

ORDINANCE NO. 2714 NEW SERIES

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF CITY OF GLENDALE, ARIZONA GENERAL OBLIGATION BONDS, SERIES 2009, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$43,000,000 FOR THE PURPOSE OF PROVIDING FUNDS TO PAY ALL OR A PORTION OF THE COSTS OF CERTAIN PROJECTS OF THE CITY AND TO PAY ALL NECESSARY LEGAL, FINANCIAL, ARCHITECTURAL, ENGINEERING AND OTHER COSTS IN CONNECTION THEREWITH; PROVIDING FOR THE AWARD OF SAID BONDS; AUTHORIZING THE EXECUTION OF A BOND REGISTRAR AGREEMENT; AUTHORIZING AN OFFICIAL STATEMENT; AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE UNDERTAKING, DTC LETTER AGREEMENT AND CERTAIN OTHER DOCUMENTS AND THE TAKING OF CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE AND DELIVERY OF THE BONDS; AND DECLARING AN EMERGENCY.

Whereas, pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, as amended (the "Act"), duly called special bond elections were held in the City of Glendale, Arizona (hereinafter referred to as the "City"), on October 21, 1980, October 20, 1981, March 10, 1987, November 2, 1999 and May 15, 2007, and thereafter canvassed pursuant to law; and

Whereas, at such elections there was submitted to and approved by the qualified electors of the City a question as to the issuance and sale of general obligation bonds of the City in the respective principal amounts and for the purposes as follows (which purposes include payment of costs and expenses as set forth in the ballot preparation) and has issued in one or more series of bonds pursuant to such authorizations the amounts, and has remaining authorization, as follows:

<u>AUTHORIZED AMOUNT</u>	<u>PURPOSE</u>
\$40,000,000 [1980 Election]	various water and sewer projects (the "1980 Projects") [Amount issued to date: \$40,000,000; Authorization remaining: -0-]
\$6,750,000 [1981 Election]	to provide funds to construct an operations center and associated costs [Amount issued to date: \$550,000; Authorization remaining: \$6,200,000]

AUTHORIZED AMOUNT

PURPOSE

\$34,694,000

[1987 Election]

to provide funds to construct a public safety headquarters/court complex and other public safety facilities; to construct additions and to renovate existing public safety buildings and facilities; to furnish and equip such buildings and facilities and to improve grounds thereof; to acquire additional and replacement police, fire protection, and paramedic vehicles and equipment; to acquire land and interest therein as necessary for such facilities and equipment (the "Public Safety Improvements") [Amount issued: \$34,694,000; Authorization remaining: -0-]

\$9,691,000

[1987 Election]

to provide funds to maintain streets and highways, to provide traffic signals and street lights along City streets or to add to, renovate, or replace existing signals or lights; to landscape existing arterials and to provide landscaping to newly constructed arterials (the "Street and Traffic Signal Improvements") [Amount issued to date: \$9,691,000; Authorization remaining: -0-]

\$9,698,000

[1987 Election]

to provide funds to construct a new north branch library facility; to add to, improve, and renovate existing library buildings and facilities; to furnish and equip such buildings and facilities and to improve the grounds thereof; to acquire land and interests therein as necessary for library facilities; and to purchase books (the "Library Facilities") [Amount issued to date: \$8,000,000; Authorization remaining: \$1,698,000]

\$17,870,000

[1987 Election]

to provide funds for construction, acquisition and installation of flood control facilities, including joint facilities to be utilized with others, including but not limited to detention and retention basins, storm sewer lines; to acquire land and interests therein as necessary for such facilities (the "Flood Control Improvements") [Amount issued to date: \$17,870,000; Authorization remaining: -0-]

\$11,558,000

[1987 Election]

to provide funds to construct new parks and recreation buildings and facilities City-wide, including but not limited to Skunk Creek Recreation Area and Grand Canal Park; to construct, add to, and furnish and equip such buildings and facilities and improve the grounds thereof; to acquire land and interests therein as necessary for such facilities and purposes (the "Park Improvements") [Amount issued to date: \$11,558,000; Authorization remaining: -0-]

