

PR 26-0344 -- Redline

Introduced to Enrolled -- Children's Hospital Revenue Bonds Project Approval Resolution of 2025

Deletions ~~struck~~ · Insertions underlined

~~MURIEL ENROLLED BOWSER ORIGINAL MAYOR A. October 10, 2025~~ RESOLUTION 26-253 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA November 18, 2025 ~~The Honorable To Phil Mendelson and Chairman provide Council for the issuance, sale, and delivery in an aggregate principal amount not to exceed \$550 million of District of Columbia revenue bonds in one or more series pursuant to a plan of finance and to authorize and provide for the loan of the proceeds of such bonds to assist the Children's Hospital in the financing, refinancing, or reimbursing of costs associated with an authorized project pursuant to section 490 of the District of Columbia of John Columbia A. Home Rule Act.~~

~~Wilson~~ RESOLVED, Building BY Pennsylvania THE Avenue, NW, COUNCIL Suite OF 504 THE Washington, DISTRICT DC OF 20004 COLUMBIA, Dear Chairman Mendelson, ~~That this resolution may be cited as the "Children's Hospital Revenue Bonds Project Approval Resolution of 2025".~~

~~Enclosed for consideration and adoption by the Council of the District of Columbia is a proposed resolution titled "Children's Hospital Revenue Bonds Project Approval Resolution of 2025".~~

~~The resolution authorizes the issuance, sale, and delivery of tax-exempt revenue bonds, notes, or other obligations in aggregate principal amount not to exceed \$550,000,000.~~

~~The bonds will be used to refund previous bond issuances and for building renovations and site improvements at Children's Hospital's current location at 111 Michigan Avenue, NW, in Ward 5.~~

~~In accordance with section 490 of the Home Rule Act, it has been 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 a private undertaking 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 urge the Council to take prompt and favorable action on the enclosed measure.~~

~~2. Chairman Phil Mendelson at the request of the Mayor 5-7 A PROPOSED RESOLUTION 9 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 \$550 million of District of Columbia revenue bonds in one or more series pursuant to a plan of finance and to authorize and provide for the loan of the proceeds of such bonds to assist the Children's Hospital 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 "Children's Hospital Revenue Bonds Project Approval Resolution of 2025".~~

~~For the purposes of this of this resolution, the term:~~

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

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

ENROLLED ORIGINAL (6) "District" means the District of Columbia.

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

(11) "Project" means the financing, ~~refinancing~~ refinancing, or reimbursing of the Borrower for all or a portion of the ~~Borrower's~~ Borrower's costs incurred in connection with:

(A) The expansion, renovation, ~~rehabilitation~~ rehabilitation, or equipping of healthcare facilities located at the Children's National Hospital Sheikh Zayed Campus located at 111 Michigan ~~Ave,~~ Avenue, NW, Washington, DC 20010 (the "Hospital"), which will include a ~~1414-bed~~ bed expansion of the Pediatric Intensive Care Unit at the Hospital, renovations to the Emergency Room at the Hospital, construction of a new Special Maternal Delivery Unit at the ~~Hospital~~ Hospital, and the acquisition, development, and installation of the EPIC EMR (electronic medical record) and Billing system;

(B) Refunding the District of Columbia Hospital Refunding Revenue Bonds (Children's Hospital Obligated Group Issue) Series 2015, originally issued in the aggregate principal amount of

~~\$373,960,000~~\$373,960,000, pursuant to provisions of the Children's Hospital Revenue Bonds Project Approval Resolution of ~~2015~~2015, (~~Resolution effective No. June 2, 2015 (Res. 21-112, 21-112; adopted June 2, 2015);~~
62 DCR 8553);

(D) Funding interest on the Bonds and any credit enhancement costs, liquidity ~~costs~~costs, or debt service reserve fund relating to the Bonds;

ENROLLED ORIGINAL Sec.

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

(d) The Bond authorization set forth in this resolution includes the authorization to issue refunding Bonds to refinance any Bonds previously issued under this resolution to finance the ENROLLED ORIGINAL Project;

~~provided~~provided, that the maximum principal amount of Bonds outstanding at any time does not exceed the maximum principal amount of Bonds authorized hereunder.

