

Chairman Phil Mendelson  
at the request of the Mayor

A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To authorize and provide for the issuance, sale, and delivery in an aggregate principal amount not to exceed \$16.5 million of District of Columbia revenue bonds in one or more series and to authorize and provide for the loan of the proceeds of such bonds to assist the President and Directors of Gonzaga College in the financing, refinancing, or reimbursing of costs associated with an authorized project pursuant to section 490 of the District of Columbia Home Rule Act.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, that this resolution may be cited as the “President and Directors of Gonzaga College Revenue Bonds Project Emergency Approval Resolution of 2014”.

Sec. 2. Definitions.

For the purpose of this resolution, the term:

(1) “Authorized Delegate” means the Mayor or the Deputy Mayor for Planning and Economic Development, or any officer or employee of the Executive Office of the Mayor to whom the Mayor has delegated or to whom the foregoing individuals have subdelegated any of the Mayor’s functions under this resolution pursuant to section 422(6) of the Home Rule Act.

(2) “Bond Counsel” means a firm or firms of attorneys designated as bond counsel from time to time by the Mayor.

1                   (3) “Bonds” means the District of Columbia revenue bonds, notes, or other  
2 obligations (including refunding bonds, notes, and other obligations), in one or more series,  
3 authorized to be issued pursuant to this resolution.

4                   (4) “Borrower” means the owner of the assets financed, refinanced, or reimbursed  
5 with proceeds from the Bonds, which shall be the President and Directors of Gonzaga College, a  
6 non-profit organization organized under the laws of the United States by Act of Congress and  
7 existing under the laws of the United States and the District of Columbia and exempt from federal  
8 income taxes under 26 U.S.C. § Section 501(a) as an organization described in 26 U.S.C. §  
9 501(c)(3).

10                  (5) “Chairman” means the Chairman of the Council of the District of Columbia.

11                  (6) “Closing Documents” means all documents and agreements other than  
12 Financing Documents that may be necessary and appropriate to issue, sell, and deliver the Bonds  
13 and to make the Loan contemplated thereby, and includes agreements, certificates, letters, opinions,  
14 forms, receipts, and other similar instruments.

15                  (7) “District” means the District of Columbia.

16                  (8) “Financing Documents” means the documents other than Closing Documents  
17 that relate to the financing or refinancing of transactions to be effected through the issuance, sale,  
18 and delivery of the Bonds and the making of the Loan, including any offering document, and any  
19 required supplements to any such documents.

20                  (9) “Home Rule Act” means the District of Columbia Home Rule Act, approved  
21 December 24, 1973 (87 Stat. 774; D.C. Official Code § 1-201.01 *et seq.*).

22                  (10) “Issuance Costs” means all fees, costs, charges, and expenses paid or incurred  
23 in connection with the authorization, preparation, printing, issuance, sale, and delivery of the Bonds

1 and the making of the Loan, including, but not limited to, underwriting, legal, accounting, rating  
2 agency, and all other fees, costs, charges, and expenses incurred in connection with the  
3 development and implementation of the Financing Documents, the Closing Documents, and those  
4 other documents necessary or appropriate in connection with the authorization, preparation,  
5 printing, issuance, sale, marketing, and delivery of the Bonds and the making of the Loan  
6 contemplated thereby, together with financing fees, costs, and expenses, including program fees and  
7 administrative fees charged by the District, fees paid to financial institutions and insurance  
8 companies, initial letter of credit fees (if any), compensation to financial advisors and other persons  
9 (other than full-time employees of the District) and entities performing services on behalf of or as  
10 agents for the District.

11 (11) “Loan” means the District’s lending of proceeds from the sale, in one or more  
12 series, of the Bonds to the Borrower.

