

CLERK'S OFFICE
AMENDED AND APPROVED
Date: 5-5-98

Submitted by: Chair of the Assembly at the request of the Mayor
Prepared by: Bond Counsel
For Reading: May 5, 1998

MUNICIPALITY OF ANCHORAGE, ALASKA

ORDINANCE NO. AO 98- 74(S)

AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, AUTHORIZING THE ISSUANCE OF VARIABLE RATE DEMAND NOTES (ALASKA SEAFOOD INTERNATIONAL PROJECT), OF THE MUNICIPALITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$48,000,000; AUTHORIZING THE EXECUTION AND DELIVERY OF THE PRINCIPAL FINANCING DOCUMENTS IN CONNECTION THEREWITH; AUTHORIZING THE PROPER OFFICIALS OF THE MUNICIPALITY TO DO ALL THINGS NECESSARY OR ADVISABLE TO CONSUMMATE THE ISSUANCE, SALE AND DELIVERY OF SUCH NOTES; DELEGATING THE CHIEF FISCAL OFFICER TO APPROVE THE FINAL OFFICIAL STATEMENT; PROVIDING THE MANNER OF SALE OF SAID NOTES; AND PROVIDING THAT THE NOTES BE SOLD TO PRUDENTIAL SECURITIES INCORPORATED.

WHEREAS, Alaska Seafood International LLC, an Alaska limited liability company ("Alaska Seafood International") plans to finance the acquisition, construction and equipping of a seafood processing, cold storage and distribution facility to property to be located at 6601 Interstate Street, within the Municipality of Anchorage, Alaska (the "Municipality"); and

WHEREAS, Alaska Seafood International has requested the Municipality to issue its Variable Rate Demand Notes, 1998 (Alaska Seafood International Project) in the aggregate dollar amount of \$48,000,000 (the "Notes") for the purpose of paying all of the costs of the Project and the issuance of the Notes; and

WHEREAS, the Notes will be sold to Prudential Securities Incorporated under the terms and conditions set forth in a purchase contract to be delivered and accepted by the Municipality; and

WHEREAS the bill prepared submitted by the Municipality filed with the Municipal Clerk draft of the following is the "First Documents")
the Municipality of the Notes Alaska Seafood International
to fund all parts of the Project:

(a) A Loan Agreement (the Loan Agreement) be dated as of May 1991
proposed be an interest rate of the Alaska Seafood International
International:

(b) An Agreement Trust the Interest be dated as of May 1991
proposed entered into between the Municipality U.S. Bank Trust National
Association, Seattle, Washington as trustee (the "Trustee") of
setting forth the conditions of the Notes as the principal interest
Loan Agreement and the proposed covenants and agreements parties
will accept at

(c) A Purchase Contract (the Purchase Contract), to be entered into
entered into between the Municipality and the Underwriter,
Alaska Seafood International Municipality

(d) An Officer of the Underwriter prospect
holders of the Notes

WHEREAS pursuant to the First Documents the Municipality hereby
determine that the issue of the \$48,000,000 Notes, 1991 (Alaska Seafood
International) the aggregate principal amount of \$48,000,000 ("Notes"), the
interest and principal will be paid to the Municipality; and

WHEREAS the Municipality has received that the Notes will be an
vouch Letter of the Letter credit to be paid to the Canadian Imperial Bank of
Commerce, New York Agency (the Bank)

WHEREAS April 1991 the Board of Directors of the Alaska Industrial
Development and Authority unanimously approved take-out financing agreement

providing for the purchase, use and operation of the Alaska Seafood International manufacturing facility and energy building; and

NOW THEREFORE, THE MUNICIPALITY OF ANCHORAGE ORDAINS

Section 1 Purpose The purpose of this ordinance is to authorize the issuance and negotiated sale of Municipality of Anchorage, Alaska Variable Rate Demand Notes, 1998 (Alaska Seafood International Project) in an aggregate principal amount not to exceed \$48,000,000, to authorize the execution of the Financing Documents and to authorize the approval and form of an official statement.

