



**CITY COUNCIL AGENDA
April 16, 2012**

6:00 p.m. – 7:00 p.m. Closed session as provided by Section 2.2-3712 of the Virginia Code
(Second Floor Conference Room)

TYPE OF ITEM

SUBJECT

**CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL**

**AWARDS/RECOGNITIONS
ANNOUNCEMENTS** Arbor Day; Tree City Recognition; National Park Week;
Distracted Driving Awareness Day

MATTERS BY THE PUBLIC Public comment will be permitted for the first 12 speakers to sign up in advance of the meeting (limit of 3 minutes per speaker) and at the end of the meeting on any item, provided that a public hearing is not planned or has not previously been held on the matter.

COUNCIL RESPONSES TO MATTERS BY THE PUBLIC

- 1. CONSENT AGENDA*** (Items removed from the consent agenda will be considered at the end of the regular agenda.)
- a. Minutes for March 29, April 2, April 3, April 10
 - b. APPROPRIATION: Virginia Department of Health Special Nutrition Programs - \$95,000
(2nd of 2 readings)
 - c. APPROPRIATION: Domestic Violence Services Coordinator Grant - \$47,548 (2nd of 2 readings)
 - d. APPROPRIATION: Appropriation of Funds for CDBG FY 2012-2013 - \$441,300.75
(2nd of 2 readings)
 - e. APPROPRIATION: Police Department - Special Events Overtime and Misc. Revenue - \$72,876
(1st of 2 readings)
 - f. RESOLUTION: Energize!250: A Residential Energy Efficiency Campaign in honor of
Charlottesville!250 - \$50,000 (1st of 1 reading)
 - g. RESOLUTION: Reallocation of Funds (Capital and General Fund) – Carver Recreation Center and
Tonsler Park Playground - \$370,000 (1st of 1 reading)

**2. PUBLIC HEARING /
RESOLUTION*** Issuance of Series 2012 Bonds (1st of 1 reading)

**3. PUBLIC HEARING /
ORDINANCE*** Sale of Elliott Ave. Property (1st of 2 readings)

4. REPORT / ORDINANCE* Speed Limit on 250 Bypass (1st of 2 readings)

5. REPORT Disproportionate Minority Contact

6. REPORT Youth Council

7. REPORT Tree Commission Update

**OTHER BUSINESS
MATTERS BY THE PUBLIC** ~~City Contribution for Tom Tom Founders Festival Community Day - \$5,000 *~~
***Tom Tom Resolution will be replaced with May 7, 2012 resolution directing
payment to the Dreamfield Foundation**

*ACTION NEEDED

APPROPRIATION

**Virginia Department of Health Special Nutrition Programs
\$95,000**

WHEREAS, the City of Charlottesville, through Parks and Recreation, has received approval for reimbursement up to \$95,000 from the Virginia Department of Health Special Nutrition Programs to provide free breakfast and lunch to children attending summer camp programs; and

WHEREAS, the grant award covers the period from period June 1, 2012 through December 31, 2012.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that the sum of \$95,000, received from the Virginia Department of Health Special Nutrition Programs, is hereby appropriated in the following manner:

Revenue – \$95,000

Fund: 211 Internal Order: 1900183 G/L Account: 431110

Expenditures - \$95,000

Fund: 211 Internal Order: 1900183 G/L Account: 530670

BE IT FURTHER RESOLVED, that this appropriation is conditioned upon the receipt of \$95,000 from the Virginia Department of Health Special Nutrition Programs.

APPROPRIATION

Domestic Violence Services Coordinator Grant

\$47,548

WHEREAS, The City of Charlottesville, through the Commonwealth Attorney’s Office, has received the Domestic Violence Services Coordinator Grant from the Virginia Department of Criminal Justice Services in the amount of \$38,336 in Federal pass-thru funds, Albemarle County is to contribute an additional \$6,000 in local cash match.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that the sum of \$45,730 is hereby appropriated in the following manner:

Revenues

\$38,336	Fund: 209	Cost Center: 1414002000	G/L Account: 430120
\$ 6,000	Fund: 209	Cost Center: 1414002000	G/L Account: 432030
\$3,212	Fund: 209	Cost Center : 1414002000	G/L Account: 498010

Expenditures

\$47,548	Fund: 209	Cost Center: 1414002000	G/L Account: 519999
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Transfer

\$3,212	Fund: 105	Cost Center: 9803030000	G/L Account: 561209
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BE IT FURTHER RESOLVED, that this appropriation is conditioned upon the receipt of \$38,336 from the Virginia Department of Criminal Justice Services, and \$6,000 from the County of Albemarle, Virginia.

**A RESOLUTION
 APPROPRIATING FUNDS FOR
 THE CITY OF CHARLOTTESVILLE'S 2012-2013
 COMMUNITY DEVELOPMENT BLOCK GRANT
 \$441,300.75**

WHEREAS, the City of Charlottesville has been advised of the approval by the U.S. Department of Housing and Urban Development of a Community Development Block Grant (CDBG) for the 2011-2012 fiscal year in the total amount of \$441,300.75 that includes the estimated entitlement from HUD of \$425,318 and reprogramming and program income of \$15,982.75.

WHEREAS, City Council has received recommendations for the expenditure of funds from the CDBG Task Force and the City Planning Commission; and has conducted a public hearing thereon as provided by law; now, therefore

BE IT RESOLVED by the City Council of Charlottesville, Virginia, that the sums hereinafter set forth are hereby appropriated from funds received from the aforesaid grant to the following individual expenditure accounts in the Community Development Block Grant Fund for the respective purposes set forth; provided, however, that the City Manager is hereby authorized to transfer funds between and among such individual accounts as circumstances may require, to the extent permitted by applicable federal grant regulations.

