



2014 NOV 21 PM 1:02  
OFFICE OF THE  
SECRETARY

VINCENT C. GRAY  
MAYOR

NOV 21 2014

The Honorable Phil Mendelson  
Chairman  
Council of the District of Columbia  
1350 Pennsylvania Avenue, N.W.  
Suite 504  
Washington, DC 20001

Dear Chairman Mendelson:

On behalf of the citizens of the District of Columbia (the "District"), I hereby request that you introduce, and that the Council of the District of Columbia (the "Council") vote to approve, the enclosed draft resolution titled, "The Brookings Institution Revenue Bonds Project Emergency Approval Resolution of 2014".

The Resolution authorizes the issuance, sale, and delivery of tax-exempt and taxable revenue bonds, notes or other obligations in aggregate principal amount not to exceed \$50,000,000.00, to Refund/Refinance the Series 2009 Bond issuance located at 3047 15<sup>th</sup> NW in Ward 1.

In accordance with Section 490 of the Home Rule Act, we have determined that the bonds, when, as, and if issued, shall be without recourse to the District. The bonds shall not be general obligations of the District; shall not be a pledge of or involve the full faith and credit or the taxing power of the District; shall not constitute a debt of the District; and shall not constitute a lending of public credit for private undertakings as prohibited in section 602(a) (2) of the Home Rule Act. The bonds shall not give rise to any pecuniary liability of the District and the District shall have no obligation with respect to the purchase of the bonds.

I find that the proposed financing will serve to enhance the operations of a worthwhile District-based institution, distinguished by its dedication to improving the lives of its members and the residents of the District as a whole. I urge the Council to take prompt and favorable action on the measure. As always, I am available to discuss any questions that you may have on this matter.

Sincerely,

A handwritten signature in black ink that reads "Vincent C. Gray".

Vincent C. Gray

Enclosures



Chairman Phil Mendelson  
at the request of the Mayor

A RESOLUTION

20-

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To authorize and provide for the issuance, sale, and delivery in an aggregate principal amount not to exceed \$50 million of District of Columbia revenue bonds in one or more series, and to authorize and provide for the loan of the proceeds of such bonds to assist The Brookings Institution in the financing, refinancing, or reimbursing of costs associated with an authorized project pursuant to section 490 of the District of Columbia Home Rule Act.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as "The Brookings Institution Revenue Bonds Project Emergency Approval Resolution of 2014".

Sec. 2. Definitions.

For the purpose of this resolution, the term:

(1) "Authorized Delegate" means the Mayor or the Deputy Mayor for Planning and Economic Development, or any officer or employee of the Executive Office of the Mayor to whom the Mayor has delegated or to whom the foregoing individuals have subdelegated any of the Mayor's functions under this resolution pursuant to section 422(6) of the Home Rule Act.

(2) "Bond Counsel" means a firm or firms of attorneys designated as bond counsel from time to time by the Mayor.

(3) "Bonds" means the District of Columbia revenue bonds, notes, or other obligations (including refunding bonds, notes, and other obligations), in one or more series, authorized to be issued pursuant to this resolution.

(4) "Borrower" means the owner of the assets financed, refinanced, or reimbursed with proceeds from the Bonds, which shall be The Brookings Institution, a nonprofit corporation organized under the laws of the District of Columbia and exempt from federal income taxes under 26 U.S.C. § 501(a) as an organization described in 26 U.S.C. § 501(c)(3).

(5) "Chairman" means the Chairman of the Council of the District of Columbia.

(6) "Closing Documents" means all documents and agreements other than Financing Documents that may be necessary and appropriate to issue, sell, and deliver the Bonds and to make the Loan contemplated thereby, and includes agreements, certificates, letters, opinions, forms, receipts, and other similar instruments.

(7) "District" means the District of Columbia.

1 (8) "Financing Documents" means the documents other than Closing Documents  
2 that relate to the financing or refinancing of transactions to be effected through the issuance, sale,  
3 and delivery of the Bonds and the making of the Loan, including any offering document, and any  
4 required supplements to any such documents.

5 (9) "Home Rule Act" means the District of Columbia Home Rule Act, approved  
6 December 24, 1973 (87 Stat. 774; D.C. Official Code § 1-201.01 *et seq.*).

