

1 Introduced by the Council President at the request of the Mayor:
2
3

4 **ORDINANCE 2020-627**

5 AN ORDINANCE PROVIDING FOR AND AUTHORIZING THE
6 ISSUANCE BY THE CITY OF JACKSONVILLE, FLORIDA OF
7 ITS EDUCATIONAL FACILITIES REVENUE BONDS
8 (JACKSONVILLE ALLIANCE FOR KIPP SCHOOLS, INC.
9 PROJECT), SERIES 2020, IN ONE OR MORE SERIES, IN
10 AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING
11 \$23,000,000 FOR THE PURPOSE OF OBTAINING FUNDS
12 TO LOAN TO JACKSONVILLE ALLIANCE FOR KIPP
13 SCHOOLS, INC., A FLORIDA NOT FOR PROFIT
14 CORPORATION, TO FINANCE, INCLUDING THROUGH
15 REIMBURSEMENT, OR REFINANCE A PART OF THE COST
16 OF ACQUIRING, CONSTRUCTING AND EQUIPPING VARIOUS
17 EDUCATIONAL FACILITIES FOR SUCH CORPORATION AND
18 ITS AFFILIATES, KIPP JACKSONVILLE, INC. AND
19 MCDUFF QALICB2, INC., IN THE CITY OF
20 JACKSONVILLE, FLORIDA; PROVIDING THAT SUCH BONDS
21 SHALL NOT CONSTITUTE A GENERAL DEBT OR LIABILITY
22 OF THE CITY OR A DEBT LIABILITY OR OBLIGATION OF
23 DUVAL COUNTY, FLORIDA, OR OF THE STATE OF
24 FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF,
25 BUT SHALL BE PAYABLE SOLELY FROM THE REVENUES
26 HEREIN PROVIDED; PROVIDING FOR THE RIGHTS OF THE
27 HOLDERS OF THE BONDS; MAKING CERTAIN COVENANTS
28 AND AGREEMENTS IN CONNECTION WITH THE ISSUANCE
29 OF SUCH SERIES 2020 BONDS; APPROVING AND
30 AUTHORIZING THE EXECUTION AND DELIVERY OF A
31 FINANCING AGREEMENT WITH RESPECT TO THE BONDS;

1 APPROVING AND AUTHORIZING THE EXECUTION AND
2 DELIVERY OF CERTAIN OTHER DOCUMENTS REQUIRED IN
3 CONNECTION WITH THE FOREGOING; AUTHORIZING THE
4 CHIEF ECONOMIC OFFICER OF THE CITY OF
5 JACKSONVILLE, FLORIDA TO AWARD THE PLACEMENT OF
6 THE BONDS TO BBVA USA OR AN AFFILIATE THEREOF,
7 AND APPROVING THE CONDITIONS OF SUCH PLACEMENT;
8 AND PROVIDING CERTAIN OTHER DETAILS IN
9 CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE
10 DATE.

11
12 **BE IT ORDAINED** by the Council of the City of Jacksonville:

13 **Section 1. Authority.** This Ordinance is enacted pursuant
14 to Chapter 104, Part 3 of the Ordinance Code of the City of
15 Jacksonville, Florida (referred to herein as the "City" or the
16 "Issuer"), as amended; the Florida Industrial Development Financing
17 Act, Chapter 159, Part II, Florida Statutes, as amended (the
18 "Industrial Act"); and other applicable provisions of law
19 (collectively, the "Act").

20 **Section 2. Definitions.**

21 "Bond Counsel" means the law firm of Foley & Lardner LLP,
22 Jacksonville, Florida.

23 "Bonds" means the bonds of the Issuer to be designated "City
24 of Jacksonville, Florida Educational Facilities Revenue Bonds
25 (Jacksonville Alliance for KIPP Schools, Inc. Project), Series 2020"
26 in one or more tax-exempt or taxable series, in an aggregate principal
27 amount not to exceed \$23,000,000, substantially in the form and with
28 rates of interest, maturity dates and other details provided for
29 herein and in the Financing Agreement, to be authorized and issued
30 by the Issuer, and delivered to the Lender in accordance with the
31 Financing Agreement.