ACCOUNT CODE**	PURPOSE	AMOUNT
HOUSING and PUBLIC IMPROVEMENTS		
	AHIP, Small Homeowner Rehabs	\$65,521 *
	Building Goodness in April, Build Day	\$15,000
	Habitat, Sunrise Downpayments	\$12,000
	Fifeville Priority Area	\$200,000
	Total	\$292,521
SOCIAL PROGRAMS		
	Community Attention, Youth Health Care Internships	\$10,000
	OAR- Reentry Program	\$20,000
	PACEM, Overflow Services	\$5,000
	CRHA- Computer Labs	\$4,000
	CRHA- Health Clinics	\$22,000
	Total	\$61,000
ADMINISTRATION AND PLANNING		
	Admin & Planning 12-13	\$87,779.75
	Grand Total	\$441,300.75

*Funded through reprogrammed/ program income.

**Codes are not available through SAP at this time. Codes will be assigned at a later date.

The amounts so appropriated as grants to other public agencies and private non-profit, charitable organizations (subrecipients) are for the sole purpose stated. The City Manager is authorized to enter into agreements with those agencies and organizations as he may deem advisable to ensure that the grants are expended for the intended purposes, and in accordance with applicable federal

and state laws and regulations; and

The City Manager, the Directors of Finance or Neighborhood Development Services, and staff are authorized to establish administrative procedures and provide for mutual assistance in the execution of the programs.

2012-2013 CDBG BUDGET ALLOCATIONS
RECOMMENDED BY CDBG TASK FORCE: 01/23/2012
RECOMMENDED BY PLANNING COMMISSION: 3/13/2012
RECOMMENDED BY CITY COUNCIL:

I. HOUSING IN ALL CDBG ELIGIBLE NEIGHBORHOODS

A. AHIP- Small Homeowner Rehabs	\$65,521*
B. Building Goodness- Build Day	\$15,000
C. Habitat, Sunrise	\$12,000

HOUSING PROGRAMS TOTAL: \$92,521 21.0%

II. PRIORITY NEIGHBORHOOD

A. Fifeville- Cherry Ave. Corridor Improvements	\$200,000	45.3%
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III. SOCIAL PROGRAMS

A. Community Attention- Youth Health Care	\$10,000
B. OAR- Reentry Program	\$20,000
C. PACEM, Overflow Services	\$ 5,000
D. CRHA- Computer Lab	\$ 4,000
E. CRHA- West Haven and Crescent Halls Clinic	\$22,000

SOCIAL PROGRAMS TOTAL: \$61,000 13.8%

IV. ADMINISTRATION AND PLANNING: To pay direct costs of staff, auditing, citizen participation

ADMINISTRATION AND PLANNING TOTAL: \$87,779.75 19.9%

GRAND TOTAL:	\$441,300.75
ENTITLEMENT AMOUNT:	\$425,318.00
PROGRAM INCOME:	\$ 13,581.47 **
REPROGRAMMING:	\$ 2,401.28

* Funding includes program income/reprogrammed funds
 ** Program Income for FY 12-13 expected to equal previous year's Program Income.

**MEMORANDUM OF UNDERSTANDING
ENERGIZE!250 CAMPAIGN GRANT**

This Memorandum of Understanding (“MOU”) is made this ___ of _____, 2012, by and among the City of Charlottesville, Virginia and the Local Energy Alliance Program.

Whereas, the City of Charlottesville, Virginia, (hereafter, the City) wishes to promote energy efficiency improvements in Charlottesville residences, and;

Whereas, the Local Energy Alliance Program (hereafter, LEAP) wishes to serve our local community to conserve energy in existing buildings to promote cost savings, job creation, sustainability, local economic development, and environmental stewardship, and;

Whereas, the parties agree that the intended use and release of City funds should be authorized in a mutually agreed fashion, for the furtherment of these shared goals;

Now, Therefore, the City and LEAP jointly agree that upon execution of this MOU, LEAP will be granted an amount of Fifty Thousand Dollars (\$50,000) the source of which is already appropriated funds in Fund 631, Cost Center 2711001000, for the purpose of implementing a 2012 *Energize!250 Campaign* focused on engaging 250 homes in 250 days to achieve an average of 10% energy efficiency in honor of the City’s 250th anniversary. The parties agree to the terms and conditions of this MOU as set forth below:

Use of Funds:

The parties agree that funds may be used only for the following purposes, except as agreed by both parties:

- Conducting 500 Home Energy Reviews,
- Establishing “limited time only” incentives for homeowners to complete energy assessments that can receive the DOE funded rebates,
- Campaign marketing, outreach, and program administration.

Program Parameters:

Upon receipt of the grant, LEAP agrees to implement a campaign program to promote energy efficiency improvements in residential buildings.

Program Progress Reports

LEAP acknowledges the City’s desire to receive progress reports regarding the accomplishments of the program at least at two mutually established campaign checkpoints. Progress reports may be provided to those LEAP board members appointed to represent the City of Charlottesville, and may contain the following information:

- Number of home energy reviews conducted
- Results of tracking average energy efficiency gain
- Previously established reporting linked to the DOE EECBG funds

In Witness Whereof, the City of Charlottesville and the Local Energy Alliance Program have executed this MOU effective the last date written below.