7 (10) "Issuance Costs" means all fees, costs, charges, and expenses paid or incurred  
8 in connection with the authorization, preparation, printing, issuance, sale, and delivery of the Bonds  
9 and the making of the Loan, including, but not limited to, underwriting, legal, accounting, rating  
10 agency, and all other fees, costs, charges, and expenses incurred in connection with the  
11 development and implementation of the Financing Documents, the Closing Documents, and those  
12 other documents necessary or appropriate in connection with the authorization, preparation,  
13 printing, issuance, sale, marketing, and delivery of the Bonds and the making of the Loan  
14 contemplated thereby, together with financing fees, costs, and expenses, including program fees and  
15 administrative fees charged by the District, fees paid to financial institutions and insurance  
16 companies, initial letter of credit fees (if any), compensation to financial advisors and other persons  
17 (other than full-time employees of the District) and entities performing services on behalf of or as  
18 agents for the District.

19 (11) "Loan" means the District's lending of proceeds from the sale, in one or more  
20 series, of the Bonds to the Borrower.

21 (12) "Project" means the financing, refinancing or reimbursing of all or a portion of  
22 the Borrower's costs to:

23 (A) Refunding of all or a portion of the outstanding District of Columbia  
24 Revenue Bonds (The Brookings Institution Project), Series 2009, originally issued in the aggregate  
25 principal amount of \$40 million pursuant to the provisions of The Brookings Institution Revenue  
26 Bonds Project Approval Resolution of 2008 (Resolution No. 17-673, adopted on July 1, 2008);

27 (B) Fund certain working capital expenditures associated with the foregoing,  
28 to the extent financeable;

29 (C) Fund any required deposit to a debt service reserve fund or other reserve  
30 fund;

31 (D) Pay for any bond insurance or other credit enhancement; and

32 (E) Pay Issuance Costs.

### 33 34 Sec. 3. Findings.

35 The Council finds that:

36 (1) Section 490 of the Home Rule Act provides that the Council may by resolution  
37 authorize the issuance of District revenue bonds, notes, or other obligations (including refunding  
38 bonds, notes, or other obligations) to borrow money to finance, refinance, or reimburse costs, and to  
39 assist in the financing, refinancing, or reimbursing of the costs of undertakings in certain areas  
40 designated in section 490 and may affect the financing, refinancing, or reimbursement by loans  
41 made directly or indirectly to any individual or legal entity, by the purchase of any mortgage, note,  
42 or other security, or by the purchase, lease, or sale of any property.

43 (2) The Borrower has requested the District to issue, sell, and deliver revenue  
44 bonds, in one or more series, in an aggregate principal amount not to exceed \$50 million and to  
45 make the Loan for the purpose of financing, refinancing, or reimbursing costs of the Project.

1 (3) The Project is located in the District and will contribute to the health,  
2 education, safety, or welfare of, or the creation or preservation of jobs for, residents of the District,  
3 or to the economic development of the District.

4 (4) The Project is an undertaking in the area of facilities used to house and equip  
5 operations related to the study, development, application, or production of innovative  
6 commercial or industrial technologies and of social services and contributes to the health,  
7 education, and welfare of residents of the District within the meaning of section 490 of the Home  
8 Rule Act.

9 (5) The authorization, issuance, sale, and delivery of the Bonds and the Loan to  
10 the Borrower are desirable, are in the public interest, will promote the purpose and intent of  
11 section 490 of the Home Rule Act, and will assist the Project.

12  
13 Sec. 4. Bond authorization.

14 (a) The Mayor is authorized pursuant to the Home Rule Act and this resolution to assist in  
15 financing, refinancing, or reimbursing the costs of the Project by:

16 (1) The issuance, sale, and delivery of the Bonds, in one or more series, in an  
17 aggregate principal amount not to exceed \$50 million; and

18 (2) The making of the Loan.

19 (b) The Mayor is authorized to make the Loan to the Borrower for the purpose of financing,  
20 refinancing, or reimbursing the costs of the Project and establishing any fund with respect to the  
21 Bonds as required by the Financing Documents.

22 (c) The Mayor may charge a program fee to the Borrower, including, but not limited to, an  
23 amount sufficient to cover costs and expenses incurred by the District in connection with the  
24 issuance, sale, and delivery of each series of the Bonds, the District's participation in the  
25 monitoring of the use of the Bond proceeds and compliance with any public benefit agreements  
26 with the District, and maintaining official records of each bond transaction and assisting in the  
27 redemption, repurchase, and remarketing of the Bonds.

28  
29 Sec. 5. Bond details.