AUTHORIZED AMOUNT

PURPOSE

\$6,000,000 [1987 Election]	to provide funds to acquire and construct maintenance buildings and facilities for various City operations; to acquire land and interests therein as necessary for such buildings and facilities; to furnish and therein as necessary for such buildings and equip such buildings and facilities and improve the grounds thereof (the "Maintenance Facilities") [Amount issued to date: \$6,000,000; Authorization remaining: -0-]
\$18,215,000 [1999 Election]	Planning and constructing a cultural facility, planning, acquiring, repairing and restoring historic properties, and acquiring land and interests therein as may be needed for such facilities and purposes (the "Cultural Facilities and Preservation of Historic Properties") [Amount issued to date: \$4,494,100; Authorization remaining: \$13,720,900]
\$50,500,000 [1999 Election]	to promote new private sector job creation through development and redevelopment within the City of Glendale, including land acquisition to be used for public/private partnerships, constructing infrastructure for future business parks, and acquiring land and interests therein as may be needed for such purposes (the "Economic Development and New Job Creation Improvements") [Amount issued to date: \$16,088,000; Authorization remaining: \$34,412,000]
\$38,860,000 [1999 Election]	planning, constructing, acquiring and installing flood control facilities, including joint facilities to be utilized with others, including but not limited to storm sewer lines and drains, flood control channels, detention and retention basins, and acquiring land and interests therein as may be needed for such facilities and purposes, such facilities to be used for reducing flooding on properties and reducing street flooding (the "1999 Flood Control Improvements") [Amount issued to date: \$35,307,000; Authorization remaining: \$3,553,000]
\$40,910,000 [1999 Election]	planning and constructing a new public works operations center, acquiring or constructing additional city buildings and facilities, planning, acquiring or constructing a tourism visitor center, additional restrooms and related infrastructure throughout the City, and acquiring land and interests therein as may be needed for such facilities and purposes (the "Governmental Facility Improvements") [Amount issued to date: \$12,385,000; Authorization remaining: \$28,525,000]

AUTHORIZED AMOUNT

PURPOSE

\$17,000,000 [1999 Election]	planning, acquiring, constructing, extending, improving and repairing landfill and acquiring land and interests therein as may be needed for such facilities and purposes (the "Landfill Development Improvements") [Amount issued to date: \$1,460,000; Authorization remaining: \$15,540,000]
\$15,398,000 [1999 Election]	planning, designing and constructing new library facilities, planning, adding improving and renovating exiting library buildings and facilities, furnishing and equipping such buildings and facilities and improving the grounds thereof, acquiring land and interests therein as may be needed for library facilities and purposes and purchasing books (the "Library Facilities") [Amount issued to date: \$-0-; Authorization remaining: \$15,398,000]
\$57,187,800 [1999 Election]	planning and constructing new parks and recreation facilities city-wide, including but not limited to new swimming pools and indoor and outdoor multi-sport recreation centers, planing, constructing, adding to and renovating buildings and facilities, furnishing and equipping such buildings and facilities and improving the grounds thereof, and acquiring land and interests therein as may be necessary for such facilities and purposes (the "Parks and Recreation Facilities") [Amount issued to date: \$49,741,000; Authorization remaining: \$7,446,800]
\$64,801,000 [1999 Election]	planning and constructing a fire and police substation and other public safety buildings and facilities, new court buildings and public safety training facility, acquiring additional and replacement police and fire protection equipment and vehicles, renovating and improving existing public safety facilities, and acquiring land and interests therein as may be necessary for such facilities and equipment (the "Public Safety Facilities") [Amount issued to date: \$50,666,000; Authorization remaining: \$14,135,000]