CITY OF CHARLOTTESVILLE, VIRGINIA

By: _____

Title: _____

Date: _____

Approved as to Form:

Funds are Available:

S. Craig Brown, City Attorney

Director of Finance, or designee

LOCAL ENERGY ALLIANCE PROGRAM

By: _____

Title: _____

Date: _____

RESOLUTION
Energize!250 Campaign Grant
\$50,000

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Charlottesville, Virginia that the sum of \$50,000 is hereby paid to LEAP from currently appropriated funds in the Gas Fund, Environmental Sustainability Cost Center as follows:

\$50,000 Fund: 631 Cost Center: 2711001000 G/L Account: 599999

RESOLUTION
Reallocation of Capital Project Funds for Carver Recreation Center & Tonsler Park
Playground
\$ 370,000

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Charlottesville, Virginia that the sum of \$ 370,000 is hereby transferred from currently appropriated funds in the following manner:

Transfer From

Amount	Fund	Project	G/L Account
\$170,000	425	P-00158 – Onesty Pool	599999
\$195,000	426	P-00492 – Smith Pool	561425
\$5,000	105	1800009 – Theme Park Gift Guides	561425

Transfer To

Amount	Fund	Project	G/L Account
\$120,000	425	P-00330 – Park & School Playgrounds	599999
\$250,000	425	P-00143 – Recreation Facility Improvements	599999
\$200,000	425	P-00143 – Recreation Facility Improvements	498010

A RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED FIFTEEN MILLION DOLLARS (\$15,000,000) PRINCIPAL AMOUNT OF GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS OF THE CITY OF CHARLOTTESVILLE, VIRGINIA, TO BE ISSUED FOR THE PURPOSE OF PROVIDING FUNDS TO PAY THE COST OF VARIOUS PUBLIC IMPROVEMENT PROJECTS OF AND FOR THE CITY, AND NOT TO EXCEED THIRTY MILLION DOLLARS (\$30,000,000) PRINCIPAL AMOUNT OF GENERAL OBLIGATION PUBLIC IMPROVEMENT REFUNDING BONDS OF THE CITY OF CHARLOTTESVILLE, VIRGINIA, TO BE ISSUED FOR THE PURPOSE OF PROVIDING FUNDS TO REFUND IN ADVANCE OF THEIR STATED MATURITIES AND REDEEM CERTAIN OUTSTANDING GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS OF THE CITY; FIXING THE FORM, DENOMINATION AND CERTAIN OTHER FEATURES OF SUCH BONDS; PROVIDING FOR THE SALE OF SUCH BONDS AND DELEGATING TO THE CITY MANAGER OR THE CHIEF OPERATING OFFICER/CHIEF FINANCIAL OFFICER CERTAIN POWERS WITH RESPECT THERETO; AUTHORIZING THE APPOINTMENT OF AN ESCROW AGENT; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT BY AND BETWEEN THE CITY AND SUCH ESCROW AGENT AND THE PURCHASE OF THE SECURITIES TO BE HELD THEREUNDER; AND AUTHORIZING THE DESIGNATION OF THE REFUNDED BONDS FOR REDEMPTION

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF CHARLOTTESVILLE, VIRGINIA:

SECTION 1. The Council (the "Council") of the City of Charlottesville, Virginia (the "City"), hereby finds and determines as follows:

(a) (i) Pursuant to Chapter 26 of Title 15.2 of the Code of Virginia, 1950 (the same being the Public Finance Act of 1991), the City is authorized to contract debts for, borrow money for and issue its negotiable bonds to pay all or any part of the cost of any public improvement or undertaking for which the City is authorized by law to appropriate money.

(ii) In the judgment of the Council of the City, it is necessary and expedient to authorize the issuance and sale of General Obligation Public Improvement Bonds of the City in the principal amount of not to exceed Fifteen Million Dollars (\$15,000,000) for the purpose of providing funds to pay the costs of various public improvement projects of and for the City and to pay the costs of issuing such Bonds.

(b) (i) The City has been advised by the City's Financial Advisor that the refunding in advance of their stated maturities of all or a portion of certain currently outstanding issues of general obligation public improvement bonds of the City would result in debt service cost savings to the City.

(ii) The Council desires to authorize the issuance and sale of general obligation public improvement refunding bonds to provide for the refunding in advance of their stated maturities and redemption of all or a portion of such outstanding general obligation public improvement bonds, the refunding of which shall be recommended by the City's Financial Advisor (such bonds to be refunded in advance of their stated maturities being referred to hereinafter as the "Refunded Bonds").

(iii) The Council desires to authorize the issuance and sale of general obligation public improvement refunding bonds to provide for the refunding in advance of their stated maturities and redemption of the Refunded Bonds and to pay the costs of issuing the Refunded Bonds.

(iv) In the judgment of the Council, it is necessary and expedient to authorize the issuance and sale of General Obligation Public Improvement Refunding Bonds in the principal amount of not to exceed Thirty Million Dollars (\$30,000,000) for the purpose of providing funds to refund in advance of their stated maturities and redeem all or a portion of the Refunded Bonds and to pay the costs of issuing such Bonds.

SECTION 2. (a)(i) Pursuant to the Public Finance Act of 1991, for the purpose of providing net proceeds of sale sufficient to pay the costs of the public improvement projects of and for the City set forth in Section 8 and to pay the costs of issuing such Bonds, there are hereby authorized to be issued and sold not to exceed Fifteen Million Dollars (\$15,000,000) principal amount of General Obligation Public Improvement Bonds of the City to be known and designated as the "City of Charlottesville, Virginia, General Obligation Public Improvement Bonds, Series 2012A" (the "Series 2012A Bonds").