30 (a) The Mayor is authorized to take any action reasonably necessary or appropriate in  
31 accordance with this resolution in connection with the preparation, execution, issuance, sale,  
32 delivery, security for, and payment of the Bonds of each series, including, but not limited to,  
33 determinations of:

34 (1) The final form, content, designation, and terms of the Bonds, including a  
35 determination that the Bonds may be issued in certificated or book-entry form;

36 (2) The principal amount of the Bonds to be issued and denominations of the  
37 Bonds;

38 (3) The rate or rates of interest or the method for determining the rate or rates of  
39 interest on the Bonds;

40 (4) The date or dates of issuance, sale, and delivery of, and the payment of interest  
41 on the Bonds, and the maturity date or dates of the Bonds;

42 (5) The terms under which the Bonds may be paid, optionally or mandatorily  
43 redeemed, accelerated, tendered, called, or put for redemption, repurchase, or remarketing before  
44 their respective stated maturities;

45 (6) Provisions for the registration, transfer, and exchange of the Bonds and the  
46 replacement of mutilated, lost, stolen, or destroyed Bonds;

1 (7) The creation of any reserve fund, sinking fund, or other fund with respect to the  
2 Bonds;

3 (8) The time and place of payment of the Bonds;

4 (9) Procedures for monitoring the use of the proceeds received from the sale of the  
5 Bonds to ensure that the proceeds are properly applied to the Project and used to accomplish the  
6 purposes of the Home Rule Act and this resolution;

7 (10) Actions necessary to qualify the Bonds under blue sky laws of any jurisdiction  
8 where the Bonds are marketed; and

9 (11) The terms and types of credit enhancement under which the Bonds may be  
10 secured.

11 (b) The Bonds shall contain a legend, which shall provide that the Bonds are special  
12 obligations of the District, are without recourse to the District, are not a pledge of, and do not  
13 involve the faith and credit or the taxing power of the District, do not constitute a debt of the  
14 District, and do not constitute lending of the public credit for private undertakings as prohibited in  
15 section 602(a)(2) of the Home Rule Act.

16 (c) The Bonds shall be executed in the name of the District and on its behalf by the manual  
17 or facsimile signature of the Mayor, and attested by the Secretary of the District of Columbia by the  
18 Secretary of the District of Columbia's manual or facsimile signature. The Mayor's execution and  
19 delivery of the Bonds shall constitute conclusive evidence of the Mayor's approval, on behalf of the  
20 District, of the final form and content of the Bonds.

21 (d) The official seal of the District, or a facsimile of it, shall be impressed, printed, or  
22 otherwise reproduced on the Bonds.

23 (e) The Bonds of any series may be issued in accordance with the terms of a trust instrument  
24 to be entered into by the District and a trustee to be selected by the Borrower subject to the approval  
25 of the Mayor, and may be subject to the terms of one or more agreements entered into by the Mayor  
26 pursuant to section 490(a)(4) of the Home Rule Act.

27 (f) The Bonds may be issued at any time or from time to time in one or more issues and in  
28 one or more series.

29  
30 Sec. 6. Sale of the Bonds.

31 (a) The Bonds of any series may be sold at negotiated or competitive sale at, above, or  
32 below par, to one or more persons or entities, and upon terms that the Mayor considers to be in the  
33 best interest of the District.

34 (b) The Mayor or an Authorized Delegate may execute, in connection with each sale of the  
35 Bonds, offering documents on behalf of the District, may deem final any such offering document on  
36 behalf of the District for purposes of compliance with federal laws and regulations governing such  
37 matters and may authorize the distribution of the documents in connection with the sale of the  
38 Bonds.

39 (c) The Mayor is authorized to deliver the executed and sealed Bonds, on behalf of the  
40 District, for authentication, and, after the Bonds have been authenticated, to deliver the Bonds to the  
41 original purchasers of the Bonds upon payment of the purchase price.

42 (d) The Bonds shall not be issued until the Mayor receives an approving opinion from Bond  
43 Counsel as to the validity of the Bonds of such series and, if the interest on the Bonds is expected to  
44 be exempt from federal income taxation, the treatment of the interest on the Bonds for purposes of  
45 federal income taxation.

