



MURIEL BOWSER
MAYOR

NOV 18 2019

2019 NOV 18 AM 9:46
OFFICE OF THE
SECRETARY

The Honorable Phil Mendelson, Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue, N.W.
Suite 504
Washington, DC 20001

Dear Chairman Mendelson:

On behalf of the citizens of the District of Columbia (the "District"), I hereby request that you introduce, and that the Council of the District of Columbia (the "Council") vote to approve, the enclosed draft resolution titled, "The Howard University Revenue Bonds Project Approval Resolution of 2019" (the "Resolution").

The Resolution authorizes the issuance, sale, and delivery of tax-exempt revenue bonds, notes or other obligations in aggregate principal amount not to exceed \$375,000,000.00. The bonds will be used for the financing, refinancing, or reimbursing of costs incurred by The Howard University ("Borrower"), in the financing, refinancing, or reimbursing of costs associated with an authorized project of the Borrower's properties located at 2240 Sixth Street, N.W., Washington, DC, 20059 and to allow the University to refund its Series 2011A Bonds. The project is located in Ward 1.

The Howard University ("The University"), established in 1867, is an independent, 501(c)3 nonprofit, coeducational, nonsectarian institution of higher education located principally on three campuses in the District of Columbia and one in Beltsville, Maryland. Since 1987, The University has been one of the highest producers of the nation's Black professionals in medicine, dentistry, pharmacy, engineering, nursing, architecture, religion, law, music, social work and education.

The proposed new steam plant for the University incorporates system design and equipment components that are significant contributions to increasing the sustainability impact of the project. The project includes the site of the existing steam plant on the University's campus at the intersection of 6th and Bryant Streets, N.W.

The Howard University Steam Modernization Sustainability Elements

The new plant will utilize Combined Heat and Power (CHP or cogeneration) which uses one fuel source to create two forms of useful energy. A natural gas fired combustion turbine will power an electric generator to supply electricity to the campus. When compared to the 33% fuel to

electricity efficiency of most utility generation, the reduced use of natural gas for both electric and steam is a significant savings to the environment. The steam plant will also include improvements, replacements, and upgrades of components of the distribution system which delivers steam to campus loads.

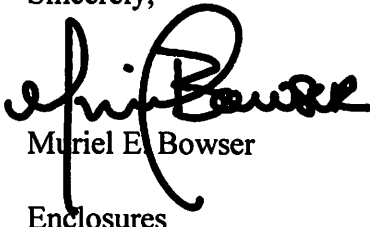
The Bonds project comprises the financing, refinancing, or reimbursing of all or a portion of the Borrower's costs of:


- (A) Refunding the District of Columbia Revenue Bonds (The Howard University Issue) Series 2011A, originally issued in the aggregate principal amount of \$225,250,000 pursuant to provisions of The Howard University Revenue Bonds Project Approval Resolution of 2011, (Resolution No. 19-46, adopted by the Council on March 1, 2011);
- (B) The demolition, construction, renovation and equipping of a steam plant located at 2240 Sixth Street, N.W., Washington, DC, together with the associated utility distribution system in a manner designed to promote and support the functions of the Borrower and Borrower's students;
- (C) Funding certain working capital costs, to the extent financeable;
- (D) Funding any credit enhancement costs, liquidity costs or debt service reserve fund; and
- (E) Paying Issuance Costs and other related costs to the extent permissible.

In accordance with Section 490 of the Home Rule Act, we have determined that the bonds, when, as, and if issued, shall be without recourse to the District. The bonds shall not be general obligations of the District; shall not be a pledge of or involve the full faith and credit or the taxing power of the District; shall not constitute a debt of the District; and shall not constitute a lending of public credit for private undertakings as prohibited in section 602(a) (2) of the Home Rule Act. The bonds shall not give rise to any pecuniary liability of the District and the District shall have no obligation with respect to the purchase of the bonds.

I find that the proposed financing will assist in furthering the efforts The Howard University in providing, education, association, trade, commerce and employment opportunities to the citizens of the District of Columbia. I urge the Council to take prompt and favorable action on the measure.

