

City of Alexandria, Virginia

23
4-22-03

MEMORANDUM

DATE: APRIL 14, 2003

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER *ps*

SUBJECT: RESOLUTION AUTHORIZING THE ISSUANCE OF BONDS BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF ALEXANDRIA FOR EPISCOPAL HIGH SCHOOL

ISSUE: Resolution authorizing the issuance of bonds by the Industrial Development Authority of the City of Alexandria (AIDA) in an amount up to \$13,000,000 to assist Episcopal High School in financing the cost of acquisition, construction, equipping, expansion, renovation and enlargement of the educational facilities of the school and costs of the issuance of the bonds

RECOMMENDATION: That City Council adopt the attached resolution (Attachment 1) as recommended by the AIDA at its meeting on April 8, 2003.

DISCUSSION: On April 8, 2003, the AIDA adopted a Resolution (Attachment 2) authorizing the issuance of up to \$13,000,000 in AIDA revenue bonds to assist the Episcopal High School in financing its future capital needs. Episcopal High School is a 400 student boarding school campus located at 1200 North Quaker Lane. Episcopal High School's capital projects, which would be authorized to be financed under the resolution proposed for City Council approval, consist of financing the cost of: (1) the renovation, construction and equipping of new and existing academic facilities, including without limitation construction of a new science center with approximately 40,000 square feet; (2) the renovation, construction and equipping of housing, including without limitation at least 3 new faculty residences each containing approximately 2,500 square feet; (3) the renovation, construction and equipping of other student facilities, including without limitation renovation of an existing 10,000 square foot gymnasium into a student center; (4) the construction, renovation and equipping of the school's landscaping, walks, roadways and parking areas; and (5) other capital improvements at the school's educational facilities.

Several of the projects being financed by these bonds will require land use approval. Only preliminary discussions between City planning staff and Episcopal High School have taken place. At this time, staff has insufficient information to make any determination if the projects meet City requirements or are otherwise desirable. Authorization of this financing does not

commit the City to any future land use decisions in regard to the proposed capital projects.

FISCAL IMPACT: The City is not obligated to repay the bonds or the interest on the bonds. The bonds do not contain any pledge of the City's faith and credit. The obligation rests solely with the Episcopal High School. The AIDA will receive a fee of \$68,000 to issue the bonds. It is anticipated that the bonds will be issued in series.

STAFF:

Mark Jinks, Assistant City Manager for Fiscal & Financial Affairs

Daniel A. Neckel, Director of Finance

Paula Riley, Executive Director, AEDP

ATTACHMENTS:

Attachment 1. Proposed Council Resolution

Attachment 2. AIDA Certificate of Public Hearing

Attachment 3. Fiscal Impact Statement

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF ALEXANDRIA, VIRGINIA**

WHEREAS, the Industrial Development Authority of the City of Alexandria ("Authority"), has considered the application and plan of financing of The Protestant Episcopal High School in Virginia ("School"), an organization which is not organized exclusively for religious purposes, which is described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and whose address is 1200 North Quaker Lane in the City of Alexandria, requesting that the Authority issue up to \$13,000,000 of its revenue bonds ("Bonds"), in one or more series at one time or from time to time, to assist the School in the acquisition, construction, equipping, expansion, renovation and enlargement of the educational facilities of the School, all located or to be located at the campus of the School consisting of approximately 135 acres at 1200 North Quaker Lane in the City of Alexandria, Virginia, including without limitation: (1) the renovation, construction and equipping of new and existing academic facilities, including without limitation construction of a new science center with approximately 40,000 square feet; (2) the renovation, construction and equipping of housing, including faculty residences each containing approximately 2,500 square feet; (3) the renovation, construction and equipping of other student facilities, including without limitation renovation of an existing gymnasium into a student center with approximately 10,000 square feet; (4) the construction, renovation and equipping of the School's landscaping, walks, roadways and parking areas; and (5) other capital improvements at the School's educational facilities.

