

ATTACHMENT A

**THIS IS A DRAFT COPY ONLY AND IS NOT AN OFFICIAL COPY OF THE FINAL,
ADOPTED ORDINANCE**

ORDINANCE S-

AN ORDINANCE ORDERING THE SALE OF NOT EXCEEDING THE PRINCIPAL AMOUNT OF \$500,000,000 VARIOUS PURPOSE GENERAL OBLIGATION BONDS IN ONE OR MORE SERIES, OF THE CITY OF PHOENIX, MAKING PROVISION FOR THE REGISTRATION, TRANSFER AND PAYMENT OF ALL BONDS AUTHORIZED HEREBY, AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN CONTRACTS AND THE RETENTION OF CERTAIN AGENTS OF THE CITY IN THAT CONNECTION, GRANTING AN EXEMPTION TO PHOENIX CITY CODE SECTION 42-18 TO INCLUDE INDEMNIFICATION AND LEGAL REMEDY LIMITATIONS; MAKING CERTAIN COVENANTS AND AGREEMENTS IN THAT CONNECTION AND AUTHORIZING THE CITY CONTROLLER TO RECEIVE AND EXPEND ALL NECESSARY FUNDS THEREFOR.

WHEREAS at a special bond election duly called and held in the City on November 7, 2023, the following questions (collectively, the “Bond Questions”), carried:

QUESTION NUMBER 1

Enhance Community Safety through Fire, Police, Roadway and Pedestrian Infrastructure

Shall the City of Phoenix, Arizona be authorized to issue and sell general obligation bonds in the principal amount of up to \$214,000,000 to provide funding for fire, police, roadway and pedestrian infrastructure projects, including, but not limited to projects intended to:

- Reduce response times and improve service delivery by modernizing public safety infrastructure

- Construct, improve, repair, and renovate local fire and police stations
- Repair streets and enhance safety conditions for drivers and pedestrians, including resurfacing, lighting, crosswalks and sidewalks
- Improve roadway mobility and reduce congestion for commuters
- Expand and enhance transportation connectivity options for the disabled community and in areas where access to safe transportation is limited
- Mitigate the impact of floods and storms through infrastructure improvements, including sewers, detention basins, and flood control projects
- Create facilities for city residents struggling with mental and behavioral health, including unhoused residents

Generated funds will be used to pay for all necessary design, construction, reconstruction, improvement, repair, renovation, equipment and associated costs, including the acquisition of land or interests necessary for such purposes, all legal, financial, consulting, and other costs and fees in connection therewith. Such bonds to be issued in one or more series as tax-exempt or taxable bonds, and may be sold at prices that include premiums not greater than permitted by law. Such bonds may bear fixed or variable interest not exceeding 10% per annum and may have principal payable not later than 25 years from the date of issuance of each series. Such bonds will be issued as general obligations bonds and the issuance of these bonds will result in a property tax increase sufficient to pay the annual debt service on the bonds.

QUESTION NUMBER 2

Improve Quality of Life in Phoenix Neighborhoods

Shall the City of Phoenix, Arizona be authorized to issue and sell general obligation bonds in the principal amount of up to \$108,615,000 to provide funding for library, parks and historic preservation projects, including, but not limited to:

- Build or improve new and existing libraries
- Enhance existing parks and add additional park space across the city
- Construct and renovate playgrounds and recreational facilities
- Increase accessibility and improve ADA compliance in publicly owned spaces and facilities

Generated funds will be used to pay for all necessary design, construction, reconstruction, improvement, repair, renovation, equipment and associated costs, including the acquisition of land or interests necessary for such purposes, all legal, financial, consulting, and other costs and fees in connection therewith. Such bonds to be issued in one or more series as tax-exempt or taxable bonds and may be sold at prices that include premiums not greater than permitted by law. Such bonds may bear fixed or variable interest not exceeding 10% per annum, and may have principal payable not later than 25 years from the date of issuance of each series. Such bonds will be issued as general obligations bonds and the issuance of these bonds will result in a property tax increase sufficient to pay the annual debt service on the bonds.

QUESTION NUMBER 3

Create an Efficient, Modern Phoenix to Live and Work

Shall the City of Phoenix, Arizona be authorized to issue and sell general obligation bonds in the principal amount of up to \$114,385,000 to provide funding for education, economic development, reducing waste, resource management, arts and culture projects, including, but not limited to:

- Drive healthcare workforce development with an educational facility
- Develop land parcels to encourage new business/industry investment and recruitment
- Establish heat resiliency projects to cool public spaces and high-density urban areas
- Upgrade city facilities to be energy and water efficient and/or use renewable energy
- Renovate and enhance arts and cultural facilities and museums

Generated funds will be used to pay for all necessary design, construction, reconstruction, improvement, repair, renovation, equipment and associated costs, including the acquisition of land or interests necessary for such purposes, all legal, financial, consulting, and other costs and fees in connection therewith. Such bonds to be issued in one or more series as tax-exempt or taxable bonds, and may be sold at prices that include premiums not greater than permitted by law. Such bonds may bear fixed or variable interest not exceeding 10% per annum, and may have principal payable not later than 25 years from the date of issuance of each series. Such bonds will be issued as general obligations bonds and the issuance of these bonds will result in a property tax increase sufficient to pay the annual debt service on the bonds.