Sincerely,


Muriel E. Bowser
Enclosures



Chairman Phil Mendelson
at the request of the Mayor

A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To authorize and provide for the issuance, sale, and delivery in an aggregate principal amount not to exceed \$375 million of District of Columbia revenue bonds in one or more series and to authorize and provide for the loan of the proceeds of such bonds to assist The Howard University in the financing, refinancing, or reimbursing of costs associated with an authorized project pursuant to section 490 of the District of Columbia Home Rule Act.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “The Howard University Revenue Bonds Project Approval Resolution of 2019”.

Sec. 2. Definitions.

For the purposes of this resolution, the term:

(1) “Authorized Delegate” means the Mayor or the Deputy Mayor for Planning and Economic Development, or any officer or employee of the Executive Office of the Mayor to whom the Mayor has delegated or to whom the foregoing individuals have subdelegated any of the Mayor’s functions under this resolution pursuant to section 422(6) of the Home Rule Act.

(2) “Bond Counsel” means a firm or firms of attorneys designated as bond counsel from time to time by the Mayor.

(3) “Bonds” means the District of Columbia revenue bonds, notes, or other obligations (including refunding bonds, notes, and other obligations), in one or more series, authorized to be issued pursuant to this resolution.

(4) “Borrower” means the owner of the assets financed, refinanced, or reimbursed with proceeds from the Bonds which shall be The Howard University, a non-profit corporation incorporated under the laws of the United States of America, and exempt from federal income taxes under 26 U.S.C § 501(a) as an organization described in 26 U.S.C. § 501(c)(3), and which is liable for repayment of the Bonds.

(5) “Chairman” means the Chairman of the Council of the District of Columbia.

(6) “Closing Documents” means all documents and agreements, other than Financing Documents, that may be necessary and appropriate to issue, sell, and deliver the Bonds and to make the Loan, and includes agreements, certificates, letters, opinions, forms, receipts, and other similar instruments.

(7) “District” means the District of Columbia.

(8) “Financing Documents” means the documents, other than Closing Documents, that relate to the financing, refinancing or reimbursement of transactions to be effected through the issuance, sale, and delivery of the Bonds and the making of the Loan, including any offering document, and any required supplements to any such documents.

(9) “Home Rule Act” means the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 774; D.C. Official Code § 1-201.01 *et seq.*).

(10) "Issuance Costs" means all fees, costs, charges, and expenses paid or incurred in connection with the authorization, preparation, printing, issuance, sale, and delivery of the Bonds and the making of the Loan, including, but not limited to, underwriting, legal, accounting, rating agency, and all other fees, costs, charges, and expenses incurred in connection with the development and implementation of the Financing Documents, the Closing Documents, and those other documents necessary or appropriate in connection with the authorization, preparation, printing, issuance, sale, marketing, and delivery of the Bonds and the making of the Loan, together with financing fees, costs, and expenses, including program fees and administrative fees charged by the District, fees paid to financial institutions and insurance companies, initial letter of credit fees (if any), and compensation to financial advisors and other persons (other than full-time employees of the District) and entities performing services on behalf of or as agents for the District.

(11) "Loan" means the District's lending of proceeds from the sale, in one or more series, of the Bonds to the Borrower.

(12) "Project" means the financing, refinancing or reimbursing of all or a portion of the Borrower's costs of:

(A) Refunding the District of Columbia Revenue Bonds (The Howard University Issue) Series 2011A, originally issued in the aggregate principal amount of \$225,250,000 pursuant to provisions of The Howard University Revenue Bonds Project Approval Resolution of 2011, (Resolution No. 19-46, adopted by the Council on March 1, 2011);

(B) The demolition, construction, renovation and equipping of a steam plant located on the Borrower's campus located at 2240 Sixth Street, N.W., Washington D.C., 20059, together with the associated utility distribution system and other associated improvements to land, buildings, structures, machinery, equipment, furnishing or other real or personal property related thereto, in each case in a manner designed to promote and support the functions of the Borrower and the Borrower's students;

(C) Funding certain working capital costs, to the extent financeable;

(D) Funding any credit enhancement costs, liquidity costs or debt service reserve fund; and

(E) Paying Issuance Costs and other related costs to the extent permissible.

