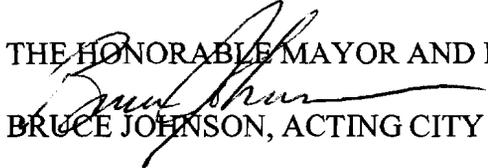


## City of Alexandria, Virginia

## MEMORANDUM

**DATE:** JUNE 24, 2011

**TO:** THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

**FROM:**  BRUCE JOHNSON, ACTING CITY MANAGER

**SUBJECT:** RESOLUTION AUTHORIZING THE ISSUANCE OF BONDS BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF ALEXANDRIA FOR 2050 BALLENGER, LLC (CATHOLIC CHARITIES USA). DOCKET ITEM #31

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On June 23, 2011 the Industrial Development Authority of the City of Alexandria (IDA) considered and passed a resolution authorizing the issuance of bonds for 2050 Ballenger, LLC (Catholic Charities USA). Attached to this transmittal are copies of the documents detailing the IDA's actions.

**ATTACHMENTS:**

- Attachment 1: Notice of Public Hearing
- Attachment 2: Certificate
- Attachment 3: June 23, 2011 Letter from Secretary of the Alexandria Industrial Development Authority
- Attachment 4: Fiscal Impact Statement
- Attachment 5: Proposed Council Resolution
- Attachment 6: AIDA Resolution Adopted June 23, 2011

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

Notice is hereby given that the Industrial Development Authority of the City of Alexandria (the "Authority"), whose address is c/o The Alexandria Economic Development Partnership, Inc., 1729 King Street, Suite 410, Alexandria, Virginia 22314, will hold a public hearing on the plan of financing application of 2050 Ballenger, LLC (the "Borrower"), a Virginia limited liability company whose sole member is Catholic Charities USA ("CCUSA"), a District of Columbia nonprofit corporation which is described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and whose address is Sixty-six Canal Center Plaza, Suite 600, Alexandria, Virginia 22314. The Borrower is requesting the Authority to issue up to \$7,900,000 of its revenue bonds at one time or from time to time in one or more series, pursuant to a plan of finance, to assist the Borrower in financing or refinancing certain of the costs of the acquisition of a portion of an approximately 72,670 gross square feet building located at 2050 Ballenger Avenue, in the City of Alexandria, Virginia, consisting of office space to be used as CCUSA's headquarters, and other eligible expenditures (collectively, the "Project").

The issuance of revenue bonds as requested by the Borrower 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 will be pledged to the payment of such bonds.

The public hearing, which may be continued or adjourned, will be held at 5:00 o'clock p.m., or as soon thereafter as the matter may be heard, on Thursday, June 23, 2011, 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. Information regarding the Borrower's application is on file and is open for inspection at the Authority's office at The Alexandria Economic Development Partnership, Inc., at 1729 King Street, Suite 410, Alexandria, Virginia during business hours.

Industrial Development Authority  
of the City of Alexandria

CERTIFICATE

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

1. A meeting of the Authority was duly called and held on June 23, 2011 at 5:00 p.m. at the offices of The Alexandria Economic Development Partnership, Inc. at 1729 King Street, Suite 410, 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 of 2050 Ballenger, LLC 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 (the "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 (the "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 23rd day of June, 2011.



Secretary, Industrial Development Authority of the  
City of Alexandria

[SEAL]

Exhibits:

A - Copy of Certified Notice

B - Summary of Statements

C - Inducement Resolution



**PROOF OF PUBLICATION**

I, Alicia Willis, of The Washington Examiner, (Virginia Edition) a newspaper in the area of Virginia, published in the English language and located in the Virginia area, and entered in a newspaper of record according to the Laws and Regulations of the United States of America for 52 successive weeks or more prior to the issue of June 16, 2011 certify that the notice of:

**2050 Ballenger, LLC**

**For McGuireWoods LLP**

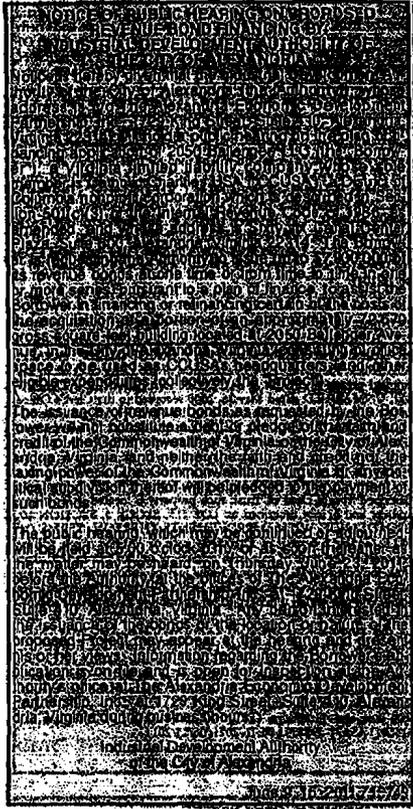
Attached hereto has been published on June 9, 16, 2011

