

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 \$50,000,000 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 Two Rivers Public Charter School Inc. 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 "Two Rivers Public Charter School Inc. Revenue Bonds Project Emergency Approval Resolution of 2020".

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, operator, manager and user of the assets
5 financed, refinanced, or reimbursed with proceeds from the Bonds, which shall be Two Rivers
6 Public Charter School Inc., a corporation organized under the laws of the District of Columbia, and
7 exempt from federal income taxes under 26 U.S.C § 501(a) as an organization described in 26
8 U.S.C. § 501(c)(3).

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

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

14 (7) "District" means the District of Columbia.

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

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

21 (10) “Issuance Costs” means all fees, costs, charges, and expenses paid or incurred
22 in connection with the authorization, preparation, printing, issuance, sale, and delivery of the Bonds
23 and the making of the Loan, including, but not limited to, underwriting, legal, accounting, rating

1 agency, and all other fees, costs, charges, and expenses incurred in connection with the development
2 and implementation of the Financing Documents, the Closing Documents, and those other
3 documents necessary or appropriate in connection with the authorization, preparation, printing,
4 issuance, sale, marketing, and delivery of the Bonds and the making of the Loan contemplated
5 thereby, together with financing fees, costs, and expenses, including program fees and
6 administrative fees charged by the District, fees paid to financial institutions and insurance
7 companies, initial letter of credit fees (if any), compensation to financial advisors and other persons
8 (other than full-time employees of the District) and entities performing services on behalf of or as
9 agents for the District.

10 (11) "Loan" means the District's lending of proceeds from the sale, in one or more
11 series, of the Bonds to the Borrower.

12 (12) "Project" means the financing, refinancing or reimbursing of all or a portion of
13 the Borrower's costs of:

14 (A) The developing, constructing, renovating and equipping of an
15 educational facility located at 820 26th Street NE, Washington, D.C. 20019 (the "26th Street
16 Facility"), and relocating the Borrower's middle school to the 26th Street Facility which will be
17 operated by the Borrower;

18 (B) Expanding the Borrower's elementary school located at 1227 4th
19 Street, NE into the former site of the middle school at 1234 4th Street NE, Washington, D.C.
20 (together, the "4th Street Facility"), which will continue to be operated by the Borrower;

21 (C) The current refunding of the Borrower's Series 2013 District of
22 Columbia Revenue Bonds which originally financed improvements to the 4th Street Facility;

23 (D) Refinancing the outstanding amount of existing taxable loans and related

1 expenses the proceeds of which were used to finance improvements to the 26th Street Facility and
2 the 4th Street Facility;

3 (C) Funding a debt service reserve fund with respect to the Bonds, if
4 deemed necessary in connection with the sale of the Bonds;

5 (D) Paying swap termination costs, credit costs and working capital, if
6 deemed necessary in connection with the sale of the Bonds; and

7 (E) Paying allowable Issuance Costs.

8 Sec. 3. Findings.

9 The Council finds that:

10 (1) Section 490 of the Home Rule Act provides that the Council may by resolution
11 authorize the issuance of District revenue bonds, notes, or other obligations (including refunding
12 bonds, notes, or other obligations) to borrow money to finance, refinance, or reimburse and to assist
13 in the financing, refinancing, or reimbursing of undertakings in certain areas designated in section
14 490 and may effect the financing, refinancing, or reimbursement by loans made directly or
15 indirectly to any individual or legal entity, by the purchase of any mortgage, note, or other security,
16 or by the purchase, lease, or sale of any property.

17 (2) The Borrower has requested the District to issue, sell, and deliver revenue
18 bonds, in one or more series, in an aggregate principal amount not to exceed \$50,000,000, and to
19 make the Loan for the purpose of financing, refinancing, or reimbursing costs of the Project.

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

1 (4) The Project is an undertaking in the area of elementary, secondary and college
2 and university facilities within the meaning of section 490 of the Home Rule Act.

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

6 Sec. 4. Bond authorization.

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

9 (1) The issuance, sale, and delivery of the Bonds, in one or more series, in an
10 aggregate principal amount not to exceed \$50,000,000; and

11 (2) The making of the Loan.

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

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

21 Sec. 5. Bond details.

22 (a) The Mayor is authorized to take any action reasonably necessary or appropriate in
23 accordance with this resolution in connection with the preparation, execution, issuance, sale,

1 delivery, security for, and payment of the Bonds of each series, including, but not limited to,
2 determinations of:

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

5 (2) The principal amount of the Bonds to be issued and denominations of the
6 Bonds;

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

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

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

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

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

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

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

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

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

3 (b) The Bonds shall contain a legend, which shall provide that the Bonds are special
4 obligations of the District, are without recourse to the District, are not a pledge of, and do not
5 involve the faith and credit or the taxing power of the District, do not constitute a debt of the
6 District, and do not constitute lending of the public credit for private undertakings as prohibited in
7 section 602(a)(2) of the Home Rule Act.