13 (12) “Project” means the financing, refinancing or reimbursing of all or a portion of  
14 the Borrower’s costs to:

15 (A) Re-design and improve certain campus features, such as landscaping,  
16 lighting, seating and meeting areas, statuary and walkways along Eye Street, N.W., between North  
17 Capitol and First Streets, N.W., to enhance school life and address campus safety;

18 (B) Renovate and develop an athletic field and construct an underground  
19 parking facility of approximately 300 parking spaces on the Borrower’s campus located at 19 Eye  
20 Street, N.W., Washington, D.C. 20001 (Lots 0844 and 0845, Square 0622), together with other  
21 property, real and personal, functionally related and subordinate thereto;

22 (C) Fund certain working capital expenditures associated with the foregoing,  
23 to the extent financeable; and

1 (D) Pay Issuance Costs for the Bonds.

2 Sec. 3. Findings.

3 The Council finds that:

4 (1) Section 490 of the Home Rule Act provides that the Council may by resolution  
5 authorize the issuance of District revenue bonds, notes, or other obligations (including refunding  
6 bonds, notes, or other obligations) to borrow money to finance, refinance, or reimburse costs, and to  
7 assist in the financing, refinancing, or reimbursing of the costs of undertakings in certain areas  
8 designated in section 490 and may affect the financing, refinancing, or reimbursement by loans  
9 made directly or indirectly to any individual or legal entity, by the purchase of any mortgage, note,  
10 or other security, or by the purchase, lease, or sale of any property.

11 (2) The Borrower has requested the District to issue, sell, and deliver revenue  
12 bonds, in one or more series, in an aggregate principal amount not to exceed \$16.5 million and to  
13 make the Loan for the purpose of financing, refinancing, or reimbursing costs of the Project.

14 (3) The Project is located in the District and will contribute to the health,  
15 education, safety, or welfare of, or the creation or preservation of jobs for, residents of the District,  
16 or to the economic development of the District.

17 (4) The Project is an undertaking in the area of elementary, secondary and college  
18 and university facilities and contributes to the health, education and welfare of residents of the  
19 District within the meaning of section 490 of the Home Rule Act.

20 (5) The authorization, issuance, sale, and delivery of the Bonds and the Loan to  
21 the Borrower are desirable, are in the public interest, will promote the purpose and intent of  
22 section 490 of the Home Rule Act, and will assist the Project.

23 Sec. 4. Bond authorization.

1 (a) The Mayor is authorized pursuant to the Home Rule Act and this resolution to assist in  
2 financing, refinancing, or reimbursing the costs of the Project by:

3 (1) The issuance, sale, and delivery of the Bonds, in one or more series, in an  
4 aggregate principal amount not to exceed \$16.5 million; and

5 (2) The making of the Loan.

6 (b) The Mayor is authorized to make the Loan to the Borrower for the purpose of financing,  
7 refinancing, or reimbursing the costs of the Project and establishing any fund with respect to the  
8 Bonds as required by the Financing Documents.

9 (c) The Mayor may charge a program fee to the Borrower, including, but not limited to, an  
10 amount sufficient to cover costs and expenses incurred by the District in connection with the  
11 issuance, sale, and delivery of each series of the Bonds, the District's participation in the  
12 monitoring of the use of the Bond proceeds and compliance with any public benefit agreements  
13 with the District, and maintaining official records of each bond transaction and assisting in the  
14 redemption, repurchase, and remarketing of the Bonds.

15 Sec. 5. Bond details.

16 (a) The Mayor is authorized to take any action reasonably necessary or appropriate in  
17 accordance with this resolution in connection with the preparation, execution, issuance, sale,  
18 delivery, security for, and payment of the Bonds of each series, including, but not limited to,  
19 determinations of:

20 (1) The final form, content, designation, and terms of the Bonds, including a  
21 determination that the Bonds may be issued in certificated or book-entry form;

22 (2) The principal amount of the Bonds to be issued and denominations of the  
23 Bonds;

1                   (3) The rate or rates of interest or the method for determining the rate or rates of  
2 interest on the Bonds;

3                   (4) The date or dates of issuance, sale, and delivery of, and the payment of interest  
4 on the Bonds, and the maturity date or dates of the Bonds;

5                   (5) The terms under which the Bonds may be paid, optionally or mandatorily  
6 redeemed, accelerated, tendered, called, or put for redemption, repurchase, or remarketing before  
7 their respective stated maturities;