Alicia Willis

16 day of June 2011



Advertisement #: 716749  
End Date: June 16, 2011  
Run Dates: June 9, 16, 2011  
**2050 Ballenger, LLC**  
**McGuireWoods LLP**



1015 15<sup>th</sup> Street NW, Suite 500, Washington, DC 20005 • 6850 Versar Center 3<sup>rd</sup> floor, Springfield, VA 22151

202.459.4923 phone • 202.903.2018 fax

**Official Court Document  
Retain For Your Records  
DO NOT DISCARD**

**EXHIBIT B TO CERTIFICATE**

**Summary of Statements**

Representatives of 2050 Ballenger, LLC and Catholic Charities USA and McGuireWoods LLP, bond counsel, appeared before the Authority to explain the proposed plan of financing. No one appeared in opposition to the proposed bond issue.

June 23, 2011

City Council of  
the City of Alexandria, Virginia  
P.O. Box 178  
301 King Street  
Alexandria, Virginia 22314

**Industrial Development Authority of the City of Alexandria  
Proposed Financing for 2050 Ballenger, LLC**

2050 Ballenger, LLC (the "Borrower"), a limited liability company whose sole member, Catholic Charities USA ("CCUSA"), is a corporation described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), has requested that the Industrial Development Authority of the City of Alexandria (the "Authority") recommend approval to the City Council of the City of Alexandria, Virginia (the "City Council") of the issuance of the Authority's revenue bonds (the "Bonds") in an amount not to exceed \$7,900,000 at one time or from time to time in one or more series, pursuant to a plan of finance, to assist the Borrower in financing or refinancing certain of the costs of the acquisition of a portion of an approximately 72,670 gross square feet building located at 2050 Ballenger Avenue, in the City of Alexandria, Virginia, consisting of office space to be used as CCUSA's headquarters, and other eligible expenditures (collectively, the "Project").

As set forth in the resolution of the Authority attached hereto, the Authority has agreed to issue its Bonds as requested. The Authority has conducted a public hearing on the proposed financing of the Project and has recommended that you approve the issuance of the Bonds as required by Section 147(f) of the Code and Section 15.2-4906 of the Code of Virginia of 1950, as amended (the "Virginia Code").

Also attached hereto is: (1) a certificate evidencing the conduct of the public hearing and the action taken by the Authority; (2) the Fiscal Impact Statement required pursuant to Virginia Code Section 15.2-4907; and (3) the form of resolution suggested by counsel to evidence your approval.

  
Secretary, Industrial Development Authority of the  
City of Alexandria

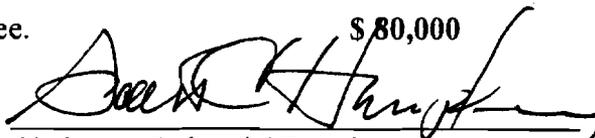
**FISCAL IMPACT STATEMENT  
FOR PROPOSED INDUSTRIAL DEVELOPMENT REVENUE BOND FINANCING**

Date: June 23, 2011

To the City Council of the City of Alexandria, Virginia

Applicant: 2050 Ballenger, LLC  
Facility: 2050 Ballenger Avenue, Alexandria, Virginia 22314

- |    |   |                     |
|----|---|---------------------|
| 1. | Maximum amount of financing sought.   | <b>\$ 7,900,000</b> |
| 2. | Estimated taxable value of the facility's real property to be constructed in the municipality.                          | <b>\$ N/A</b>       |
| 3. | Estimated real property tax per year using present tax rates.   | <b>\$ N/A</b>       |
| 4. | Estimated personal property tax per year using present tax rates.   | <b>\$ N/A</b>       |
| 5. | Estimated merchants' capital tax per year using present tax rates.  | <b>\$ N/A</b>       |
| 6. | (a) Estimated dollar value per year of goods that will be purchased from Virginia companies within the locality.        | <b>\$ 200,000</b>   |
|    | (b) Estimated dollar value per year of goods that will be purchased from non-Virginia companies within the locality.    | <b>\$ 500,000</b>   |
|    | (c) Estimated dollar value per year of services that will be purchased from Virginia companies within the locality.     | <b>\$ 500,000</b>   |
|    | (d) Estimated dollar value per year of services that will be purchased from non-Virginia companies within the locality. | <b>\$ 5,000,000</b> |
| 7. | Estimated number of regular employees on year round basis.  | <b>55</b>           |
| 8. | Average annual salary per employee.   | <b>\$ 80,000</b>    |