WHEREAS, the Authority has held a public hearing on the School's application and plan of financing on April 8, 2003;

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), provides that the governmental unit having jurisdiction over the issuer of private activity bonds and over the area in which any facility financed with the proceeds of private activity bonds is located must approve the issuance of the bonds;

WHEREAS, the Authority issues its bonds on behalf of the City of Alexandria, Virginia ("City"); the Project is to be located in the City and the City Council of the City of Alexandria, Virginia ("Council") constitutes the highest elected governmental unit of the City;

WHEREAS, the Authority has recommended that the Council approve the plan of financing and the issuance of the Bonds; and

WHEREAS, a copy of the Authority's resolution approving the issuance of the Bonds pursuant to the School's plan of financing, subject to the terms to be agreed upon, a certificate of the public hearing and a Fiscal Impact Statement have been filed with the Council.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ALEXANDRIA, VIRGINIA:

1. The Council approves the plan of financing and the issuance of the Bonds by the Authority for the benefit of the School, as required by Section 147(f) of the Code and Section 15.2-4906 of the Code of Virginia of 1950, as amended ("Virginia Code") to permit the Authority to assist in its plan of financing.
2. The approval of the plan of financing and the issuance of the Bonds do not constitute an endorsement to a prospective purchaser of the Bonds of the creditworthiness of the plan of financing or the School.
3. Pursuant to the limitations contained in Temporary Income Tax Regulations Section 5f.103-2(f)(1), this resolution shall remain in effect for a period of one year from the date of its adoption.
4. This resolution shall take effect immediately upon its adoption.

ADOPTED: _____

KERRY J. DONLEY, MAYOR

ATTEST:

BEVERLY I. JETT, CMC, CITY CLERK

CERTIFICATE

The undersigned Secretary of the Industrial Development Authority of the City of Alexandria ("Authority") certifies as follows:

1. A meeting of the Authority was duly called and held on April 8, 2003 at 5:00 o'clock p.m. at the offices of the Alexandria Economic Development Partnership, Inc., at 1729 King Street, Suite 410, in Alexandria, Virginia, pursuant to proper notice given to each Director of the Authority before such meeting. The meeting was open to the public. The time of the meeting and the place at which the meeting was held provided a reasonable opportunity for persons of differing views to appear and be heard.

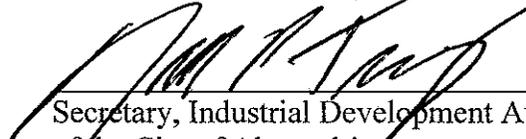
2. The Chairman announced the commencement of a public hearing on the application and plan of financing of The Protestant Episcopal High School in Virginia, a 501(c)(3) organization, and that a notice of the hearing was published once a week for two successive weeks in a newspaper having general circulation in the City of Alexandria, Virginia ("Notice"), with the second publication appearing not less than seven days nor more than twenty-one days prior to the hearing date. A copy of the Notice has been filed with the minutes of the Authority and is attached as Exhibit A.

3. A summary of the statements made at the public hearing is attached as Exhibit B.

4. Attached as Exhibit C is a true, correct and complete copy of a resolution ("Resolution") adopted at such meeting of the Authority by a majority of the Directors present at such meeting. The Resolution constitutes all formal action taken by the Authority at such meeting relating to matters referred to in the Resolution. The Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect on this date.

WITNESS my hand and the seal of the Authority, this 8th of April, 2003.

Asst.



Secretary, Industrial Development Authority
of the City of Alexandria

[SEAL]

Exhibits:

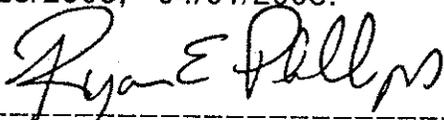
- A - Copy of Certified Notice
- B - Summary of Statements
- C - Inducement Resolution

THE Journal NEWSPAPERS

PROOF OF PUBLICATION

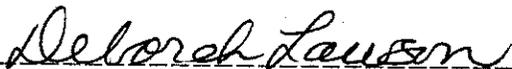
I, Ryan E. Phillips Publisher of the Alexandria Journal a newspaper in the County/City of Alexandria published in the English language, and having a bona fide list of paid subscribers located in the aforementioned County/City, and entered as second class matter under the Postal Laws and Regulations of the United States of America for 52 successive weeks or more prior to the issue of 03/25/03, certify that the notice of PROPOSED REVENUE BOND PLAN

for
MCGUIRE WOODS, LLP
attached hereto has been published on
03/25/2003, 04/01/2003.