1 "Borrower" means Jacksonville Alliance for KIPP Schools, Inc.,
2 a Florida not for profit corporation, and any successor thereto.

3 "Chief Economic Officer" as used herein refers to the Economic
4 Development Officer of the Issuer as defined in Section 26.102, of
5 the Ordinance Code of the City of Jacksonville, or such other person
6 as may be authorized to act in the place of the Economic Development
7 Officer.

8 "Council" means the City Council of the Issuer

9 "Code" means the Internal Revenue Code of 1986, as amended from
10 time to time, and the regulations promulgated thereunder, whether
11 proposed, temporary or final.

12 "Corporation Secretary" as used herein refers to the Corporation
13 Secretary of the Issuer or such other person as may be authorized to
14 act in the place of the Corporation Secretary.

15 "County" means Duval County, Florida.

16 "Financing Project" means (i) the financing, reimbursing or
17 refinancing of a portion of the costs of acquiring, constructing and
18 equipping of costs of the Project, (ii) paying certain capitalized
19 interest on the Bonds, and (iii) paying all or a portion of the costs
20 of issuing the Bonds.

21 "Financing Agreement" means the Financing Agreement to be
22 executed by and among the Issuer, the Borrower and the Lender,
23 substantially in the form currently **On File** with the Legislative
24 Services Division and incorporated herein by reference.

25 "Lender" means BBVA USA or its affiliate, BBVA Mortgage
26 Corporation, its successor and assigns.

27 "Master Note" means the promissory note of the Borrower issued
28 pursuant to a master trust indenture.

29 "Project" means the acquisition, construction, installation and
30 equipping of certain educational facilities for the Borrower and its
31 affiliates, KIPP Jacksonville, Inc. ("KIPP Jacksonville") and McDuff

1 QALICB2, Inc., consisting of: (i) the acquisition, construction,
2 installation and equipping of an approximately 63,000 square foot
3 classroom building and an approximately 10,500 square foot gymnasium,
4 and related improvements, fixtures, furnishings and equipment, to be
5 operated by KIPP Jacksonville as an elementary charter school, and
6 to be located on an approximately 8-acre site located at 813 Golfair
7 Boulevard, Jacksonville, Florida, which site is to be leased to the
8 Borrower, (ii) refinancing a loan to the Borrower which financed
9 certain capital improvements to facilities operated by KIPP
10 Jacksonville as a charter school for grades kindergarten through
11 eighth grade, located at 1440 McDuff Avenue North, Jacksonville,
12 Florida, and owned by the Borrower, and (iii) refinancing a loan to
13 the Borrower which financed a part of the cost of the acquisition,
14 construction, installation and equipping of an approximately 75,000
15 square foot facility, and related improvements, fixtures, furnishings
16 and equipment, operated by KIPP Jacksonville as an elementary charter
17 school, located at 2525 West 1st Street, Jacksonville, Florida, and
18 owned by McDuff QALICB2, Inc.

19 "State" means state of Florida.

20 All other terms used herein in capitalized form, unless
21 otherwise defined herein, shall have the same meanings as ascribed
22 to them in the resolution pertaining to the Bonds referenced below
23 (the "Preliminary Resolution"), adopted by the Industrial Development
24 Revenue Bond Review Committee on September 21, 2020, a copy of which
25 is **On File** with the Legislative Services Division and incorporated
26 herein by reference.

27 **Section 3. Findings.** The Issuer hereby finds and declares
28 as follows:

29 (A) The Issuer is a consolidated municipal corporation and
30 county political subdivision of the State of Florida, and is a local
31 agency as defined in the Industrial Act. The Issuer is duly

1 authorized and empowered by the Act to provide for the issuance of
2 and to issue and sell its revenue bonds for the purpose of financing
3 all or any part of the "cost" of any "project," including any project
4 for an "educational facility" (as such terms are defined or used in
5 the Industrial Act), in order to improve education, promote the
6 advancement of education, promote and foster the economic growth and
7 development of the Issuer and of the State, to improve education in
8 the City and the State, to enhance and expand industry and other
9 economic activity in the City and the State, and to increase
10 purchasing power and opportunities for gainful employment, to improve
11 living conditions, education and health care and to advance and
12 improve the prosperity and the welfare of the State and its
13 inhabitants, to foster the industrial and business development of the
14 Issuer and the State, and to otherwise provide for and contribute to
15 the health, safety and welfare of the people of the Issuer and the
16 State.

