

ORDINANCE NO. 021-28

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA (1) AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE, A LEASE-PURCHASE AGREEMENT, A TRUST AGREEMENT, A CONTINUING DISCLOSURE UNDERTAKING AND A CERTIFICATE PURCHASE AGREEMENT; (2) APPROVING THE SALE, EXECUTION AND DELIVERY OF CERTIFICATES OF PARTICIPATION IN A LEASE-PURCHASE AGREEMENT TO PROVIDE THE NECESSARY FINANCING THEREFOR IN ONE OR MORE SERIES; (3) DELEGATING TO AN AUTHORIZED OFFICER OF THE CITY THE LIMITED AUTHORITY TO DESIGNATE BY SERIES THE FINAL PRINCIPAL AMOUNT, MATURITIES, INTEREST RATES AND OTHER MATTERS WITH RESPECT TO SUCH CERTIFICATES; AND (4) AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS ORDINANCE, INCLUDING THE EXECUTION OF CERTAIN DOCUMENTS AND THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT.

WHEREAS, the Mayor and Council of the City of Glendale, Arizona (the “City”), have determined that it will be beneficial to its citizens to fund all or a portion of the City’s unfunded liabilities with respect to the Arizona Public Safety Personnel Retirement System and one or more contingency reserve funds with respect to pension and related liabilities (the “Project”); and

WHEREAS, the Mayor and Council of the City, upon due investigation and consideration, have found and determined that in order to finance the costs of the Project it is desirable and necessary to lease-purchase certain property owned by the City, to be determined as provided herein (the “Property”); and

WHEREAS, in connection with the financing of the Project, it is necessary that the City enter into a ground lease (the “Ground Lease”) with respect to the Property with a lessee that will lease the Property, together with all improvements now or hereafter constructed thereon, to the City pursuant to a separate lease-purchase agreement (the “Lease-Purchase Agreement”), which, among other things, provides for the financing of the Project; and

WHEREAS, the Mayor and Council of the City are authorized, pursuant to the Charter of the City (the “Charter”), to lease any land, buildings or equipment now or hereafter owned by the City on such terms and conditions as the Council of the City may prescribe; and

WHEREAS, the Mayor and Council of the City have determined that it is in the best fiscal interest of the City that financing for the Project be undertaken through the sale and

delivery to the hereinafter defined Underwriter of a series of certificates of participation (the "Certificates"), evidencing and representing proportionate interests of the owners thereof in the Lease-Purchase Agreement, specifically the lease payments to be made by the City pursuant thereto, and that the Mayor and Council of the City also approve and execute all required legal documents in connection therewith; and

WHEREAS, (A) the Certificates will be executed, delivered and paid pursuant to the terms and provisions of a trust agreement (the "Trust Agreement") to be executed and delivered by the City; (B) the Certificates will be offered for sale pursuant to a preliminary official statement (the "Preliminary Official Statement") which, with conforming changes, will become the final official statement (the "Final Official Statement") therefor and sold pursuant to a certificate purchase agreement (the "Purchase Agreement") between the City and the Underwriter (as defined herein); and (C) in connection with the execution and delivery of the Certificates, Securities and Exchange Commission Rule 15c2-12 will require the City to make certain agreements for the benefit of the beneficial owners from time to time of the Certificates, as evidenced by a continuing disclosure undertaking of the City (the "Continuing Disclosure Undertaking"); and

WHEREAS, the City has the general power and authority to enter into and deliver the Ground Lease, the Lease-Purchase Agreement, the Trust Agreement, the Purchase Agreement and the Continuing Disclosure Undertaking (collectively, the "City Documents") and to cause the sale and the execution and delivery of the Certificates, in order to finance the costs of the Project; and

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF GLENDALE AS FOLLOWS:

SECTION 1. In addition to words and terms elsewhere defined in this Ordinance, the capitalized words and terms used herein shall have the meaning given in Article 1 of the Trust Agreement.

SECTION 2. The City Manager, Assistant City Manager or Budget and Finance Director, whether actual, acting or interim (each an "Authorized Officer") is hereby authorized and directed to execute the City Documents on behalf of the City in substantially the form on file with the City Clerk with such modifications, insertions and changes as may be approved by the executing officials, which approval shall be conclusively evidenced by their execution of the City Documents. If more than one series of obligations are issued, City Documents shall include additional agreements necessary to provide for such series.

SECTION 3. From and after the execution and delivery of the City Documents in definitive form by the City and the other parties thereto, as required, the officers, agents and employees of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such agreements, documents, instruments and certificates as may be necessary to carry out and comply with the provisions thereof.