QUESTION NUMBER 4

Enhance, Preserve and Increase the Supply of Affordable Housing and Senior Centers

Shall the City of Phoenix, Arizona be authorized to issue and sell general obligation bonds in the principal amount of up to \$63,000,000 to provide funding for affordable housing and senior center projects, including, but not limited to:

- Construct new affordable housing units throughout the city to support low to moderate income residents and address homelessness
- Repair and refurbish existing affordable housing units
- Build and renovate new and existing senior centers

Generated funds will be used to pay for all necessary design, construction, reconstruction, improvement, repair, renovation, equipment, and associated costs, including the acquisition of land or interests necessary for such purposes, all legal, financial, consulting, and other costs and fees in connection therewith. Such bonds to be issued in one or more series as tax-exempt or taxable bonds and may be sold at prices that include premiums not greater than permitted by law. Such bonds may bear fixed or variable interest not exceeding 10% per annum and may have principal payable not later than 25 years from the date of issuance of each series. Such bonds will be issued as general obligations bonds and the issuance of these bonds will result in a property tax increase sufficient to pay the annual debt service on the bonds.

WHEREAS, the City intends for the bonds authorized hereby (the “Bonds”) to be sold by negotiated sale in accordance with Arizona Revised Statutes, Section 35-457.C, to one or more underwriters selected by the City (the “Underwriters”),

as provided in one or more bond purchase agreements (each, a “Bond Purchase Agreement”), in substantially the same form as that used in connection with the sale of the City’s General Obligation Refunding Bonds, Series 2022, with such changes as are approved by the Chief Financial Officer or her designee; and

WHEREAS, the Bonds will be reoffered by the Underwriters pursuant to one or more Preliminary Official Statements (as defined herein) and one or more Official Statements (as defined herein); and

NOW, THEREFORE, be it ordained by the Council of the City of Phoenix, as follows:

Section 1. Purpose. That for the purpose of providing funds for the projects and related costs authorized under the Bond Questions, the City hereby authorizes the issuance of its General Obligation Bonds in one or more series which may include bonds, the interest on which is intended to be excludible from gross income for federal income tax purpose (the “Tax-Exempt Bonds”) in the aggregate principal amount not to exceed \$500,000,000. Any net premium received from the sale of the Bonds shall be subject to Arizona Revised Statutes, Section 35-457.D. The City Manager, the Chief Financial Officer, in each case, whether interim or actual or their designee (each, an “Authorized Officer”) shall determine the dollar amounts and respective ballot propositions under which each series of Bonds shall be issued.

Section 2. Authorization of Bonds. The Bonds shall be issued as fully registered bonds registered as to both principal and interest, in the denominations determined by an Authorized Officer or any integral multiple thereof and shall be dated the date of delivery of the Bonds.

Interest on the Bonds shall be payable on January 1 and July 1 of each year (the "Interest Payment Dates"), at the rates to be set forth in each Bond Purchase Agreement (not to exceed an aggregate yield of 10%) until the principal amount has been paid or provided for. The Bonds shall bear interest from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from the date of delivery, or such other date as approved by an Authorized Officer. Interest on the Bonds will be computed on the basis set forth in each Bond Purchase Agreement. The final amounts and respective maturity dates of the Bonds shall be set forth in each Bond Purchase Agreement, but none of the Bonds shall mature later than twenty-five (25) years from then date of issuance.

Section 3. Sale of Bonds. Each Authorized Officer is authorized to determine the amount of the Bonds to be sold to the Underwriters pursuant to negotiated sale as described in the applicable Official Statement (such entity purchasing the Bonds, the "Purchasers"). Each such sale will be evidenced by the execution and delivery of a Bond Purchase Agreement for each series of Bonds to be sold concurrently, if applicable. Each Authorized Officer is hereby authorized to execute and deliver a Bond Purchase Agreement for each series of Bonds to be sold concurrently, with such insertions, omissions and changes as are necessary and consistent with this Ordinance, the execution of a Bond Purchase Agreement for each series of Bonds to be sold concurrently, if applicable, being conclusive evidence of such approval. An Authorized Officer may make provision for insurance and/or liquidity support of the Bonds, if such Authorized Officer determines that such insurance or credit support

would provide a net borrowing cost savings or enhance the marketability of the Bonds. Such determinations shall be included in each Bond Purchase Agreement.