(ii) Pursuant to the Public Finance Act of 1991, for the purpose of providing funds to refund in advance of their stated maturities and redeem the Refunded Bonds and to pay the costs of issuing such Bonds, there are hereby authorized to be issued and sold not to exceed Thirty Million Dollars (\$30,000,000) principal amount of General Obligation Public Improvement Refunding Bonds of the City, to be known and designated as the "City of Charlottesville, Virginia, General Obligation Public Improvement Refunding Bonds, Series 2012B (the "Series 2012B Bonds" and, collectively with the Series 2012A Bonds, the "Bonds").

(iii) In lieu of the Series 2012A Bonds and the Series 2012B Bonds being issued as separate series, the Series 2012A Bonds and the Series 2012B Bonds may be combined into a single series of the Bonds, to be known and designated as the "City of Charlottesville, Virginia, General Obligation Public Improvement and Refunding Bonds, Series 2012", if so determined by the City Manager.

(b) The Bonds shall be issued and sold in their entirety at one time, or from time to time in part in series, as shall be determined by the City Manager. The Bonds may be sold at the same time as other general obligation bonds are sold by the City. The Bonds shall be issued in fully registered form and shall be in the denomination of \$5,000 or any integral multiple thereof. The Bonds shall be numbered from R-2012A-1 upwards in order of issuance in the case of the Series 2012A Bonds and from R-2012B-1 upwards in order of issuance in the case of the Series 2012B Bonds or, if issued as a single series of Bonds, from R-2012-1 upwards in order of issuance, and shall bear such series designation as shall be determined by the City Manager; shall mature in such years and in such amounts in each year as shall be determined by

the City Manager; and shall bear interest at such rate or rates per annum as shall be determined by the City Manager pursuant to Section 9, such interest being payable on a date which is not more than one (1) year after the date of the Bonds of such series and semiannually thereafter. The City Manager is authorized to determine, in accordance with and subject to the provisions of this resolution: the date or dates of the Bonds; the interest payment dates thereof; the maturity dates thereof (*provided* that the final maturity of the Bonds of any series shall be not later than forty (40) years from the date the first Bonds of such series are issued under this resolution); the amount of principal maturing on each maturity date; the place or places of payment thereof and the paying agent or paying agents therefor; the place or places of registration, exchange or transfer thereof and the Registrar and Paying Agent therefor; and whether or not the Bonds shall be subject to redemption prior to their stated maturity or maturities and, if subject to such redemption, the premiums, if any, payable upon such redemption and the respective periods in which such premiums are payable. Interest on the Bonds shall be calculated on the basis of a three hundred sixty (360) day year comprised of twelve (12) thirty (30) day months.

(c) In the event the Bonds of any series shall be dated as of a date other than the first day of a calendar month or the dates on which interest is payable on such series are other than the first days of calendar months, the provisions of Section 3 with regard to the authentication of such Bonds and of Section 10 with regard to the forms of such Bonds shall be modified as the City Manager shall determine to be necessary or appropriate.

(d) (i) If the Bonds of a given series are subject to redemption and if any Bonds of such series (or portions thereof in installments of \$5,000 or any integral multiple thereof) are to be redeemed, notice of such redemption specifying the date, numbers and maturity or maturities of the Bond or Bonds to be redeemed, the date and place or places fixed for their redemption, and if less than the entire principal amount of a Bond called for redemption is to be redeemed, that such Bond must be surrendered in exchange for payment of the principal amount thereof to be redeemed and the issuance of a new Bond or Bonds equalling in principal amount that portion of the principal amount of such Bond not to be redeemed, shall be mailed not less than thirty (30) days prior to the date fixed for redemption, by first class mail, postage prepaid, to the registered owner of each such Bond at the address of such registered owner as it appears on the books of registry kept by Director of Finance of the City, who is hereby appointed as the Registrar and Paying Agent for the Bonds (the "Registrar and Paying Agent" or the "Registrar" or the "Paying Agent"), as of the close of business on the forty-fifth (45th) day next preceding the date fixed for redemption. If any Bonds shall have been called for redemption and notice thereof shall have been given as hereinabove set forth, and payment of the principal amount of such Bonds (or of the principal amount thereof to be redeemed) and of the accrued interest payable upon such redemption shall have been duly made or provided for, interest on such Bonds shall cease to accrue from and after the date so specified for their redemption.

(ii) Any notice of the optional redemption of the Bonds may state that it is conditioned upon there being on deposit with the City, or with the Registrar and Paying Agent for the Bonds or other agent designated by the City, on the date fixed for the redemption thereof an amount of money sufficient to pay the redemption price of such Bonds, together with the interest accrued thereon to the date fixed for the redemption thereof, and any conditional notice so given may be rescinded at any time before the payment of the redemption price of such Bonds, together with the interest accrued thereon, is due and payable if any such condition so specified is not satisfied. If a redemption of any Bonds does not occur after a conditional notice

is given due to there not being on deposit with the City, or with the Registrar and Paying Agent for the Bonds or other agent designated by the City, a sufficient amount of money to pay the redemption price of such Bonds, together with the interest accrued thereon to the date fixed for the redemption thereof, the corresponding notice of redemption shall be deemed to be revoked.

(iii) So long as the Bonds are in book-entry only form, any notice of redemption shall be given only to The Depository Trust Company, New York, New York (“DTC”), or to its nominee, Cede & Co., or to such other nominee of DTC as may be requested by an authorized representative of DTC, and any notice of redemption otherwise required by this resolution to be given by first class mail, postage prepaid, may be given electronically in lieu of being given by first class mail, postage prepaid, if and to the extent delivery of notices of redemption electronically is acceptable to DTC. The City shall not be responsible for providing any beneficial owner of the Bonds any notice of redemption.