Sec. 3. Findings.

The Council finds that:

(1) Section 490 of the Home Rule Act provides that the Council may by resolution authorize the issuance of District revenue bonds, notes, or other obligations (including refunding bonds, notes, or other obligations) to borrow money to finance, refinance, or reimburse costs, and to assist in the financing, refinancing, or reimbursing of, the costs of undertakings in certain areas designated in section 490 and may effect the financing, refinancing, or reimbursement by loans made directly or indirectly to any individual or legal entity, by the purchase of any mortgage, note, or other security, or by the purchase, lease, or sale of any property.

(2) The Borrower has requested the District to issue, sell, and deliver revenue bonds, in one or more series pursuant to a plan of finance, in an aggregate principal amount not to exceed \$375 million, and to make the Loan for the purpose of financing, refinancing, or reimbursing costs of the Project.

(3) The Project is located in the District and will contribute to the health, education, safety, or welfare of, or the creation or preservation of jobs for, residents of the District, or to economic development of the District.

(4) The Project is an undertaking in the area of college and university facilities within the meaning of section 490 of the Home Rule Act.

(5) The authorization, issuance, sale, and delivery of the Bonds and the Loan to the Borrower are desirable, are in the public interest, will promote the purpose and intent of section 490 of the Home Rule Act, and will assist the Project.

Sec. 4. Bond authorization.

(a) The Mayor is authorized pursuant to the Home Rule Act and this resolution to assist in financing, refinancing or reimbursing the costs of the Project by:

(1) The issuance, sale, and delivery of the Bonds, in one or more series, in an aggregate principal amount not to exceed \$375 million; and

(2) The making of the Loan.

(b) The Mayor is authorized to make the Loan to the Borrower for the purpose of financing, refinancing or reimbursing the costs of the Project and establishing any fund with respect to the Bonds as required by the Financing Documents.

(c) The Mayor may charge a program fee to the Borrower, including, but not limited to, an amount sufficient to cover costs and expenses incurred by the District in connection with the issuance, sale, and delivery of each series of the Bonds, the District's participation in the monitoring of the use of the Bond proceeds and compliance with any public benefit agreements with the District, and maintaining official records of each bond transaction, and assisting in the redemption, repurchase, and remarketing of the Bonds.

Sec. 5. Bond details.

(a) The Mayor and each Authorized Delegate is authorized to take any action reasonably necessary or appropriate in accordance with this resolution in connection with the preparation, execution, issuance, sale, delivery, security for, and payment of the Bonds of each series, including, but not limited to, determinations of:

(1) The final form, content, designation, and terms of the Bonds, including a determination that the Bonds may be issued in certificated or book-entry form;

(2) The principal amount of the Bonds to be issued and denominations of the Bonds;

(3) The rate or rates of interest or the method for determining the rate or rates of interest on the Bonds;

(4) The date or dates of issuance, sale, and delivery of, and the payment of interest on, the Bonds, and the maturity date or dates of the Bonds;

(5) The terms under which the Bonds may be paid, optionally or mandatorily redeemed, accelerated, tendered, called, or put for redemption, repurchase, or remarketing before their respective stated maturities;

(6) Provisions for the registration, transfer, and exchange of the Bonds and the replacement of mutilated, lost, stolen, or destroyed Bonds;

(7) The creation of any reserve fund, sinking fund, or other fund with respect to the Bonds;

(8) The time and place of payment of the Bonds;

(9) Procedures for monitoring the use of the proceeds received from the sale of the Bonds to ensure that the proceeds are properly applied to the Project and used to accomplish the purposes of the Home Rule Act and this resolution;

(10) Actions necessary to qualify the Bonds under blue sky laws of any jurisdiction where the Bonds are marketed; and

(11) The terms and types of credit enhancement under which the Bonds may be secured.

(b) The Bonds shall contain a legend, which shall provide that the Bonds are special obligations of the District, are without recourse to the District, are not a pledge of, and do not involve the faith and credit or the taxing power of the District, do not constitute a debt of the District, and do not constitute lending of the public credit for private undertakings as prohibited in section 602(a)(2) of the Home Rule Act.

