

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

GENERAL OBLIGATION REFUNDING BOND

Serial No. 2020-19

AN ORDINANCE APPROVING THE CITY AND BOROUGH'S PARTICIPATION IN A PROPOSED REFINANCING BY THE ALASKA MUNICIPAL BOND BANK OF THE BOND BANK'S GENERAL OBLIGATION BONDS THAT PROVIDED FUNDS TO PURCHASE THE GENERAL OBLIGATION BOND, 2010A OF THE CITY AND BOROUGH, UNDER A LOAN AGREEMENT BETWEEN THE CITY AND BOROUGH AND THE BOND BANK; AND AUTHORIZING A REVISED SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS ON THE CITY AND BOROUGH'S BOND, IN ACCORDANCE WITH THE LOAN AGREEMENT, IF THE BOND BANK SUCCESSFULLY REFINANCES ITS BONDS.

Approved: May 18, 2020

Prepared by:

K&L GATES LLP
Seattle, Washington

City and Borough of Juneau, Alaska
Ordinance Serial No. 2020-19
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Presented by: The Manager
Introduced: 04/27/2020
Drafted by: Bond Counsel

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2020-19

An Ordinance approving the City and Borough’s participation in a proposed refinancing by the Alaska Municipal Bond Bank of the Bond Bank’s General Obligation Bonds that provided funds to purchase the General Obligation Bond, 2010A of the City and Borough, under a loan agreement between the City and Borough and the Bond Bank; and authorizing a revised schedule of principal and interest payments on the City and Borough’s bond, in accordance with the loan agreement, if the Bond Bank successfully refinances its bonds.

WHEREAS, the City and Borough of Juneau, Alaska (the “City and Borough”), to finance a portion of the cost of certain capital improvements to the Dimond Park Aquatic Center, issued and sold its General Obligation Bond, 2010A (Taxable Recovery Zone Economic Development Bond - Direct Payment), in the original principal amount of \$7,580,000 (the “2010A GO Bond”) to the Alaska Municipal Bond Bank (the “Bond Bank”), as authorized by Ordinance Serial No. 2010-09 of the City and Borough adopted April 5, 2010 and Resolution No. 2529 adopted on May 19, 2010 (together, the “2010A GO Bond Ordinance”), on the terms and conditions set forth in the 2010A GO Bond Ordinance and in a loan agreement between the City and Borough and the Bond Bank dated as of June 1, 2010 (the “2010A GO Loan Agreement”); and

WHEREAS, the Bond Bank issued and sold its General Obligation Bonds, 2010B Series Two (Taxable) (the “2010B Series Two Bond Bank Bonds”), to provide funds to purchase the 2010A GO Bond, as provided in the 2010A GO Loan Agreement; and

WHEREAS, Section 6 of the 2010A GO Loan Agreement provides that payments of principal of and interest on the 2010A GO Bond may be adjusted to reduce debt service on the 2010A GO Bond if the Bond Bank is able to achieve debt service savings by refunding the 2010B Series Two Bond Bank Bonds; and

WHEREAS, the Bond Bank now intends to issue a series of its general obligation refunding bonds (the “Bond Bank Refunding Bonds”) for the purpose, among others, of refunding all or a portion of the 2010B Series Two Bond Bank Bonds and achieving debt service savings for the 2010A GO Bond; and

WHEREAS, the Assembly wishes to approve the City and Borough’s participation in this refinancing and to authorize the City and Borough’s city manager or his/her designee to accept a revised debt service schedule for all or a portion of the 2010A GO Bond, if the Bond Bank successfully refinances all or a portion of the 2010B Series Two Bond Bank Bonds;

NOW, THEREFORE, BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Approval of Refinancing. The Assembly hereby approves the City and Borough's participation in the Bond Bank's refinancing of all or a portion of the 2010B Series Two Bond Bank Bonds. If there is debt service savings for the 2010A GO Bond, the 2010A GO Bond shall have a modified debt service schedule in accordance with the following parameters.