(e) (i) The Bonds of each series shall be issued only in book-entry only form. One Bond representing each maturity of the Bonds of each series will be issued to and registered in the name of Cede & Co., as nominee of DTC, or in the name of such other nominee of DTC as may be requested by an authorized representative of DTC, as registered owner of the Bonds, and each such Bond shall be immobilized in the custody of DTC. DTC will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof. Purchasers will not receive physical delivery of certificates representing their interest in the Bonds purchased.

(ii) Principal and interest payments on the Bonds will be made by the Registrar and Paying Agent and Paying Agent for the Bonds to DTC or its nominee, Cede & Co., or to such other nominee of DTC as may be requested by an authorized representative of DTC, as registered owner of the Bonds, which will in turn remit such payments to the DTC participants for subsequent disbursement to the beneficial owners of the Bonds. Transfers of principal and interest payments to DTC participants will be the responsibility of DTC. Transfers of such payments to beneficial owners of the Bonds by DTC participants will be the responsibility of such participants and other nominees of such beneficial owners. Transfers of ownership interests in the Bonds will be accomplished by book entries made by DTC and, in turn, by the DTC participants who act on behalf of the indirect participants of DTC and the beneficial owners of the Bonds.

(iii) The City will not be responsible or liable for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC, its participants or persons acting through such participants or for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owner of the Bonds. So long as the Bonds are in book-entry only form, the Director of Finance will serve as Registrar and Paying Agent and Paying Agent for the Bonds. The City reserves the right to designate a successor Registrar and Paying Agent and Paying Agent for the Bonds if the Bonds at any time cease to be in book-entry only form.

SECTION 3. (a) The Bonds shall be executed, for and on behalf of the City, by the manual or facsimile signature of the Mayor of the City and shall have a facsimile of the corporate seal of the City imprinted thereon, attested by the manual or facsimile signature of the Clerk of Council of the City.

(b) The City Manager shall direct the Registrar and Paying Agent for the Bonds of a given series to authenticate such Bonds and no such Bond shall be valid and obligatory for any purpose unless and until the certificate of authentication endorsed on such Bond shall have been manually executed by the Registrar and Paying Agent. Upon the authentication of any Bonds, the Registrar and Paying Agent shall insert in the certificate of authentication the date as of which such Bonds are authenticated as follows: (i) if the Bond is authenticated prior to the first interest payment date, the certificate shall be dated as of the date of the initial issuance and delivery of the Bonds of the series of which such Bond is one, (ii) if the Bond is authenticated upon an interest payment date, the certificate shall be dated as of such interest payment date, (iii) if the Bond is authenticated after the fifteenth (15th) day of the calendar month next preceding an interest payment date and prior to such following interest payment date, the certificate shall be dated as of such following interest payment date and (iv) in all other instances the certificate shall be dated as of the actual date upon which the Bond is authenticated by the Registrar and Paying Agent.

(c) The execution and authentication of the Bonds in the manner above set forth is adopted as a due and sufficient authentication of the Bonds.

SECTION 4. (a) The principal of and interest on the Bonds shall be payable in such coin or currency of the United States of America as at the respective dates of payment thereof is legal tender for public and private debts.

(b) Principal of the Bonds of a given series shall be payable upon presentation and surrender thereof at the office of the Registrar and Paying Agent.

(c) Interest on the Bonds shall be payable by check mailed by the Registrar and Paying Agent to the registered owners of such Bonds at their respective addresses as such addresses appear on the books of registry kept pursuant to the provisions of this Section 4; *provided, however*, that so long as the Bonds are in book-entry form and registered in the name of Cede & Co., as nominee of DTC, or in the name of such other nominee of DTC as may be requested by an authorized representative of DTC, interest on the Bonds shall be paid directly to Cede & Co. or such other nominee of DTC by wire transfer.

(d) At all times during which any Bond of any series remains outstanding and unpaid, the Registrar and Paying Agent shall keep or cause to be kept, at its office, books of registry for the registration, exchange and transfer of Bonds of such series. Upon presentation of a Bond or Bonds at the office of the Registrar and Paying Agent, the Registrar and Paying Agent, under such reasonable regulations as the Registrar and Paying Agent may prescribe, shall register, exchange or transfer, or cause to be registered, exchanged or transferred, such Bond or Bonds on the books of registry as hereinbefore set forth.

(e) The books of registry shall at all times be open for inspection by the City or any duly authorized officer thereof.

(f) Any Bond may be exchanged at the office of the Registrar and Paying Agent for a like aggregate principal amount of such Bonds in other authorized principal sums and of the same series, interest rate and maturity.

(g) Any Bond of any series may, in accordance with its terms, be transferred upon the books of registry by the registered owner in whose name it is registered, in person or by the duly authorized agent of such registered owner, upon surrender of such Bond to the Registrar and Paying Agent for cancellation, accompanied by a written instrument of transfer duly executed by the registered owner or the duly authorized agent of such registered owner, in form satisfactory to the Registrar and Paying Agent.

(h) All transfers or exchanges pursuant to this Section 4 shall be made without expense to the registered owner of such Bond or Bonds, except as otherwise herein provided, and except that the Registrar and Paying Agent shall require the payment by the registered owner of such Bond or Bonds requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange. All Bonds surrendered for transfer or exchange pursuant to this Section 4 shall be cancelled.