8                   (6) Provisions for the registration, transfer, and exchange of the Bonds and the  
9 replacement of mutilated, lost, stolen, or destroyed Bonds;

10                  (7) The creation of any reserve fund, sinking fund, or other fund with respect to the  
11 Bonds;

12                  (8) The time and place of payment of the Bonds;

13                  (9) Procedures for monitoring the use of the proceeds received from the sale of the  
14 Bonds to ensure that the proceeds are properly applied to the Project and used to accomplish the  
15 purposes of the Home Rule Act and this resolution;

16                  (10) Actions necessary to qualify the Bonds under blue sky laws of any jurisdiction  
17 where the Bonds are marketed; and

18                  (11) The terms and types of credit enhancement under which the Bonds may be  
19 secured.

20                  (b) The Bonds shall contain a legend, which shall provide that the Bonds are special  
21 obligations of the District, are without recourse to the District, are not a pledge of, and do not  
22 involve the faith and credit or the taxing power of the District, do not constitute a debt of the

1 District, and do not constitute lending of the public credit for private undertakings as prohibited in  
2 section 602(a)(2) of the Home Rule Act.

3 (c) The Bonds shall be executed in the name of the District and on its behalf by the manual  
4 or facsimile signature of the Mayor, and attested by the Secretary of the District of Columbia by the  
5 Secretary of the District of Columbia's manual or facsimile signature. The Mayor's execution and  
6 delivery of the Bonds shall constitute conclusive evidence of the Mayor's approval, on behalf of the  
7 District, of the final form and content of the Bonds.

8 (d) The official seal of the District, or a facsimile of it, shall be impressed, printed, or  
9 otherwise reproduced on the Bonds.

10 (e) The Bonds of any series may be issued in accordance with the terms of a trust instrument  
11 to be entered into by the District and a trustee to be selected by the Borrower subject to the approval  
12 of the Mayor, and may be subject to the terms of one or more agreements entered into by the Mayor  
13 pursuant to section 490(a)(4) of the Home Rule Act.

14 (f) The Bonds may be issued at any time or from time to time in one or more issues and in  
15 one or more series.

16 **Sec. 6. Sale of the Bonds.**

17 (a) The Bonds of any series may be sold at negotiated or competitive sale at, above, or  
18 below par, to one or more persons or entities, and upon terms that the Mayor considers to be in the  
19 best interest of the District.

20 (b) The Mayor or an Authorized Delegate may execute, in connection with each sale of the  
21 Bonds, offering documents on behalf of the District, may deem final any such offering document on  
22 behalf of the District for purposes of compliance with federal laws and regulations governing such

1 matters and may authorize the distribution of the documents in connection with the sale of the  
2 Bonds.

3 (c) The Mayor is authorized to deliver the executed and sealed Bonds, on behalf of the  
4 District, for authentication, and, after the Bonds have been authenticated, to deliver the Bonds to the  
5 original purchasers of the Bonds upon payment of the purchase price.

6 (d) The Bonds shall not be issued until the Mayor receives an approving opinion from Bond  
7 Counsel as to the validity of the Bonds of such series and, if the interest on the Bonds is expected to  
8 be exempt from federal income taxation, the treatment of the interest on the Bonds for purposes of  
9 federal income taxation.

10 Sec. 7. Payment and security.

11 (a) The principal of, premium, if any, and interest on, the Bonds shall be payable solely  
12 from proceeds received from the sale of the Bonds, income realized from the temporary investment  
13 of those proceeds, receipts and revenues realized by the District from the Loan, income realized  
14 from the temporary investment of those receipts and revenues prior to payment to the Bond owners,  
15 other moneys that, as provided in the Financing Documents, may be made available to the District  
16 for the payment of the Bonds, and other sources of payment (other than from the District), all as  
17 provided for in the Financing Documents.

18 (b) Payment of the Bonds shall be secured as provided in the Financing Documents and by  
19 an assignment by the District for the benefit of the Bond owners of certain of its rights under the  
20 Financing Documents and Closing Documents, including a security interest in certain collateral, if  
21 any, to the trustee for the Bonds pursuant to the Financing Documents.

