

INTRODUCED: March 11, 2026

AN ORDINANCE No. 2026-070

To authorize the issuance of general obligation equipment notes of the City of Richmond in the maximum aggregate principal amount of \$11,000,000 to finance the costs of equipment and vehicles for the various departments, bureaus and agencies of the City and the Richmond Ambulance Authority; and to authorize the Director of Finance, with the approval of the Chief Administrative Officer, for and on behalf of the City, to issue and sell equipment notes to finance the acquisition of such equipment and vehicles; to provide for the form, details and payment of such notes; and to authorize the issuance of such notes as either federally tax-exempt notes or federally taxable notes, or both.

Patron – Mayor Avula

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: MAR 23 2026 AT 6 P.M.

WHEREAS, the Public Finance Act of 1991, Sections 15.2-2600 et seq. of the *Code of Virginia* of 1950, as amended (the “Public Finance Act”), permits the issuance of bonds and notes, when authorized by the Council of the City of Richmond, Virginia (the “Council”), at one time or from time to time in one or more series, to finance the costs of equipment and vehicles for the purposes described herein; and

AYES: _____ NOES: _____ ABSTAIN: _____

ADOPTED: _____ REJECTED: _____ STRICKEN: _____

WHEREAS, it is the consensus of the Council that the City of Richmond, Virginia (the “City”), should authorize the issuance and sale of general obligation notes (either as federally tax-exempt obligations or federally taxable obligations, or both) in the maximum aggregate principal amount of \$11,000,000 (collectively, the “Notes”) to finance the costs of equipment and vehicles for the purposes described herein and the costs of issuance of the Notes and certain other requirements related to the Notes; and

WHEREAS, the Council desires to provide that all or a portion of the general obligation notes authorized by this ordinance may be issued as taxable notes (collectively, the “Taxable Notes”); and

WHEREAS, the City expects to advance its own funds to pay expenditures related to such equipment and vehicles prior to the issuance of such Notes, and it is the intention of the City to reimburse itself for such expenditures from the proceeds thereof; and

WHEREAS, a public hearing on this ordinance has been advertised and held in the manner required by Section 15.2-2606 of the Public Finance Act;

NOW, THEREFORE,

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. The issuance of the Notes, as either federally tax-exempt obligations or federally taxable obligations, or both, is authorized in the maximum aggregate principal amount of \$11,000,000 to finance the costs of acquiring equipment and vehicles for the various departments, bureaus and agencies of the City and the Richmond Ambulance Authority and to pay the costs of issuance of the Notes and any credit or liquidity enhancement fees or other fees associated with the Notes. Subject to the provisions of Section 3 of this ordinance, the Notes shall be payable in one or more installments that mature not later than 84 months from the original date of delivery thereof. The City elects to

issue the Notes pursuant to the terms of the Public Finance Act and, to the extent required by the Public Finance Act, the Charter of the City (the “Charter”). The Notes shall be designated “General Obligation Equipment Notes” or “General Obligation Equipment Notes (Federally Taxable),” as appropriate, or such other designation as the Director of the Finance of the City (the “Director of Finance”) may deem appropriate.

§ 2. The Director of Finance is authorized to issue and sell the Notes from time to time, with the approval of the Chief Administrative Officer of the City (the “Chief Administrative Officer”), at either public or private sale at such prices and upon such terms, including determination of maturity schedule, as the Director of Finance, with the approval of the Chief Administrative Officer, may determine, in accordance with the provisions of Section 7B.06 of the Charter and in accordance with the applicable provisions of the Public Finance Act, provided that the true interest cost of the Notes, after taking into account any premium or discount thereon, shall not exceed 8%, except as otherwise provided herein. The Director of Finance is authorized to solicit bids or proposals to purchase the Notes and to negotiate, enter into and execute one or more purchase agreements with one or more purchasers. The Director of Finance is authorized to sell the Notes pursuant to such bids, proposals or agreements and to issue, execute and deliver the Notes to such purchasers. Following the execution of any such agreement, the Director of Finance shall file a copy of the agreement with the City Clerk. If the Notes are sold by competitive sale, the Director of Finance shall file a certificate following the award of the Notes setting forth the final terms of the Notes with the City Clerk. The Director of Finance, with the approval of the Chief Administrative Officer, is authorized to structure all or a portion of the Notes as a line of credit with a bank or other financial institution, which line of credit may provide for a maximum amount not in excess of the amount herein authorized to be drawn down and repaid from time to time by the City; provided, however, that the interest rate on any line of credit borrowing shall