If bond insurance and/or liquidity support is obtained with respect to any of the Bonds, an Authorized Officer is authorized to execute and deliver, on behalf of the City, appropriate agreements with the bond insurer and/or liquidity provider and the Bond Registrar with provisions concerning, without limitation, any of the following:

(i) the terms of the bond insurance and/or liquidity support and the premium to be paid for it, (ii) procedures for payments under the bond insurance and/or liquidity support and reimbursement of amounts advanced including subrogation to the rights of bondholders paid, (iii) voting rights, (iv) remedies and (v) notices and providing of information with respect to the Bonds.

Section 4. Custody of Registered Bonds. Such Bonds shall only be issued in book entry form, except as provided in Section 10 hereof, and (i) one certificate for each Bond maturity in typewritten form shall be registered in the name of the Depository (as defined herein) or its nominee, as registered owner, and immobilized in the custody of the Depository; (ii) the beneficial owners of the Bonds (the "Beneficial Owners") shall have no right to receive the Bonds in the form of physical securities; (iii) ownership of beneficial interests in the principal amounts of \$5,000 or integral multiples thereof shall be shown by book entry on the system maintained and operated by the Depository and its participants, and transfers of the ownership of beneficial interest shall be made only by book entry by the Depository and its participants; and (iv) the Bonds as such shall not be transferable or exchangeable, except in transfer to another Depository or to another nominee of a Depository.

The City and the Bond Registrar shall treat the Depository or its nominee in whose name the Bonds are registered in the Bond Registrar as the owner of the Bonds for all purposes. Accordingly, principal and interest payments will be paid to the Depository as the registered owner of the Bonds. All notices required by this Ordinance to be given to the registered owners of Bonds shall be given to the Depository as the registered owner of the Bonds. The transfer of principal and interest and of notices to the Beneficial Owners will be the responsibility of the Depository and its Participants or other nominees of the Beneficial Owners. The City will not be responsible or liable for such transfers or the failure thereof or for maintaining, supervising or reviewing records of the Depository.

For the purposes of this Ordinance, "Depository" means any securities depository that is a clearing agency under federal law operating and maintaining, with its participants or otherwise, a book entry system to record ownership of beneficial interests in Bonds, and to effect transfers of such beneficial interests in the Bonds, in book entry form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

Section 5. Execution. The Bonds shall be signed by the Mayor and attested by the City Clerk (references in this Ordinance to such officers shall include persons acting in the capacity of such officers) in their official capacities. The signature of any or all of such officers may be facsimiles. No Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this Ordinance unless and until the certificate of authentication printed on the Bond is signed by the Bond Registrar as authenticating agent. Authentication by the Bond Registrar shall be

conclusive evidence that the Bond so authenticated has been duly issued, signed and delivered under this Ordinance and is entitled to the security and benefit of this Ordinance.

Section 6. Registrar and Paying Agent. U.S. Bank Trust Company, National Association is hereby appointed as the authenticating agent, bond registrar, transfer agent and paying agent (collectively, the “Bond Registrar”) for the Bonds. An Authorized Officer is hereby authorized to appoint a qualified financial institution to serve as a successor or replacement Bond Registrar.

Section 7. Payment of Bonds. The principal of, premium, if any, and interest on the Bonds shall be payable in lawful money of the United States of America without deduction for the services of the Bond Registrar as paying agent. Subject to Section 9 hereof, (a) principal and premium, if any, shall be payable when due upon presentation and surrender of the Bonds at the principal corporate trust office of the Bond Registrar and (b) interest on a Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond was registered in the Bond Register, at the close of business on the 15th day of the calendar month next preceding that Interest Payment Date (the “regular record date”) at that person’s address appearing on the Bond Register (as defined in Section 9 below), or at such other address as is furnished to the Bond Registrar, in writing, by the registered owner before the regular record date. Any interest which is not timely paid or duly provided for shall cease to be payable to the person who is shown as the registered owner thereof (or of one or more predecessor bonds) as of the regular record date and shall be payable to the registered owner hereof (or of one or more predecessor bonds) at the

close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Bond Registrar whenever monies become available for payment of the overdue interest and notice of the special record date shall be given to registered owners not less than ten days prior thereto.

Section 8. Prior Redemption.

(a) Each series of Bonds shall be subject to redemption prior to maturity as set forth in the applicable Bond Purchase Agreement and the form of Bond.

(b) (1) Notice of redemption of any Bond shall be mailed by first class mail, postage prepaid, not more than sixty (60) nor less than thirty (30) days prior to the date set for redemption to the registered owner of the Bond or Bonds being redeemed at the address shown on the registration books for the Bonds maintained by the Bond Registrar and Paying Agent. Failure to give properly such notice of redemption shall not affect the redemption of any Bond for which notice was properly given. A notice of optional redemption may contain a statement that the redemption is conditional upon receipt by the Bond Registrar as paying agent of funds on or before the date fixed for redemption sufficient to pay the redemption price of the Bonds so called for redemption, and that if such funds are not available, such redemption shall be cancelled by written notice to owners of the Bonds called for redemption in the same manner as the original redemption notice was mailed.