SECTION 5. The full faith and credit of the City shall be and is irrevocably pledged to the punctual payment of the principal of and interest on the Bonds as the same become due. In each year while the Bonds, or any of them, are outstanding and unpaid, the Council is authorized and required to levy and collect annually, at the same time and in the same manner as other taxes of the City are assessed, levied and collected, a tax upon all taxable property within the City, over and above all other taxes, authorized or limited by law and without limitation as to rate or amount, sufficient to pay when due the principal of and interest on the Bonds to the extent other funds of the City are not lawfully available and appropriated for such purpose.

SECTION 6. CUSIP identification numbers may be printed on the Bonds, but no such number shall constitute a part of the contract evidenced by the particular Bonds upon which it is printed and no liability shall attach to the City or any officer or agent thereof (including any paying agent for the Bonds) by reason of such numbers or any use made thereof (including any use thereof made by the City, any such officer or any such agent) or by reason of any inaccuracy, error or omission with respect thereto or in such use. All expenses in relation to the printing of such numbers on the Bonds shall be paid by the City; *provided, however*, that the CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the purchasers of the Bonds.

SECTION 7. To the extent it shall be contemplated at the time of their issuance that the interest on any Bonds issued hereunder shall be excludable from gross income for purposes of federal income taxation, the City covenants and agrees to comply with the provisions of Sections 103 and 141-150 of the Internal Revenue Code of 1986 and the Treasury Regulations promulgated under such Sections 103 and 141-150 throughout the term of the Bonds.

SECTION 8. The net proceeds of the sale of the Series 2012A Bonds shall be applied to the payment of the cost of the following public improvement projects of and for the City in substantially the following respective amounts:

<u>Projects</u>	<u>Amounts</u>
Public Schools	\$ 850,000
Transportation and Access Improvements (Including Public Street, Bridge and Sidewalk Improvements)	650,000
Parks and Recreation Projects	500,000
Public Safety	8,000,000
Water System Improvements	2,000,000
Sewer System Improvements	<u>2,000,000</u>
	\$ 14,000,000

If any project set forth above shall require less than the entire respective amount so set forth, the difference may be applied to any of the other projects so set forth.

SECTION 9. (a) The Bonds shall be sold in one or more series in accordance with the provisions of Section 2 at competitive or negotiated sale at not less than ninety-eight percent (98%) of the principal amount thereof (less any original issue discount) and on such other terms and conditions as are provided in the Notice of Sale thereof or in the Bond Purchase Contract relating thereto.

(b) If the Bonds are sold at competitive sale, they may be sold contemporaneously with other bonds of the City under a combined Notice of Sale. If the Bonds are sold at competitive sale, the City Manager is hereby authorized to cause to be published and distributed a Notice of Sale of the Bonds in such form and containing such terms and conditions as the may deem advisable, subject to the provisions hereof. In lieu of publishing the full text of the Notice of Sale in accordance with the provisions of the immediately preceding sentence, the City Manager is hereby authorized to cause a Summary Notice of Sale in such form as the City Manager shall approve (i) to be published in *The Bond Buyer* or (ii) to be disseminated electronically by such means as the City Manager shall approve on a date selected by the City Manager.

(c) Upon the determination by the City Manager to sell the Bonds at competitive or negotiated sale, the City Manager is hereby authorized, without further notice to or action by the Council, to determine the rates of interest the Bonds shall bear; *provided* that:

(i) in no event shall the true interest cost for the Bonds exceed six percent (6%), and

(ii) in no event shall the premium payable by the City upon the redemption of the Bonds exceed two percent (2%) of the principal amount thereof.

(d) If the Bonds are sold at negotiated sale, the City Manager is hereby authorized to, without further notice to or action by the Council, to select the underwriters for the

Bonds (the “Underwriters”) and to execute and deliver to the Underwriters a Bond Purchase Contract relating to the Bonds.

(e) The City Manager is hereby authorized to cause to be prepared and distributed a Preliminary Official Statement and a final Official Statement relating to the Bonds. The City Manager is hereby further authorized to certify that the Preliminary Official Statement for the Bonds of each series authorized hereunder is “deemed final” for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934. The City Manager and the Chief Operating Officer/Chief Financial Officer are hereby authorized to execute and deliver the final Official Statement for the Bonds of each series authorized hereunder, and the City Manager, the Chief Operating Officer/Chief Financial Officer, the Director of Finance and the City Attorney are hereby authorized to execute and deliver to the purchasers of the Bonds of each series certificates in the forms provided for in the Official Statement for the Bonds of such series.

(f) The City Manager is hereby further authorized to execute and deliver to the purchasers of the Bonds of each series authorized hereunder a Continuing Disclosure Certificate or a Continuing Disclosure Agreement evidencing the City’s undertaking to comply with the continuing disclosure requirements of Paragraph (b)(5) of such Rule 15c2-12 to the extent applicable to the Bonds, such Continuing Disclosure Certificate or Continuing Disclosure Agreement to be in such form as shall be approved by the City Manager upon the advice of counsel (including the City Attorney or Bond Counsel to the City), such approval to be conclusively evidenced by the execution of such Continuing Disclosure Certificate or Continuing Disclosure Agreement by the City Manager.

SECTION 10. The Bonds, the certificate of authentication of the Registrar and Paying Agent and the assignment endorsed on such Bonds, shall be in substantially the form set forth in Exhibit A, with such changes in format as may be appropriate to conform with customs and practices applicable to comparable securities.

SECTION 11. (a) The City Manager is hereby authorized to appoint an escrow agent (the “Escrow Agent”) for the City in connection with the refunding of the Refunded Bonds.

(b) The City Manager is hereby authorized and directed to execute and deliver an Escrow Deposit Agreement by and between the City and the Escrow Agent in such form as shall be approved by the City Manager upon the advice of counsel (including the City Attorney or Bond Counsel), such approval to be conclusively evidenced by the execution of the Escrow Deposit Agreement by the City Manager.