(c) The Bonds shall be executed in the name of the District and on its behalf by the manual or facsimile signature of the Mayor, and attested by the Secretary of the District of Columbia by the Secretary of the District of Columbia's manual or facsimile signature. The Mayor's execution and delivery of the Bonds shall constitute conclusive evidence of the Mayor's approval, on behalf of the District, of the final form and content of the Bonds.

(d) The official seal of the District, or a facsimile of it, shall be impressed, printed, or otherwise reproduced on the Bonds.

(e) The Bonds of any series may be issued in accordance with the terms of a trust instrument to be entered into by the District and a trustee to be selected by the Borrower subject to the approval of the Mayor, and may be subject to the terms of one or more agreements entered into by the Mayor pursuant to section 490(a)(4) of the Home Rule Act.

(f) The Bonds may be issued at any time or from time to time in one or more issues and in one or more series.

Sec. 6. Sale of the Bonds.

(a) The Bonds of any series may be sold at negotiated or competitive sale at, above, or below par, to one or more persons or entities, and upon terms that the Mayor considers to be in the best interest of the District.

(b) The Mayor or an Authorized Delegate may execute, in connection with each sale of the Bonds, offering documents on behalf of the District, may deem final any such offering document on behalf of the District for purposes of compliance with federal laws and regulations

governing such matters and may authorize the distribution of the documents in connection with the sale of the Bonds.

(c) The Mayor is authorized to deliver the executed and sealed Bonds, on behalf of the District, for authentication, and, after the Bonds have been authenticated, to deliver the Bonds to the original purchasers of the Bonds upon payment of the purchase price.

(d) The Bonds shall not be issued until the Mayor receives an approving opinion from Bond Counsel as to the validity of the Bonds of such series and, if the interest on the Bonds is expected to be exempt from federal income taxation, the treatment of the interest on the Bonds for purposes of federal income taxation.

Sec. 7. Payment and security.

(a) The principal of, premium, if any, and interest on, the Bonds shall be payable solely from proceeds received from the sale of the Bonds, income realized from the temporary investment of those proceeds, receipts and revenues realized by the District from the Loan, income realized from the temporary investment of those receipts and revenues prior to payment to the Bond owners, other moneys that, as provided in the Financing Documents, may be made available to the District for the payment of the Bonds, and other sources of payment (other than from the District), all as provided for in the Financing Documents.

(b) Payment of the Bonds shall be secured as provided in the Financing Documents and by an assignment by the District for the benefit of the Bond owners of certain of its rights under the Financing Documents and Closing Documents, including a security interest in certain collateral, if any, to the trustee for the Bonds pursuant to the Financing Documents.

(c) The trustee is authorized to deposit, invest, and disburse the proceeds received from the sale of the Bonds pursuant to the Financing Documents.

Sec. 8. Financing and Closing Documents.

(a) The Mayor is authorized to prescribe the final form and content of all Financing Documents and all Closing Documents to which the District is a party that may be necessary or appropriate to issue, sell, and deliver the Bonds and to make the Loan to the Borrower. Each of the Financing Documents and each of the Closing Documents to which the District is not a party shall be approved, as to form and content, by the Mayor.

(b) The Mayor is authorized to execute, in the name of the District and on its behalf, the Financing Documents and any Closing Documents to which the District is a party by the Mayor's manual or facsimile signature.

(c) If required, the official seal of the District, or a facsimile of it, shall be impressed, printed, or otherwise reproduced on the Financing Documents and the Closing Documents to which the District is a party.

(d) The Mayor's execution and delivery of the Financing Documents and the Closing Documents to which the District is a party shall constitute conclusive evidence of the Mayor's approval, on behalf of the District, of the final form and content of the executed Financing Documents and the executed Closing Documents.

(e) The Mayor is authorized to deliver the executed and sealed Financing Documents and Closing Documents, on behalf of the District, prior to or simultaneously with the issuance, sale,

and delivery of the Bonds, and to ensure the due performance of the obligations of the District contained in the executed, sealed, and delivered Financing Documents and Closing Documents.

Sec. 9. Authorized delegation of authority.