(2) On the date designated for redemption by notice given as herein provided, the Bonds or portions thereof to be redeemed shall become and be due and payable at the redemption price for such Bonds or such portions thereof on such date, and, if moneys for payment of the redemption price are held in separate

accounts by the Bond Registrar and Paying Agent, interest on such Bonds or such portions thereof shall cease to accrue, such Bonds or such portions thereof shall cease to be entitled to any benefit or security hereunder, the registered owners of such Bonds or such portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof and accrued interest thereon and such Bonds or such portions thereof shall be deemed paid and no longer outstanding.

(c) Any Bond or portion thereof in authorized denominations shall be deemed paid and defeased and thereafter shall have no claim on ad valorem taxes levied on taxable property in the City (i) if there is deposited with a bank or comparable financial institution, in trust, moneys or obligations issued by or guaranteed by the United States government ("Defeasance Obligations") or both which, with the maturing principal of and interest on such Defeasance Obligations, if any, will be sufficient, as evidenced by a certificate or report of an accountant or nationally recognized public finance consultant, to pay the principal of and interest and any premium on such Bond or portion thereof as the same matures, comes due or becomes payable upon prior redemption and (ii) if such defeased Bond or portion thereof is to be redeemed, notice of such redemption has been given in accordance with provisions hereof or the City has submitted to the Bond Registrar and Paying Agent instructions expressed to be irrevocable as to the date upon which such Bond or portion thereof is to be redeemed and as to the giving of notice of such redemption. Bonds the payment of which has been provided for in accordance with this Section shall no longer be deemed payable or outstanding hereunder and thereafter such Bonds shall be entitled to payment only from

the moneys or Defeasance Obligations deposited to provide for the payment of such Bonds.

Section 9. Registration and Exchange. So long as any of the Bonds remain outstanding, the City will cause the Bond Registrar to maintain and keep at its principal corporate trust office all books and records necessary for the registration, exchange and transfer of Bonds as provided in this Section (the "Bond Register"). Subject to the provisions of Section 7 above, (a) the person in whose name a Bond is registered on the Bond Register shall be regarded as the absolute owner of that Bond for all purposes of this Ordinance, (b) payment of or on account of the principal of, premium, if any, and interest on any Bond shall be made only to or upon the order of that person, and (c) neither the City nor the Bond Registrar shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the City's liability upon the Bond, including interest, to the extent of the amount or amounts so paid.

Any Bond may be exchanged for Bonds of any authorized denomination upon presentation and surrender at the principal corporate trust office of the Bond Registrar, together with a request for exchange signed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Bond Registrar. A Bond may be transferred only on the Bond Register upon presentation and surrender of the Bond at the principal corporate trust office of the Bond Registrar, together with an assignment executed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Bond Registrar. Upon exchange or transfer the Bond Registrar shall complete, authenticate and deliver a new Bond or Bonds of any

authorized denomination or denominations requested by the registered owner equal in the aggregate to the unmatured principal amount of the Bond surrendered and bearing interest at the same rate and maturing on the same date.

If manual signatures on behalf of the City are required, the Bond Registrar shall undertake the exchange or transfer of Bonds only after the new Bonds are signed by the authorized officers of the City. In all cases of exchanged or transferred Bonds, the City shall sign, and the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. All fees and costs associated with the exchange or transfer, including any tax or other governmental charges required to be paid with respect to the exchange or transfer, shall be paid by the registered owner requesting the exchange or the transferor, as appropriate. The City or the Bond Registrar may require that those fees and costs, if any, be paid before the procedure is begun for the exchange or transfer. All Bonds issued upon any exchange or transfer shall be valid obligations of the City, evidencing the same debt, and entitled to the same security and benefit under this Ordinance as the Bonds surrendered upon that exchange or transfer.

Any Bond surrendered to the Bond Registrar for payment, retirement, exchange, replacement or transfer shall be canceled by the Bond Registrar. The City may at any time deliver to the Bond Registrar for cancellation any previously authenticated and delivered Bonds that the City may have acquired in any manner whatsoever, and those Bonds shall be promptly canceled by the Bond Registrar. The canceled Bonds shall be retained for a period of time and then returned to the City or destroyed by the Bond Registrar as directed by an Authorized Officer.

The City and the Bond Registrar will not be required (a) to issue or transfer any Bonds during a period beginning with the opening of business on the 15th day next preceding any date of selection of Bonds to be redeemed and ending with the close of business on the day on which the applicable notice of redemption is given or (b) to transfer any Bonds which have been selected or called for redemption in whole or in part.