Ryan E. Phillips

Sworn to and subscribed before me this
1st day of April, 2003.



My commission expires

March 31, 2006

Ad number: 11503620
End date : 04/01/2003
03/25/2003, 04/01/2003
MCGUIRE WOODS, LLP
CYNTHIA HENDREN

NOTICE OF PUBLIC HEARING ON PROPOSED REVENUE BOND PLAN OF FINANCING BY INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF ALEXANDRIA

Notice is hereby given that the Industrial Development Authority of the City of Alexandria ("Authority"), whose address is c/o the Alexandria Economic Development Partnership Inc., 1729 King Street, Suite 410, Alexandria, Virginia, will hold a public hearing on the plan of financing application of The Protestant Episcopal High School in Virginia ("School"), a 501(c)(3) organization not organized exclusively for religious purposes, whose address is 1200 North Quaker Lane, Alexandria, Virginia 22302. The School has requested the Authority to issue up to \$13,000,000 of its revenue bonds, in one or more series at one time or from time to time, to assist the School in the acquisition, construction, equipping, expansion, renovation and enlargement of the educational facilities of the School, all located or to be located at the campus of the School consisting of approximately 135 acres at 1200 North Quaker Lane in the City of Alexandria, Virginia, including without limitation: (1) the renovation, construction and equipping of new and existing academic facilities, including without limitation construction of a new science center with approximately 40,000 square feet; (2) the renovation, construction and equipping of housing, including faculty residences each containing approximately 2,500 square feet; (3) the renovation, construction and equipping of other student facilities, including without limitation renovation of an existing gymnasium into a student center with approximately 10,000 square feet; (4) the construction, renovation and equipping of the School's landscaping, walks, roadways and parking areas; and (5) other capital improvements at the School's educational facilities.

The issuance of revenue bonds, in one or more series, at one time or from time to time pursuant to the plan of financing, as requested by the School will not constitute a debt or pledge of the faith and credit of the Commonwealth of Virginia or the City of Alexandria, Virginia, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any political subdivision thereof, including the City of Alexandria, Virginia, will be pledged to the payment of such bonds.

The public hearing, which may be continued or adjourned, will be held at 5:00 p.m. on April 8, 2003 before the Authority, at the offices of the Alexandria Economic Development Partnership, Inc. at 1729 King Street, Suite 410, Alexandria, Virginia. Any person interested in the issuance of the bonds or the location or nature of the proposed project may appear at the hearing and present his or her views.

Industrial Development Authority
of the City of Alexandria

March 25 & April 1, 2003 NVA11503620amh

EXHIBIT B TO CERTIFICATE

Summary of Statements

Representatives of The Protestant Episcopal High School in Virginia, including F. Robertson Hershey, Headmaster of the School, and Richard F. Yarborough, Treasurer of the School, and McGuireWoods LLP, bond counsel and counsel to the School, appeared before the Authority to explain the proposed plan of financing. No one appeared in opposition to the proposed bond issue.

**RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF ALEXANDRIA
AUTHORIZING THE ISSUANCE OF UP TO \$13,000,000
REVENUE BONDS PURSUANT TO THE PLAN OF FINANCING OF
THE PROTESTANT EPISCOPAL HIGH SCHOOL IN VIRGINIA**

WHEREAS, the Industrial Development Authority of the City of Alexandria, a political subdivision of the Commonwealth of Virginia ("Authority"), is empowered by the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended ("Act"), to issue its revenue bonds for the purpose of financing facilities for private, accredited and nonprofit institutions of collegiate, elementary, secondary or graduate education in the Commonwealth whose primary purpose is to provide collegiate, elementary, secondary or graduate education and not to provide religious training or theological education, such facilities being for use as academic or administration buildings or any other structure or application usual and customary to a college, elementary or secondary school campus other than chapels and their like;