To the extent permitted by District and federal laws, the Mayor may delegate to any Authorized Delegate the performance of any function authorized to be performed by the Mayor under this resolution.

Sec. 10. Limited liability.

(a) The Bonds shall be special obligations of the District. The Bonds shall be without recourse to the District. The Bonds shall not be general obligations of the District, shall not be a pledge of, or involve the faith and credit or the taxing power of, the District, shall not constitute a debt of the District, and shall not constitute lending of the public credit for private undertakings as prohibited in section 602(a)(2) of the Home Rule Act.

(b) The Bonds shall not give rise to any pecuniary liability of the District and the District shall have no obligation with respect to the purchase of the Bonds.

(c) Nothing contained in the Bonds, in the Financing Documents, or in the Closing Documents shall create an obligation on the part of the District to make payments with respect to the Bonds from sources other than those listed for that purpose in section 7.

(d) The District shall have no liability for the payment of any Issuance Costs or for any transaction or event to be effected by the Financing Documents.

(e) All covenants, obligations, and agreements of the District contained in this resolution, the Bonds, and the executed, sealed, and delivered Financing Documents and Closing Documents

to which the District is a party, shall be considered to be the covenants, obligations, and agreements of the District to the fullest extent authorized by law, and each of those covenants, obligations, and agreements shall be binding upon the District, subject to the limitations set forth in this resolution.

(f) No person, including, but not limited to, the Borrower and any Bond owner, shall have any claims against the District or any of its elected or appointed officials, officers, employees, or agents for monetary damages suffered as a result of the failure of the District or any of its elected or appointed officials, officers, employees or agents to perform any covenant, undertaking, or obligation under this resolution, the Bonds, the Financing Documents, or the Closing Documents, or as a result of the incorrectness of any representation in or omission from the Financing Documents or the Closing Documents, unless the District or its elected or appointed officials, officers, employees, or agents have acted in a willful and fraudulent manner.

Sec. 11. District officials.

(a) Except as otherwise provided in section 10(f), the elected or appointed officials, officers, employees, or agents of the District shall not be liable personally for the payment of the Bonds or be subject to any personal liability by reason of the issuance, sale or delivery of the Bonds, or for any representations, warranties, covenants, obligations, or agreements of the District contained in this resolution, the Bonds, the Financing Documents, or the Closing Documents.

(b) The signature, countersignature, facsimile signature, or facsimile countersignature of any official appearing on the Bonds, the Financing Documents, or the Closing Documents shall

be valid and sufficient for all purposes notwithstanding the fact that the individual signatory ceases to hold that office before delivery of the Bonds, the Financing Documents, or the Closing Documents.

Sec.12. Maintenance of documents.

Copies of the specimen Bonds and of the final Financing Documents and Closing Documents shall be filed in the Office of the Secretary of the District of Columbia.

Sec.13. Information reporting.

Within 3 days after the Mayor's receipt of the transcript of proceedings relating to the issuance of the Bonds, the Mayor shall transmit a copy of the transcript to the Secretary to the Council.

Sec. 14. Disclaimer.

(a) The issuance of Bonds is in the discretion of the District. Nothing contained in this resolution, the Bonds, the Financing Documents, or the Closing Documents shall be construed as obligating the District to issue any Bonds for the benefit of the Borrower or to participate in or assist the Borrower in any way with financing, refinancing, or reimbursing the costs of the Project. The Borrower shall have no claims for damages or for any other legal or equitable relief against the District, its elected or appointed officials, officers, employees, or agents as a consequence of any failure to issue any Bonds for the benefit of the Borrower.

(b) The District reserves the right to issue the Bonds in the order or priority it determines in its sole and absolute discretion. The District gives no assurance and makes no representations that any portion of any limited amount of bonds or other obligations, the interest on which is

excludable from gross income for federal income tax purposes, will be reserved or will be available at the time of the proposed issuance of the Bonds.

(c) The District, by adopting this resolution or by taking any other action in connection with financing, refinancing, or reimbursing costs of the Project, does not provide any assurance that the Project is viable or sound, that the Borrower is financially sound, or that amounts owing on the Bonds or pursuant to the Loan will be paid. Neither the Borrower, any purchaser of the Bonds, nor any other person shall rely upon the District with respect to these matters.