In case any Bond becomes mutilated or destroyed or lost, the City shall cause to be executed and delivered a new Bond of like date and tenor in exchange and substitution for and upon the cancellation of such mutilated Bond or in lieu of and in substitution for such Bond destroyed or lost, upon the registered owner's paying the reasonable expenses and charges of the City in connection therewith and, in the case of the Bond destroyed or lost, filing with the City Clerk by the registered owner evidence satisfactory to the City that such Bond was destroyed or lost, and furnishing the City with a sufficient indemnity bond pursuant to Section 47-8405, Arizona Revised Statutes.

Section 10. Book-Entry Depository. If any Depository determines not to continue to act as a Depository for the Bonds for use in a Book Entry System, the City may attempt to have established a securities depository/book entry relationship with another qualified Depository. If the City does not or is unable to do so, the City and the Bond Registrar, after the Bond Registrar has made provision with the Depository for notification of the Beneficial Owners by the then Depository, shall permit withdrawal of the Bonds from the Depository, and authenticate and deliver replacement Bonds in fully registered form in the denominations of \$5,000 or any integral multiple thereof to the assignees of the Depository or its nominee. If the event is not the result of City action or

inaction, such withdrawal, authentication and delivery shall be at the cost and expense (including costs of printing definitive Bonds) of those persons requesting such authentication and delivery.

Section 11. Form of Bond. The Bonds shall be in substantially the following form, the officials executing the Bonds to make the insertions and deletions necessary to conform the Bonds to this Ordinance:

(FORM OF FACE OF BOND)

REGISTERED
NO.

REGISTERED
\$

CITY OF PHOENIX, ARIZONA
GENERAL OBLIGATION BOND, _____ SERIES _____

INTEREST RATE: MATURITY DATE: DATED AS OF: CUSIP:
_____ % per annum July 1, _____ Date of Delivery _____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The City of Phoenix, Arizona (the "City"), for value received, promises to pay to the Registered Owner named above, or registered assigns, the Principal Amount on the Maturity Date, each as stated above, and interest thereon until the Principal Amount is paid or provided for at the Interest Rate stated above, on January 1 and July 1 of each year (the "Interest Payment Dates"), commencing _____. This Bond will bear interest from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from its date. Principal and interest are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this Bond (or, if applicable, one or more predecessor Bonds) is registered (the "registered owner" or "owner") on the Register maintained by the Bond Registrar, initially U.S. Bank Trust Company, National Association. Principal is payable upon presentation and surrender of this Bond at the principal corporate trust office of the Bond Registrar. Interest is payable by check or draft mailed by the Bond Registrar on each Interest Payment Date to the registered owner of this Bond (or one or more predecessor Bonds) as shown and at the address appearing on the Register at the close of business on the 15th day of the calendar month next preceding that Interest Payment Date (the "regular record date"). Any interest which is not timely paid or duly provided for shall cease to be payable to the

registered owner hereof (or of one or more predecessor Bonds) as of the regular record date and shall be payable to the registered owner hereof (or of one or more predecessor Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Bond Registrar whenever monies become available for payment of the overdue interest and notice of the special record date shall be given to registered owners not less than ten days prior thereto.

This Bond is one of an issue of like date, tenor and effect except as to maturity and interest rate, aggregating the sum of \$_____, issued to pay all or a portion of certain and to pay all necessary legal, financial, architectural, engineering and contingent costs in connection therewith (the "Bonds"), under authority of and pursuant to the laws of the State of Arizona, particularly Title 35, Chapter 3, Article 3, Section 35-451, et seq., of the Arizona Revised Statutes (the "Act"), the Charter of the City, the requisite majority vote of the electors of the City cast at a special election held on November 7, 2023, upon the question of issuing bonds in the original principal amount of \$500,000,000 and Ordinance No. S-_____, passed by the Council of the City on _____ (the "Bond Ordinance").

The Bonds are issuable only as fully registered bonds in the denominations of \$5,000 or any integral multiple thereof. This Bond is exchangeable and transferable for Bonds of other authorized denominations at the principal corporate trust office of the Bond Registrar, by the registered owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Bond Registrar, together with a request for exchange or an assignment, signed by the registered owner or by a person legally empowered to do so, in a form satisfactory to the Bond Registrar, all subject to the terms, limitations and conditions provided in the Bond Ordinance. All fees and costs associated with the exchange or transfer, including any tax or governmental charges payable in connection therewith, shall be paid by the owner requesting the exchange or the transferor, as appropriate. The City or the Bond Registrar may also require that such fees and charges be paid prior to the procedure for exchange or transfer. The City and the Bond Registrar may deem and treat the registered owner as the absolute owner of this Bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the City nor the Bond Registrar shall be affected by any notice to the contrary.