AUTHORIZED AMOUNT

PURPOSE

\$38,050,000 [1999 Election]	constructing, reconstructing, improving and maintaining major and local streets, highways and bridges and parking within the City, including but not limited to downtown parking garage, street signage, lighting, street widening and landscaping, and acquiring land and interests therein as may be needed for such facilities and purposes (the "Streets and Parking Improvements") [Amount issued to date: \$38,050,000; Authorization remaining: \$-0-]
\$53,700,000 [1999 Election]	planning and acquiring land and interests therein for preservation of open space, planning, acquiring and constructing multiuse trails and linear parks, including but not limited to lighted walkways, play areas, benches, amphitheater, artwork, fountains, landscaping and equestrian trails, and acquiring land and interests therein as may be needed for such facilities and purposes (the "Preservation of Open Space and Trails Improvements") [Amount issued to date: \$3,175,000; Authorization remaining: \$50,525,000]
\$6,935,000 [1999 Election]	planning, acquiring, constructing and expanding transit services and passenger amenities and park and ride facilities, replacement of transit buses, cars and computer equipment and transit administrative facility upgrades and renovations, and acquiring land and interests therein as may be needed for such facilities and purposes (the "Transit Improvements") [Amount issued to date: \$185,000; Authorization remaining: \$6,750,000]
\$10,000,000 [1999 Election]	planning and constructing sewers for areas within the City currently utilizing septic systems and acquiring land and interests therein as may be needed for such facilities and purposes (the "Water/Sewer Facilities") [Amount issued to date: \$-0-; Authorization remaining: \$10,000,000]
\$102,638,000 [2007 Election]	Planning and constructing fire and police stations and substations and other public safety buildings and facilities, new court building, and public safety training facility, acquiring additional and replacement police and fire protection equipment and vehicles, renovating and improving existing public safety facilities, and acquiring land and interests therein as may be necessary for such facilities and equipment (the "2007 Public Safety Facilities") [Amount issued to date: \$-0-; Authorization remaining: \$102,638,000]

AUTHORIZED AMOUNT

PURPOSE

\$79,065,000 [2007 Election]	Constructing, reconstructing, improving and maintaining major and local streets, highways and bridges and parking within the City, and further including but not limited to downtown and City-wide parking garages, street signage, lighting, street widening and landscaping, and acquiring land and interests therein as may be needed for such facilities and purposes (the "2007 Streets and Parking Facilities") [Amount issued to date: \$11,827,000; Authorization remaining: \$67,238,000]
\$20,554,000 [2007 Election]	Planning, constructing, acquiring and installing flood control facilities, including joint facilities to be utilized with others and including but not limited to storm sewer lines and drains, flood control channels, detention and retention basins, and acquiring land and interests therein as may be needed for such facilities and purposes, such facilities to be used for reducing flooding on properties and reducing street flooding (the "2007 Flood Control Facilities") [Amount issued to date: \$-0-; Authorization remaining: \$20,554,000]
\$16,155,000 [2007 Election]	Planning and constructing new parks and recreation facilities city-wide and further including but not limited to new swimming pools and indoor and outdoor multisport recreation centers, planning, constructing, adding to and renovating existing parks and recreation buildings and facilities, furnishing and equipping such buildings and facilities and improving the grounds thereof, and acquiring land and interests therein as may be necessary for such facilities and purposes (the "2007 Parks and Recreation Facilities") [Amount issued to date: \$-0-; Authorization remaining: \$16,155,000]

Whereas, pursuant to a resolution adopted on November 24, 2009, the Council of the City ordered the sale of General Obligation Bonds, Series 2009 (the "Bonds"), pursuant to the November 2, 1999 special bond election and the May 15, 2007 special bond election; and

Whereas, notice of such sale was duly published and, pursuant to such notice, Bids for the purchase of the Bonds will be received as provided in the notice as it may be supplemented by the City Manager in the Notice Inviting Proposals for Purchase of Bonds; and

Whereas, there have been filed with the City Clerk and submitted to the Council of the City at this meeting proposed forms of the following documents:

- (a) A preliminary official statement with respect to the Bonds (the "Preliminary Official Statement"), the final form of which, upon being completed and

conformed to this Ordinance, will be the official statement with respect to the Bonds (the "Official Statement"); and

(b) A Bond Registrar Agreement to be dated on or before the date of delivery of the Bonds (the "Bond Registrar Agreement"), pursuant to which The Bank of New York Trust Company, N.A., will act as Bond Registrar (as hereinafter defined); and