WHEREAS, the Authority has received a request from The Protestant Episcopal High School in Virginia ("School"), an organization which is not organized exclusively for religious purposes, which is described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and whose address is 1200 North Quaker Lane, Alexandria, Virginia, requesting that the Authority issue up to \$13,000,000 of its revenue bonds ("Bonds"), in one or more series at one time or from time to time, to assist the School in the acquisition, construction, equipping, expansion, renovation and enlargement of the educational facilities of the School, all located or to be located at the campus of the School consisting of approximately 135 acres at 1200 North Quaker Lane in the City of Alexandria, Virginia, including without limitation: (1) the renovation, construction and equipping of new and existing academic facilities, including without limitation construction of a new science center with approximately 40,000 square feet; (2) the renovation, construction and equipping of housing, including faculty residences each containing approximately 2,500 square feet; (3) the renovation, construction and equipping of other student facilities, including without limitation renovation of an existing gymnasium into a student center with approximately 10,000 square feet; (4) the construction, renovation and equipping of the School's landscaping, walks, roadways and parking areas; and (5) other capital improvements at the School's educational facilities.

WHEREAS, such assistance will benefit the inhabitants of the City of Alexandria, Virginia and the Commonwealth of Virginia, protecting and promoting their health and welfare;

WHEREAS, the School's plan of financing has been described to the Authority and a public hearing has been held as required by Section 147(f) of the Internal Revenue Code of 1986, as amended, ("Code") and Section 15.2-4906 of the Act; and

WHEREAS, the School has represented that the estimated cost of the plan of financing and all expenses of the issue will require an issue of revenue bonds in the aggregate principal amount not to exceed \$13,000,000.

NOW, THEREFORE, BE IT RESOLVED BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF ALEXANDRIA:

1. It is hereby found and determined that assisting with the School's plan of financing will be in the public interest and will protect and promote the health and welfare of the Commonwealth of Virginia, the City of Alexandria, Virginia and their citizens.

2. The Authority hereby agrees to assist the School in its plan of financing by undertaking the issuance of its revenue bonds in an amount not to exceed \$13,000,000 upon terms and conditions mutually agreeable to the Authority and the School. The bonds will be issued pursuant to documents satisfactory to the Authority. The bonds may be issued, in one or more series, at one time or from time to time.

3. It having been represented to the Authority that it is necessary to proceed immediately with the School's plan of financing, the Authority agrees that the School may proceed with the plan of financing, enter into contracts for land, construction, materials and equipment pursuant to the plan of financing, and take such other steps as it may deem appropriate in connection with the plan of financing, provided, however, that nothing in this resolution shall be deemed to authorize the School to obligate the Authority without its consent in each instance to the payment of any moneys or the performance of any acts in connection with the plan of financing. The Authority agrees that the School may be reimbursed from the proceeds of the bonds for all expenditures and costs so incurred by it, provided such expenditures and costs are properly reimbursable under the Act and applicable federal laws.

4. At the request of the School, the Authority approves McGuireWoods LLP, Richmond, Virginia, as Bond Counsel in connection with the issuance of the bonds.

5. All costs and expenses in connection with the plan of financing, including the fees and expenses of Bond Counsel and Authority Counsel, shall be paid by the School or, to the extent permitted by applicable law, from the proceeds of the bonds. If for any reason such bonds are not issued, it is understood that all such expenses shall be paid by the School and that the Authority shall have no responsibility therefor.

6. In adopting this resolution the Authority intends to take "official action" toward the issuance of the bonds and to evidence its "official intent" to reimburse from the proceeds of the bonds any expenditures paid by the School pursuant to the plan of financing before the issuance of the bonds, all within the meaning of regulations issued by the Internal Revenue Service pursuant to Sections 103 and 141 through 150 and related sections of the Code.

7. The Authority recommends that the City Council of the City of Alexandria, Virginia, approve the issuance of the bonds and the School's plan of financing.

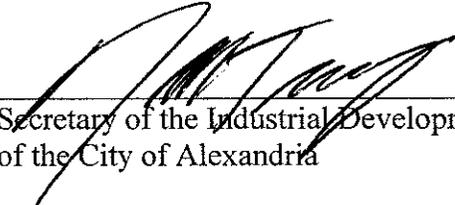
8. No bonds may be issued pursuant to this resolution until such time as the issuance of the bonds and the School's plan of financing have been approved by the City Council of the City of Alexandria, Virginia.