Sec. 15. Expiration.

If any Bonds are not issued, sold, and delivered to the original purchaser within 3 years of the date of this resolution, the authorization provided in this resolution with respect to the issuance, sale, and delivery of the Bonds shall expire.

Sec. 16. Severability.

If any particular provision of this resolution or the application thereof to any person or circumstance is held invalid, the remainder of this resolution and the application of such provision to other persons or circumstances shall not be affected thereby. If any action or inaction contemplated under this resolution is determined to be contrary to the requirements of applicable law, such action or inaction shall not be necessary for the purpose of issuing of the Bonds, and the validity of the Bonds shall not be adversely affected.

Sec. 17. Compliance with public approval requirement.

This approval shall constitute the approval of the Council as required in section 147(f) of the Internal Revenue Code of 1986, as amended, and section 490(k) of the Home Rule Act, for

the Project to be financed, refinanced, or reimbursed with the proceeds of the Bonds. This resolution approving the issuance of the Bonds for the Project has been adopted by the Council after a public hearing held at least 7 days after publication of notice in a newspaper of general circulation in the District.

Sec. 18. Transmittal.

The Council shall transmit a copy of this resolution, upon its adoption, to the Mayor.

Sec. 19. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

Sec. 20. Effective date.

This resolution shall take effect immediately.

THE HOWARD UNIVERSITY 2019 STEAM PLANT FACT SHEET

The Howard University, has requested that the District of Columbia (the “District”), issue up to \$375,000,000 District of Columbia revenue bonds in one or more series to authorize and provide for the loan of the proceeds of the bonds to assist The Howard University (“Borrower”), in the financing, refinancing, or reimbursing of costs associated with an authorized project of the Borrower’s properties located at 2240 Sixth Street, N.W., Washington, DC, 20059, (Square 3064 Lot 0826), and to allow the University to refund its Series 2011A Bonds. The project is located in Ward 1.

The Applicant

The Howard University (“The University”), established in 1867, is an independent, 501C (3) nonprofit, coeducational, nonsectarian institution of higher education located principally on three campuses in the District of Columbia and one in Beltsville, Maryland. Since 1987, The University has been one of the highest producers of the nation’s Black professionals in medicine, dentistry, pharmacy, engineering, nursing, architecture, religion, law, music, social work and education.

The University’s mission is to provide an educational experience of exceptional quality at the undergraduate, graduate, and professional levels to students of high academic standing and potential, with particular emphasis upon educational opportunities for Black students. With an abiding interest in both domestic and international affairs, the University is committed to continuing to produce leaders for America and the global community. Although widely regarded as the leading African American university in the United States, the University does not discriminate in matters relating to admission to its educational and medical programs or to employment on the basis of skin color, gender, national or ethnic origin.

The University has three campuses in the District: a Central Campus made up of 118 acres and contains most of the University’s academic and administrative facilities and houses the 400-bed Howard University Hospital; an East Campus houses the Divinity School on a 23 acre site; and the West Campus which houses the Law School on a 19.6 acre site. The Beltsville Campus is an 108 acre site located in Prince Georges County Maryland which houses the atmospheric research program that is being conducted in partnership with the National Oceanic And Atmospheric Administration

Proposed Project

The proposed new steam plant for the University incorporates system design and equipment components that are significant contributions to increasing the sustainability impact of the project. The project includes the site of the existing steam plant on the University's campus at the intersection of 6th and Bryant Streets, N.W.

The Howard University Steam Modernization Sustainability Elements

The new plant will utilize Combined Heat and Power (CHP or cogeneration) which uses one fuel source to create two forms of useful energy. A natural gas fired combustion turbine will power an electric generator to supply electricity to the campus. When compared to the 33% fuel to electricity efficiency of most utility generation, the reduced use of natural gas for both electric and steam is a significant savings to the environment. The steam plant will also include improvements, replacements, and upgrades of components of the distribution system which delivers steam to campus loads.