(c) A Continuing Disclosure Undertaking to be dated the date of Delivery of the Bonds (the "Undertaking");

Whereas, it appears that each of the above-referenced documents which are now before this meeting is in appropriate form and is an appropriate instrument to be executed and delivered by the respective parties named therein to the extent called for thereby for the purposes intended;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE, ARIZONA as follows:

Section 1. *Purpose.* That for the purpose of providing funds for one or more of the following:

- Economic Development
- Governmental Facility Improvements
- 1999 Flood Control Improvements
- 2007 Flood Control Facilities
- Public Safety Facilities
- Parks and Recreation Facilities

and to pay all necessary legal, financial, architectural, engineering and contingent costs in connection therewith, the City hereby authorizes the issuance of its General Obligation Bonds, Series 2009, in the aggregate principal amount set forth on Exhibit I attached hereto and made a part hereof.

Section 2. *Authorization of Bonds.* The Bonds shall be issued as fully registered bonds registered as to both principal and interest, in the denominations of \$5,000 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"), commencing July 1, 2010 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 the City Manager. Interest on the Bonds will be computed on the basis of a 360 day year of twelve 30-day months.

The Bonds shall mature on July 1 of the years and in the amounts and, shall bear interest (which may be tax-exempt (the "Tax-Exempt Bonds") or taxable, as a Build America Bond, or a combination thereof) at the rates as shown on Exhibit I attached hereto and made a part hereof.

The Bonds are subject to redemption as shown on Exhibit I attached hereto and made a part hereof.

Section 3. *Book-Entry.* The Bonds shall only be issued in book entry form, except as provided in Section 8 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.

As provided in Section 8 hereof, 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 4. *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 defined in Section 5 below) 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 5. *Registrar and Paying Agent.* The Bank of New York Trust Company, N.A. is hereby appointed to act as the authenticating agent, bond registrar, escrow agent, transfer agent and paying agent (collectively, the "Bond Registrar") for the Bonds. The Mayor, the City Manager or the Deputy Finance Director shall sign and deliver, and the City Clerk shall attest, on behalf of the City, the Bond Registrar Agreement, in substantially the form submitted to this Council with such additions, deletions and modifications not inconsistent with

this Ordinance as the officer executing such agreement shall approve. The Deputy Finance Director is authorized and directed on behalf of the City to provide for payment of the services rendered and for reimbursement of expenses incurred from the proceeds of the Bonds to the extent available or from other funds lawfully available therefor.

Section 6. *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 8 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 7 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 7. *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 6 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 the Mayor of the City.

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 8. *Book-Entry Depository.* Notwithstanding any provision of this Ordinance or of any Bond to the contrary, the City may enter into an agreement with the registered owner of a Bond in the custody of a Depository providing for making all payments to that registered owner of payments of principal and interest on that Bond or any part thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner (including wire transfer of funds) other than as provided in this Ordinance and in the Bond, without prior presentation or surrender of the Bond, upon any conditions which shall be satisfactory to the City; provided, that payment in any event shall be made to the person who is the registered owner of that Bond, on the date or other date duly agreed upon that principal and premium is due, and, with respect to the payment of interest, as of the applicable regular record date or special record date or other date as duly agreed upon as the case may be.

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.

To provide for the procedures relating to the book entry system for the Bonds, the Mayor, the City Manager or the Deputy Finance Director is authorized and directed to execute, acknowledge and deliver, in the name and on behalf of the City, the DTC Letter Agreement, in substantially the form submitted to the City Council.