22 (c) The trustee is authorized to deposit, invest, and disburse the proceeds received from the  
23 sale of the Bonds pursuant to the Financing Documents.

1           Sec. 8. Financing and Closing Documents.

2           (a) The Mayor is authorized to prescribe the final form and content of all Financing  
3 Documents and all Closing Documents to which the District is a party that may be necessary or  
4 appropriate to issue, sell, and deliver the Bonds and to make the Loan to the Borrower. Each of the  
5 Financing Documents and each of the Closing Documents to which the District is not a party shall  
6 be approved, as to form and content, by the Mayor.

7           (b) The Mayor is authorized to execute, in the name of the District and on its behalf, the  
8 Financing Documents and any Closing Documents to which the District is a party by the Mayor's  
9 manual or facsimile signature.

10          (c) If required, the official seal of the District, or a facsimile of it, shall be impressed,  
11 printed, or otherwise reproduced on the Financing Documents and the Closing Documents to which  
12 the District is a party.

13          (d) The Mayor's execution and delivery of the Financing Documents and the Closing  
14 Documents to which the District is a party shall constitute conclusive evidence of the Mayor's  
15 approval, on behalf of the District, of the final form and content of said executed Financing  
16 Documents and said executed Closing Documents.

17          (e) The Mayor is authorized to deliver the executed and sealed Financing Documents and  
18 Closing Documents, on behalf of the District, prior to or simultaneously with the issuance, sale, and  
19 delivery of the Bonds, and to ensure the due performance of the obligations of the District  
20 contained in the executed, sealed, and delivered Financing Documents and Closing Documents.

21          Sec. 9. Authorized delegation of authority.

1 To the extent permitted by District and federal laws, the Mayor may delegate to any  
2 Authorized Delegate the performance of any function authorized to be performed by the Mayor  
3 under this resolution.

4 Sec. 10. Limited liability.

5 (a) The Bonds shall be special obligations of the District. The Bonds shall be without  
6 recourse to the District. The Bonds shall not be general obligations of the District, shall not be a  
7 pledge of or involve the faith and credit or the taxing power of the District, shall not constitute a  
8 debt of the District, and shall not constitute lending of the public credit for private undertakings as  
9 prohibited in section 602(a)(2) of the Home Rule Act.

10 (b) The Bonds shall not give rise to any pecuniary liability of the District and the District  
11 shall have no obligation with respect to the purchase of the Bonds.

12 (c) Nothing contained in the Bonds, in the Financing Documents, or in the Closing  
13 Documents shall create an obligation on the part of the District to make payments with respect to  
14 the Bonds from sources other than those listed for that purpose in section 7.

15 (d) The District shall have no liability for the payment of any Issuance Costs or for any  
16 transaction or event to be effected by the Financing Documents.

17 (e) All covenants, obligations, and agreements of the District contained in this resolution,  
18 the Bonds, and the executed, sealed, and delivered Financing Documents and Closing Documents  
19 to which the District is a party, shall be considered to be the covenants, obligations, and agreements  
20 of the District to the fullest extent authorized by law, and each of those covenants, obligations, and  
21 agreements shall be binding upon the District, subject to the limitations set forth in this resolution.

22 (f) No person, including, but not limited to, the Borrower and any Bond owner, shall have  
23 any claims against the District or any of its elected or appointed officials, officers, employees, or

1 agents for monetary damages suffered as a result of the failure of the District or any of its elected or  
2 appointed officials, officers, employees, or agents to perform any covenant, undertaking, or  
3 obligation under this resolution, the Bonds, the Financing Documents, or the Closing Documents,  
4 nor as a result of the incorrectness of any representation in or omission from the Financing  
5 Documents or the Closing Documents, unless the District or its elected or appointed officials,  
6 officers, employees, or agents have acted in a willful and fraudulent manner.

7           Sec. 11. District officials.

8           (a) Except as otherwise provided in section 10(f), the elected or appointed officials, officers,  
9 employees, or agents of the District shall not be liable personally for the payment of the Bonds or  
10 be subject to any personal liability by reason of the issuance, sale or delivery of the Bonds, or for  
11 any representations, warranties, covenants, obligations, or agreements of the District contained in  
12 this resolution, the Bonds, the Financing Documents, or the Closing Documents.