not exceed 12%. The Director of Finance, with the approval of the Chief Administrative Officer, is authorized to negotiate and acquire credit and/or liquidity enhancement for the Notes. The Director of Finance, with the approval of the Chief Administrative Officer, is also authorized to enter into contracts with respect to the Notes, commonly known as interest rate swap agreements, contracts providing for payments based on levels of, or changes in, interest rates and contracts for the purpose of placing the Notes on the interest rate, cash flow or other basis desired by such officers; provided that the form of such contract or arrangement shall be approved by appropriate resolution adopted by the Council. These contracts or arrangements may be entered into by the Director of Finance, with the approval of the Chief Administrative Officer, in connection with, or incidental to, entering into, or maintaining any (x) agreement which secures all or a portion of the Notes or (y) investment, or contract providing for investment, otherwise authorized by law. These contracts and arrangements may contain such payment, security, default, remedy, and other terms and conditions as determined by the Director of Finance, with the approval of the Chief Administrative Officer, after giving due consideration to the creditworthiness of the counterparty or other obligated party, including any rating by any nationally recognized rating agency, and any other criteria as may be appropriate. This ordinance is intended to grant to the Director of Finance and the Chief Administrative Officer full and complete authority to finalize the terms of the Notes, to provide for their issuance and sale and to execute and deliver any and all documentation in connection therewith without further approval by the Council, unless otherwise required in connection with any refunding, consistent with the requirements of this ordinance, the Public Finance Act, the Charter and the Constitution and other laws of the Commonwealth of Virginia. In connection with the obtaining of any line of credit, credit or liquidity enhancement, interest rate swap or similar agreements, the Director of Finance, with the approval of the Chief Administrative Officer, is authorized to include in the borrowing the cost of

obtaining such line of credit, credit or liquidity enhancement, interest rate swap or similar agreements. The actions of the Director of Finance in selling the Notes shall be conclusive, and no further action shall be necessary on the part of the Council.

§ 3. In lieu of issuing the Notes as one or more separate series of obligations, the Director of Finance, with the approval of the Chief Administrative Officer, is authorized to issue the Notes in the form of bonds as part of any general obligation bond issue authorized by the Council, provided that the principal amount of the bonds issued pursuant to this ordinance shall not exceed the maximum aggregate principal amount of the Notes set forth herein. If bonds are issued in lieu of the Notes, such bonds shall be issued for the same purposes and a rate of interest not in excess of the maximum rate of interest herein specified. Notwithstanding the limitation on the maturity of the Notes of 84 months from the date of delivery thereof, if bonds are issued in lieu of the Notes, such bonds may have a maturity later than 84 months if the Director of Finance deems it necessary for the efficient structuring of the bond issue. The Notes if issued as bonds shall be in form and shall otherwise be subject to the terms and conditions regarding the issuance of the other general obligation bonds authorized by the Council.

§ 4. (a) The Notes shall be in the form or forms as the Director of Finance may select, with such terms and provisions not inconsistent with this ordinance as may be approved by the officers signing the Notes, whose approval shall be evidenced conclusively by the execution and delivery thereof. Any notice of sale shall be in such form as the Director of Finance shall approve and shall state the date(s) of issue, the series designation and the maturity date(s) of the Notes and the dates on which interest shall be paid.

(b) The Director of Finance, with the approval of the Chief Administrative Officer, may (i) enter into an agreement for a book-entry system for the Notes with a qualified securities depository and (ii) appoint a paying agent and registrar for the Notes (the “Registrar”), as

well as a trustee, if necessary or appropriate. If a Registrar is appointed, the Registrar shall maintain registration books for the registration of the Notes. Upon surrender of any Note at the corporate trust office of the Registrar, together with an assignment duly executed by the registered owner or his duly authorized attorney or legal representative in such form as shall be satisfactory to the Registrar, the City shall execute, and the Registrar shall authenticate and deliver in exchange, a new Note or Notes having an equal aggregate principal amount, in authorized denominations, of the same form and maturity, bearing interest at the same rate, and registered in the name(s) as requested by the then-registered owner or such registered owner's duly authorized attorney or legal representative. Any such exchange shall be at the expense of the City, except that the Registrar may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

§ 5. The Notes may be subject to redemption or purchase prior to maturity at the option of the City on or after dates, if any, determined by the Director of Finance, with the approval of the Chief Administrative Officer. The Director of Finance, with the approval of the Chief Administrative Officer, is authorized and directed to approve such optional redemption provisions for the Notes as such officer or officers determine to be in the best interest of the City.

§ 6. The Notes shall be signed by the manual or facsimile signatures of the Chief Administrative Officer and the Director of Finance, and the City's seal shall be affixed thereto or a facsimile thereof printed thereon and attested by the manual or facsimile signature of the City Clerk. No Note signed by facsimile signatures shall be valid until it has been authenticated by the manual signature of an authorized officer or employee of the City or any paying agent appointed by the City, as appropriate, and the date of authentication noted thereon.