Section 9. *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 GLENDALE, ARIZONA
GENERAL OBLIGATION BOND,
SERIES 2009

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 Glendale, 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 July 1, 2010. 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 The Bank of New York Trust Company, N.A. 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 the following purposes:

Economic Development
Governmental Facility Improvements
1999 Flood Control Improvements
2007 Flood Control Facilities
Public Safety Facilities
Parks and Recreation Facilities

respectively; 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 2, 1999, upon the question of issuing bonds in the original principal amount of \$411,586,800 and at a special election held on May 15, 2007 upon the question of issuing bonds in the original principal amount of \$218,412,000 and Ordinance No. ____ New Series, passed by the Council of the City on June 26, 2007 (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 maturing on and after July 1, 2020 will be subject to prior redemption, at the option of the City, on and after January 1, 2020, in whole or in part at any time from any maturity selected by the City and by lot within a maturity at a price equal to the principal amount of each Bond, or portion thereof, so redeemed, and accrued interest thereon to the redemption date without premium.

*****Insert Sinking Fund Provisions, if applicable***]**

*****Insert for ARRA Bonds:** EXTRAORDINARY REDEMPTION OF THE TAXABLE BONDS. The Taxable Bonds are subject to extraordinary redemption prior to their respective maturities, at the option of the City, upon the occurrence of an Extraordinary Event from any source of available funds, as a whole or in part, by lot, at the "Make-Whole Redemption Price" (defined below) upon such time as:

1. a material adverse change has occurred to Section 54AA or 6431 of the internal Revenue Code of 1986, as amended (the "Code"),
2. there is any guidance published by the Internal Revenue Service or the United States Treasury with respect to such Sections, or
3. any other determination by the Internal Revenue Service or the United States Treasury, which determination is not the result of a failure of the City to satisfy the requirements of the tax covenant applicable to the Taxable Bonds as set forth in the Bond Ordinance,

and as a result thereof, the BAB Credit expected to be received with respect to the Taxable Bonds is eliminated or reduced, as reasonably determined by the Acting Chief Financial Officer of the City, which determination shall be conclusive.

The "Make-Whole Redemption Price" means the amount equal to the greater of the following:

1. the issue price of the Taxable Bonds set forth on the cover page of the Preliminary Official Statement (but not less than 100%) of the principal amount of the Taxable Bonds to be redeemed; or
2. the sum of the present value of the remaining scheduled payments of principal and interest on the Taxable Bonds to be redeemed to the maturity date of such Taxable Bonds, not including any portion of those payments of interest accrued and unpaid as of the date on which the Taxable Bonds are to be redeemed, discounted to the date on which the Taxable Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year containing twelve 30-day months, at the Treasury Rate plus 100 basis points, plus in each case accrued interest on the Taxable Bonds to be redeemed to the redemption date.

For the purpose of determining the Make-Whole Redemption Price, the following definition applies:

"Treasury Rate" means, with respect to any redemption date for a particular Taxable Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (excluding inflation-indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the Taxable Bonds to be redeemed; provided, however that if the period from the redemption date to the maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.]

Not more than 60 nor less than 30 days before any redemption date, the Bond Registrar shall cause a notice of any such redemption to be mailed by first class mail to the registered owner of each Bond to be redeemed in whole or in part at the address shown on the registration

books maintained by the Bond Registrar. Neither failure to mail notice to any owner of the Bonds nor any defect in any notice shall affect the validity of the proceedings for the redemption of the Bonds with respect to which proper notice was given. Such notice may provide redemption is conditional on receipt of moneys from the City.

The Council of the City of Glendale 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 Glendale, 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 December ____, 2009.

CITY OF GLENDALE, 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:

The Bank of New York Trust Company, N.A.
as Bond Registrar

By _____
Authorized Representative

Registrable at and Payable by:

ASSIGNMENT

[Form of Assignment]

LEGAL OPINION

The following is a form of the text of the opinion rendered to the original purchaser of the Bonds by Greenberg Traurig, LLP in connection with the original issuance of the Bonds. That opinion is dated as of and premised on the transcript of proceedings examined and law in effect on the date of the original delivery of the Bonds. A signed copy is on file in my office.

