



## CITY OF WASILLA

290 E. HERNING AVE.  
WASILLA, ALASKA 99687  
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### RESOLUTION NO. WR96-28

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WASILLA, ALASKA, AUTHORIZING THE ISSUANCE OF A NONRECOURSE REVENUE BOND, NOT TO EXCEED \$2,327,532.00 FOR THE PURPOSE OF PROVIDING FUNDS TO LOAN TO THE COOK INLET HOUSING DEVELOPMENT CORPORATION TO PURCHASE A NEW FACILITY TO BE USED FOR THE ALASKA NATIVE ALCOHOLISM RECOVERY CENTER TO BE OWNED BY THE COOK INLET HOUSING DEVELOPMENT CORPORATION; AND PLEDGING THE REVENUES OF THE LOAN TO THE PAYMENT OF THE BOND.

WHEREAS, it is deemed necessary and to the best interests of the City of Wasilla, Alaska ("Municipality") and its inhabitants that the Cook Inlet Housing Development Corporation ("Borrower") purchase a health care facility for use as an alcoholism recovery center ("Project");

WHEREAS, A.S. 29.47.390 authorizes the Municipality to issue revenue bonds payable solely from the revenues from the Borrower or the Project;

WHEREAS, in order to provide a loan ("Loan") to the Borrower in order to pay the cost of the Project, it is deemed necessary and advisable that the Municipality issue its nonrecourse revenue bonds in the aggregate amount of not to exceed the amount stated in the title hereof ("Bond");

WHEREAS, it is necessary to establish the form, terms, conditions and covenants of the Bond and to make provision for establishing payment dates, redemption rights and maturity thereof;

WHEREAS, the Municipality has received a proposal to purchase the Bond from National Bank of Alaska ("Purchaser") subject to the terms and conditions contained in the proposed loan agreement between the Municipality and Borrower presented to this meeting ("Loan Agreement");

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OR ASSEMBLY OF THE CITY OF WASILLA:

Section 1. Authorization of the Bond and Purposes of Issuance. For the purpose of raising funds to pay the costs of the Project, the Bond is hereby authorized to be issued pursuant to AS 29.47.390, which Bond shall be in the aggregate principal set forth in the title above.

Section 2. Description of the Bond. The Bond shall be designated City of Wasilla, Alaska, Nonrecourse Revenue Bond, 1996A (Alcoholism Recovery Center Project), and shall mature, bear interest and be payable as set out in the Bond attached as Exhibit A to this resolution.

Section 3. Date and Execution of the Bond. The Bond shall be executed in the name of the Municipality by its Mayor or Finance Director. The Bond shall be dated as of the day of its delivery to the Purchaser.

Section 4. Redemption. The Bond shall be redeemable prior to maturity at any time at the option of the Municipality, as a whole or in part, at a redemption price equal to the principal amount of the Bond, plus a premium, if any, as set forth in the Bond, plus interest accrued thereon to the date of redemption on notice of redemption given to the Purchaser at least 10 days prior to the date of redemption.

Section 5. Source of Payment and Security for the Bond. The principal of and the interest on the Bond and any other amount which may become due in connection therewith shall be payable solely from the revenues derived from the Loan Agreement and the payment of principal of land interest on the Loan ("Revenues"). The Municipality hereby irrevocably pledges the Revenues to the payment of the principal of and the interest on the Bond.

Section 6. Authorization of Officers. The Mayor, Director of Finance, and Clerk, are, and each of them is, authorized and directed to do and perform all things and determine all matters not determined by this Resolution or to be determined by a subsequent ordinance or resolution of the Municipality, to the end that the Municipality may carry out its obligations under the Bond, the Loan Agreement and this Resolution.

Section 7. Loan Agreement. The Municipality hereby authorizes the sale of the Bond to the Purchaser at a price of the principal amount thereof, at the interest rate and upon the terms and conditions set out herein and stated in the Loan Agreement. The Loan Agreement is approved and the Mayor or Director of Finance is hereby authorized to execute and deliver the Loan Agreement on behalf of the Municipality.

