



HRTAC RESOLUTION 2016-08

RESOLUTION AUTHORIZING HAMPTON ROADS TRANSPORTATION FUND REVENUE BONDS

WHEREAS, the Hampton Roads Transportation Accountability Commission (the "Commission"), has been empowered under the Code of Virginia of 1950, as amended (the "Virginia Code"), to receive all of the amounts dedicated to the Hampton Roads Transportation Fund (the "HRTF") from the special sales and use tax revenues described in Section 58.1-638.H.2 of the Virginia Code and the wholesale motor vehicle fuels sales tax revenues described in Section 58.1-2295.A.2 of the Virginia Code;

WHEREAS, as provided in Chapter 26, Title 33.2, of the Virginia Code (the "HRTAC Act"), the Commission shall use the moneys deposited in the HRTF solely for the purposes of funding new construction projects on new or existing highways, bridges, and tunnels ("Projects") in the localities comprising Planning District 23 established pursuant to Chapter 42, Title 15.2, of the Virginia Code (the "Member Localities"), giving priority to Projects expected to provide the greatest impact on reducing congestion for the greatest number of citizens residing within the Member Localities;

WHEREAS, Section 33.2-2606 of the HRTAC Act authorizes and empowers the Commission to issue bonds and other evidences of debt and provides that the provisions of Article 5 (Section 33.2-1920 et seq.) of Chapter 19 of Title 33.2 of the Virginia Code shall apply, *mutatis mutandis*, to the issuance of such bonds and other evidences of debt (collectively, the "Bonds") for any of the Commission's purposes;

WHEREAS, Section 33.2-1920 of the Virginia Code permits the Commission's Bonds to be payable from and secured by a pledge of all or any part of the revenues, moneys or funds of the Commission as specified in a resolution adopted or indenture entered into by the Commission, but that such Bonds shall not constitute debt of the Commonwealth of Virginia (the "Commonwealth"), or any political subdivision thereof (including any Member Locality) other than the Commission, and that such Bonds shall not constitute an indebtedness within the meaning of any debt limitation or restriction except as provided under Section 33.2-1920 of the Virginia Code;

WHEREAS, the Commission has been advised that by the execution and delivery of a Master Indenture of Trust to be dated as of July 1, 2016 (the "Master Indenture"), with a bank or trust company (the "Trustee"), the Commission may provide for the financing and refinancing of the costs of Projects through the issuance from time to time of its Bonds payable from and secured by the HRTF and other revenues available under the HRTAC Act (collectively, the "HRTAC Revenues");

WHEREAS, the Master Indenture provides that, as a condition to the issuance of any series of Bonds, the Commission shall deliver to the Trustee, among other documents, certificates and opinions, a related Supplemental Series Indenture of Trust (“Supplemental Series Indenture”);

WHEREAS, the Master Indenture and a form of Supplemental Series Indenture have been presented to this meeting for review and approval by the Commission; and

WHEREAS, in addition to the conditions described above, the issuance of any series of the Bonds shall be conditioned upon further approving resolutions of the Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE HAMPTON ROADS TRANSPORTATION ACCOUNTABILITY COMMISSION:

1. Authorization and Findings Regarding Bonds. The Commission hereby authorizes the issuance of its Bonds as hereinafter provided, in one or more series from time to time in accordance with the terms of this Resolution, to be known as the “Hampton Roads Transportation Fund Revenue Bonds,” with appropriate series designations. The Bonds shall be substantially in the form attached as an exhibit to the form of Supplemental Series Indenture. The Commission shall use the proceeds of the issuance of the Bonds for Projects approved in accordance with the HRTAC Act. The Commission hereby finds and determines that (i) the purposes of the Commission and the HRTAC Act will be furthered by the issuance of Bonds as described in the above Recitals, (ii) the financing and refinancing of the costs of Projects with proceeds of the Bonds will benefit of the inhabitants of the Commonwealth and the Member Localities and promote their safety, health, welfare, convenience and prosperity and will constitute the performance of an essential governmental function in accordance with Section 33.2-1920 of the Virginia Code, and (iii) the use of proceeds of the Bonds as described above will be in accordance with Sections 33.2-2606 and 33.2-2611 of the HRTAC Act.

2. Details of Bonds. The final details of each series of the Bonds, including without limitation, their series designation, dated date, aggregate principal amount, interest rates, maturity dates, redemption provisions, sale prices, and the principal amount of each maturity, shall be established in accordance with the requirements of 33.2-1920 of the Virginia Code in further resolutions of the Commission.

3. Approval of Indenture. The Master Indenture and the form of Supplemental Series Indenture are approved. The Chair or Vice Chair of the Commission, either of whom may act (the “HRTAC Representative”), is authorized to execute and deliver on the Commission’s behalf the Master Indenture in substantially the form submitted to this meeting, with such changes, insertions or omissions as may be approved by such HRTAC Representative with advice of counsel. Such approval shall be evidenced conclusively by the execution and delivery of such documents on the Commission’s behalf. The issuance of any series of Bonds shall be conditioned upon further approving resolutions of the Commission whereby the Commission would approve the related Supplemental Series Indenture for such series of Bonds.