The Bonds are subject to redemption prior to their stated maturities as follows:

Bonds maturing on or after July 1, _____, shall be subject to redemption prior to maturity at the option of the City on and after July 1, _____, in whole or in part at any time in increments of \$5,000 principal amount from maturities selected

by the City and within any maturity by lot selected by the Bond Registrar, at the principal amount thereof and accrued interest to the date fixed for redemption, but without premium.

Bonds maturing on July 1, ____, are subject to mandatory sinking fund redemption on July 1 of each of the years ____ and ____ by lot to be selected by the Bond Registrar, at the principal amount thereof and accrued interest to the date fixed for redemption, without premium, and in the amounts set forth in the Bond Ordinance.

Notice of any such redemption, unless waived, shall be sent by first class or certified mail, postage prepaid, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each bond to be redeemed in whole or in part at the address shown on the bond register of the City maintained by the Bond Registrar or at such other address as is furnished to the Bond Registrar in writing by such registered owner. When so called for redemption, this bond, or the portion thereof being so called for redemption, will cease to bear interest on the specified redemption date, provided funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

The Council of the City of Phoenix has by ordinance ordered the creation of a special fund for the payment of principal of and interest on the bonds of the issue of which this bond is one. Payments are to be made into said fund from taxes to be levied on all taxable property in the City and the money in said fund is to be used solely to pay principal of and interest on the bonds of the issue of which this is one. Such taxes, together with other monies to be deposited in said fund (including earnings on

investments made with money in said fund), are required to be sufficient to pay such principal, interest and redemption premiums, if any, when due.

Reference is made to the Bond Ordinance for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the City, the Bond Registrar and the registered owners, and the terms and conditions upon which the Bonds are issued and secured. The registered owner of this Bond assents, by acceptance hereof, to all of the provisions of the Bond Ordinance.

It is hereby certified and recited that all acts and conditions necessary to be performed by the City or to have been met precedent to and in the issuance of the Bonds in order to make them legal, valid and binding special obligations of the City, have been performed and have been met in regular and due form as required by law; that payment in full for the Bonds has been received; and that no statutory, charter or constitutional limitation on indebtedness has been exceeded in issuing the Bonds.

This Bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Ordinance until the Certificate of Authentication below has been signed.

IN WITNESS WHEREOF, the City of Phoenix, Arizona has caused this Bond to be executed in its name by the facsimile signatures of the Mayor and attested to by the facsimile signature of its City Clerk, all as of _____, 20__.

CITY OF PHOENIX, ARIZONA

(facsimile)
Mayor

ATTEST:

(facsimile)
City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the Bond Ordinance referred to above.

Date of Authentication:

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Bond Registrar

By _____
Authorized Representative

Registrable at and Payable by:

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

(Insert Social Security or Taxpayer
Identification Number of Assignee)

the within bond and does hereby irrevocably constitute and appoint

_____, attorney, to transfer the same bond on the books kept for
registration thereof with full power of substitution in the premises.

Dated: _____

Signature Guaranteed: _____

Signature guarantee should
be made by a guarantor
institution participating in the
securities transfer agent's
medallion program or in such
other guarantee program
acceptable to the Registrar

NOTICE: The signature to this assignment must correspond with the name of the
registered owner as it appears upon the face of the within bond in every particular,
without alteration or enlargement or any change whatever.

(END OF FORM OF BOND)

Section 12. Delivery of Bonds. The Mayor or any Authorized Officer shall cause the Bonds to be prepared and shall have the Bonds signed, authenticated and delivered, together with a true transcript of proceedings with reference to the issuance of the Bonds, to the purchasers thereof upon payment of the par value thereof plus the net premium or less the discount set forth in the applicable Bond Purchase Agreement.

Section 13. Application of Proceeds. The proceeds from the sale of the Bonds shall be paid into the proper fund or funds and credited to separate book accounts, and those proceeds are appropriated and shall be used in the amounts and solely for the purposes as set forth in the respective ballot question submitted to the qualified voters of the City at the aforesaid special bond elections, as determined by an Authorized Officer, subject to the provisions of Arizona Revised Statutes, Section 35-457.D. The proceeds of the Bonds will be invested pursuant to State law. The City shall include in its records sufficient information to identify the proceeds, expenditures and investment income relating to the Bonds.

Section 14. Allocation of Bonds Between 6% and 20% Debt Limits; Ratification of Prior Actions. An Authorized Officer is hereby authorized to determine the respective allocations between the 6% and 20% debt limitations set forth and in accordance with applicable law.

Section 15. Security for the Bonds; Covenants. For the purpose of paying principal of and interest on the bonds herein authorized there shall be levied on all taxable property in the City of Phoenix a continuing, direct, annual ad valorem tax sufficient to produce the amounts required below; said amounts are hereby found sufficient and necessary to assure payment of the principal of and interest on said

Bonds as the same become due at or prior to maturity. In each year the money derived from said tax shall be paid into separate funds which are hereby created and named the "Interest Fund" and the "Redemption Fund". Such Interest Fund and Redemption Fund shall be kept separately by the City for the equal benefit of the holders of the Bonds herein authorized and used solely for the payment of principal of and interest on such Bonds. There shall be paid into said Interest Fund and Redemption Fund the accrued interest and any premium received by the City from the Purchasers of the Bonds herein authorized plus an amount sufficient to pay all interest when due on said Bonds plus the amounts on or prior to July 1 in the years determined by an Authorized Officer.