  
Chairman, Industrial Development Authority  
of the City of Alexandria

**RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF ALEXANDRIA, VIRGINIA WITH RESPECT TO INDUSTRIAL  
DEVELOPMENT AUTHORITY FINANCING FOR 2050 BALLENGER, LLC**

**WHEREAS**, the Industrial Development Authority of the City of Alexandria (the "Authority") has considered the application of 2050 Ballenger, LLC (the "Borrower"), a limited liability company whose sole member is Catholic Charities USA ("CCUSA"), a corporation which is described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended ("Code"), requesting the issuance of the Authority's revenue bonds in an amount not to exceed \$7,900,000 (the "Bonds") at one time or from time to time in one or more series pursuant to a plan of finance to assist the Borrower in financing or refinancing certain of the costs of the acquisition of a portion of an approximately 72,670 gross square feet building located at 2050 Ballenger Avenue, in the City of Alexandria, Virginia, consisting of office space to be used as CCUSA's headquarters, and other eligible expenditures (collectively, the "Project") and has held a public hearing in connection therewith on June 23, 2011;

**WHEREAS**, Section 147(f) of 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 (the "City"); the facilities of the Borrower described above are located in the City and the City Council of the City (the "Council") constitutes the highest elected governmental unit of the City;

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

**WHEREAS**, a copy of the Authority's resolution approving the issuance of the Bonds, 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  
ALEXANDRIA, VIRGINIA:**

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

2. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds of the creditworthiness of the Bonds or the Borrower.

3. The issuance of revenue bonds as requested by the Borrower 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 will be pledged to the payment of such bonds. Neither the

City of Alexandria, Virginia nor the Authority shall be obligated to pay the Bonds or the interest thereon or other costs incident thereto except from the revenues and money pledged therefor.

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

Adopted June 28, 2011.

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Mayor  
City of Alexandria, Virginia

ATTEST:

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City Clerk

**RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF ALEXANDRIA  
AUTHORIZING THE ISSUANCE OF UP TO \$7,900,000 REVENUE BONDS FOR THE  
BENEFIT OF 2050 BALLENGER, LLC**

**WHEREAS**, the Industrial Development Authority of the City of Alexandria, a political subdivision of the Commonwealth of Virginia (the "Authority"), is empowered by the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the "Act"), to issue its revenue bonds for the purpose of inducing nonprofit enterprises to locate or remain in Virginia and to promote the commerce, safety, health, welfare, convenience or prosperity of citizens of the Commonwealth of Virginia;

**WHEREAS**, the Authority has received a request from 2050 Ballenger, LLC (the "Borrower"), a limited liability whose sole member is Catholic Charities USA ("CCUSA"), a corporation which is described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), requesting that the Authority issue its revenue bonds at one time or from time to time in one or more series pursuant to a plan of finance to assist the Borrower in financing or refinancing certain of the costs of the acquisition of a portion of an approximately 72,670 gross square feet building located at 2050 Ballenger Avenue, in the City of Alexandria, Virginia, consisting of office space to be used as CCUSA's headquarters, and other eligible expenditures (collectively, the "Project");

**WHEREAS**, such assistance will induce the Borrower and CCUSA to remain in Virginia and benefit the inhabitants of the City of Alexandria, Virginia and the Commonwealth of Virginia, through the promotion of their safety, health, welfare, convenience or prosperity;

**WHEREAS**, preliminary plans for the Project have been described to the Authority and a public hearing has been held as required by Section 147(f) of the Code and Section 15.2-4906 of the Act;

**WHEREAS**, the Borrower has represented that the estimated cost of the Project and all expenses of issue will require one or more issues of revenue bonds in the aggregate principal amount not to exceed \$7,900,000; and

**WHEREAS**, the issuance of revenue bonds as requested by the Borrower 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 will be pledged to the payment of such bonds.