§ 7. The full faith and credit of the City are irrevocably pledged for the payment of principal of and premium, if any, and interest on the Notes. Unless other funds are lawfully available and appropriated for timely payment of the Notes, the Council shall levy and collect an annual ad valorem tax, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, on all locally taxable property in the City sufficient to pay when due the principal of and premium, if any, and interest on the Notes.

§ 8. The City intends to advance funds from time to time to pay expenditures related to the equipment and vehicles for which the Notes are to be issued as generally described herein and to use Note proceeds to reimburse itself for such expenditures made prior to the effective date of this ordinance. This ordinance constitutes the City's declaration of "official intent" within the meaning of Treasury Regulations Section 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended, to reimburse itself for such expenditures with Note proceeds. The Director of Finance shall keep on file records of the expenditures for which reimbursement will be sought.

§ 9. The Chief Administrative Officer and the Director of Finance are authorized and directed to have prepared and distributed, in accordance with standard practices for municipal securities, one or more Preliminary Official Statements of the City describing the Notes as authorized herein, the security therefor, and providing any other pertinent or relevant information. The Director of Finance shall make such completions, omissions, insertions and changes in such Preliminary Official Statement not inconsistent with this ordinance as are necessary or desirable to complete it as a final Official Statement. The City shall arrange for the delivery to the purchasers of the Notes of a reasonable number of copies of the final Official Statement, within seven business days after the date the Notes have been awarded, for delivery to each potential investor requesting a copy of the final Official Statement and to each person to whom such underwriter or bidder and members of the

underwriting or bidding group initially sell Notes. The Notes may be described in a Preliminary Official Statement and a final Official Statement that combine the issuance of the Notes with the issuance of other obligations of the City.

§ 10. The Director of Finance is authorized, on behalf of the City, to deem such Preliminary Official Statement and such Official Statement in final form, each to be final as of its date within the meaning of Rule 15c2-12 (the “Rule”) of the Securities and Exchange Commission (the “SEC”), except for the omission from such Preliminary Official Statement of certain pricing and other information permitted to be omitted pursuant to the Rule. The distribution of such Preliminary Official Statement and such Official Statement in final form shall be conclusive evidence that each has been deemed final as of its date by the City, except for the omission from such Preliminary Official Statement of such pricing and other information permitted to be omitted pursuant to the Rule.

§ 11. The Chief Administrative Officer, the Director of Finance and the City Clerk are authorized and directed to take all proper steps to have the Notes prepared and executed in accordance with their terms and to deliver the Notes to or for the account of the purchasers thereof upon payment therefor.

§ 12. The City covenants that it shall not take or omit to take any action the taking or omission of which will cause the Notes to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, including regulations issued pursuant thereto (the “Code”), or otherwise cause interest on the Notes to be includable in the gross income for federal income tax purposes of the owners thereof under existing law. Without limiting the generality of the foregoing, the City shall comply with any provision of law that may require the City at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the Notes, unless the City receives an opinion of nationally recognized bond counsel that such

compliance is not required to prevent interest on the Notes from being includable in the gross income for federal income tax purposes of the owners thereof under existing law. The City shall pay any such required rebate to the United States from its legally available funds. This Section shall not apply to any Taxable Notes.

§ 13. Such officers of the City as may be requested by the City's bond counsel are authorized and directed to execute appropriate certificates setting forth facts and covenants related to (a) the expected use, expenditure and investment of the proceeds of the Notes in order to show that such expected use, expenditure and investment will not violate the provisions of Section 148 of the Code and (b) any elections such officers deem desirable regarding rebate of earnings to the United States for purposes of complying with Section 148 of the Code. Such certificates shall be prepared in consultation with the City's bond counsel, and any such elections shall be made after consultation with bond counsel. This Section shall not apply to any Taxable Notes.

§ 14. The City covenants that it shall not permit the proceeds of the Notes or the equipment and vehicles financed with the proceeds of the Notes to be used in any manner that would result in (a) 5% or more of such proceeds or the equipment and vehicles financed with such proceeds being used in a trade or business carried on by any person other than a governmental unit, as provided in Section 141(b) of the Code, (b) 5% or more of such proceeds or the equipment and vehicles financed with such proceeds being used with respect to any output facility (other than a facility for the furnishing of water), within the meaning of Section 141(b)(4) of the Code, or (c) 5% or more of such proceeds being used directly or indirectly to make or finance loans to any person other than a governmental unit, as provided in Section 141(c) of the Code; provided, however, that if the City receives an opinion of nationally recognized bond counsel that any such covenants need not be complied with to prevent the interest on the Notes from being includable in the gross income for

federal income tax purposes of the owners thereof under existing law, the City need not comply with such covenants. This Section shall not apply to any Taxable Notes.