The Mayor's execution and ENROLLED ORIGINAL delivery of the Bonds shall constitute conclusive evidence of the Mayor's approval, on behalf of the District, of the final form and content of the Bonds.

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

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

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

~~Sec. 12~~Sec.

12.

~~Sec. 13~~Sec.

13.

ENROLLED ORIGINAL Sec.

This resolution approving the issuance of the Bonds for the Project has been adopted by the Council after a public hearing held in accordance with section 147(f) of the Code, as such ENROLLED ORIGINAL section may be amended, and the corresponding regulations promulgated by the United States Department of the Treasury.

The Council adopts the fiscal impact statement ~~of~~in the committee report as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975, approved October 16, 2006 (120 Stat.

~~Children's National Medical Center (Children's Hospital) Revenue Bond FACT SHEET The Children's National Medical Center ("Children's Hospital") has requested that the District issue up to \$550,000,000 of revenue bonds to finance current renovations and new construction, and to refinance existing debt, associated with its project located at 111 Michigan Avenue, NW, Washington, DC 20010, in Ward 5. The Applicant Children's Hospital is the only system in the Washington, DC, metropolitan area exclusively dedicated to the care of infants, children, adolescents, and young adults. It has been serving the nation's children for more than 145 years. Currently, Children's Hospital houses approximately inpatient beds. Children's Hospital has consistently been ranked among the top pediatric hospitals in America. Proposed Project The proposed bond financing will be used to finance construction, renovations, and building improvements, as well as refinance existing debt, associated with the facility located at 111 Michigan Avenue, NW, Washington, DC 20010, in Ward 5. Financing Plan A summary of the proposed sources and uses of funds is attached (see Table 1).~~

~~Feasibility/Structure/Security of the Bonds Truist Bank, underwriter for the proposed bond issuance, has reviewed the financial feasibility of the revenue bond application.~~

~~Based on the assessment of the hospital's financial position and financing needs, Truist Bank believes such financing is feasible.~~

~~Public Purpose Benefits In addition to the medical care it provides, Children's Hospital is also a research facility, with numerous grants received and studies performed each year.~~

~~In completing its renovations and improvements, this bond issuance will allow Children's Hospital to continue to provide high-quality care and research for District residents.~~

~~Children's Hospital also supports the economy of the District of Columbia, with more than 14,000 admissions and 450,000 outpatient visits annually.~~

~~Children's Hospital draws visitors to the District of Columbia and contributes to the city's economic vitality through the use of transportation services, hotels, restaurants, and other public services and amenities.~~

~~Children's National Medical Center (Children's Hospital) Legal and Regulatory Affairs The law office of Orrick, Herrington & Sutcliffe, bond counsel to the Revenue Bond Program, has preliminarily determined that the applicant is a 501(c)(3) organization and that the project constitutes a permissible undertaking under Section 400(a)(1) of the District of Columbia Home Rule Act.~~

~~Based upon the information set forth in the application, the Revenue Bond Program staff has determined that the proposed project complies with the criteria for approval of a proposed financing transaction through the District's Revenue Bond Program and will assist the borrower in furthering its organizational mission.~~

~~Children's National Medical Center (Children's Hospital) TABLE 1 PROPOSED SOURCES AND USES OF FUNDS
SOURCES OF FUNDS Bond Proceeds \$550,000,000 Total Sources of Funds \$550,000,000 USE OF FUNDS Site
Improvements 58,140,000 Refinancing/Refunding 310,000,000 Building Renovation 52,800,000 Machinery and
Equipment 122,600,000 Architectural/Engineering 6,460,000 Total Uses of Funds \$550,000,000 GOVERNMENT OF
THE DISTRICT OF COLUMBIA OFFICE OF THE ATTORNEY GENERAL Commercial Division Tax & Finance Section
MEMORANDUM TO:~~

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

~~Patrick Allen Senior Assistant Attorney General Commercial Division DATE:~~

~~August 20, 2025 SUBJECT:~~

~~Legal Sufficiency Certification of the "Children's Hospital Revenue Bonds Project Approval Resolution of 2025".~~

~~This is to certify that the Commercial Division has reviewed the above-referenced resolution and found it to be legally sufficient.~~

~~If you have any questions in this regard, please do not hesitate to call me at (202) 724-7754.~~

~~_____
Patrick Allen Senior Assistant Attorney General~~