(c) The City Manager and the Director of Finance, or either of them, are hereby authorized to enter into such purchase agreements as may be required in connection with the purchase by the Escrow Agent, from moneys deposited in the Escrow Deposit Fund created and established under any Escrow Deposit Agreement, of Government Securities (as defined in the Escrow Deposit Agreement).

SECTION 12. Subject to the issuance, sale and delivery of the Bonds pursuant to this resolution and receipt of the proceeds of the Bonds, the City Manager is hereby authorized to designate the Refunded Bonds for redemption on such date or dates as shall be determined by

the City Manager and is hereby further authorized to direct the Escrow Agent to cause notices of the redemption of the Refunded Bonds on such date or dates to be given in accordance with the provisions of the proceedings authorizing the issuance of the Refunded Bonds.

SECTION 13. The Council hereby authorizes the City to make expenditures for the purpose for which the Series 2012A Bonds are to be issued in advance of the issuance and receipt of the proceeds of the Series 2012A Bonds and to reimburse such expenditures from the proceeds of the Series 2012A Bonds. The adoption of this resolution shall be considered as an “official intent” within the meaning of Treasury Regulation Section 1.150-2 promulgated under the Internal Revenue Code of 1986.

SECTION 14. There is hereby delegated to the Chief Operating Officer/Chief Financial Officer the authority to take any action the City Manager is authorized to take under this resolution in the absence or unavailability of the City Manager.

SECTION 15. The City Attorney of the City is directed to file a copy of this resolution, certified by the Clerk of Council of the City to be a true and correct copy hereof, with the Circuit Court of the City in accordance with Section 15.2-2607 of the Code of Virginia, 1950.

SECTION 16. All ordinances, resolutions and proceedings in conflict herewith are, to the extent of such conflict, repealed.

SECTION 17. This resolution shall take effect upon its adoption.

EXHIBIT A

**UNITED STATES OF AMERICA
COMMONWEALTH OF VIRGINIA
CITY OF CHARLOTTESVILLE
GENERAL OBLIGATION PUBLIC IMPROVEMENT [REFUNDING]
BOND, SERIES 2012[A][B]**

REGISTERED

NO. [R-2012A-1] [R-2012B-1]

REGISTERED

\$_____

**INTEREST
RATE:**

%

**MATURITY
DATE:**

DATE OF BOND:

CUSIP NO.:

161069

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM:

DOLLARS

The City of Charlottesville, a municipal corporation of the Commonwealth of Virginia (the "City"), for value received, acknowledges itself indebted and hereby promises to pay to the Registered Owner (named above), or registered assigns, on the Maturity Date (specified above), [unless this Bond shall have been duly called for previous redemption and payment of the redemption price duly made or provided for,] the Principal Sum (specified above) and to pay interest on such Principal Sum until the payment of such Principal Sum in full, at the Interest Rate (specified above) per annum, on _____, _____ and semiannually on each _____ and _____ thereafter (each such date is hereinafter referred to as an "interest payment date"), from the date hereof or from the interest payment date next preceding the date of authentication to which interest shall have been paid, unless such date of authentication is an interest payment date, in which case from such interest payment date, or unless such date of authentication is within the period from the sixteenth (16th) day to the last day of the calendar month next preceding the following interest payment date, in which case from such following interest payment date. *[To be substituted if the interest payment date is the 15th day of the month:* or unless such date of authentication is within the period from the first (1st) day to the fourteenth (14th) day of the calendar month in which the following interest payment date shall occur, in which event from such following interest payment date]. Such interest shall be computed on the basis of a three hundred sixty (360) day year comprised of twelve (12) thirty (30) day months. Such interest is payable on each interest payment date by check mailed by the Registrar and Paying Agent hereinafter mentioned to the Registered Owner hereof at the address of such Registered Owner as it appears on the books of registry kept by the Registrar and Paying Agent, as of the close of business on the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding each interest payment date. *[To be substituted if the interest payment date is the 15th day of the month:* Such interest is payable on each interest payment

date by check mailed by the Registrar and Paying Agent hereinafter mentioned to the Registered Owner hereof at the address of such Registered Owner as it appears on the books of registry kept by the Registrar and Paying Agent, as of the close of business on the last day (whether or not a business day) of the calendar month next preceding each interest payment date]; *provided, however,* that so long as this Bond is in book-entry only form and registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), or in the name of such other nominee of DTC as may be requested by an authorized representative of DTC, interest on this Bond shall be paid directly to Cede & Co. or such other nominee of DTC by wire transfer.

The principal of this Bond is payable on presentation and surrender hereof at the office of **the Director of Finance of the City**, as Registrar and Paying Agent, in the City of Charlottesville, Virginia. The principal of and interest on this Bond are payable in such coin or currency of the United States of America as at the respective dates of payment thereof is legal tender for public and private debts.

This Bond is one of an issue of Bonds aggregating _____ Dollars (\$_____) in principal amount issued for the purpose of providing funds [to pay the cost of various public improvement projects of and for the City] [to refund in advance of their stated maturities certain outstanding general obligation bonds of the City], under and pursuant to and in full compliance with the Constitution and statutes of the Commonwealth of Virginia, including Chapter 26 of Title 15.2 of the Code of Virginia, 1950 (the same being the Public Finance Act of 1991), and a resolution and proceedings of the Council of the City duly adopted and taken under the Public Finance Act of 1991.