17 (B) The Borrower has requested that the Council authorize the
18 issuance of the Bonds in one or more tax-exempt or taxable series to
19 be designated, for the purpose of financing the Financing Project.

20 (C) On September 21, 2020, the Industrial Development Revenue
21 Bond Review Committee of the Issuer adopted the Preliminary Resolution
22 expressing the intent of the Issuer to issue the Bonds and authorizing
23 the execution and delivery of a Memorandum of Agreement with the
24 Borrower relating to the proposed issuance of the Bonds. A copy of
25 the Preliminary Resolution is **On File** with the Legislative Services
26 Division and incorporated herein by reference, and a copy of the
27 Memorandum of Agreement is **On File** with the Legislative Services
28 Division and incorporated herein by reference. The Issuer has
29 determined to authorize the issuance of the Bonds and loan the
30 proceeds of the Bonds to the Borrower pursuant to the Financing
31 Agreement for the purpose of financing the Financing Project. The

1 Borrower's obligations under the Financing Agreement will be secured
2 by a promissory note issued pursuant to and in accordance with a
3 master trust indenture. The Issuer's rights under the Financing
4 Agreement (with the exception of certain rights to indemnification
5 and notices that will be retained by the Issuer) will be assigned to
6 the Lender to secure the Bonds.

7 (D) The Project constitutes a "project" and an "educational
8 facility"" within the meaning and contemplation of the Industrial
9 Act, is appropriate to the needs and circumstances of, and shall
10 continue to make a significant contribution to the economic growth
11 of the Issuer and the State, shall provide or preserve gainful
12 employment and shall serve a public purpose by advancing education,
13 the economic prosperity, the public health and the general welfare
14 of the City and the State and its people and by improving living
15 conditions within the State as stated in Section 159.26, Florida
16 Statutes, as amended.

17 (E) The Issuer is authorized under the Act to finance,
18 reimburse or refinance all or a portion of the costs of the Project,
19 as herein contemplated and to fully perform the obligations of the
20 Issuer in connection therewith in order to improve education and
21 health care in the City, promote the industrial economy of the City,
22 increase and preserve opportunities for gainful employment and
23 purchasing power, improve the prosperity and welfare of the State and
24 its inhabitants, and otherwise contribute to the prosperity, health
25 and welfare of the City, and the inhabitants thereof.

26 (F) Upon consideration of the information furnished by the
27 Borrower and other available information, the Issuer has made the
28 following findings and determinations:

29 (1) The Financing Project will be in furtherance of the
30 purposes of the Act.

31 (2) The Project is appropriate to the needs and

1 circumstances of, and shall continue to make a significant
2 contribution to the economic growth of the Issuer and the State,
3 shall provide or preserve gainful employment and shall serve a public
4 purpose by advancing education, the economic prosperity, the public
5 health and the general welfare of the City and the State and its
6 people as stated in Section 159.26, Florida Statutes, as amended.

7 (3) The Borrower is financially responsible based on
8 criteria established by the Act, and the Borrower is fully capable
9 and willing to serve the purposes of the Act and to fulfill its
10 obligations under the Financing Agreement and the Master Note and
11 under any other agreements to be made in connection with the issuance
12 of the Bonds and the use of the proceeds of the Bonds for the Financing
13 Project, including the obligation to pay loan payments or other
14 payments in an amount sufficient in the aggregate to pay all of the
15 interest, principal and redemption premiums, if any, on the Bonds in
16 the amounts and at the times required, the obligation to operate,
17 repair and maintain the Project at the Borrower's expense, and such
18 other responsibilities as may be imposed under such agreements.