SECTION 4.

(A) An Authorized Officer is hereby authorized and directed to determine on behalf of the City: (1) the property which will comprise the Property for purposes hereof, to be selected from the property listed in the Exhibit to the form of the Ground Lease; (2) the entity to serve as “Trustee”, “Lessor” and “Lessee”, as applicable, for all purposes of the City Documents; (3) the dated date and total principal amount of the Lease-Purchase Agreement (but not to exceed \$260,000,000 in principal amount); (4) the final principal and maturity date schedules of the Lease-Purchase Agreement; (5) the interest rate on each maturity of the principal components of the Lease-Purchase Agreement (but not to exceed 5% for any maturity) and the dates for payment of such interest; (6) the provisions for redemption in advance of maturity of the payment of the principal components of the Lease-Purchase Agreement; and (7) the sales price and terms of the Certificates (including for original issue discount, original issue premium and underwriter’s compensation).

(B) An Authorized Officer is further hereby authorized and directed to determine on behalf of the City whether the purchase of an insurance policy securing payment of the Certificates or a surety bond or other reserve fund guaranty would be advantageous to the City or the terms of the financing represented by the Certificates. Any officer, agent or employee of the City is hereby authorized to negotiate with and secure, with proceeds of the Certificates or otherwise, such an insurance policy or a reserve fund guaranty, or both, from one or more institutions, the claims-paying ability of which are then assigned one of the two highest rating categories by a nationally recognized credit rating agency. An Authorized Officer is hereby further authorized and directed to execute and deliver any instruments or documents necessary in connection with the purchase of any such insurance policy and/or reserve fund guaranty, including those making provision for the repayment of amounts advanced by the institutions issuing such insurance policy and/or reserve fund guaranty.

SECTION 5. An Authorized Officer is authorized to (i) determine whether the Certificates are to be sold pursuant to negotiated sale or competitive bid basis either to RBC Capital Markets, LLC (the “Underwriter”) as described in the Official Statement or to one or more financial institutions on a private placement basis or pursuant to a bank lending proposal and (ii) confirm such sale through the execution and delivery of a certificate purchase contract in the event of a negotiated sale or, in the event of a competitive bid or bank lending proposal, through execution and delivery of a certificate and receipt. An Authorized Officer is hereby authorized to execute and deliver such agreements in such form with such insertions, omissions and changes as are necessary and consistent with this Ordinance, the execution of such agreements being conclusive evidence of such approval.

SECTION 6. An Authorized Officer is authorized to enter into such agreements as he determines necessary in conjunction with obtaining bond insurance or a reserve fund surety bond, if any and which are necessary to carry out and comply with the terms, provisions, and intent of this Ordinance.

SECTION 7. The Preliminary Official Statement in substantially the form on file with the Clerk and the distribution of the same, if necessary, is approved (the “Preliminary Official Statement”). The Preliminary Official Statement shall be “deemed final” (except for permitted omissions), by the City as of its date for purposes of SEC Rule 15c2-12(b)(1) and a final official statement will be prepared and distributed to the Original Purchaser, if necessary, for purposes of

SEC Rule 15c2-12(b)(3) and (4). An Authorized Officer is authorized and directed to complete and sign on behalf of the City and in his or her official capacity, the Official Statement, with such modifications, changes and supplements as being necessary to carry out and comply with the terms, provisions, and intent of this Ordinance. An Authorized Officer is authorized to use and distribute, or authorize the use and distribution of, the Official Statement and any supplements thereto as may in his or her judgment be necessary or appropriate.

SECTION 8. An Authorized Officer and the Clerk of the City are hereby authorized and directed to do all such acts and things to execute, acknowledge and deliver all such documents (including, without limitation, tax compliance certificates, security agreements and financing statements, any amendments to such documents and all closing documents) as may in their discretion be deemed necessary or desirable to carry out and comply with the terms, provisions and intent of this Ordinance, and the City Documents and all exhibits to any of the foregoing. All of the acts of the officers of the City which are in conformity with the intent and purposes of this Ordinance, whether heretofore or hereafter taken or done, shall be and the same are hereby ratified, confirmed, and approved in all respects.

SECTION 9. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 10. All orders and Ordinances or parts thereof inconsistent herewith are hereby waived to the extent only of such inconsistency. This waiver shall not be construed as reviving any order or Ordinance or any part thereof.

PASSED, APPROVED AND ADOPTED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this 13th day of April, 2021.

MAYOR JERRY P. WEIERS

ATTEST:

Julie K. Bower, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney

REVIEWED BY:

Kevin R. Phelps, City Manager