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

1. It is hereby found and determined that the financing and refinancing of the Project will be in the public interest and will promote the commerce, safety, health, welfare, convenience or prosperity of the Commonwealth of Virginia, the City of Alexandria, Virginia and their citizens.

2. To induce the Borrower and CCUSA to remain in the Commonwealth of Virginia, and particularly in the City of Alexandria, Virginia, the Authority hereby agrees to assist the

Borrower in financing and refinancing the Project by undertaking the issuance of its revenue bonds in an amount not to exceed \$7,900,000 at one time or from time to time in one or more series upon terms and conditions mutually agreeable to the Authority and the Borrower. The bonds will be issued pursuant to documents satisfactory to the Authority.

3. At the request of the Borrower, the Authority approves McGuireWoods LLP, McLean, Virginia, as Bond Counsel in connection with the issuance of the bonds.

4. All fees, costs and expenses in connection with the Project, including the Authority's administrative fees and the fees, costs and expenses of Bond Counsel and Authority Counsel, shall be paid by the Borrower 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 costs and expenses shall be paid by the Borrower and that the Authority shall have no responsibility therefor.

5. 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 Borrower to finance or refinance the acquisition, construction, renovation and equipping of the Project 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.

6. The Authority recommends that the City Council of the City of Alexandria, Virginia approve the issuance of the bonds.

7. No bonds may be issued pursuant to this resolution until such time as the issuance of the bonds has been approved by the City Council of the City of Alexandria, Virginia.

8. Neither the directors of the Authority nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof.

9. The approval of the issuance of the bonds does not constitute an endorsement to a prospective purchaser of the bonds of the creditworthiness of the Project or the Borrower. The issuance of revenue bonds as requested by the Borrower 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 of the Commonwealth of Virginia will be pledged to the payment of such bonds. Neither the City of Alexandria, Virginia nor the Authority shall be obligated to pay the bonds or the interest thereon or other costs incident thereto except from revenues and money pledged therefor.

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

**ADOPTED: June 23, 2011**

CERTIFICATE

The undersigned Secretary of the Industrial Development Authority of the City of Alexandria (the "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 June 23, 2011, 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 23rd day of June, 2011.



Secretary of the Industrial Development  
Authority of the City of Alexandria

[SEAL]

**RESOLUTION NO. 2464**

**RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF ALEXANDRIA, VIRGINIA WITH RESPECT TO INDUSTRIAL  
DEVELOPMENT AUTHORITY FINANCING FOR 2050 BALLENGER, LLC**

**WHEREAS**, the Industrial Development Authority of the City of Alexandria (the "Authority") has considered the application of 2050 Ballenger, LLC (the "Borrower"), a limited liability company whose sole member is Catholic Charities USA ("CCUSA"), a corporation which is described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended ("Code"), requesting the issuance of the Authority's revenue bonds in an amount not to exceed \$7,900,000 (the "Bonds") at one time or from time to time in one or more series pursuant to a plan of finance to assist the Borrower in financing or refinancing certain of the costs of the acquisition of a portion of a building located at 2050 Ballenger Avenue, in the City of Alexandria, Virginia, consisting of approximately 72,670 square feet of office space to be used as CCUSA's headquarters], and other eligible expenditures (collectively, the "Project") and has held a public hearing in connection therewith on June 23, 2011;

**WHEREAS**, Section 147(f) of 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 (the "City"); the facilities of the Borrower described above are located in the City and the City Council of the City (the "Council") constitutes the highest elected governmental unit of the City;

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

**WHEREAS**, a copy of the Authority's resolution approving the issuance of the Bonds, 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 ALEXANDRIA, VIRGINIA:**

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

2. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds of the creditworthiness of the Bonds or the Borrower.

3. The issuance of revenue bonds as requested by the Borrower 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

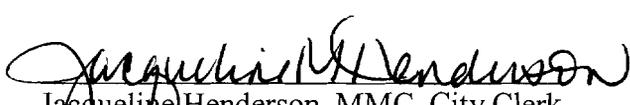
or any political subdivision thereof will be pledged to the payment of such bonds. Neither the City of Alexandria, Virginia nor the Authority shall be obligated to pay the Bonds or the interest thereon or other costs incident thereto except from the revenues and money pledged therefor.

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

Adopted June 28, 2011.

  
\_\_\_\_\_  
**WILLIAM D. EULLE MAYOR**

ATTEST:

  
Jacqueline Henderson, MMC, City Clerk