19 (4) The Issuer and other local agencies will be able to
20 cope satisfactorily with the impact of the Project and will be able
21 to provide, or cause to be provided when needed, the public
22 facilities, including utilities and public services, that will be
23 necessary for the construction, operation, repair and maintenance of
24 the Project and on account of any increase in population or other
25 circumstances resulting therefrom.

26 (5) The costs to be paid from the proceeds of the Bonds
27 shall be "costs" of an "educational facility" and "costs" of a
28 "project" within the meaning of the Industrial Act.

29 (G) The Issuer has initially determined that the interest on
30 the Bonds to be issued as "tax-exempt" obligations will be excludable
31 from gross income for federal income tax purposes under Section 103(a)

1 of the Code, based in part on a certificate to be obtained from the
2 Borrower with respect to the Bonds; and the Bonds will not be issued
3 as "tax-exempt" obligations unless the Issuer has received a
4 satisfactory opinion of Bond Counsel at the time of delivery of the
5 Bonds to the effect (among other things) that the interest on the
6 Bonds issued as "tax-exempt" obligations will be excludable from
7 gross income for federal income tax purposes.

8 (H) The Issuer is not obligated to pay the Bonds except from
9 the proceeds derived from the repayment of the loan to the Borrower,
10 and neither the faith and credit of the Issuer, nor the faith and
11 credit or taxing power of the Issuer, the County, or of the State or
12 any political subdivision thereof is pledged to the payment of the
13 principal of, premium, if any, or the interest on the Bonds. No owner
14 or holder of the Bonds shall ever have the power, directly or
15 indirectly, to compel the exercise of the ad valorem taxing power of
16 the Issuer, the State or any political subdivision thereof, for the
17 payment of the principal of or premium, if any, or interest on the
18 Bonds.

19 (I) The payments to be made by the Borrower under the Financing
20 Agreement will be sufficient to pay all principal of, premium, if
21 any, and interest on the Bonds, as the same shall become due, and to
22 make all other payments required by the Financing Agreement.

23 (J) A negotiated sale of the Bonds is required and necessary
24 and is in the best interest of the Issuer for the following reasons:
25 the Bonds will be special and limited obligations of the Issuer
26 payable out of moneys derived by the Issuer from the Borrower or as
27 otherwise provided herein and will be secured by funds and assets of
28 the Borrower; the Borrower will be required to pay all costs of the
29 Issuer in connection with the financing; the cost of issuance of the
30 Bonds, which must be borne directly or indirectly by the Borrower,
31 would most likely be greater if the Bonds are sold at public sale by

1 competitive bids than if the Bonds are sold in a negotiated sale, and
2 there is no basis, considering prevailing market conditions, for any
3 expectation that the terms and conditions of a sale of the Bonds at
4 public sale by competitive bids would be any more favorable than in
5 a negotiated sale; because prevailing market conditions are
6 uncertain, it is desirable to sell the Bonds at a predetermined price;
7 and bonds having the characteristics of the Bonds are typically sold
8 in a negotiated sale under prevailing market conditions.

9 (K) The Lender, prior to the issuance of the Bonds, will
10 provide to the Issuer a disclosure statement containing the
11 information required by Section 218.385(2), (3), (6), Florida
12 Statutes, as amended.

13 (L) The Lender has submitted a proposal to hold the Bonds for
14 its own account pursuant to the Financing Agreement.

15 (M) It is in the best interest of the Issuer to award the sale
16 of the Bonds to the Lender pursuant to the Financing Agreement.

17 (N) All requirements precedent to the enactment of this
18 Ordinance, and all requirements of the Constitution and other laws
19 of the State, including the Act, has been complied with.

20 (O) The costs of the Financing Project will be paid from the
21 proceeds of the Bonds in accordance with the terms of Financing
22 Agreement, and these costs constitute costs of a "project" within the
23 meaning of the Act.