1           Sec. 7. Payment and security.

2           (a) The principal of, premium, if any, and interest on, the Bonds shall be payable solely  
3 from proceeds received from the sale of the Bonds, income realized from the temporary investment  
4 of those proceeds, receipts and revenues realized by the District from the Loan, income realized  
5 from the temporary investment of those receipts and revenues prior to payment to the Bond owners,  
6 other moneys that, as provided in the Financing Documents, may be made available to the District  
7 for the payment of the Bonds, and other sources of payment (other than from the District), all as  
8 provided for in the Financing Documents.

9           (b) Payment of the Bonds shall be secured as provided in the Financing Documents and by  
10 an assignment by the District for the benefit of the Bond owners of certain of its rights under the  
11 Financing Documents and Closing Documents, including a security interest in certain collateral, if  
12 any, to the trustee for the Bonds pursuant to the Financing Documents.

13           (c) The trustee is authorized to deposit, invest, and disburse the proceeds received from the  
14 sale of the Bonds pursuant to the Financing Documents.

15  
16           Sec. 8. Financing and Closing Documents.

17           (a) The Mayor is authorized to prescribe the final form and content of all Financing  
18 Documents and all Closing Documents to which the District is a party that may be necessary or  
19 appropriate to issue, sell, and deliver the Bonds and to make the Loan to the Borrower. Each of the  
20 Financing Documents and each of the Closing Documents to which the District is not a party shall  
21 be approved, as to form and content, by the Mayor.

22           (b) The Mayor is authorized to execute, in the name of the District and on its behalf, the  
23 Financing Documents and any Closing Documents to which the District is a party by the Mayor's  
24 manual or facsimile signature.

25           (c) If required, the official seal of the District, or a facsimile of it, shall be impressed,  
26 printed, or otherwise reproduced on the Financing Documents and the Closing Documents to which  
27 the District is a party.

28           (d) The Mayor's execution and delivery of the Financing Documents and the Closing  
29 Documents to which the District is a party shall constitute conclusive evidence of the Mayor's  
30 approval, on behalf of the District, of the final form and content of said executed Financing  
31 Documents and said executed Closing Documents.

32           (e) The Mayor is authorized to deliver the executed and sealed Financing Documents and  
33 Closing Documents, on behalf of the District, prior to or simultaneously with the issuance, sale, and  
34 delivery of the Bonds, and to ensure the due performance of the obligations of the District  
35 contained in the executed, sealed, and delivered Financing Documents and Closing Documents.

36  
37           Sec. 9. Authorized delegation of authority.

38           To the extent permitted by District and federal laws, the Mayor may delegate to any  
39 Authorized Delegate the performance of any function authorized to be performed by the Mayor  
40 under this resolution.

41  
42           Sec. 10. Limited liability.

43           (a) The Bonds shall be special obligations of the District. The Bonds shall be without  
44 recourse to the District. The Bonds shall not be general obligations of the District, shall not be a  
45 pledge of or involve the faith and credit or the taxing power of the District, shall not constitute a

1 debt of the District, and shall not constitute lending of the public credit for private undertakings as  
2 prohibited in section 602(a)(2) of the Home Rule Act.

3 (b) The Bonds shall not give rise to any pecuniary liability of the District and the District  
4 shall have no obligation with respect to the purchase of the Bonds.

5 (c) Nothing contained in the Bonds, in the Financing Documents, or in the Closing  
6 Documents shall create an obligation on the part of the District to make payments with respect to  
7 the Bonds from sources other than those listed for that purpose in section 7.

8 (d) The District shall have no liability for the payment of any Issuance Costs or for any  
9 transaction or event to be effected by the Financing Documents.

10 (e) All covenants, obligations, and agreements of the District contained in this resolution,  
11 the Bonds, and the executed, sealed, and delivered Financing Documents and Closing Documents  
12 to which the District is a party, shall be considered to be the covenants, obligations, and agreements  
13 of the District to the fullest extent authorized by law, and each of those covenants, obligations, and  
14 agreements shall be binding upon the District, subject to the limitations set forth in this resolution.

15 (f) No person, including, but not limited to, the Borrower and any Bond owner, shall have  
16 any claims against the District or any of its elected or appointed officials, officers, employees, or  
17 agents for monetary damages suffered as a result of the failure of the District or any of its elected or  
18 appointed officials, officers, employees, or agents to perform any covenant, undertaking, or  
19 obligation under this resolution, the Bonds, the Financing Documents, or the Closing Documents,  
20 or as a result of the incorrectness of any representation in or omission from the Financing  
21 Documents or the Closing Documents, unless the District or its elected or appointed officials,  
22 officers, employees, or agents have acted in a willful and fraudulent manner.

