to approve the final terms upon which the Bond Purchaser shall purchase the Bonds; provided, however, that the principal amount of the Bonds shall not exceed \$7,300,000, the maximum rate of interest on the Bonds shall not exceed the maximum rate permitted by law, and the final maturity of the Bonds shall be no later than 20 years from the date of issuance of the Bonds.

4. The execution, delivery and performance by the Authority of the Basic Documents to which it is a party are authorized. The execution of the Bonds, their delivery against payment therefor and the amount of such payment to be disbursed in accordance with the terms of the Agreement are hereby authorized.

5. The Chairman and the Vice Chairman of the Authority, either of whom may act, are hereby each authorized to execute and deliver on behalf of the Authority the Bonds and the Basic Documents to which the Authority is a party, and the Secretary and any Assistant Secretary of the Authority, either of whom may act, are each hereby authorized to affix the seal of the Authority to the Bonds and, if required, the Basic Documents and to attest such seal. The signatures of the Chairman, the Vice Chairman, the Secretary and any Assistant Secretary and the seal of the Authority may be by facsimile. Each officer of the Authority is authorized to execute and deliver on behalf of the Authority such instruments, documents or certificates, and to do and perform such things and acts, as such officer deems necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Bonds, the Basic Documents or such other instruments, documents or certificates, and all of the foregoing previously done or performed by such officers of the Authority are in all respects hereby approved, ratified and confirmed.

6. The Authority determines that the issuance of the Bonds in accordance with the terms of the Basic Documents and all action of the Authority contemplated by them will be in furtherance of the purposes for which the Authority was organized.

7. At the request of the Borrower, the Authority approves McGuireWoods LLP, Tysons Corner, Virginia, as Bond Counsel in connection with the issuance of the Bonds.

8. Neither the directors of the Authority nor any person executing the Bonds shall be liable personally on the Bonds by reason of the issuance thereof.

9. All costs and expenses in connection with the undertaking of the Project, including the fees and expenses of Bond Counsel and Authority Counsel, shall be paid by the Borrower or, to the extent permitted by applicable law, from the proceeds of the Bonds. If for any reason such Bonds are not issued, it is understood that all such expenses shall be paid by the Borrower and that the Authority shall have no responsibility therefor.

10. The Bonds shall be limited obligations of the Authority payable solely from the revenues and monies pledged therefor, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia nor any political subdivision thereof, including the City of Alexandria, Virginia, will be pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto.

11. The Authority recommends that the City Council of the City of Alexandria, Virginia approve the issuance of the Bonds.

12. No Bonds may be issued pursuant to this resolution until such time as the issuance of the Bonds has been approved by the City Council of the City of Alexandria, Virginia, as required by Section 147(f) of the Code and Section 15.2-4906 of the Act.

13. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds of the creditworthiness of the Project or the Borrower.

13. This resolution shall take effect immediately upon its adoption.

ADOPTED: January 15, 2019

CERTIFICATE

The undersigned Secretary of the Industrial Development Authority of the City of Alexandria (the “Authority”) certifies that the foregoing is a true, correct and complete copy of a resolution adopted by a majority of the Directors of the Authority present and voting at a meeting duly called and held on January 15, 2019, in accordance with law, and that such resolution has not been repealed, revoked, rescinded or amended but is in full force and effect on this date.

WITNESS the following signature and seal of the Authority, this 15th day of January, 2019.

Secretary of the Industrial Development
Authority of the City of Alexandria

[SEAL]

CERTIFICATE

The undersigned Secretary of the Industrial Development Authority of the City of Alexandria (the "Authority") certifies as follows:

1. A meeting of the Authority was duly called and held on January 15, 2019, at 5:00 p.m. at the offices of The Alexandria Economic Development Partnership, Inc. at 625 N. Washington Street, Suite 400, Alexandria, Virginia, pursuant to proper notice given to each Director of the Authority before such meeting. The meeting was open to the public. The time of the meeting and the place at which the meeting was held provided a reasonable opportunity for persons of differing views to appear and be heard.

2. The Chairman announced the commencement of a public hearing on the application of The American Correctional Association, a New York corporation, and that a notice of the hearing was published once a week for two successive weeks in a newspaper having general circulation in the City of Alexandria, Virginia (the "Notice"), with the second publication appearing not less than seven days nor more than twenty-one days prior to the hearing date. A copy of the Notice has been filed with the minutes of the Authority and is attached as Exhibit A.

3. A summary of the statements made at the public hearing is attached as Exhibit B.

4. Attached as Exhibit C is a true, correct and complete copy of a resolution (the "Resolution") adopted at such meeting of the Authority by a majority of the Directors present at such meeting. The Resolution constitutes all formal action taken by the Authority at such meeting relating to matters referred to in the Resolution. The Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect on this date.

WITNESS my hand and the seal of the Authority, this 15th day of January, 2019.

Secretary, Industrial Development Authority of the
City of Alexandria

[SEAL]

Exhibits:

- A - Copy of Certified Notice
- B - Summary of Statements
- C - Resolution

EXHIBIT A

Copy of Certified Notice

(See Attached)

Ad # 12229971
Class 820 PO#

Name MCGUIREWOODS LLP ATTN: KATHERINE EMBREY
Authorized by

Size 144 Lines

T0003
Account 2010049094

PROOF OF PUBLICATION

District of Columbia, ss., Personally appeared before me, a Notary Public in and for the said District, Alba Cortes well known to me to be BILLING SUPERVISOR of The Washington Post, a daily newspaper published in the City of Washington, District of Columbia, and making oath in due form of law that an advertisement containing the language annexed hereto was published in said newspaper on the dates mentioned in the certificate herein.