24 **Section 4. Public Hearing.** A notice of a public hearing to
25 be held before the Chief Economic Officer, or his designee, inviting
26 comments and discussion concerning the plan of finance, the nature
27 and location of the Project and the issuance of the Bonds (the "Notice
28 of Hearing"), was published in the *Financial News and Daily Record*,
29 a newspaper of general circulation in the City, at least 7 days prior
30 to the date of such public hearing. A proof of publication of such
31 Notice of Hearing is to be placed **On File** with the Legislative

1 Services Division at a later date and is incorporated herein by
2 reference.

3 Following such notice, a public hearing was held by the Chief
4 Economic Officer, or his designee, during which comments and
5 discussion concerning the plan of finance, the nature and location
6 of the Project and the issuance of the Bonds to finance, reimburse
7 or refinance a portion of the costs of the Project were requested and
8 allowed. A written report of the hearing officer relating to such
9 public hearing is to be placed **On File** with the Legislative Services
10 Division at a later date and is incorporated herein by reference.

11 The Council is the elected legislative body of the Issuer and
12 has jurisdiction over the Project.

13 **Section 5. Financing of Financing Project Authorized.** The
14 Financing Project in the manner provided herein is hereby authorized.

15 **Section 6. Authorization and Award of Bonds.**

16 (A) The special limited obligations of the Issuer to be known
17 as the "City of Jacksonville, Florida Educational Facilities Revenue
18 Bonds (Jacksonville Alliance for KIPP Schools, Inc. Project), Series
19 2020" (or such other series designation as may be set forth in the
20 Financing Agreement) is hereby authorized and approved to be issued
21 in an aggregate principal amount not to exceed twenty-three million
22 dollars (\$23,000,000), in the form and manner described in the
23 Financing Agreement; provided, however, that the Bonds shall not be
24 issued unless the Bonds meet the requirements of Section 104.306(b)(3)
25 of the Ordinance Code of the City of Jacksonville.

26 (B) The Bonds will be issued in one or more tax-exempt or
27 taxable series, dated such dates and in such denominations, will
28 mature in such years and amounts, contain such redemption provisions,
29 be payable at the place or places, mature at such times and in such
30 amounts, and bear interest at such rates (not exceeding the maximum
31 interest rate permitted by the Act or by other applicable provisions

1 of law), as provided in the Financing Agreement.

2 (C) The Bonds, in substantially the form attached as an exhibit
3 to the Financing Agreement, with such changes, alterations and
4 corrections as may be recommended by the Office of General Counsel
5 and as may be approved by the Chief Economic Officer, such approval
6 to be presumed by his or her execution thereof, are hereby approved
7 by the Issuer, and the Issuer hereby authorizes and directs the Chief
8 Economic Officer to execute and the Corporation Secretary to attest
9 and, subject to the provisions of this Section 6, the Chief Economic
10 Officer to deliver the same to the Lender upon receipt of the purchase
11 price of the Bonds, pursuant to and in accordance with the terms and
12 conditions stated in the Financing Agreement. Authorization for the
13 issuance of such aggregate principal amount of Bonds as is herein
14 authorized but which shall not be hereafter delivered pursuant to
15 provisions of the Financing Agreement is hereby cancelled and
16 rescinded.

17 **Section 7. Authorization of Execution and Delivery of the**
18 **Financing Agreement.** The Financing Agreement, with such changes,
19 corrections, insertions and deletions as may be approved by the Chief
20 Economic Officer, such approval to be evidenced conclusively by
21 execution thereof, is hereby approved and authorized; the Issuer
22 hereby authorizes and directs the Chief Economic Officer, to date and
23 execute the Financing Agreement, and deliver the Financing Agreement
24 to the Lender and the Borrower; and all of the provisions of the
25 Financing Agreement, when executed and delivered by the Issuer as
26 authorized herein and by the Lender and the Borrower shall be deemed
27 to be a part of this Ordinance as fully and to the same extent as if
28 incorporated verbatim herein.