4. Pledge of Revenues. The HRTAC Revenues are hereby pledged to secure the payment of the principal of and premium, if any, and interest on the Bonds in such amounts and

under such terms and conditions as provided in the Master Indenture. Neither the members, commissioners, officers, employees or agents of the Commission nor any person executing the Bonds on behalf of the Commission shall be liable personally on the Bonds by reason of the issuance thereof. The Bonds shall not constitute a debt of the Commonwealth or any political subdivision thereof (including any Member Locality) other than the Commission, and shall not constitute an indebtedness within the meaning of any debt limitation or restriction except as provided under Section 33.2-1920 of the Virginia Code. The Commission hereby represents and acknowledges that its authority to receive any or all of the HRTAC Revenues is subject to appropriation by the General Assembly of the Commonwealth and that neither the General Assembly nor the Commission can or will pledge, covenant or agree to impose or maintain at any particular rate or level any of the taxes and fees dedicated to the HRTF by the Commonwealth.

5. Sale of Bonds. The Bonds may be sold in such manner, either at public or private sale or on a competitive or negotiated basis, as may be determined by the Commission by subsequent resolution to be in the best interests of the Commission.

6. Preparation, Execution, Authentication and Delivery of Bonds. After Bonds are sold or awarded, the HRTAC Representative is authorized and directed to take all proper steps to have the Bonds prepared and executed in accordance with the terms of the Master Indenture and the related Supplemental Series Indenture, to deliver the Bonds to the Trustee for authentication, and to cause the Bonds so executed and authenticated to be delivered to or for the account of the first purchasers thereof upon payment of the purchase price thereof as provided in the related Supplemental Series Indenture. The Bonds shall be signed by the manual or facsimile signature of the HRTAC Representative, shall be countersigned by the manual or facsimile signature of the Executive Director of the Commission or his or her designee, and the Commission's seal shall be affixed thereto or a facsimile thereof printed thereon.

7. Tax Matters Relating to Bonds. The HRTAC Representative is authorized and directed to execute and deliver on the Commission's behalf simultaneously with the issuance of each series of Bonds a Tax Regulatory Agreement and/or similar agreements or certificates. The Tax Regulatory Agreement and/or similar agreements or certificates shall set forth the expected use of and investment of all or any portion of the proceeds of the Bonds and include such covenants as may be necessary to qualify the interest on all or any portion of the Bonds for exemption from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended, and the applicable Treasury Regulations (collectively, the "Tax Code"), to maintain such exemption, and to provide that the expected use and investment of the proceeds of the Bonds will comply with the non-arbitrage regulations of Section 148 of the Tax Code. The HRTAC Representative is further authorized to make on behalf of the Commission such elections under the Tax Code with respect to the Bonds as he or she may deem to be in the best interests of the Commission after consultation with Bond Counsel, as defined in the Master Indenture.

8. Securities Disclosure Matters Relating to Bonds. The HRTAC Representative is authorized and directed to approve and deem final in connection with the sale of each series of Bonds such disclosure documents as may be required in accordance the Securities Exchange Act of 1934, as amended, including, without limitation, Rule 15c2-12, as amended, promulgated

thereunder (the “Municipal Securities Rule”). The HRTAC Representative is further authorized and directed to execute and deliver on the Commission’s behalf simultaneously with the issuance of each series of Bonds such continuing disclosure agreements as may be required in accordance with the Municipal Securities Rule.

9. Severability. If any section, subsection, paragraph, sentence, clause, or phrase of, or project referenced by, this Resolution is for any reason held or decided to be unconstitutional or invalid, such decision of unconstitutionality or invalidity shall not affect the validity of the remaining portions. The Commission hereby declares that it would have adopted this Resolution and each section, subsection, sentence, clause and phrase thereof and each project referenced therein even though any one or more sections, subsections, sentences, clauses, phrases or projects might be declared unconstitutional or invalid.

10. Additional Actions. Each officer and authorized representative of the Commission is authorized to execute and deliver on the Commission’s behalf such other instruments, documents or certificates, and to do and perform such things and acts as he or she shall deem necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Master Indenture. Any of the foregoing previously done or performed by any officer or authorized representative of the Commission is in all respects approved, ratified and confirmed.

11. Effective Date. This Resolution shall take effect immediately.

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The undersigned hereby certify that this is a true and correct copy of a resolution duly adopted at a meeting of the Hampton Roads Transportation Accountability Commission held on June 16, 2016.



Chair, Hampton Roads Transportation
Accountability Commission



Vice Chair, Hampton Roads Transportation
Accountability Commission