



**Economic Development Authority
of Albemarle County, Virginia**

**RESOLUTION OF THE
ECONOMIC DEVELOPMENT AUTHORITY
OF ALBEMARLE COUNTY, VIRGINIA, TO UNDERTAKE A NOTE FINANCING
FOR THE BENEFIT OF THE COUNTY OF ALBEMARLE, VIRGINIA**

WHEREAS, the Economic Development Authority of Albemarle County, Virginia (the “Authority”), was created under and is authorized to exercise all the powers set forth in the Industrial Development and Revenue Bond Act, Title 15.2, Chapter 49, Code of Virginia, as amended (the “Act”), which include, among other things, (a) the power to make loans to, among others, a county in furtherance of the Act, (b) to finance facilities for use by, among others, a county, (c) to issue its revenue bonds, notes and other obligations from time to time for such purposes and (d) to pledge all or any part of its revenues and receipts derived from payments received by the Authority in connection with its loans or from any source, as security for the payment of principal of and interest on any such obligations;

WHEREAS, the Board of Supervisors (the “County Board”) of Albemarle County, Virginia (the “County”), has expressed its desire to obtain, in conjunction with the Authority, a draw-down loan to finance the costs of various projects in the County’s Capital Improvement Plan including (without limitation) capital expenditures for court and public school improvements (collectively, the “County Projects”);

WHEREAS, the County Board has requested that the Authority (a) issue and sell its Revenue Note (County Projects), Series 2020 (the “Note”), pursuant to the terms of a Note Purchase and Loan Agreement (the “Loan Agreement”) between the County, the Authority and the Lender (as hereinafter defined), in order to provide for a draw-down loan and its repayment terms, (b) loan the proceeds of the Note to the County pursuant to the terms of the Loan Agreement to finance, as needed, the costs of the County Projects and to pay the related costs of issuance, and (c) secure the repayment of the Note by an assignment to the Lender of certain payments due from the County to the Authority in accordance with the terms of the Loan Agreement;

WHEREAS, the County has requested Davenport & Company LLC, as the County’s financial advisor (the “Financial Advisor”), to solicit proposals for a draw-down loan from banking and other financial institutions;

WHEREAS, the County Board has reviewed a summary of the proposals received and has determined, in consultation with the Financial Advisor, to request that the Authority award the Note to JPMorgan Chase Bank, N.A., or a subsidiary thereof (collectively with any successors and assigns, the “Lender”), in accordance with the terms of its bid attached hereto as Exhibit A (the “Proposal”); and

WHEREAS, there has been presented to this meeting a draft of the Loan Agreement that the Authority proposes to execute in support of the transactions described above;

BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT AUTHORITY OF ALBEMARLE COUNTY, VIRGINIA:

1. The Authority hereby approves the following plan in connection with the draw-down loan and the financing of the County Projects. The Lender shall make a draw-down loan to the Authority, the Authority shall issue and deliver the Note to the Lender as evidence of such loan and further loan the proceeds of the Note to the County, and the County shall use the proceeds thereof to finance the County Projects and agree to repay such loan from amounts appropriated from time to time by the County Board, all in accordance with the terms set forth in the Loan Agreement. The obligation of the Authority to make payments under the Note and the Loan Agreement shall be limited to the payments, if any, received from the County, which shall be assigned to the Lender pursuant to the terms of the Loan Agreement. This plan of financing shall contain such additional requirements and provisions as the Chairman or Vice-Chairman of the Authority, either of whom may act, may approve and determine, in collaboration with the County Executive, to be in the best interests of the Authority and the County.

2. The Note is hereby awarded, and shall be sold, to the Lender in accordance with the terms of the Proposal and this Resolution.