29 **Section 8. Assignment of Financing Agreement.** All rights of the
30 Issuer under the Financing Agreement (other than certain rights of
31 the Issuer reserved therein) will be assigned by the Issuer to the

1 lender or lenders under the terms of the Financing Agreement

2 **Section 9. Validation.** The Bonds shall not be required to be
3 validated pursuant to Chapter 75, Florida Statutes, as amended;
4 provided, however, that if required by counsel to the Issuer, counsel
5 to the Borrower or Bond Counsel, the Bonds may be validated and in
6 such event Issuer's counsel is hereby authorized, at the expense of
7 the Borrower, to prepare validation pleadings on behalf of the Issuer
8 and to take any and all action as Issuer's counsel may deem necessary
9 or desirable for the validation of the Bonds.

10 **Section 10. Delegated Sale of Bonds.** Subject to the
11 satisfaction of the conditions set forth in this Section, a delegated
12 negotiated sale of the Bonds is hereby authorized. The Chief Economic
13 Officer is hereby authorized and directed to award the sale of the
14 Bonds to the Lender, pursuant to the provisions of the Financing
15 Agreement, subject to all the following conditions:

16 (A) Receipt by the Chief Economic Officer of a Financing
17 Agreement providing for, among other things, (i) the issuance of the
18 Bonds in an aggregate principal amount of not to exceed \$23,000,000,
19 (ii) bearing interest at initial interest rate on the date of issuance
20 of not more than 7.0% per annum, and (iv) the final maturity date of
21 the Bonds to be no later than 35 years from the dated date of the
22 Bonds.

23 (B) Receipt by the Chief Economic Officer from the Lender of a
24 disclosure statement and truth-in-bonding information complying with
25 Section 218.385, Florida Statutes, as amended.

26 (C) The Bonds shall meet the requirements of Section
27 104.306(b)(3)(i) of the Ordinance Code of the City, shall be issued
28 in minimum authorized denominations of \$100,000 and shall be sold
29 only to "qualified institutional buyers" within the meaning of such
30 Section 104.306(b)(3)(i).

31 **Section 11. Authorization of Execution of other Certificates**

1 **and Instruments.** The Chief Economic Officer, the Corporation
2 Secretary and the members of Council are hereby authorized and
3 directed, either alone or jointly, to execute and deliver:
4 (i) certificates of the Issuer certifying such facts as the Issuer's
5 counsel or Bond Counsel shall require in connection with the issuance,
6 sale and delivery of the Bonds, (ii) such certificates as may be
7 required under Section 103 of the Code or under the provisions of
8 Florida law, (iii) such agreements and instruments as shall be
9 necessary or desirable in connection with the delivery of any credit
10 enhancement or liquidity facilities relating to the Bonds, and
11 (iv) such other agreements and instruments, including but not limited
12 to, tax compliance agreements, hedge agreements or swap agreements,
13 deeds, assignments, bills of sale and financing statements, as shall
14 be necessary or desirable to perform the Issuer's obligations under
15 the Financing Agreement, and to consummate the transactions hereby
16 authorized.

17 **Section 12. Prerequisites performed.** All acts, conditions
18 and things relating to the passage of this Ordinance, to the issuance,
19 sale and delivery of the Bonds, and to the execution and delivery of
20 the Financing Agreement, required by the Constitution or other laws
21 of the State, to happen, exist and be performed precedent to the
22 passage hereof, and precedent to the issuance, sale and delivery of
23 the Bonds, to the execution and delivery of the Financing Agreement,
24 have either happened, exist and have been performed as so required
25 or will have happened, will exist and will have been performed prior
26 to such execution and delivery.

27 **Section 13. General Authority.** The members of the Council
28 and its officers, attorneys, agents and employees are hereby
29 authorized to do all acts and things required of them by this
30 Ordinance, the Bonds, and the Financing Agreement, and to do all acts
31 and things which are desirable and consistent with the requirements

1 hereof or of the Bonds, and the Financing Agreement, for the full,
2 punctual and complete performance of all the terms, covenants and
3 agreements contained herein or in the Bonds, or in the Financing
4 Agreement.

