

ORDINANCE NO. 025-21

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA (1) AUTHORIZING THE EXECUTION AND DELIVERY OF A FIFTH PURCHASE AGREEMENT, A FIFTH TRUST AGREEMENT, A DEPOSITORY TRUST AGREEMENT, A CONTINUING DISCLOSURE UNDERTAKING AND AN OBLIGATION PURCHASE CONTRACT; (2) APPROVING THE SALE, EXECUTION AND DELIVERY OF EXCISE TAX REVENUE AND REVENUE REFUNDING OBLIGATIONS IN ONE OR MORE SERIES IN ORDER TO FINANCE VARIOUS CITY IMPROVEMENTS AND TO REFUND EXCISE TAX REVENUE OBLIGATIONS PREVIOUSLY DELIVERED ON BEHALF OF THE CITY; (3) PLEDGING CERTAIN EXCISE TAXES AND RECEIPTS IMPOSED OR RECEIVED BY THE CITY TO THE PAYMENT OF SUCH OBLIGATIONS; (4) 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 OBLIGATIONS AND (5) 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 City of Glendale Municipal Property Corporation, a nonprofit corporation incorporated and existing pursuant to the laws of the State of Arizona (the "Corporation") has issued its Excise Tax Revenue Bonds, Taxable Series 2008B (the "Prior 2008B Bonds"); and

WHEREAS, the City of Glendale, Arizona (the "City") has caused to be executed and delivered Senior Lien Excise Tax Revenue Refunding Obligations, Series 2015A (the "Prior 2015A Obligations") and Taxable Series 2015B (the "Prior 2015B Obligations") and Certificates of Participation, Taxable Series 2021 (the "Prior 2021 Obligation"); and

WHEREAS, the City proposes to refinance all or a portion of the Prior 2015A Obligations (the "Refunded Obligations") in order to achieve debt service savings through the issuance of one or more series of Obligations (as defined herein) evidencing proportionate interests of the owners of such Obligations in payments to be made by the City in the Purchase Agreement (as defined herein); and

WHEREAS, the City has included or will include in its budget for the current and succeeding fiscal year funds (the “Current Capital Project Funds”) for pay-as-you-go capital projects (the “Current Capital Projects”); and

WHEREAS, it may be financially advantageous to the City to apply the Current Capital Project Funds in an amount not to exceed \$32,000,000 to the defeasance of all or a portion of the Prior 2008B Bonds, the Prior 2015B Bonds and the Prior 2021 Obligations and to finance the Current Capital Projects through the sale, execution and delivery of the Obligations; and

WHEREAS, the Obligations will be issued pursuant to the Trust Agreement between the City and the Trustee (as such terms are defined herein); and

WHEREAS, the Obligations will be secured by amounts received under the Purchase Agreement pursuant to which the City will pledge, on a priority of lien basis to be determined by an Authorized Officer (as defined herein), excise taxes received by the City, including the City’s sales, transaction or privilege taxes, the City’s portion of sales, transaction, privilege or income taxes imposed and collected by the State, or by any other governmental unit or agency, and the City’s other excise and franchise taxes, but excluding excise taxes, transaction privilege, franchise and income taxes of the City collected now or hereafter which have been approved at an election within the City and restricted to certain uses, such as the existing City’s Public Safety Tax and Transportation Tax (“Unrestricted Excise Taxes”); and

WHEREAS, the Board of Directors of the Corporation, by resolution duly adopted on November 10, 2014, has consented to the issuance and delivery of obligations to refund its outstanding excise tax bonds, including the Prior 2008B Bonds and the execution by the Corporation of such instruments as may be necessary in accomplishing the defeasance of the Prior 2008B Bonds; and

WHEREAS, the City intends for the Obligations to be sold (i) directly to one or more banks as purchaser of the Obligations (collectively, the “Bank Lender”) in the form of one or more bank loans or bank lending proposals, in each case as evidenced by a certificate and receipt of the Bank Lender or (ii) if, based on the determination of the City Manager, Assistant City Manager or the Budget and Finance Director (each, an “Authorized Officer”), an acceptable offer to directly purchase the Obligations is not received from a bank, to one or more underwriters selected by the City (the “Underwriters”), as provided in one or more obligation purchase agreements (each, an “Obligation Purchase Agreement”), in substantially the same form as that used in connection with the sale of the City’s Senior Excise Tax Revenue and Revenue Refunding Obligations, Series 2024, with such changes as are approved by an Authorized Officer; and