Section 2. Authorization and Approval To provide interim financing of the costs of the Project, pending its completion and take-out funding to be provided by the Alaska Industrial Development and Export Authority and to pay all or a portion of the costs of issuance of the Notes, the issuance of not to exceed \$48,000,000 in the aggregate principal amount of Variable Rate Demand notes designated "Variable Rate Demand Notes, 1998 (Alaska Seafood International Project)" of the Municipality is hereby authorized

The Municipality is hereby authorized to lend the proceeds of the Notes to Alaska Seafood International to finance the Project and to pledge and assign the loan repayments and revenues therefrom and its interest in the Loan Agreement to the Trustee hereinafter appointed all as provided in the Loan Agreement and the Indenture. The forms of the Loan Agreement, the Indenture, the Purchase Contract and the Notes are approved subject to such modifications as are deemed appropriate and approved by the Chief Fiscal Officer and counsel for the Municipality, which approval shall be conclusively evidenced by execution and delivery of the Loan Agreement, the Indenture, the Purchase Contract and the Notes by the Chief Fiscal Officer of the Municipality as therein required. The Loan Agreement is hereby directed to be executed in the name and on behalf of the Municipality by the Mayor or Municipal Manager of the Municipality, but only to be delivered upon execution thereof by Alaska Seafood International. The Indenture is directed to be executed in the name and on behalf of the Municipality by the Mayor or Municipal Manager of the Municipality, and delivered to the Trustee.

1 Section 3 Security for the Notes. The Notes shall be secured by payments to be
2 made under the Letter of Credit or by Alaska Seafood International and other collateral to be
3 pledged under the Indenture and shall be payable solely from and secured by payments to be
4 received under the Indenture and such collateral The Notes do not and shall never constitute a
5 debt or indebtedness or loan of the credit of the Municipality within the meaning of any provisions
6 or limitations of the State constitution, the Municipal Charter, or any statute or ordinance
7 shall not constitute or give rise to a pecuniary liability of the Municipality or a charge against the
8 general credit or taxing power of the Municipality, and the face of the Notes shall so state.

9 Section 4 Sale of the Notes. The Chief Fiscal Officer is hereby authorized to review
10 and approve the proposal of the Underwriter to purchase the Notes pursuant to the Purchase
11 Contract The Purchase Contract shall be executed in the name and on behalf of the Municipality
12 by the Chief Fiscal Officer, but shall be delivered only upon execution thereof by Alaska Seafood
International and the Underwriter

14 Section 5 Approval of Official Statement. The Chief Fiscal Officer is hereby
15 authorized and directed to review and approve on behalf of the Municipality an official statement
16 with respect to the Notes

17 Section 6 Severability. If any section, paragraph, clause or provision of this
18 ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or
19 unenforceability of such section, paragraph, clause or provision shall not affect any remaining
20 provisions of this ordinance

21 Section 7 Construction of Ordinance This ordinance is necessary for the health,
22 welfare and safety of the Municipality and its inhabitants; therefore, it shall be liberally construed
23 to effect its purposes

24 Section 8 Authorization and Execution The Mayor, the Municipal Clerk and any
25 other proper official of the Municipality, and each of them, is hereby authorized and directed to
26 execute and deliver any and all documents and instruments and to do and cause to be done any

1 and all acts and things necessary or proper for carrying out the transactions contemplated by this
2 ordinance.

3 Section 9 Effective Date. This ordinance shall take effect immediately upon its
4 adoption.

5 ADOPTED BY THE ANCHORAGE ASSEMBLY THIS 5th day of May, 1998
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9 By Fay Von Lemmings
10 Chair
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13 ATTEST:
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15 Lizanne Ferguson
16 Municipal Clerk
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The Assembly amended A0 98-74(S) on page 2 by adding the following paragraph:

WHEREAS, the public interest will be served by the enhancement to the local economy derived from an estimated 450 direct and 300 indirect new jobs, the manufacture of products for export in an area not competing with other local businesses; and

CERTIFICATE

I, the undersigned, Municipal Clerk of the Municipality of Anchorage (herein called the "Municipality"), **DO HEREBY CERTIFY:**

1 That the attached Ordinance numbered AO 98- (herein called the "Ordinance") is a true and correct copy of an ordinance of the Municipality as passed at a meeting of the Municipal Assembly held on May ___, 1998, 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 meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Municipal 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 and affixed the official seal of the Municipality of Anchorage this day of May, 1998.

Lejane Ferguson
Municipal Clerk

[SEAL]