

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 \$32,000,000 of District of Columbia revenue bonds in one or more series pursuant to a plan of finance and to authorize and provide for the loan of the proceeds of such bonds to assist Launchpad Development Two DC, LLC 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 “Launchpad Development Two DC, LLC 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 Launchpad  
6 Development Two DC, LLC, a single member limited liability company and a disregarded entity of  
7 Launchpad Development Company, an organization exempt from federal income taxes under 26  
8 U.S.C § 501(a) as an organization described in 26 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) Financing the acquisition, improvement, equipping, furnishing and  
15 development of an educational facility located at 4250 Massachusetts Avenue SE, Washington,  
16 D.C., and certain parking facilities and other property, real and personal, related thereto  
17 (together, the "Facility"), which will be owned and/or operated by the Borrower;

18 (B) Funding a debt service reserve fund with respect to the Bonds, if  
19 deemed necessary in connection with the sale of the Bonds;

20 (C) Paying for capitalized interest; and

21 (D) Paying for Issuance Costs and other related costs to the extent  
22 permissible.

23 Sec. 3. Findings.

1           The Council finds that:

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

9                   (2) The Borrower has requested the District to issue, sell, and deliver revenue  
10 bonds, in one or more series, in an aggregate principal amount not to exceed \$32,000,000, and to  
11 make the Loan for the purpose of financing, refinancing, or reimbursing costs of the Project.

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

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

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

20           Sec. 4. Bond authorization.

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

1 (1) The issuance, sale, and delivery of the Bonds, in one or more series, in an  
2 aggregate principal amount not to exceed \$32,000,000; and

3 (2) The making of the Loan.

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

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

13 Sec. 5. Bond details.

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

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

20 (2) The principal amount of the Bonds to be issued and denominations of the  
21 Bonds;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

14 Sec. 6. Sale of the Bonds.

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

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

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

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

8 Sec. 7. Payment and security.

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

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

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

22 Sec. 8. Financing and Closing Documents.



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

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

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

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

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

18 Sec. 9. Authorized delegation of authority.

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

1           Sec. 10. Limited liability.

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

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

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

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

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

19           (f) No person, including, but not limited to, the Borrower and any Bond owner, shall have  
20 any claims against the District or any of its elected or appointed officials, officers, employees, or  
21 agents for monetary damages suffered as a result of the failure of the District or any of its elected or  
22 appointed officials, officers, employees or agents to perform any covenant, undertaking, or  
23 obligation under this resolution, the Bonds, the Financing Documents, or the Closing Documents,

1 nor as a result of the incorrectness of any representation in or omission from the Financing  
2 Documents or the Closing Documents, unless the District or its elected or appointed officials,  
3 officers, employees, or agents have acted in a willful and fraudulent manner.

4 Sec. 11. District officials.

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

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

15 Sec.12. Maintenance of documents.

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

18 Sec.13. Information reporting.

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

22 Sec. 14. Disclaimer.

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

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

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

18 Sec. 15. Expiration.

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

1           Sec. 16. Severability.

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

8           Sec. 17. Compliance with public approval requirement.

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

15          Sec. 18. Transmittal.

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

18          Sec. 19. Fiscal impact statement.

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

21          Sec. 20. Effective date.

22          This resolution shall take effect immediately.