(facsimile)
City Clerk

[Form of Legal Opinion]

(END OF FORM OF BOND)

Section 10. Having received and reviewed bid proposals for Purchase of Bonds submitted in accordance with the Notice Inviting Proposals for Purchase of Bonds as set forth in the Preliminary Official Statement, this Council hereby determines that the proposal of the underwriters, (collectively, the "Purchaser"), with the premium or discount and at the interest rates as set forth on Exhibit I attached hereto and made a part hereof, results in the lowest actuarial yield and was the best proposal from a reasonable bidder for the purchase of the Bonds and the Bonds are hereby awarded and sold to the Purchaser. The Mayor or the Deputy Finance Director 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 Purchaser upon payment of the par value thereof plus the net premium or discount set forth in Exhibit I.

Section 11. *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 the City Manager. The proceeds of the Bonds will be invested pursuant to State law.

Section 12. *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 Glendale 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 the City Manager upon acceptance of the best proposal as described in Section 10 above.

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 shall 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 13. *Allocation of Bonds Between 6% and 20% Debt Limits; Ratification of Prior Actions.* The City Manager is hereby authorized to determine the respective allocations between 6% and 20% in accordance with applicable law. All prior allocations of bond proceeds to specific ballot propositions as set forth in the Whereas clauses herein and as between 6% and 20% to debt limits are hereby affirmed and ratified.

Section 14. *Official Statement.* The Preliminary Official Statement is approved and the distribution of the same by the Purchaser is hereby ratified. The City Manager is authorized and directed to complete, approve and execute on behalf of the City and in his official capacity, the Official Statement, with such modifications, changes and supplements as he shall approve as being necessary or desirable for its purposes. The City Manager, as well as any other official of

the City, is further authorized to use and distribute, or authorize the use and distribution of, the final Official Statement and supplements thereto in connection with the original issuance of the Bonds as may in his judgment be necessary or appropriate. The City Manager, as well as any other official of the City, is authorized to sign and deliver, on behalf of the City, such certificates in connection with the accuracy of the Preliminary Official Statement and the final Official Statement and any amendment thereto as may, in the judgment of the official executing such certificate, be necessary or appropriate.

Section 15. *Continuing Disclosure Undertaking.* The Mayor, the City Manager or the Deputy Finance Director of the City is hereby authorized, empowered and directed to execute and deliver the Continuing Disclosure Undertaking in substantially the same form as now before the City, or with such changes therein as the individual executing the Continuing Disclosure Undertaking on behalf of the City shall approve, his execution thereof to constitute conclusive evidence of his approval of such changes. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the City as herein provided, the 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 16. *Compliance with Federal Law.* (a) If all or a portion of the Bonds are eligible to be sold on a tax-exempt basis and meet certain requirements of the American Recovery and Reinvestment Act of 2009 (the "ARRA"), all or a portion of such bonds may be qualified and sold as "Build America Bonds" or "ARRA Bonds") with, to the extent applicable, the federal tax credits paid directly to the City, provided to the registered owners of the ARRA Bonds or stripped from the ARRA Bonds and sold separately. The Deputy Finance Director or her designee is hereby authorized and directed to determine such matters on behalf of the City and then to take any action, make any modification of the documents, enter into any agreements, make any elections or certifications and pay any costs necessary to provide for, or facilitate the issuance and sale of, the ARRA Bonds in such manner and to comply with the requirements of the ARRA, the terms of the ARRA Bonds and any agreement related thereto.

(b) The City recognizes that the purchasers and holders of the Tax-Exempt Bonds will have accepted them on, and paid therefor a price which reflects, the understanding that interest thereon is excludible from gross income of the owners thereof for federal income tax purposes under laws in force at the time the Tax-Exempt Bonds shall have been delivered. The City also recognizes that in order to be eligible for tax credits under the ARRA, interest on any ARRA Bonds must otherwise be so excludible from gross income for federal income tax purposes. In this connection the City agrees that it shall take no action which may render the interest on any of the Tax-Exempt Bonds to be includible in gross income for federal income tax purposes or to disqualify the ARRA Bonds for eligibility for tax credits under the ARRA. The City agrees that, to the extent possible under state law, it will comply with whatever federal law

is now in effect or which shall be adopted in the future which applies to the Tax-Exempt Bonds or the ARRA Bonds and affects the actual or potential exempt status of the interest income on the Tax-Exempt Bonds or the ARRA Bonds.