The revised schedule of debt service on the 2010A GO Bond and other provisions as may be required by the Bond Bank will be set forth in an amendatory loan agreement and a refunding bond to be issued in exchange for the 2010A GO Bond. The refunding bond shall come due on the dates set forth in such amendatory loan agreement of the following years in the following estimated principal installments:

Maturity Year	Amount
2020	\$1,320,000
2021	1,430,000
2022	1,495,000
2023	1,340,000
2024	1,675,000

The foregoing schedule is based on the assumption that the entire 2010A GO Bond is going to be refunded. To the extent that only a portion of the 2010A GO Bond is refunded, the foregoing principal maturity schedule shall be proportionately reduced. In addition, the adjusted principal maturities may be increased or decreased by the City Manager or his/her designee for any year by 15%.

The City Manager or Finance Director is authorized to execute and deliver the amendatory loan agreement for the 2010A GO Bond on behalf of the City and Borough and to deliver the refunding bond, executed in accordance with the provisions of the 2010A GO Bond Ordinance and this ordinance, to the Bond Bank in exchange for the 2010A GO Bond, all subject to the Assembly's approval by resolution, which resolution may, at the option of the Assembly, provide for delegation within parameters approved by the Assembly. The City Manager, Finance Director and other appropriate officers and employees of the City and Borough are also hereby authorized to provide financial information about the City and Borough that the Bond Bank may require for the official statement for the Bond Bank Refunding Bonds. In furtherance of the plan of refinancing, the City Manager or his/her designee is hereby further authorized to determine whether or not the establishment of a reserve fund or account is necessary or desirable to secure the repayment of the refunding bond and if a reserve is to be established, the terms and conditions of the reserve, including the execution and delivery of a reserve depository agreement.

Section 3. Tax Covenants. The City and Borough covenants to undertake all actions required to maintain the tax-exempt status of interest on the refunding bond issued to refinance the

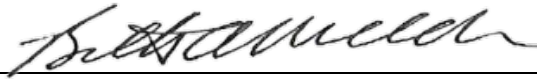
2010A GO Bond under Section 103 of the Code.

Section 4. General Authorization. The Mayor, City Manager, Finance Director, Clerk, City and Borough Attorney, and any other appropriate officers, agents, attorneys and employees of the City and Borough are each hereby authorized and directed to cooperate with the Bond Bank and to take such steps, do such other acts and things, and execute such letters, certificates, agreements, papers, financing statements, assignments or instruments as in their judgment may be necessary, appropriate or desirable to carry out the terms and provisions of, and complete the transactions contemplated by, this ordinance.

Section 5. Prior Acts. Any and all acts heretofore taken by officers, agents, attorneys and employees of the City and Borough in connection with refinancing the 2010A GO Bond are hereby ratified and confirmed.

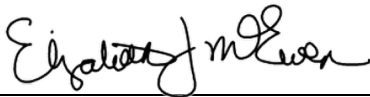
Section 6. Effective Date. This ordinance shall become effective thirty days after adoption.

ADOPTED this 18th day of May, 2020.



Beth A. Weldon, Mayor

ATTEST:



Elizabeth J. McEwen, Clerk

CERTIFICATE

I, the undersigned, Clerk of the City and Borough of Juneau, Alaska (the "City and Borough"), Do HEREBY CERTIFY:

1. That the attached ordinance is a true and correct copy of Ordinance Serial No. 2020-19 (the "Ordinance") of the City and Borough as finally passed at a regular meeting of the Assembly of the City and Borough (the "Assembly") held on the 18th day of May, 2020, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such special meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Assembly voted in the proper manner for the passage of the Ordinance; that all other requirements and proceedings incident to the proper passage of the Ordinance have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 18 day of May, 2020.



Elizabeth J. McEwen, Clerk
City and Borough of Juneau