If at the time of any annual tax levy the amount in the Interest Fund and Redemption Fund accumulated as hereinabove required shall not be sufficient to pay all principal and interest falling due on said Bonds prior to the time that taxes will become available from the next succeeding tax levy, the City shall include in such earlier tax levy such additional amount as shall produce funds sufficient to remedy any such deficiency and deposit the proceeds of said taxes into the Interest Fund and Redemption Fund. Whenever there shall be insufficient money in the Interest Fund and Redemption Fund to pay Bonds and interest thereon payable therefrom when due, the City may pay such principal and interest from any other legally available fund and shall reimburse such other fund when money becomes available from the proceeds of the taxes hereinabove required.

Section 16. Official Statement. All actions of the City related to preparing and distributing a form of Preliminary Official Statement, to be used if any of the Bonds are sold by negotiated sale to the Underwriters, in substantially the same form as that

was used in connection with the offer and sale of the City's General Obligation Refunding Bonds, Series 2022, which may be distributed in connection with the offer and sale of the Bonds (as prepared in accordance with the terms of this Ordinance, the "Preliminary Official Statement"), are hereby approved and ratified. The portions of each Preliminary Official Statement regarding the Bonds which concern and describe the non-financial characteristics of the City are hereby approved and, if so necessary, each Authorized Officer is hereby authorized and directed to execute the same and any required certificates as to the accuracy and completeness of said Official Statement descriptions of the City.

If so necessary, each Authorized Officer is authorized to approve the distribution of each, and to deem each Preliminary Official Statement "final" (except for permitted omissions), by the City as of its date for purposes of SEC Rule 15c2-12(b)(1) and, if so necessary, a final official statement (the "Official Statement") will be prepared and distributed to the Underwriters for purposes of SEC Rule 15c2-12(b)(3) and (4). Each Authorized Officer is authorized and directed to complete and sign on behalf of the City and in his or her official capacity, the Official Statement, with such modifications, changes and supplements as being necessary to carry out and comply with the terms, provisions, and intent of this Ordinance. Each Authorized Officer is authorized to use and distribute, or authorize the use and distribution of, the Official Statement and any supplements thereto as so signed in connection with the original issuance of the Bonds as may in his or her judgment be necessary or appropriate.

Section 17. Continuing Disclosure Undertaking. Each Authorized Officer is hereby authorized, empowered and directed to execute and deliver the Continuing

Disclosure Undertaking in substantially the same form as now executed in connection with the City's General Obligation Refunding Bonds, Series 2022, or with such changes therein as the individual executing the Continuing Disclosure Undertaking on behalf of the City shall approve, his or her execution thereof to constitute conclusive evidence of his or her approval of such changes. If a Continuing Disclosure Undertaking is executed and delivered on behalf of the City as herein provided, such Continuing Disclosure Undertaking will be binding on the City and the officers, employees and agents of the City, and the officers, employees and agents of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Ordinance, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the Beneficial Owner of any Bond to seek mandamus or specific performance by court order, to cause the City to comply with its obligations under the Continuing Disclosure Undertaking.

Section 18. Tax Covenants. The City covenants that it will use, and will restrict the use and investment of, the proceeds of the Tax-Exempt Bonds in such manner and to such extent as may be necessary so that (a) the Tax-Exempt Bonds will not (i) constitute private activity bonds, arbitrage bonds or hedge bonds under Sections 141, 148 or 149 of the Internal Revenue Code of 1986, as amended (the "Code"), or (ii) be treated other than as bonds to which Section 103(a) of the Code applies, and (b) the interest thereon will not be treated as a preference item under Section 57 of the Code.

The City further covenants (a) that it will take or cause to be taken such actions that may be required of it for the interest on the Tax-Exempt Bonds to be and remain excluded from gross income for federal income tax purposes, (b) that it will not take or authorize to be taken any actions that would adversely affect that exclusion, and (c) that it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Tax-Exempt Bonds to the governmental purposes of the borrowing, (ii) restrict the yield on investment property, (iii) make timely and adequate payments to the federal government, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of those proceeds and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code.