WHEREAS, there have been presented to the City Council of the City at the meeting of the City Council of the City at which this Ordinance is being adopted, the proposed form of Preliminary Official Statement, if needed, which may be distributed in connection with the offer and sale of the Obligations (the “Preliminary Official Statement”) and there have been placed on file with the City Clerk the proposed forms of the following documents: (i) Fifth Purchase Agreement to be dated as of June 1, 2025 or such later date as may be determined pursuant to Section 5 hereof (the “Purchase Agreement”) by and between the City and the Trustee, (ii) Fifth Trust Agreement to be dated as of June 1, 2025 or such later date as may be determined

pursuant to Section 5 hereof (the “Trust Agreement”) by and between the City and the Trustee, (iii) continuing disclosure undertaking (the “Continuing Disclosure Undertaking”), if required pursuant to Rule 15c2-12 of the Securities and Exchange Commission, and (iv) depository trust agreement to be dated as of June 1, 2025 or such later date as may be determined pursuant to Section 2 hereof (the “Depository Trust Agreement”); and

WHEREAS, this Council desires to authorize the execution and delivery of the Purchase Agreement, the Trust Agreement, the Continuing Disclosure Undertaking and the Depository Trust Agreement (collectively, the “Basic Documents”) and such other documents as may be necessary in connection with the execution and delivery of said Basic Documents, the pledge of Unrestricted Excise Taxes for the payment of the amounts due under the Purchase Agreement and the issuance of the Obligations.

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 financing of the Current Capital Projects and the refinancing of the installment purchase payments owed with respect to the Refunded Obligations is hereby approved; and the installment purchase payments (the “Purchase Payments”) specified in the Purchase Agreement are hereby approved (but subject to the limitations on the source of City payments as set forth in Section 3).

SECTION 3. For the payment of the Purchase Payments due and payable under the Purchase Agreement authorized in Section 2 hereof, there are hereby pledged, on a parity basis to be determined by an Authorized Officer with respect to the City’s Unrestricted Excise Taxes. It is intended that this pledge of Unrestricted Excise Taxes will be sufficient to make the Purchase Payments pursuant to the Purchase Agreement and the City agrees and covenants to make said Purchase Payments from such Unrestricted Excise Taxes, except to the extent that it chooses to make such payments from other funds, as permitted by law. Neither the Purchase Agreement nor the promise to pay pursuant thereto nor the Obligations constitute a general obligation of the City nor shall the City be liable for the payments under the Purchase Agreement from ad valorem taxes.

SECTION 4. The City Council of the City hereby finds and determines that the refinancing of the Refunded Obligations pursuant to the terms of the Purchase Agreement and the Trust Agreement, through the issuance and the sale of the Obligations, are in furtherance of the purposes of the City and in the public interest will enhance the standard of living within the City and within the State.

SECTION 5. The City hereby approves the issuance and delivery of the excise tax revenue and revenue refunding obligations to be delivered pursuant to the Trust Agreement (the “Obligations”) in an aggregate principal amount not to exceed the sum of (a) the amount necessary to refund the Refunded Obligations and to pay costs of issuance provided that such refinancing shall result in a present value debt service savings net of all costs associated with the Obligations

issued to refinance the Refunded Obligations of at least two percent (2.0%) and (b) the Current Capital Projects Funds and related costs of issuance. The Obligations shall have a final maturity date no later than twenty-one (21) years after the date of issuance at an interest rate not to exceed 6.0%.

The Obligations shall be issued in one or more series, shall be in the denomination of \$5,000 or any integral multiple thereof, shall be dated as determined by an Authorized Officer, shall bear interest from such date payable on January 1 and July 1 of each year, commencing as determined by an Authorized Officer, and shall be fully registered bonds without coupons.

The forms, terms and provisions of the Obligations and the provisions for the signatures, authentication, payment, registration, transfer, exchange and number shall be as set forth in the Trust Agreement and are hereby approved.

An Authorized Officer is hereby authorized and directed to determine on behalf of the City: (i) whether one or more series of Obligations shall be issued on a tax-exempt basis (“Tax-Exempt Obligations”) or a taxable basis; (ii) the principal amount of the Obligations; (iii) the final maturity schedule of the Obligations; (iv) the provisions for prepayment in advance of maturity or payment of the Obligations; (v) the interest rates on the Obligations; (vi) the sales price and terms of the purchase of the Obligations (including the underwriter’s discount, if any, and the original issue discount or premium); (vii) the provisions for credit enhancement, if any, for the Obligations including a debt service reserve fund or surety bond; (viii) the provisions for a capitalized interest or contingency amount, if any, if deemed to be in the best interests of the City; (ix) the selection of any or all series of the Corporation’s outstanding Excise Tax Obligations and the particular maturities of bonds within such series to be refunded (the “Refunded Obligations”) and (x) the identity of the financial institution to serve as trustee under the Trust Agreement (the “Trustee”).

The provisions for redemption of the Obligations shall be as set forth in the Trust Agreement.

The forms and other terms and provisions of the Obligations and the provisions for the signatures, authentication, payment, registration, transfer, exchange, and number shall be as set forth in the Trust Agreement and are hereby approved.