The Bonds project comprises the financing, refinancing or reimbursing of all or a portion of the Borrower's costs of:

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- (B) The demolition, construction, renovation and equipping of a steam plant located at 2240 Sixth Street, N.W., Washington, DC, together with the associated utility distribution system in a manner designed to promote and support the functions of the Borrower and Borrower's students;
- (C) Funding certain working capital costs, to the extent financeable;
- (D) Funding any credit enhancement costs, liquidity costs or debt service reserve fund; and
- (E) Paying Issuance Costs and other related costs to the extent permissible.

Financing Plan

A summary of the proposed sources and uses of funds is attached (see Table 1).

Feasibility/Structure/Security of the Bonds

Barclays Bank PLC, will be the underwriter for this transaction. The bonds, if issued, will be secured by a general obligation of Provident Group-Tubman Quad Properties, Inc and will be without recourse to the District of Columbia.

Legal and Regulatory Affairs

The law firm of Orrick, Herrington and Sutcliffe, LLP, bond counsel to the Revenue Bond Program, has preliminarily determined that The Howard University is a 501(c)3 organization and that the project constitutes a permissible undertaking within the meaning of Section 490(a)(1) of the Home Rule Act.

The needed District agencies have and/or will review the application as it moves through the process and sign off before closing

Based upon the information set forth in the application, the Industrial Revenue Bond Program staff has determined that the proposed project complies with criteria for approval of a proposed financing transaction through the District's Industrial Revenue Bond Program and will assist the Borrower in furthering its organizational mission.

TABLE 1
PROPOSED SOURCES AND USE OF FUNDS

SOURCES OF FUNDS	Total Cost	Tax-Exempt Bond Proceeds	Taxable Loan
Total Sources of Funds	\$372,520,000	\$356,020,000	\$16,500,000
USES OF FUNDS			
New Construction	\$87,500,000	\$87,500,000	
Refinance/Refunding	\$235,000,000	\$225,000,000	\$10,000,000
Other Site Improvements	\$6,000,000		\$6,000,000
Equity/Placement Fee			\$500,000
Architectural/Engineering	\$2,500,000	\$2,500,000	
Cost of Issuance:			
Program Fee	\$2,670,000	\$2,670,000	
Borrower's Counsel Fees (Bond Issuance)	\$300,000	\$300,000	
Bond Counsel Fees	\$300,000	\$300,000	
Other Counsel Fees	\$300,000	\$300,000	
Underwriter/Placement Fee	\$1,700,000	\$1,200,000	
Trustee Fees	\$20,000	\$20,000	
Upfront Fee for LOC/Bond Insurance and other Issuance Cost			
Net Capitalized Interest	\$13,500,000	\$13,500,000	
Debt Service Reserve Fund	\$14,400,000	\$14,400,000	
Contingency and Rounding Reserve	\$8,330,000	\$8,330,000	-
Total	\$372,520,000	\$356,020,000	\$16,500,000

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Attorney General



Commercial Division
Tax and Finance Section

MEMORANDUM

TO: William Liggins, Director
D.C. Revenue Bond-Enterprise Zone Program
Office of the Deputy Mayor for Planning
and Economic Development

FROM: Andrea R. Littlejohn *ARL*
Assistant Attorney General

DATE: November 7, 2019

SUBJECT: Legal Sufficiency Review:
The Howard University Revenue Bonds Project Approval Resolution
of 2019

This responds to a request from your office to review for legal sufficiency the attached draft of the above-referenced proposed resolution. For purposes of this review, this Office premises its conclusion on the assumption that your office has determined that the Borrower as defined in the aforementioned resolution is a "qualified applicant" within the meaning of Section 490 of the District of Columbia Home Rule Act.

A review of the attached draft of the above-referenced proposed resolution indicates that the draft proposed resolution conforms with the Model Revenue Bond Resolution jointly drafted and determined to be legally sufficient by the General Counsel of the Council, the Office of the Attorney General, and the District's bond counsel. Accordingly, we find the attached draft of the above-referenced proposed resolution legally sufficient.

Please contact me at 724-7761 if you have further questions or concerns.

Attachment: The Howard University Revenue Bonds Project Approval Resolution of 2019

ARL/arl