23  
24 Sec. 11. District officials.

25 (a) Except as otherwise provided in section 10(f), the elected or appointed officials, officers,  
26 employees, or agents of the District shall not be liable personally for the payment of the Bonds or  
27 be subject to any personal liability by reason of the issuance, sale, or delivery of the Bonds, or for  
28 any representations, warranties, covenants, obligations, or agreements of the District contained in  
29 this resolution, the Bonds, the Financing Documents, or the Closing Documents.

30 (b) The signature, countersignature, facsimile signature, or facsimile countersignature of  
31 any official appearing on the Bonds, the Financing Documents, or the Closing Documents shall  
32 be valid and sufficient for all purposes notwithstanding the fact that the individual signatory  
33 ceases to hold that office before delivery of the Bonds, the Financing Documents, or the Closing  
34 Documents.

35  
36 Sec. 12. Maintenance of documents.

37 Copies of the specimen Bonds and of the final Financing Documents and Closing  
38 Documents shall be filed in the Office of the Secretary of the District of Columbia.

39  
40 Sec. 13. Information reporting.

41 Within 3 days after the Mayor's receipt of the transcript of proceedings relating to the  
42 issuance of the Bonds, the Mayor shall transmit a copy of the transcript to the Secretary to the  
43 Council.

44  
45  
46 Sec. 14. Disclaimer.

1 (a) The issuance of Bonds is in the discretion of the District. Nothing contained in this  
2 resolution, the Bonds, the Financing Documents, or the Closing Documents shall be construed as  
3 obligating the District to issue any Bonds for the benefit of the Borrower or to participate in or  
4 assist the Borrower in any way with financing, refinancing, or reimbursing the costs of the Project.  
5 The Borrower shall have no claims for damages or for any other legal or equitable relief against the  
6 District, its elected or appointed officials, officers, employees, or agents as a consequence of any  
7 failure to issue any Bonds for the benefit of the Borrower.

8 (b) The District reserves the right to issue the Bonds in the order or priority it determines in  
9 its sole and absolute discretion. The District gives no assurance and makes no representations that  
10 any portion of any limited amount of bonds or other obligations, the interest on which is excludable  
11 from gross income for federal income tax purposes, will be reserved or will be available at the time  
12 of the proposed issuance of the Bonds.

13 (c) The District, by adopting this resolution or by taking any other action in connection with  
14 financing, refinancing, or reimbursing costs of the Project, does not provide any assurance that the  
15 Project is viable or sound, that the Borrower is financially sound, or that amounts owing on the  
16 Bonds or pursuant to the Loan will be paid. Neither the Borrower, any purchaser of the Bonds, nor  
17 any other person shall rely upon the District with respect to these matters.

18  
19 Sec. 15. Expiration.

20 If any Bonds are not issued, sold, and delivered to the original purchaser within 3 years of  
21 the date of this resolution, the authorization provided in this resolution with respect to the issuance,  
22 sale, and delivery of the Bonds shall expire.

23  
24 Sec. 16. Severability.

25 If any particular provision of this resolution or the application thereof to any person or  
26 circumstance is held invalid, the remainder of this resolution and the application of such provision  
27 to other persons or circumstances shall not be affected thereby. If any action or inaction  
28 contemplated under this resolution is determined to be contrary to the requirements of applicable  
29 law, such action or inaction shall not be necessary for the purpose of issuing of the Bonds, and the  
30 validity of the Bonds shall not be adversely affected.

31  
32 Sec. 17. Compliance with public approval requirement.

33 This approval shall constitute the approval of the Council as required in section 147 (f) of  
34 the Internal Revenue Code of 1986, approved October 22, 1986 (100 Stat. 2635; 26 U.S.C. §  
35 147(f)), and section 490(k) of the Home Rule Act, for the Project to be financed, refinanced, or  
36 reimbursed with the proceeds of the Bonds. This resolution approving the issuance of the Bonds for  
37 the Project has been adopted by the Council after a public hearing held at least 14 days after  
38 publication of notice in a newspaper of general circulation in the District.

39  
40 Sec. 18. Transmittal.

41 The Secretary to the Council shall transmit a copy of this resolution, upon its adoption, to  
42 the Mayor.

43 Sec. 19. Fiscal impact statement.

44 The Council adopts the fiscal impact statement of the Budget Director as the fiscal impact  
45 statement required by section 602(c)(3) of the Home Rule Act.