Section 8. No Recourse Other Than Revenues. No recourse shall be had for the payment of the principal of or the interest on the Bond or for any claim based thereon or on this Resolution against any member of the Council or officer of the Municipality or any person executing the Loan Agreement or Bond. The Bond is not and shall not be in any way a debt or liability of the State of Alaska or of any political subdivision thereof, including the Municipality, and does not and shall not create or constitute any indebtedness or obligation, either legal, moral or otherwise, of said state or of any political subdivision thereof, including the Municipality, and neither said State, nor any

political subdivision thereof, including the Municipality, shall be liable on the Bond, and the Bond is not and shall not be payable out of any funds other than Revenues.

Section 9. Manner and Medium of Payment. The principal of and the interest on the Bond shall be paid, in lawful money of the United States of America, only to the registered owner of the Bond.

Section 10. Transfer of Bond. The Bond shall be issued in fully registered form, payable as to both principal and interest only to the registered owner thereof. The Municipality may deem and treat the registered owner of the Bond as the absolute owner thereof for all purposes, and shall not be affected by any notice to the contrary. The registered ownership of the Bond shall be transferable by surrender to the Municipality with the assignment form appearing on the Bond duly executed by the registered owner or such registered owner's duly authorized agent, in a manner satisfactory to the Municipality.

Section 11. Representations and Warranties of the Municipality. The Municipality does hereby represent and warrant that it does not anticipate the issuance of more than \$10,000,000 in aggregate principal amount of qualified tax exempt bonds in the year of the issuance of the Bond as such bonds are defined by Section 265(b)(3) of the Internal Revenue Code of 1986. The Bond is hereby designated as a "qualified tax exempt obligation" in accordance with Section 265(b)(3) of the Internal Revenue Code of 1986.

Section 12. Tax-Exempt Status of Bond and Designation of Municipality. The Municipality covenants that for so long as it has possession thereof, it will not use any of the proceeds of the Bond in such manner, or take or omit to take any other action in such manner, as to impair the exemption of interest on the Bond from federal income taxation. The Municipality further covenants that for so long as it has possession thereof, no part of the proceeds of the Bond or any other funds of the Municipality shall at any time be used directly or indirectly to acquire securities or obligations, the acquisition of which would cause the Bond to be or become "arbitrage bond" as defined in Section 148 of the Internal Revenue Code of 1986. The Municipality shall not knowingly permit any of the proceeds of the Bond, or any products purchased with such proceeds, to be used in any manner that would cause the Bond to constitute a "private activity bond" other than a "qualified 501(c)(3) bond" within the meaning of Section 141 of the Internal Revenue Code of 1986.

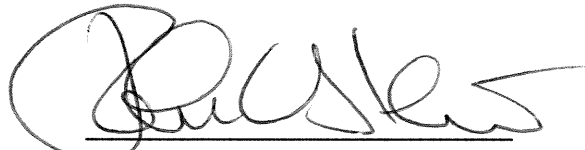
Section 13. Expenditure of Bond Proceeds. All of the proceeds of the Bond shall be loaned to the Borrower. The Borrower has covenanted to spend the proceeds for the payment of the costs of the Project and related expenses and for payment of expenses incurred in this financing.

Section 14. Contract -- Savings Clause. The covenants of the Municipality contained in this Resolution and in the Bond shall constitute a contract between the Municipality and the registered owner of the Bond. If any one or more of the covenants or agreements provided in this Resolution or the Bond to be performed on the part of the Municipality shall be declared by any Court of competent jurisdiction and final appeal, (if any appeal be taken) to be contrary to law, then such covenants or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this Resolution and shall in no way affect the validity of the other provisions of this Resolution or the Bond.

Section 15. Immediate Effect. This Resolution shall take effect immediately upon its adoption.

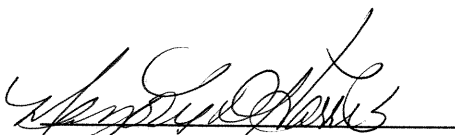
I CERTIFY that a resolution in substantially the above form was passed by a majority of those voting at a duly called and conducted meeting of the governing body of the City of Wasilla this 22nd day of April, 1996.

APPROVED:



JOHN C. STEIN, Mayor

ATTEST:

  
MARJORIE D. HARRIS, CMC  
City Clerk

(SEAL)