9. This resolution shall take effect immediately upon its adoption.

CERTIFICATE

The undersigned Secretary of the Industrial Development Authority of the City of Alexandria ("Authority") certifies that the foregoing is a true, correct and complete copy of a resolution adopted by a majority of the Directors of the Authority present and voting at a meeting duly called and held on April 8th, 2003, in accordance with law, and that such resolution has not been repealed, revoked, rescinded or amended but is in full force and effect on this date.

WITNESS the following signature and seal of the Authority, this 8th day of April, 2003.

Asst. 
Secretary of the Industrial Development Authority
of the City of Alexandria

[SEAL]

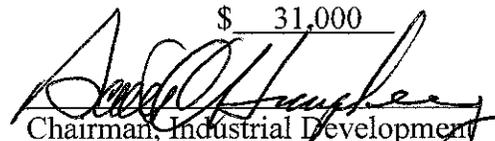
FISCAL IMPACT STATEMENT
FOR PROPOSED INDUSTRIAL REVENUE BOND FINANCING

Date: April 8, 2003

To the City Council of the City of Alexandria, Virginia

Name of Applicant: Facility: Protestant Episcopal High School in Virginia

- | | |
|--|----------------------|
| 1. Maximum amount of financing sought | \$ <u>13,000,000</u> |
| 2. Estimated taxable value of the facility's real property to be constructed in the municipality | \$ <u>N/A</u> |
| 3. Estimated real property tax per year using present tax rates | \$ <u>N/A</u> |
| 3. Estimated personal property tax per year using present tax rates | \$ <u>N/A</u> |
| 4. Estimated merchants' capital tax per year using present tax rates | \$ <u>N/A</u> |
| 6. (a) Estimated dollar value per year of goods that will be purchased from Virginia companies within the locality | \$ <u>25,000</u> |
| (b) Estimated dollar value per year of goods that will be purchased from non-Virginia companies within the locality | \$ <u>5,000</u> |
| (c) Estimated dollar value per year of services that will be purchased from Virginia companies within the locality | \$ <u>70,000</u> |
| (d) Estimated dollar value per year of services that will be purchased from non-Virginia companies within the locality | \$ <u>15,000</u> |
| 7. Estimated number of regular employees on year round basis | \$ <u>15*</u> |
| 8. Average annual salary per employee | \$ <u>31,000</u> |


 Chairman, Industrial Development
 Authority of the City of Alexandria

If one or more of the above questions do not apply to the facility indicate by writing N/A (not applicable) on the appropriate line.

* The total number of employees at the Episcopal High School is 154.

RESOLUTION NO. 2068

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF ALEXANDRIA, VIRGINIA**

WHEREAS, the Industrial Development Authority of the City of Alexandria ("Authority"), has considered the application and plan of financing of The Protestant Episcopal High School in Virginia ("School"), an organization which is not organized exclusively for religious purposes, which is described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and whose address is 1200 North Quaker Lane in the City of Alexandria, requesting that the Authority issue up to \$13,000,000 of its revenue bonds ("Bonds"), in one or more series at one time or from time to time, to assist the School in the acquisition, construction, equipping, expansion, renovation and enlargement of the educational facilities of the School, all located or to be located at the campus of the School consisting of approximately 135 acres at 1200 North Quaker Lane in the City of Alexandria, Virginia, including without limitation: (1) the renovation, construction and equipping of new and existing academic facilities, including without limitation construction of a new science center with approximately 40,000 square feet; (2) the renovation, construction and equipping of housing, including faculty residences each containing approximately 2,500 square feet; (3) the renovation, construction and equipping of other student facilities, including without limitation renovation of an existing gymnasium into a student center with approximately 10,000 square feet; (4) the construction, renovation and equipping of the School's landscaping, walks, roadways and parking areas; and (5) other capital improvements at the School's educational facilities.