The Bonds of the series of which this Bond is one (or portions of the principal amount thereof in installments of \$5,000 or any integral multiple thereof) maturing on and after _____, _____ are subject to redemption at the option of the City prior to their stated maturities, on or after _____, _____, in whole or in part on any date, in such order as may be determined by the City (except that if at any time less than all of the Bonds of a given maturity are called for redemption, the particular Bonds of such maturity or portions thereof in installments of \$5,000 to be redeemed shall be selected by lot), upon payment of a redemption price equal to 100% of the principal amount of the Bonds to be redeemed, together with the interest accrued thereon to the date fixed for the redemption thereof.

If this Bond is redeemable and this Bond (or any portion of the principal amount hereof in installments of \$5,000) shall be called for redemption, notice of the redemption hereof, specifying the date, number and maturity of this Bond, the date and place or places fixed for its redemption, and if less than the entire principal amount of this Bond is to be redeemed, that this Bond must be surrendered in exchange for the principal amount hereof not to be redeemed, shall be mailed not less than thirty (30) days prior to the date fixed for redemption, by first class mail, postage prepaid, to the Registered Owner hereof at the address of such Registered Owner as it appears on the books of registry kept by the Registrar and Paying Agent as of the close of business on the forty-fifth (45th) day next preceding the date fixed for redemption. If notice of the redemption of this Bond shall have been given as aforesaid, and payment of the principal amount of this Bond (or of the portion of the principal amount hereof to be redeemed) and of the accrued interest payable upon such redemption shall have been duly made or provided for,

interest hereon shall cease to accrue from and after the date so specified for the redemption hereof.

Any notice of the optional redemption of this Bond may state that it is conditioned upon there being on deposit with the City, or with the Registrar and Paying Agent for the Bonds or other agent designated by the City, on the date fixed for the redemption hereof an amount of money sufficient to pay the redemption price of this Bond, together with the interest accrued thereon to the date fixed for the redemption hereof, and any conditional notice so given may be rescinded at any time before the payment of the redemption price of this Bond, together with the interest accrued thereon, is due and payable if any such condition so specified is not satisfied. If a redemption of this Bond does not occur after a conditional notice is given due to there not being on deposit with the City, or with the Registrar and Paying Agent for the Bonds or other agent designated by the City, a sufficient amount of money to pay the redemption price of this Bond, together with the interest accrued thereon to the date fixed for the redemption hereof, the corresponding notice of redemption shall be deemed to be revoked.

So long as the Bonds of the series of which this Bond is one are in book-entry only form, any notice of redemption of this Bond shall be given only to Cede & Co., as nominee of The Depository Trust Company ("DTC"), and any notice of redemption otherwise required by the resolution pursuant to which this Bond and the Bonds of the series of which this Bond are issued to be given by first class mail, postage prepaid, may be given electronically in lieu of being given by first class mail, postage prepaid, if any to the extent delivery of notices of redemption electronically is acceptable to DTC.

Subject to the limitations and upon payment of the charges, if any, provided in the proceedings authorizing the Bonds of the series of which this Bond is one, this Bond may be exchanged at the office of the Registrar and Paying Agent for a like aggregate principal amount of Bonds of other authorized principal sums and of the same series, interest rate and maturity. This Bond is transferable by the Registered Owner hereof or by the attorney for such Registered Owner duly authorized in writing, on the books of registry kept by the Registrar and Paying Agent for such purpose at the office of the Registrar and Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the proceedings authorizing the Bonds of the series of which this Bond is one, and upon the surrender hereof for cancellation. Upon such transfer a new Bond or Bonds of authorized denominations and of the same aggregate principal amount, series, interest rate and maturity as the Bond surrendered will be issued to the transferee in exchange herefor.

The full faith and credit of the City are irrevocably pledged to the punctual payment of the principal of and interest on this Bond as the same become due. In each year while this Bond is outstanding and unpaid, the Council of the City is authorized and required to levy and collect annually, at the same time and in the same manner as other taxes of the City are assessed, levied and collected, a tax upon all taxable property within the City, over and above all other taxes, authorized or limited by law and without limitation as to rate or amount, sufficient to pay when due the principal of and interest on this Bond to the extent other funds of the City are not lawfully available and appropriated for such purpose.

This Bond shall not be valid or obligatory unless the certificate of authentication hereon shall have been manually signed by or on behalf of the Registrar and Paying Agent.

It is certified, recited and declared that all acts, conditions and things required to exist, happen or be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other indebtedness of the City, does not exceed any limitation of indebtedness prescribed by the Constitution or statutes of the Commonwealth of Virginia or the Charter of the City.

IN WITNESS WHEREOF, the City has caused this Bond to be executed by the facsimile signature of its Mayor; a facsimile of the corporate seal of the City to be imprinted hereon, attested by the facsimile signature of the Clerk of Council of the City; and this Bond to be dated the date first above written.

[SEAL]

CITY OF CHARLOTTESVILLE, VIRGINIA

Attest:

Mayor

Clerk of Council

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds delivered pursuant to the within-mentioned proceedings.

Director of Finance, as Registrar and Paying Agent

Dated: _____

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto _____

(Please print or type name and address, including postal zip code of Transferee)

PLEASE INSERT SOCIAL SECURITY OR
OTHER IDENTIFYING NUMBER OF TRANSFeree:

the within-mentioned Bond and hereby irrevocably constitutes and appoints _____, agent, to transfer the same on the books of registry in the office of Registrar and Paying Agent with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of The New York Stock Exchange, Inc. or a commercial bank or trust company.

(Signature of Registered Owner)
NOTICE: The signature above must correspond with the name as written on the face of the within Bond in every particular, without alteration, enlargement or any change whatsoever.