The City, therefore, authorizes the creation by the City Treasurer or such other officer as is named by the City Manager, of funds which are hereinafter referred to as the "*Rebate Funds*". The City will comply with the rebate requirements set forth in the Tax Exemption Certificate, delivered in connection with the delivery of each series of the Bonds (each, a "*Tax Exemption Certificate*").

The City Manager of the City or his designee is hereby authorized to execute on behalf of the City a Tax Exemption Certificate and to make therein such elections as required by law to assure the purchasers and owners of the Tax-Exempt Bonds and the ARRA Bonds (collectively, the "*Governmental Bonds*") that the proceeds of the Governmental Bonds will not be used in a manner which would or might result in the Bonds being "arbitrage bonds" under Section 148 of the Code, or the regulations of the United States Treasury Department currently in effect or proposed. Such Tax Exemption Certificate shall constitute a certification, representation and agreement of the City and no investment shall be made of the proceeds of the Governmental Bonds herein authorized nor of the money in the General Obligation Bond Interest and Redemption Fund hereinabove referred to in violation of the expectations and covenants prescribed by said Tax Exemption Certificate. Such Tax Exemption Certificate shall constitute an agreement of the City to follow certain covenants which may require the City to take certain actions (including the payment of certain amounts to the United States Treasury) or which may prohibit certain actions (including the establishment of certain funds) under certain conditions as specified in such Tax Exemption Certificate.

The City further recognizes that Section 149(a) of the Code requires the Governmental Bonds to be issued and to remain in fully registered form in order for interest thereon to be excludible from gross income for purposes of federal income taxation under laws in force at the time the Governmental Bonds are delivered. In this connection, the City agrees that it will not take any action to permit the Governmental Bonds to be issued in, or converted into, bearer or coupon form.

Section 17. *Ratification of Prior 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, including the delegation by the City Council at the November 24, 2009, City Council meeting to the City Manager and Deputy Finance Director to determine the sale dates and related publication dates for the Bonds and any changes to the Notice Inviting Proposals for Purchase of Bonds. The Mayor, the City Manager or the Deputy Finance Director, the City Treasurer, 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. Any of such officers are further authorized to provide for insurance of the Bonds if it is determined that such issuance will result in debt service savings on the Bonds.

Section 18. *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.

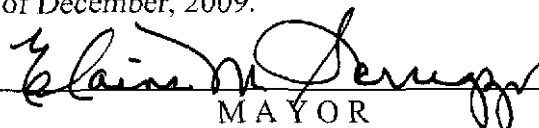
Section 19. *Open Meeting.* This Council finds and determines that all formal actions of this Council concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council and that all deliberations of this Council and of any committees that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements.

Section 20. *Severability.* If any section, paragraph, clause or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 21. *Ordinance a Contract.* This Ordinance shall constitute a contract between the City and the registered owners of the Bonds and shall not be repealed or amended in any manner which would impair, impede or lessen the rights of the registered owners of the Bonds then outstanding.

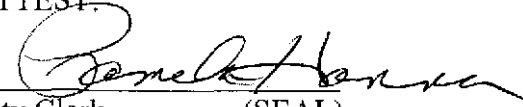
Section 22. *Emergency.* In order for the City to obtain funds or a commitment therefore in a favorable interest market rate, the immediate operation of the provisions of this Ordinance is necessary for the preservation of the public peace, health and safety of the City and for the further reason that the improvements being financed are urgently needed to improve the City and its operations; therefore, an emergency is hereby declared to exist and this Ordinance is enacted as an emergency measure and shall be in full force and effect from and after the passage and adoption by the Council of the City, as required by law, and it is hereby exempt from the referendum provisions of the Constitution and laws of the State of Arizona.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this 8th day of December, 2009.