§ 15. The City desires to assist the purchasers of the Notes in complying with the provisions of Section (b)(5)(i) of the Rule. In order to accomplish this, the City covenants to do the following to the extent required or requested as part of an offering subject to the Rule:

(a) Annual Disclosure.

(i) The City shall provide annually certain financial information and operating data in accordance with the provisions of Section (b)(5)(i) of the Rule, as follows:

(A) financial statements, prepared in accordance with generally accepted accounting principles; and

(B) the operating data with respect to the City generally of the type appearing in portions of the Official Statement in final form relating to and describing (1) a statement of General Fund Revenues and Other Financing Sources and a statement of General Fund Expenditures and Other Financing Uses in the section relating to discussions of certain financial information, (2) schedules relating to property assessments, real estate tax levies and collections and personal property tax levies and collections in the section relating to revenues of the City, and (3) schedules relating to legal debt margin, percentage of bonded debt to assessed values of real estate and bonded debt per capita and percentage of debt service to total General Fund Expenditures and Transfers in the section relating to debt of the City.

If the financial statements filed pursuant to Section 17(a)(i)(A) are not audited, the City shall file such statements as audited when available.

(ii) The City shall annually provide the financial information and operating data described in subsection (i) above (the “Continuing Disclosure”) within 220 days after the end of the City's fiscal year, commencing with the City's fiscal year in which the Notes are issued, to the Municipal Securities Rulemaking Board (the “MSRB”) for publication on its Electronic Municipal Market Access (“EMMA”) System, or as otherwise designated by the Rule and to the appropriate state information depository if any then exists (“SID”).

(iii) Any of the Continuing Disclosure may be included by specific reference to other documents previously provided to the MSRB and to the SID, if any, or filed with the SEC; provided, however, that any final official statement incorporated by reference must be available from the MSRB.

(iv) The City shall provide in a timely manner to the MSRB and to the SID, if any, notice specifying any failure of the City to provide the Continuing Disclosure by the date specified.

If the City fails to comply with any covenant or obligation specified in this Section, any holder (within the meaning of the Rule) of the Notes then outstanding may, by notice to the City, proceed to protect and enforce its rights and the rights of the holders by an action for specific performance of the City's covenant to provide the applicable financial information and operating data.

(b) **Event Disclosure.** In a timely manner not in excess of ten (10) business days after the occurrence of the event, the City shall provide to the MSRB and to the SID, if any, notice of the occurrence of any of the following events with respect to the Notes:

(i) principal and interest payment delinquencies;

- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on any credit enhancement reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other materials notices or determinations with respect to the tax status of the security, or other material events affecting the tax-exempt status of the Notes;
- (vii) modifications to rights of noteholders, if material;
- (viii) Note calls, if material, and tender offers;
- (ix) defeasance of all or any portion of the Notes;
- (x) release, substitution, or sale of property securing repayment of the Notes, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the obligated person;
- (xiii) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect holders of the Notes, if material; and

(xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(c) Termination. The covenants and obligations of the City specified in subsections (a) and (b) to the extent they apply shall terminate upon the redemption, defeasance (within the meaning of the Rule) or payment in full of all the Notes.

(d) Amendment. The City reserves the right to modify its obligations specified in subsections (a) and (b) without the consent of noteholders, provided that such modification complies with the Rule as it exists at the time of modification. The City shall, within a reasonable time thereafter, send to the MSRB and the SID, if any, a description of such modification(s).

(e) Additional Disclosure. The City may from time to time disclose certain information and data in addition to the Continuing Disclosure. Notwithstanding anything herein to the contrary, the City shall not incur any obligation to continue to provide, or to update, such additional information or data.

§ 16. The City Clerk, with the assistance of the City Attorney, is authorized and directed to see to the immediate filing of a certified copy of this ordinance in the Circuit Court of the City of Richmond and is directed to make a copy of this ordinance continuously available for inspection by the general public during normal business hours at the City Clerk's office from the date of adoption hereof through the date(s) of the issuance of the Notes.

§ 17. All other actions of officers of the City in conformity with the purposes and intent of this ordinance and in furtherance of the issuance and sale of the Notes are approved and confirmed. The officers of the City are authorized and directed to execute and deliver all such other agreements, certificates and instruments and to take all such further action as may be considered necessary or desirable in connection with the issuance, sale and delivery of the Notes, including entering into contracts and arrangements to provide credit and/or liquidity enhancement or insurance for all or a portion of the Notes and for the investment of the proceeds of the Notes. The authorization granted herein to the Director of Finance, the Chief Administrative Officer and the City Attorney shall apply equally to any person serving in such capacity on an interim or acting basis pending a permanent appointment to any such office.

§ 18. This ordinance shall be in force and effect from and after its effective date in accordance with the Charter.