5 **Section 14. Authorization of Amendments and Supplements.**

6 The execution, delivery and performance of amendments or supplements
7 to the Financing Agreement and related documents for such purpose as
8 does not materially change the basic purposes, terms and provisions
9 of the Bonds approved hereby and as agreed to by the Borrower and the
10 Lender; are hereby authorized. Any such amendments shall be executed
11 by the Chief Economic Officer, and shall be in such form as may be
12 approved by the Chief Economic Officer, with the assistance of the
13 Office of General Counsel, and attested by the Corporation Secretary,
14 and the execution of such amendments by the Chief Economic Officer,
15 and attested by the Corporation Secretary, as hereby authorized shall
16 be conclusive evidence of any such approval.

17 **Section 15. Repealing Clause.** All ordinances or parts
18 thereof in conflict with the provisions herein contained are, to the
19 extent of such conflict, hereby superseded and repealed.

20 **Section 16. Assents, Acceptance and Approvals; Actions.** The
21 Chief Economic Officer is, subject to the terms hereof, hereby
22 authorized and empowered to execute and deliver the Bonds, the
23 Financing Agreement, and all documents contemplated thereby, in each
24 case subject to such changes and modifications as such officer may
25 approve, such execution to be conclusive evidence of any such
26 approval. The Chief Economic Officer is hereby authorized to
27 designate by written certificate one or more authorized signatories
28 to execute any and all instruments, documents and certificates in his
29 place. Such signature shall have the effect of the Chief Economic
30 Officer's signature as authorized in this Ordinance. The Chief
31 Economic Officer is hereby authorized to designate by written

1 certificate one or more authorized signatories to execute any and all
2 instruments, documents and certificates in his place. Such signature
3 shall have the effect of the Chief Economic Officer's signature as
4 authorized in this Ordinance.

5 **Section 17. Severability of Invalid Provisions.** If any one
6 or more of the covenants, agreements or provisions herein contained
7 shall be held contrary to any express provisions of law or contrary
8 to the policy of express law, though not expressly prohibited, or
9 against public policy, or shall for any reason whatsoever be held
10 invalid, then such covenants, agreements or provisions shall be null
11 and void and shall be deemed separable from the remaining covenants,
12 agreements or provisions, and shall in no way affect the validity of
13 any of the other provisions hereof or of the Bonds.

14 **Section 18. No Personal Liability.** No representation,
15 statement, covenant, warranty, stipulation, obligation or agreement
16 herein contained, or contained in the Bonds or the documents referred
17 to herein or any certificate or other instrument to be executed on
18 behalf of the Issuer in connection with the issuance of the Bond,
19 shall be deemed to be a representation, statement, covenant, warranty,
20 stipulation, obligation or agreement of any member, officer, employee
21 or agent of the Issuer in his or her individual capacity, and none
22 of the foregoing persons nor any officer of the Issuer executing the
23 Bonds or any document referred to herein or any certificate or other
24 instrument to be executed in connection with the issuance of the
25 Bonds shall be liable personally thereon or be subject, to any
26 personal liability or accountability by reason of the execution or
27 delivery thereof.

28 **Section 19. No Third-Party Beneficiaries.** Except as
29 otherwise expressly provided herein, in the Bonds or in the documents
30 referred to herein, nothing in this Ordinance, the Bonds or the
31 documents, express or implied, is intended or shall be construed to

1 confer upon any person, firm, corporation or other organization,
2 other than the Issuer, the Borrower, the Obligated Group and the
3 Underwriter, any remedy or claim, legal or equitable, under and by
4 Underwriter of this Ordinance or any provision hereof, or of the
5 Bonds or the documents, all provisions hereof and thereof being
6 intended to be and being for the sole and exclusive benefit of the
7 Issuer, the Borrower and the Underwriter.

8 **Section 20. Effective Date.** This Ordinance shall become
9 effective upon signature by the Mayor or upon becoming effective
10 without the Mayor's signature.

11
12 Form Approved:

13
14 /s/ Joelle J. Dillard

15 Office of General Counsel

16 Legislation prepared by: Foley & Lardner LLP and Assistant General
17 Counsel

18 GC-#1394898-v3-KIPP_Schools_IRB_Legislation.docx
19