WHEREAS, the Authority has held a public hearing on the School's application and plan of financing on April 8, 2003;

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), provides that the governmental unit having jurisdiction over the issuer of private activity bonds and over the area in which any facility financed with the proceeds of private activity bonds is located must approve the issuance of the bonds;

WHEREAS, the Authority issues its bonds on behalf of the City of Alexandria, Virginia ("City"); the Project is to be located in the City and the City Council of the City of Alexandria, Virginia ("Council"), constitutes the highest elected governmental unit of the City;

WHEREAS, the Authority has recommended that the Council approve the plan of financing and the issuance of the Bonds; and

WHEREAS, a copy of the Authority's resolution approving the issuance of the Bonds pursuant to the School's plan of financing, subject to the terms to be agreed upon, a certificate of the public hearing and a Fiscal Impact Statement have been filed with the Council;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY
COUNCIL OF THE CITY OF ALEXANDRIA, VIRGINIA:**

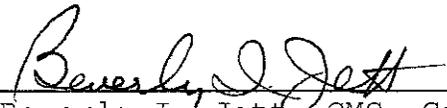
1. The Council approves the plan of financing and the issuance of the Bonds by the Authority for the benefit of the School, as required by Section 147(f) of the Code and Section 15.2-4906 of the Code of Virginia of 1950, as amended ("Virginia Code"), to permit the Authority to assist in its plan of financing.

2. The approval of the plan of financing and the issuance of the Bonds do not constitute an endorsement to a prospective purchaser of the Bonds of the creditworthiness of the plan of financing or the School.
3. Pursuant to the limitations contained in Temporary Income Tax Regulations Section 5f.103-2(f)(1), this resolution shall remain in effect for a period of one year from the date of its adoption.
4. This resolution shall take effect immediately upon its adoption.

ADOPTED: April 22, 2003


KERRY J. DONLEY MAYOR

ATTEST:


Beverly I. Jett, CMC City Clerk

**Information Return for Tax-Exempt
 Private Activity Bond Issues**
 (Under Internal Revenue Code section 149(e))
 ▶ See separate instructions.

23
 4-22-03

OMB No. 1545-0720

Part I Reporting Authority Check if Amended Return

1 Issuer's name Industrial Development Authority of the City of Alexandria		2 Issuer's employer identification number 52-1381432
3 Number and street (or P.O. box if mail is not delivered to street address) 1729 King Street, Suite 410	Room/suite	4 Report number 1 01
5 City, town, or post office, state, and ZIP code Alexandria, VA 22314		6 Date of issue May 29, 2003
7 Name of issue Educational Facilities Revenue Bonds (Episcopal High School), Series 2003		8 CUSIP number 015304-CD8
9 Name and title of officer or legal representative whom the IRS may call for more information David L. Richardson, Bond Counsel		10 Telephone number of officer or legal representative (804) 775-1030

Part II Type of Issue (check the applicable box(es) and enter the issue price for each) Issue Price