1           Sec. 20. Effective date.  
2           This resolution shall take effect immediately  
3

GOVERNMENT OF THE DISTRICT OF COLUMBIA  
OFFICE OF THE ATTORNEY GENERAL



Commercial Division  
Tax & Finance Section

TO: William Liggins  
Director, DC Revenue Bond Program  
Office of the Deputy Mayor for Planning and Economic Development


FROM: Patrick Allen  
Senior Assistant Attorney General  
Commercial Division

DATE: November 18, 2014

SUBJECT: Legal Sufficiency Certification

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This is to certify that the Commercial Division has reviewed "The Brookings Institution Revenue Bonds Project Emergency Approval Resolution of 2014 and found it to be legally sufficient. If you have any questions in this regard, please do not hesitate to call me at 724-7754.

  
\_\_\_\_\_  
Patrick Allen  
Assistant Attorney General

# The Brookings Institute

## Refunding/Refinancing 2014-15

### FACT SHEET

The Brookings Institute has requested that the District issue up to \$50,000,000 in tax-exempt bonds to refund/refinance bonds that were issued in 2009 for renovations to 1775 and 1755 Massachusetts Avenue, and the acquisition of and renovations to 1780 Massachusetts Avenue, all in NW Washington, DC in ward 2.

### **The Applicant**

The Brookings Institution is a nonprofit public policy organization based in Washington, DC. Their mission is to conduct high-quality, independent research and, based on that research, to provide innovative, practical recommendations that advance three broad goals:

1. Strengthen American democracy;
2. Foster the economic and social welfare, security and opportunity of all Americans and
3. Secure a more open, safe, prosperous and cooperative international system.

### *A Commitment to Effective Government*

In 1916, Robert S. Brookings joined a group of government reformers in creating the first private organization devoted to the fact-based study of national public policy issues. The new Institute for Government Research became the chief advocate for effective and efficient public service and sought to bring “science” to the study of government.

The Brookings Institution traces its beginnings to 1916, when a group of leading reformers founded the Institute for Government Research (IGR), the first private organization devoted to analyzing public policy issues at the national level. Brookings created two sister organizations: the Institute of Economics in 1922 and a graduate school in 1924. In 1927, the institutes and the school merged to form the present-day Brookings Institution.

The Brookings trustees chose the organization’s first president: Harold Moulton, a University of Chicago professor who was known for his study of war debts. Brookings economists played a large role in crafting the 1921 legislation that created the first U.S. Bureau of the Budget.

President Warren G. Harding called the bureau, which planned the government's financial outlays, "the greatest reform in governmental practices since the beginning of the republic."

### War and Peace

In the World War II era, Brookings experts helped the government mobilize for the conflict and manage its aftermath. After the war ended, Leo Pasvolsky, a Brookings expert who had also served in the State Department, was instrumental in refining the blueprint for President Franklin D. Roosevelt's dream of the United Nations.

Brookings also helped shape the Marshall Plan—the groundbreaking relief effort to help Europe recover from war. In 1948, the chairman of the Senate Foreign Relations Committee, Sen. Arthur Vandenberg (R.-MI), praised Brookings for a report that would become "the Congressional 'work-sheet' in respect to this complex and critical problem."

### Shaping the Nation

Nearly a year before the 1960 election, Brookings governmental studies expert Laurin Henry published a study, *Presidential Transitions*, designed to help whichever candidate won—(John F. Kennedy or Richard M. Nixon)—to launch his administration smoothly. The book was followed by a series of confidential issues papers prepared by Brookings experts and distributed to the candidates.

In 1971, Brookings began a new series of studies on the federal budget, providing in-depth analysis of various programs that helped inform the public and sharpen the spending choices for Congress. Three years later, Brookings pushed for the creation of the Congressional Budget Office. Alice Rivlin, a distinguished Brookings economist, was the CBO's first director.

### Economic Growth

Joseph Pechman, director of the Economic Studies program at Brookings, pushed hard for comprehensive reform of the U.S. tax code in the early 1980s. His research led to the Tax Reform Act of 1986—a major bill that had a profound impact on the U.S. economy.

In the 1990s, the federal government devolved many of its social programs back to cities and states, and Brookings shaped a new generation of urban policies to help build strong neighborhoods, cities, and metropolitan regions. As President Bill Clinton prepared to sign historic welfare reform legislation, experts at Brookings teamed up to study the nation's policies

on children and families. In 2001, a Brookings proposal for a child tax credit became part of major tax legislation.