I Hereby Certify that the attached advertisement was published in The Washington Post, a daily newspaper, upon the following date(s) at a cost of \$3,451.44 and was circulated in the Washington metropolitan area.

Published 2 time(s). Date(s): 01 and 08 of January 2019

Account 2010049094

Witness my hand and official seal this 9th day of January 2019

My commission expires 03/31/2019

NOTICE OF PUBLIC HEARING TO BE HELD BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF ALEXANDRIA FOR THE BENEFIT OF THE AMERICAN CORRECTIONAL ASSOCIATION Notice is hereby given that the Industrial Development Authority of the City of Alexandria (the "Authority"), whose address is c/

o The Alexandria Economic Development Partnership, Inc., 625 North Washington Street, Suite 400, Alexandria, Virginia 22314, will hold a public hearing on the plan of finance of The American Correctional Association, a New York corporation (the "Borrower"), which is an organization that is

not organized exclusively for religious purposes and is described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, whose address is 206 North Washington Street, Suite 200,

Alexandria, Virginia 22314, related to the issuance by the Authority of up to \$7,300,000 of revenue

bonds (the "Bonds") in one or more series from time to time. The Borrower operates as an accrediting body for the corrections industry and uses the Facilities (as hereinafter defined) for

such purpose. The Authority will loan the proceeds of the Bonds to the Borrower to: (1) refund all

or a portion of the Authority's Refunding Revenue Bond (The American Correctional Association Project), Series 2011 (the "2011 Bond"), in the original principal amount of \$5,130,000, which refinanced prior obligations of the Borrower, which prior obligations were used to assist the Borrower in financing (a) costs of acquiring, renovating and equipping an office building located at

200-206 North Washington Street, 709 Cameron Street and 711 Cameron Street and the parking lots located at 298 Columbus Street N and 304 Columbus Street N, all in the City of Alexandria, Virginia

(collectively, the "Facilities") and (b) certain other costs and expenses incurred by the Borrower

in connection with the issuance of such prior obligations; (2) refinance an existing taxable loan

(the "Taxable Loan"), which financed or refinanced costs of acquiring, renovating and equipping the

Facilities; and (3) to finance, if and as needed, capitalized interest on the Bonds, a debt service

reserve fund for the Bonds, costs of issuance related to the issuance of the Bonds, working capital, routine capital expenditures at the Facilities and other related costs (collectively (1) # (3), the "Plan of Finance"). The portion of the Facilities and related property financed or refinanced with proceeds of the 2011 Bond and the Taxable Loan are owned by the Borrower. The Bonds will not constitute a debt or pledge of the faith and credit of the Commonwealth of Virginia (the "Commonwealth") or any political subdivision thereof, including the Authority and the City of Alexandria. Neither the Commonwealth nor any political subdivision thereof, including the Authority and the City of Alexandria, shall be obligated to pay the Bonds, or the interest thereon, or the costs incident thereto, except from the revenues and monies received from the Borrower and pledged therefor, and neither the faith and credit nor the taxing power of the Commonwealth nor any political subdivision thereof, including the Authority and the City of Alexandria, will be pledged to the payment of the principal of or interest on such Bonds or other costs incident thereto. The public hearing, which may be continued or adjourned, will be held at 5:00 p.m. on January 15, 2019, before the Authority, at the offices of The Alexandria Economic Development Partnership, Inc., at 625 N. Washington Street, Suite 400, Alexandria, Virginia. Any person interested in the issuance of the Bonds or the location or nature of the Facilities or the Plan of Finance may appear at the hearing and present his or her views. Industrial Development Authority of the City of Alexandria

EXHIBIT B

Summary of Statements

Representatives of The American Correctional Association, a New York corporation, and McGuireWoods LLP, bond counsel, appeared before the Authority to explain the proposed project. No one appeared in opposition to the proposed bond issue.

EXHIBIT C

Resolution

(See Attachment 3)

**FISCAL IMPACT STATEMENT
FOR PROPOSED INDUSTRIAL DEVELOPMENT REVENUE BOND FINANCING**

Date: January 15, 2019

To the City Council of the City of Alexandria, Virginia

Applicant: The American Correctional Association

Facility: Headquarters facility located at 200-206 North Washington Street, 709 Cameron Street and 711 Cameron Street and the parking lots located at 298 Columbus Street N and 304 Columbus Street N, all in the City of Alexandria, Virginia

1.	Maximum amount of financing sought	\$7,300,000
2.	Estimated taxable value of the facility's real property to be constructed in the locality	N/A
3.	Estimated real property tax per year using present tax rates	\$81,520
4.	Estimated personal property tax per year using present tax rates	\$13,935
5.	Estimated merchants' capital tax per year using present tax rates	N/A
6.	(a) Estimated dollar value per year of goods that will be purchased from Virginia companies within the locality	\$400,000
	(b) Estimated dollar value per year of goods that will be purchased from non-Virginia companies within the locality	\$200,000
	(c) Estimated dollar value per year of services that will be purchased from Virginia companies within the locality	\$1,000,000
	(d) Estimated dollar value per year of services that will be purchased from non-Virginia companies within the locality	\$600,000
7.	Estimated number of regular employees on year round basis	45
8.	Average annual salary per employee	\$45,000

Chairman, Industrial Development Authority
of the City of Alexandria