11 Exempt facility bond:		
a <input type="checkbox"/>	Airport (sections 142(a)(1) and 142(c))	11a
b <input type="checkbox"/>	Docks and wharves (sections 142(a)(2) and 142(c))	11b
c <input type="checkbox"/>	Water furnishing facilities (sections 142(a)(4) and 142(e))	11c
d <input type="checkbox"/>	Sewage facilities (section 142(a)(5))	11d
e <input type="checkbox"/>	Solid waste disposal facilities (section 142(a)(6))	11e
f <input type="checkbox"/>	Qualified residential rental projects (sections 142(a)(7) and 142(d)), as follows:	11f
	Meeting 20-50 test (section 142(d)(1)(A))	
	Meeting 40-60 test (section 142(d)(1)(B))	
	Meeting 25-60 test (NYC only) (section 142(d)(6))	
	Has an election been made for deep rent skewing (section 142(d)(4)(B))? <input type="checkbox"/> Yes <input type="checkbox"/> No	
g <input type="checkbox"/>	Facilities for the local furnishing of electric energy or gas (sections 142(a)(8) and 142(f))	11g
h <input type="checkbox"/>	Facilities allowed under a transitional rule of the Tax Reform Act of 1986 (see instructions)	11h
	Facility type	
	1986 Act section	
i <input type="checkbox"/>	Qualified enterprise zone facility bonds (section 1394) (see instructions)	11i
j <input type="checkbox"/>	Qualified empowerment zone facility bonds (section 1394(f)) (see instructions)	11j
k <input type="checkbox"/>	District of Columbia Enterprise Zone facility bonds (section 1400A) (see instructions)	11k
l <input type="checkbox"/>	Qualified public educational facility bonds (sections 142(a)(13) and 142(k))	11l
m <input type="checkbox"/>	Other. Describe (see instructions) ▶	11m
12 <input type="checkbox"/>	Qualified mortgage bond (section 143(a))	12
13 <input type="checkbox"/>	Qualified veterans' mortgage bond (section 143(b))	13
	Check the box if you elect to rebate arbitrage profits to the United States. <input type="checkbox"/>	
14 <input type="checkbox"/>	Qualified small issue bond (section 144(a)) (see instructions)	14
	Check the box for \$10 million small issue exemption <input type="checkbox"/>	
15 <input type="checkbox"/>	Qualified student loan bond (section 144(b))	15
16 <input type="checkbox"/>	Qualified redevelopment bond (section 144(c))	16
17 <input type="checkbox"/>	Qualified hospital bond (section 145(c)) (attach schedule - see instructions)	17
18 <input checked="" type="checkbox"/>	Qualified 501(c)(3) nonhospital bond (section 145(b)) (attach schedule - see instructions)	18
	Check box if 95% or more of net proceeds will be used only for capital expenditures ▶ <input checked="" type="checkbox"/>	
19 <input type="checkbox"/>	Nongovernmental output property bond (treated as private activity bond) (section 141(d))	19
20 <input type="checkbox"/>	Other. Describe (see instructions) ▶	20

Part III Description of Bonds (Complete for the entire issue for which this form is being filed.)

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	January 1, 2033	\$ 13,199,994.70	\$ 13,000,000	23.62 years	4.4195%

For Paperwork Reduction Act Notice, see page 4 of the separate instructions. Form **8038** (Rev. 1-2002)

Part IV Uses of Proceeds of Issue (including underwriters' discount)			Amount
22	Proceeds used for accrued interest	22	46,483.89
23	Issue price of entire issue (enter amount from line 21, column (b))	23	13,199,994.70
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	263,999.00
25	Proceeds used for credit enhancement	25	
26	Proceeds allocated to reasonably required reserve or replacement fund	26	
27	Proceeds used to currently refund prior issue (complete Part VI)	27	
28	Proceeds used to advance refund prior issue (complete Part VI)	28	
29	Add lines 24 through 28	29	263,999.00
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	12,935,995.00

Part V Description of Property Financed by Nonrefunding Proceeds		Amount	
Caution: The total of lines 31a through e below must equal line 30 above. Do not complete for qualified student loan bonds, qualified mortgage bonds, or qualified veterans' mortgage bonds.			
31 Type of Property Financed by Nonrefunding Proceeds:			
a	Land	31a	0
b	Buildings and structures	31b	12,110,955.00
c	Equipment with recovery period of more than 5 years	31c	0
d	Equipment with recovery period of 5 years or less	31d	825,000.00
e	Other (describe)	31e	0
32 North American Industry Classification System (NAICS) of the projects financed by nonrefunding proceeds.			
NAICS Code		Amount of nonrefunding proceeds	
a	611110	\$	12,935,995.00
b		\$	

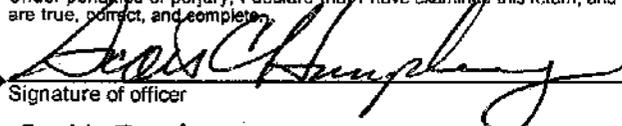
Part VI Description of Refunded Bonds (Complete this part only for refunding bonds.)	
33	Enter the remaining weighted average maturity of the bonds to be currently refunded ▶ _____ years
34	Enter the remaining weighted average maturity of the bonds to be advance refunded ▶ _____ years
35	Enter the last date on which the refunded bonds will be called ▶ _____
36	Enter the date(s) the refunded bonds were issued ▶ _____