The ongoing effort to improve the tax system also benefited from work by Brookings economists Bill Gale and Mark Iwry. These experts argued that the key to helping Americans save for retirement was making a tax incentive refundable in order to help lower-income workers. The legislation they inspired has helped make them two of the most-quoted, and most influential, economists in the United States.

### *A Global Challenge*

The terrorist attacks on September 11, 2001, increased the urgency of developing strategies to address the threat while sustaining America's role as a force for prosperity and stability abroad and an open society at home. With remarkable speed, Brookings experts produced influential proposals for homeland security and intelligence operations. They also testified before Congress and used the Institution's outreach capacity, including its in-house television studio, to explain the new global reality to a frightened public.

### **Proposed Project**

No project – Refunding/refinancing

### **Financing Plan**

A summary of the proposed sources and uses of funds is attached (see Table 1).

### **Public Purpose Benefits**

For over 90 years Brookings Institute (“Brookings”) has produced ideas, information, and policy forums on a broad range of domestic and foreign policy questions. Brookings has five primary research programs: Economic studies; Global Economics and Development; Governance Studies; Foreign Policy studies; and Metropolitan Policy. In addition the institution works in the areas of migration, education, healthcare, energy and competitiveness. Work in these areas spans all five research programs.

For the past four decades, Brookings has made unique contributions to the District of Columbia and its citizens. Through its policy work and its presence on Massachusetts Avenue, The Institute has been a quintessential part of the District and the life of its citizens.

Brookings has over 400 employees and nearly half of its employees reside and pay income taxes to the District. Evidence also suggests that a respective number of these employees also own real estate and pay those taxes to the District also. Some of the most brilliant minds in the world move to the District to become Senior Fellows with Brookings or remain in the District after stints with the federal government as their careers turn from policy implementation to policy analysis and scholarship.

If the current trend continues, Brookings will add approximately 50 new jobs per year for the next 2-3 years. This would mean an additional \$350k of income tax revenue to the District, not to mention many of those new hires would most likely opt to live in the District. In addition to attracting and retaining residents, Brookings attracts numerous short-term visitors who attend our policy forums, seminars, executive education courses and public events.

Brookings makes an additional and equally important contribution to the life of the District through its scholarship and policy recommendations. Currently this is primarily carried out through the Brookings Greater Washington Research Program (BGW). Brookings record of assisting the District in grappling with touchy issues goes back at least four decades.

In April 1968 then Deputy Mayor-Commissioner Thomas W. Fletcher invited Brookings to debrief city officials and to study the decision-making process as the city responded to the riots following the assassination of Dr. King on April 4, 1968. BGW began in 2001, housed in the Metropolitan Policy Program. BGW seeks to help the city and the region better understand the problems and opportunities it faces.

### **Legal and Regulatory Affairs**

The law offices of Venable bond counsel to the Industrial Revenue Bond Program, has preliminarily determined that the application constitutes a permissible undertaking under Section 490(a)(1) of the District of Columbia Home Rule Act.

The appropriate District agencies have reviewed the application.

Based on the foregoing, we have determined that the proposed project complies with criteria for approval of a proposed financing through the District's Revenue Bond Program.

## FINANCING PLAN

### 1. Please indicate the estimated sources and uses of project funds:

	<b>Total Cost</b>	<b>Tax-Exempt Bond Proceeds</b>	<b>DC Grants</b>	<b>Equity</b>	<b>Economic Life</b>
Land Acquisition					
Acquisition of building					
Other Fees Capitalized w/ Land/Build. Acquisition					
Refinance/Refunding		\$40,000,000			
Renovations					
Machinery and equipment					
Architectural/Engineering					
Development legal					
Costs of Issuance					
Program Fee		\$240,000			
Bond Counsel Fees		65,000			
Borrower counsel fees (Bond Issuance)		75,000			
Other Counsel's fees					
Placement/Underwriter Fees		50,000			
Trustee's fees					
Up-front fee for LOC/Bond Insurance		50,000			
Other Issuance cost					
<b>SUBTOTAL:</b>		480,000			
Net Capitalized Interest		9,520,000			
Debt Service Reserve Fund					
Contingency					
<b>TOTALS:</b>		<b>\$50,000,000</b>			