13           (b) The signature, countersignature, facsimile signature, or facsimile countersignature of  
14 any official appearing on the Bonds, the Financing Documents, or the Closing Documents shall  
15 be valid and sufficient for all purposes notwithstanding the fact that the individual signatory  
16 ceases to hold that office before delivery of the Bonds, the Financing Documents, or the Closing  
17 Documents.

18           Sec.12. Maintenance of documents.

19           Copies of the specimen Bonds and of the final Financing Documents and Closing  
20 Documents shall be filed in the Office of the Secretary of the District of Columbia.

21           Sec.13. Information reporting.

1           Within 3 days after the Mayor’s receipt of the transcript of proceedings relating to the  
2 issuance of the Bonds, the Mayor shall transmit a copy of the transcript to the Secretary to the  
3 Council.

4           Sec. 14. Disclaimer.

5           (a) The issuance of Bonds is in the discretion of the District. Nothing contained in this  
6 resolution, the Bonds, the Financing Documents, or the Closing Documents shall be construed as  
7 obligating the District to issue any Bonds for the benefit of the Borrower or to participate in or  
8 assist the Borrower in any way with financing, refinancing, or reimbursing the costs of the Project.  
9 The Borrower shall have no claims for damages or for any other legal or equitable relief against the  
10 District, its elected or appointed officials, officers, employees, or agents as a consequence of any  
11 failure to issue any Bonds for the benefit of the Borrower.

12           (b) The District reserves the right to issue the Bonds in the order or priority it determines in  
13 its sole and absolute discretion. The District gives no assurance and makes no representations that  
14 any portion of any limited amount of bonds or other obligations, the interest on which is excludable  
15 from gross income for federal income tax purposes, will be reserved or will be available at the time  
16 of the proposed issuance of the Bonds.

17           (c) The District, by adopting this resolution or by taking any other action in connection with  
18 financing, refinancing, or reimbursing costs of the Project, does not provide any assurance that the  
19 Project is viable or sound, that the Borrower is financially sound, or that amounts owing on the  
20 Bonds or pursuant to the Loan will be paid. Neither the Borrower, any purchaser of the Bonds, nor  
21 any other person shall rely upon the District with respect to these matters.

1           Sec. 15. Expiration.

2           If any Bonds are not issued, sold, and delivered to the original purchaser within 3 years of  
3 the date of this resolution, the authorization provided in this resolution with respect to the issuance,  
4 sale, and delivery of the Bonds shall expire.

5           Sec. 16. Severability.

6           If any particular provision of this resolution or the application thereof to any person or  
7 circumstance is held invalid, the remainder of this resolution and the application of such provision  
8 to other persons or circumstances shall not be affected thereby. If any action or inaction  
9 contemplated under this resolution is determined to be contrary to the requirements of applicable  
10 law, such action or inaction shall not be necessary for the purpose of issuing of the Bonds, and the  
11 validity of the Bonds shall not be adversely affected.

12           Sec. 17. Compliance with public approval requirement.

13           This approval shall constitute the approval of the Council as required in section 147 (f) of  
14 the Internal Revenue Code of 1986, as amended, and section 490(k) of the Home Rule Act, for the  
15 Project to be financed, refinanced, or reimbursed with the proceeds of the Bonds. This resolution  
16 approving the issuance of the Bonds for the Project has been adopted by the Council after a public  
17 hearing held at least 14 days after publication of notice in a newspaper of general circulation in the  
18 District.

19           Sec. 18. Transmittal.

20           The Secretary to the Council shall transmit a copy of this resolution, upon its adoption, to  
21 the Mayor.

1           Sect. 19. Fiscal impact statement.

2           The Council adopts the fiscal impact statement of the Budget Director of the Office of the  
3 Chief Financial Officer as the fiscal impact statement required by section 602(c)(3) of the Home  
4 Rule Act.

5           Sec. 20. Effective date.

6           This resolution shall take effect immediately