Part VII Miscellaneous	
37	Name of governmental unit(s) approving issue (see the instructions) ▶ <u>IDA of the City of Alexandria, 4/8/03, 5/15/03; City Council, City of Alexandria, Virginia, 4/22/03</u>
38	Check the box if you have designated any issue under section 285(b)(3)(B)(i)(III) ▶ <input type="checkbox"/>
39	Check the box if you have elected to pay a penalty in lieu of arbitrage rebate ▶ <input type="checkbox"/>
40	Check the box if you have identified a hedge (see instructions) ▶ <input type="checkbox"/>
41	Check the box if the issue is comprised of qualified redevelopment, qualified small issue, or exempt facilities bonds and provide name and EIN of the primary private user. ▶ <input type="checkbox"/>
	Name ▶ _____ EIN ▶ _____

Part VIII Volume Caps		Amount
42	Amount of state volume cap allocated to the issuer. Attach copy of state certification	42
43	Amount of issue subject to the unified state volume cap	43
44	Amount of issue not subject to the unified state volume cap or other volume limitations:	44
a	Of bonds for governmentally owned solid waste facilities, airports, docks, wharves, environmental enhancements of hydroelectric generating facilities, or high-speed intercity rail facilities	44a
b	Under a carryforward election. Attach a copy of Form 8328 to this return	44b
c	Under transitional rules of the Tax Reform Act of 1986. Enter Act section ▶	44c
d	Under the exception for current refunding (section 146(i) and section 1313(a) of the Tax Reform Act of 1986)	44d
45 a	Amount of issue of qualified veterans' mortgage bonds	45a
b	Enter the state limit on qualified veterans' mortgage bonds	45b
46 a	Amount of section 1394(f) volume cap allocated to issuer. Attach copy of local government certification	46a
b	Name of empowerment zone ▶	
47	Amount of section 142(k)(5) volume cap allocated to issuer. Attach copy of state certification.	47

Under penalties of perjury, I declare that I have examined this return, and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Sign Here



Signature of officer

Scott Humphrey

Name of above officer (type or print)

May 29, 2003

Date

Chairman

Title of officer (type or print)

Schedule A to IRS Form 8038

1. Name of organization:
Protestant Episcopal High School in Virginia

2. EIN Number:
54-0506326

3. The amount of this issue of bonds benefiting the organization:
\$13,199,994.70

4. The amount of all other nonhospital bonds outstanding as of the date of this issue that benefit the organization:
 - (a) \$6,385,000 Industrial Development Authority of the City of Alexandria, Virginia Educational Facilities Revenue Refunding Bonds (Episcopal High School), Series 1996

 - (b) \$12,500,000 Industrial Development Authority of the City of Alexandria Educational Facilities Revenue Bonds (Episcopal High School), Series 1999

May 29, 2003

CERTIFIED MAIL

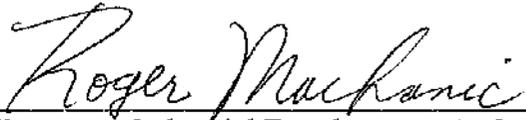
Virginia Department of
Business Assistance
707 East Main Street, 3rd Floor
Richmond, Virginia 23219

City Council
City of Alexandria, Virginia
301 King Street
Alexandria, Virginia 22314

Internal Revenue Service Form 8038

Enclosed is a true, correct and complete copy of Internal Revenue Service form 8038, which has been filed with the Internal Revenue Service in connection with the issuance by the Industrial Development Authority of the City of Alexandria of its \$13,000,000 Educational Facilities Revenue Bonds (Episcopal High School), Series 2003.

Very truly yours,


Secretary, Industrial Development Authority
of the City of Alexandria

CERTIFIED MAIL

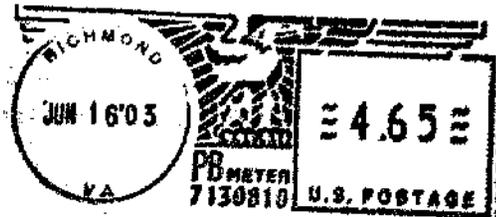


7160 3901 9842 0934 5012
RETURN RECEIPT REQUESTED

McGUIRE WOODS

46

City Council
City of Alexandria
301 King Street
Alexandria, VA 22314



22314+3211 46