Each Authorized Officer is hereby authorized (a) to make or effect any election, selection, designation, choice, consent, approval, or waiver on behalf of the City with respect to the Tax-Exempt Bonds as the City is permitted or required to make or give under the federal income tax laws, including, without limitation thereto, any of the elections provided for or available under Section 148 of the Code, for the purpose of assuring, enhancing or protecting favorable tax treatment or status of the Tax-Exempt Bonds or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments of penalties, or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate, or obviating those amounts or payments, as determined by that officer, which action shall be in writing and signed by the officer, (b) to take any and all other actions, make or obtain calculations,

make payments, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Tax-Exempt Bonds, and (c) to give one or more appropriate certificates of the City for inclusion in the transcript of the proceedings for the Tax-Exempt Bonds, setting forth the reasonable expectations of the City regarding the amount and use of all the proceeds of the Tax-Exempt Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest on and the tax status of the Tax-Exempt Bonds.

Section 19. Further Actions. All actions of the officers and agents of the City which are in conformity with the purposes and intent of this Ordinance and in furtherance of the issuance and sale of the Bonds as contemplated by this Ordinance whether heretofore or hereafter taken shall be and are hereby ratified, confirmed and approved. The Mayor, each Authorized Officer and the City Clerk and other appropriate officers and agents of the City are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the City as may be necessary to carry out the terms and intent of this Ordinance.

Section 20. All Conditions Met. This Council determines that all acts and conditions necessary under the Act and other applicable laws to be performed by the City or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding special obligations of the City, have been performed and met, or will at the time of delivery of the Bonds have been performed and met, in regular and due form as required by law; and that no statutory, charter or constitutional

limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds.

Section 21. Open Meeting. This Council finds and determines that all formal actions of this Council concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council and that all deliberations of this Council and of any committees that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements.

Section 22. Requests of City. Whenever any action is to be taken by the Bond Registrar or any depository bank, issuing and paying agent, trustee, tender agent, paying agent or remarketing agent at the request of the City under this Ordinance, if no other means of authenticating such request is required herein or therein, such request shall be evidenced by a written instrument signed by an Authorized Officer or by such other City official or employee (one or more) as may from time to time be designated by the Mayor and Council; a duly certified copy of such designation shall have been filed with such entity.

Section 23. Severability. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

Section 24. Other Actions in Furtherance of Ordinance. Each Authorized Officer is and hereby authorized to take any and all actions and execute all documents or instruments necessary or appropriate to carry out the transactions contemplated by this Ordinance and the documents described herein and to employ such professionals

and consultants as are necessary in order to accomplish the purposes of this Ordinance, professionals for the services of bond counsel, accounting and auditing purposes, registrar, remarketing, issuing and paying agent, financial advisory services, and any other services necessary to accomplish the purposes of this Ordinance. Any contracts for the provision of such services shall be executed by an Authorized Officer, and the execution of such contracts shall represent approval by the City of the terms of such contracts. Such instruments shall include, but shall not be limited to (a) one or more swap agreements for the purpose of managing interest rate risk relating to the debt service on any or all of the Bonds pursuant to Arizona Revised Statutes, Section 35-1002 and (b) one or more forward purchase agreements relating to the reinvestment of the proceeds of certain government obligations acquired with the proceeds of the Bonds, each in such form as acceptable to such Authorized Officer.

Section 25. Ordinance Constitutes a Contract. This Ordinance constitutes a contract with the Bondholders binding the City, and, therefore, it is proper and appropriate for the Mayor of the City to execute the same on behalf of the City and for the City Clerk of the City to attest the same.

Section 26. City Code Section 42-18 (A) and (B) Exemption. That the Council grants an exemption to Phoenix City Code Sections 42-18 (A) and (B) to allow the City's provision of indemnification and to allow limitations on the City's damages with respect to all contractual documents or instruments necessary or appropriate to carry out the transactions contemplated by this Ordinance and the contractual documents described herein, including but not limited to, documents or instruments entered into with bond trustees, escrow agents, bond underwriters and lenders or credit

enhancement providers where providing these parties with indemnity and agreeing to limit City's damages are standard terms in the contemplated transactions.

Section 27. Expenditure of Funds. The City Controller is hereby authorized to receive and expend such funds as necessary to accomplish the purposes of this Ordinance. It is the intention of this Council that if any or all of such expenditures occur prior to the issuance and delivery of the Bonds, such expenditures shall be reimbursed from the proceeds of such obligations as and when they, or another issue of tax-exempt obligations out of which Council evidences its intention to pay such expenditures, are issued and delivered. Each Authorized Officer is hereby authorized and directed to file with respect to the expenditures herein authorized one or more Declarations of Official Intent as may be required by Treasury Regulations Section 1.150-2 based upon the best information as to the source of reimbursement available to them at the time of execution of such declarations.

PASSED and adopted by the Council of the City of Phoenix this _____ day of _____, 2024.

MAYOR

Date

ATTEST:

Denise Archibald, City Clerk

APPROVED AS TO FORM:
Julie M. Kriegh, City Attorney

By: _____

REVIEWED BY:

Jeffrey Barton, City Manager

JS:tml:LF____:[date];2416071v1

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