SECTION 6. Each Authorized Officer is authorized to determine whether any of the Obligations are to be sold to (i) the Bank Lender pursuant to a bank lending proposal or (ii) the Underwriters pursuant to negotiated sale as described in the Official Statement (such entity purchasing the Obligations, the “Purchasers”). If it is the former, such sale will be evidenced by a certificate and receipt of the Bank Lender for each series of Obligations. If it is the latter, such sale will be evidenced by the execution and delivery of an Obligation Purchase Agreement for each series of Obligations, if applicable. If the Obligations are to be sold by negotiated sale to the Underwriters, each Authorized Officer is hereby authorized to execute and deliver an Obligation Purchase Agreement for each series of Obligations, if applicable, with such insertions, omissions and changes as are necessary and consistent with this Ordinance, the execution of an Obligation Purchase Agreement for each series of Obligations, if applicable, being conclusive evidence of such approval. An Authorized Officer may make provisions for insurance and/or liquidity support of the Obligations, if such Authorized Officer determines that such insurance or credit support

would provide a net borrowing cost savings or enhance the marketability of the Obligations. Such determinations shall be included in the Obligation Purchase Agreements.

SECTION 7. The forms, terms and provisions of the Basic Documents, in substantially the forms of such documents (including the exhibits thereto) on file with the City Clerk, are hereby approved. An Authorized Officer is hereby authorized and directed to execute and deliver, and the City Clerk of the City to attest, the Basic Documents which have been approved as to form by the City Attorney, with such insertions, omissions and changes as are necessary and consistent with this Ordinance, the execution of such documents being conclusive evidence of such approval and particularly of approval and acceptance of the covenants contained therein by the City Council of the City on behalf of the City.

SECTION 8. An Authorized Officer is authorized to enter into such agreements as each 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.

All actions of the City related to preparing and distributing the Preliminary Official Statement, if necessary, are hereby approved and ratified. The portions of the Official Statement regarding the Obligations which concern and describe the City are hereby approved and an Authorized Officer is hereby authorized and directed to execute the same and any required certificates as to the accuracy and completeness of said Official Statement descriptions of the City.

SECTION 9. If so necessary, the Preliminary Official Statement in substantially the form submitted to the City is approved and the distribution of the same is hereby approved. An Authorized Officer is authorized to deem the Preliminary Official Statement 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 Underwriter 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 so signed in connection with the original issuance of the Obligations as may in his or her judgment be necessary or appropriate. The references to the City contained in the Preliminary Official Statement and such final Official Statement relating to the Obligations are hereby authorized and approved.

SECTION 10. An Authorized Officer is authorized to apply the Current Capital Funds in an amount not to exceed \$32,000,000 to the defeasance of any or all of the Prior 2008B Bonds, the Prior 2015B Obligations and the Prior 2021 Obligations.

SECTION 11. 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 Basic 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 12. In the event any of the Obligations are issued on a tax-exempt basis, (“Tax-Exempt Obligations”), the City covenants that it will use, and will restrict the use and investment of, the proceeds of the Tax-Exempt Obligations in such manner and to such extent as may be necessary so that (a) the Tax-Exempt Obligations will not (i) constitute private activity bonds, arbitrage bonds or hedge bonds under Section 141, 148 or 149 of the Internal Revenue Code of 1986, as amended (the “Code”), or (ii) be treated other than as bonds to which Section 103(a) of the Code applies, and (b) the interest thereon will not be treated as a preference item under Section 57 of the Code. An Authorized Officer, or any other officer having responsibility for issuance of the Obligations shall, alone or with any other necessary officer or employee or consultant to the City, give an appropriate certificate of the City, for inclusion in the transcript of proceedings for the Tax-Exempt Obligations, setting forth (i) the reasonable expectations of the City regarding the amount and use of all the proceeds of the Tax-Exempt Obligations; (ii) the facts, circumstances and estimates on which the City’s expectations are based; and (iii) other facts and circumstances relevant to the tax treatment of interest on the Tax-Exempt Obligations.

The City covenants (a) that it will take or cause to be taken such actions which may be required of it for the interest on the Tax-Exempt Obligations to be and remain excluded from gross income for federal income tax purposes, (b) that it will not take or authorize to be taken any actions which would adversely affect that exclusion and (c) that it, or persons acting for it, will, among other acts of compliance; (i) apply the proceeds of the Tax-Exempt Obligations to the governmental purpose of the borrowing; (ii) restrict the yield on investment property; (iii) make timely and adequate payments to the federal government; (iv) maintain books and records and make calculations and reports; and (v) refrain from certain uses of those proceeds and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code. An Authorized Officer and other appropriate City officers are hereby authorized and directed to take any and all such actions, make calculations and rebate payments, and make or give such reports and certifications, as may be appropriate to assure such exclusion of that interest.

SECTION 13. 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 14. 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.

(Signatures on following page)

PASSED, APPROVED AND ADOPTED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this 22<sup>nd</sup> day of April, 2025.

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Mayor Jerry P. Weiers

ATTEST:

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Julie K. Bower, City Clerk

APPROVED AS TO FORM:

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Michael D. Bailey, City Attorney

REVIEWED BY:

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Kevin R. Phelps, Interim City Manager