8 (c) The Bonds shall be executed in the name of the District and on its behalf by the manual
9 or facsimile signature of the Mayor, and attested by the Secretary of the District of Columbia by the
10 Secretary of the District of Columbia's manual or facsimile signature. The Mayor's execution and
11 delivery of the Bonds shall constitute conclusive evidence of the Mayor's approval, on behalf of the
12 District, of the final form and content of the Bonds.

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

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

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

21 Sec. 6. Sale of the Bonds.

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

4 (b) The Mayor or an Authorized Delegate may execute, in connection with each sale of the
5 Bonds, offering documents on behalf of the District, may deem final any such offering document on
6 behalf of the District for purposes of compliance with federal laws and regulations governing such
7 matters and may authorize the distribution of the documents in connection with the sale of the
8 Bonds.

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

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

16 Sec. 7. Payment and security.

17 (a) The principal of, premium, if any, and interest on, the Bonds shall be payable solely from
18 proceeds received from the sale of the Bonds, income realized from the temporary investment of
19 those proceeds, receipts and revenues realized by the District from the Loan, income realized from
20 the temporary investment of those receipts and revenues prior to payment to the Bond owners, other
21 moneys that, as provided in the Financing Documents, may be made available to the District for the

1 payment of the Bonds, and other sources of payment (other than from the District), all as provided
2 for in the Financing Documents.

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

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

9 Sec. 8. Financing and Closing Documents.

10 (a) The Mayor is authorized to prescribe the final form and content of all Financing
11 Documents and all Closing Documents that may be necessary or appropriate to issue, sell, and
12 deliver the Bonds and to make the Loan to the Borrower.

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

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

19 (d) The Mayor's execution and delivery of the Financing Documents and the Closing
20 Documents to which the District is a party shall constitute conclusive evidence of the Mayor's
21 approval, on behalf of the District, of the final form and content of the executed Financing
22 Documents and the executed Closing Documents.

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

5 Sec. 9. Authorized delegation of authority.

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

9 Sec. 10. Limited liability.

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

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

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

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

22 (e) All covenants, obligations, and agreements of the District contained in this resolution,
23 the Bonds, and the executed, sealed, and delivered Financing Documents and Closing Documents to

1 which the District is a party, shall be considered to be the covenants, obligations, and agreements of
2 the District to the fullest extent authorized by law, and each of those covenants, obligations, and
3 agreements shall be binding upon the District, subject to the limitations set forth in this resolution.

4 (f) No person, including, but not limited to, the Borrower and any Bond owner, shall have
5 any claims against the District or any of its elected or appointed officials, officers, employees, or
6 agents for monetary damages suffered as a result of the failure of the District or any of its elected or
7 appointed officials, officers, employees or agents to perform any covenant, undertaking, or
8 obligation under this resolution, the Bonds, the Financing Documents, or the Closing Documents,
9 nor as a result of the incorrectness of any representation in or omission from the Financing
10 Documents or the Closing Documents, unless the District or its elected or appointed officials,
11 officers, employees, or agents have acted in a willful and fraudulent manner.

12 Sec. 11. District officials.

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

18 (b) The signature, countersignature, facsimile signature, or facsimile countersignature of
19 any official appearing on the Bonds, the Financing Documents, or the Closing Documents shall
20 be valid and sufficient for all purposes notwithstanding the fact that the individual signatory
21 ceases to hold that office before delivery of the Bonds, the Financing Documents, or the Closing
22 Documents.

23 Sec.12. Maintenance of documents.

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

3 Sec.13. Information reporting.

4 Within three (3) days after the Mayor's receipt of the transcript of proceedings relating to
5 the issuance of the Bonds, the Mayor shall transmit a copy of the transcript to the Secretary to the
6 Council.

7 Sec. 14. Disclaimer.

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

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

20 (c) The District, by adopting this resolution or by taking any other action in connection with
21 financing, refinancing, or reimbursing costs of the Project, does not provide any assurance that the
22 Project is viable or sound, that the Borrower is financially sound, or that amounts owing on the

1 Bonds or pursuant to the Loan will be paid. Neither the Borrower, any purchaser of the Bonds, nor
2 any other person shall rely upon the District with respect to these matters.

3 Sec. 15. Expiration.

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

7 Sec. 16. Severability.

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

14 Sec. 17. Compliance with public approval requirement.

15 This approval shall constitute the approval of the Council as required in section 147(f) of the
16 Internal Revenue Code of 1986, as amended, and section 490(k) of the Home Rule Act, for the
17 Project to be financed, refinanced, or reimbursed with the proceeds of the Bonds. This resolution
18 approving the issuance of the Bonds for the Project has been adopted by the Council after a public
19 hearing held at least seven (7) days after publication of notice in a newspaper of general circulation
20 in the District.

21 Sec. 18. Transmittal.

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

1 Sec. 19. Fiscal impact statement.

2 The Council adopts the fiscal impact statement in the committee report as the fiscal impact
3 statement required by section 602(c)(3) of the Home Rule Act.

4 Sec. 20. Effective date.

5 This resolution shall take effect immediately.