MAYOR

ATTEST:



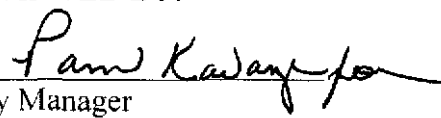
City Clerk (SEAL)

APPROVED AS TO FORM:



City Attorney

REVIEWED BY:



City Manager

EXHIBIT I

GENERAL OBLIGATION BONDS, SERIES 2009

A. Identification of Winning bidder (the "Purchaser" for purposes of Section 10): Robert W. Baird & Co., Inc. For purposes of such identification, the Bonds are designated as "Qualified Build America Bonds (Direct Pay)," bearing interest at the rates below and for which the City will elect to receive subsidy payments, in the amount of 35% of each interest payment and as "Series 2009B."

B. Principal Amount of Bonds for purposes of Section 1: \$41,650,000

C. Bond Terms for purposes of Section 2:

<u>Maturity Date</u>	<u>Amount \$</u>	<u>Interest Rate %</u>
07/01/2011	1,270,000	1.500
07/01/2012	1,280,000	2.250
07/01/2013	1,295,000	2.500
07/01/2014	1,315,000	3.000
07/01/2015	1,335,000	3.250
07/01/2016	1,880,000	3.800
07/01/2017	1,920,000	4.000
07/01/2018	1,970,000	4.250
07/01/2019	2,025,000	4.500
07/01/2020	2,090,000	4.500
07/01/2021	2,155,000	4.625
07/01/2022	2,225,000	4.750
07/01/2023	2,300,000	4.875
07/01/2024	2,375,000	5.125
07/01/2025	2,460,000	5.375
07/01/2026	2,550,000	5.500
07/01/2027	2,645,000	5.625
07/01/2028	2,745,000	5.625
07/01/2030	5,815,000	5.750

D. Redemption Terms for purposes of Section 2 and the Bond form:

The Bonds maturing on and after July 1, 2020 will be subject to prior redemption, at the option of the City, on and after January 1, 2020, in whole or in part at any time from any maturity selected by the City and by lot within a maturity at a price equal to the principal amount.

of each Bond, or portion thereof, so redeemed, and accrued interest thereon to the redemption date without premium.

The Bonds are subject to extraordinary redemption prior to their respective maturities, at the option of the City, upon the occurrence of an Extraordinary Event from any source of available funds, as a whole or in part, by lot, at the "Make-Whole Redemption Price" (defined below) upon such time as:

1. a material adverse change has occurred to Section 54AA or 6431 of the internal Revenue Code of 1986, as amended (the "Code"),
2. there is any guidance published by the Internal Revenue Service or the United States Treasury with respect to such Sections, or
3. any other determination by the Internal Revenue Service or the United States Treasury, which determination is not the result of a failure of the City to satisfy the requirements of the tax covenant applicable to the Bonds as set forth in the Bond Ordinance,

and as a result thereof, the BAB Credit expected to be received with respect to the Bonds is eliminated or reduced, as reasonably determined by the Acting Chief Financial Officer of the City, which determination shall be conclusive.

The "Make-Whole Redemption Price" means the amount equal to the greater of the following:

1. the issue price of the Bonds set forth on the cover page of the Preliminary Official Statement (but not less than 100%) of the principal amount of the Bonds to be redeemed; or
2. the sum of the present value of the remaining scheduled payments of principal and interest on the Bonds to be redeemed to the maturity date of such Bonds, not including any portion of those payments of interest accrued and unpaid as of the date on which the Bonds are to be redeemed, discounted to the date on which the Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year containing twelve 30-day months, at the Treasury Rate plus 100 basis points, plus in each case accrued interest on the Bonds to be redeemed to the redemption date.

For the purpose of determining the Make-Whole Redemption Price, the following definition applies:

"BAB Credit" means the credit provided to the City pursuant to Section 6431 of the Tax Code.

"Treasury Rate" means, with respect to any redemption date for a particular Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (excluding inflation-indexed securities) (or, if such Statistical Release is no longer published, any

publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the Bonds to be redeemed; provided, however that if the period from the redemption date to the maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

- E. Mandatory sinking fund redemption for purposes of Section 2 and the Bond form: On 07/01/2029 in the principal amount of \$2,850,000.
- F. Premium or discount for purposes of Section 10: \$475,465.81 (Discount).