3. The Note is to be designated "Revenue Note (County Projects), Series 2020," and shall be dated the date of its delivery. The Note shall be issued and delivered to the Lender pursuant to the Loan Agreement with final terms that the Chairman or Vice-Chairman of the Authority, either of whom may act, determines, in consultation with the Financial Advisor and in collaboration with the County Executive, to be in the best interests of the Authority and the County; provided, however, that the Note shall (a) provide for the Lender to make principal advances from time to time in an aggregate amount not to exceed \$75,000,000, (b) mature no later than July 31, 2022, (c) bear interest at a variable rate not to exceed 80% of One-Month LIBOR plus 60 basis points as determined in accordance with the terms of the Proposal (subject to adjustment upon an event of taxability or an event of default), (d) be sold to the Lender at a price not less than 100% of the principal amount thereof and (e) be subject to optional redemption at least monthly without any prepayment premium. The Chairman and Vice-Chairman of the Authority, either of whom may act, are also authorized to approve, in collaboration with the County Executive, the principal installment amounts and principal and interest due dates for the Note, as such officers shall determine to be in the best interests of the Authority and the County.

4. The Chairman and Vice-Chairman of the Authority, either of whom may act, are hereby authorized and directed to execute the Loan Agreement, which is approved in substantially the form presented to this meeting, with such completions, omissions, insertions and modifications not inconsistent with this Resolution as may be approved by the Chairman or Vice-Chairman, as

applicable, such officer's execution to constitute conclusive evidence of his or her approval of any such completions, omissions, insertions and modifications.

5. The Chairman and Vice-Chairman of the Authority, either of whom may act, are hereby authorized and directed to approve, execute and deliver agreements necessary to complete the plan of financing outlined in Section 1 above and not inconsistent with this Resolution, such officer's execution and delivery of such agreements to constitute conclusive evidence of his or her approval thereof.

6. The Chairman and Vice-Chairman of the Authority, either of whom may act, are hereby authorized and directed to execute the Note by manual or facsimile signature, the Secretary-Treasurer and Assistant Secretary-Treasurer, either of whom may act, are hereby authorized and directed to affix the seal of the Authority to or print a facsimile thereof on the Note and attest the same by manual or facsimile signature, and the officers of the Authority are hereby authorized and directed to deliver the Note to the Lender upon receipt of the first principal advance thereunder.

7. The officers of the Authority are hereby authorized and directed to execute, deliver and file all certificates and documents and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Note, the undertaking of the draw-down loan and the financing of the County Projects, including without limitation (a) execution and delivery of a certificate setting forth the expected use and investment of the proceeds of the Note to show that such expected use and investment will not violate the provisions of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations thereunder (the "Code"), applicable to "arbitrage bonds," (b) making any elections, at the request of the County, that such officers deem desirable regarding any provision requiring rebate to the United States of "arbitrage profits" earned on investment of proceeds of the Note, (c) providing for the County to pay any such rebate amount and (d) filing Internal Revenue Service Form 8038-G. The foregoing shall be subject to the advice, approval and direction of bond counsel.

8. All costs and expenses in connection with the undertaking of the County Projects and the issuance of the Note, including the Authority's fees and expenses and the fees and expenses of bond counsel, counsel for the Authority and counsel to the Lender, shall be paid from the proceeds of the Note or other legally available funds of the County. If for any reason the Note is not issued, it is understood that all such expenses shall be paid by the County from its legally available funds and that the Authority shall have no responsibility therefor.

9. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Note, the undertaking of the draw-down loan and the financing of the County Projects are hereby approved and ratified.

10. All resolutions or parts of resolutions in conflict herewith are repealed.

11. This Resolution shall take effect immediately upon its adoption.

MOTION

I move that the EDA adopts this Resolution approving the issuance of the described Note and authorizing the Chair to execute the Loan Agreement on the EDA's behalf once the Loan Agreement has been approved as to form and substance by the County Attorney.

I, W. Rod Gentry, do hereby certify that the foregoing writing is the Resolution duly adopted by the Economic Development Authority of Albemarle County, Virginia, by a vote of ____ to ____ as recorded below, at a meeting held on 9 June 2020.

W. Rod Gentry, Chairman

	Aye	Nay
Mr. Gentry	_____	_____
Mr. Atkinson	_____	_____
Mr. Munson	_____	_____
Mr. Long	_____	_____
Mr. Mellen	_____	_____
Mr. Ray	_____	_____
Mr. Shreve	_____	_____