

## CLERK'S OFFICE

APPROVED

Date: 12-19-00*Immediate reconsideration  
failed 12-19-00*Submitted by: Chairman of the Assembly  
at the Request of the Mayor

Prepared by: Bond Counsel

For reading: December 12, 2000

ANCHORAGE, ALASKA

AR NO. 2000- 384

A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, AUTHORIZING THE DEFEASANCE OF THE ANCHORAGE PARKING AUTHORITY'S LEASE REVENUE REFUNDING BONDS, SERIES 1993 OUTSTANDING IN THE AMOUNT OF \$11,175,000, APPROPRIATING AN AMOUNT NOT TO EXCEED \$10,100,000 FROM THE ATU TRUST FUND RESERVE – FUND (731) TO THE AREA WIDE GENERAL FUND – FUND (101), AND AUTHORIZING THE CHIEF FISCAL OFFICER TO PREPARE AND IMPLEMENT A PLAN OF DEFEASANCE FOR SUCH BONDS.

WHEREAS, the Municipality of Anchorage, Alaska (the "Municipality") established the Anchorage Parking Authority (the "Authority") through the passage of Ordinance No. AO 84-10(S) on February 28, 1984; and

WHEREAS, the Authority by Resolution No. 93-1 (the "1993 Resolution") and a Trust Indenture entered into between the Authority and Seattle-First National Bank (now known as U.S. Bank Trust National Association) (the "Trustee") dated as of January 1, 1993 (the "1993 Indenture"), authorized the issuance of the Anchorage Parking Authority's Lease Revenue Refunding Bonds, Series 1993 (5<sup>th</sup> Avenue Garage Project) in the aggregate principal amount of \$16,240,000 (the "1993 Bonds"); and

WHEREAS, following the December 1, 2000 principal payment on the 1993 Bonds, the 1993 Bonds will remain outstanding and mature in the following principal amounts and bear interest on unpaid principal at the following interest rates:

Maturity Years (December 1)	Principal Amounts	Interest Rates
2002	\$ 2,280,000	6.50 %
2008	<u>8,895,000</u>	6.75
	\$11,175,000	

; and

WHEREAS, Section 1201 of the 1993 Indenture authorizes the defeasance of the 1993 Bonds prior to maturity; and

WHEREAS, the Municipality currently has funds to defease the 1993 Bonds, including funds from the Anchorage Telephone Utility ("ATU") Trust Fund Reserve – Fund (731); and

WHEREAS, the Assembly deems it advisable and in the best interest of the Municipality to authorize the Chief Fiscal Officer of the Municipality (the "Designated Municipality Representative") to undertake and complete such defeasance; now, therefore,

1  
2 THE ANCHORAGE ASSEMBLY RESOLVES:  
34 Section 1. Defeasance of 1993 Bonds; General Authorization to the Designated Municipality  
5 Representative; and Discharge of 1993 Indenture and Flow of Revenues to the Municipality.  
6

7 (a) *Defeasance.* The Municipality shall set aside and deposit with the Trustee available  
8 funds of the Municipality in amounts sufficient, with other money held by the Trustee, to defease  
9 all outstanding 1993 Bonds and pay the costs of defeasance. Funds to accomplish the defeasance  
10 shall be obtained from the Reserve Fund for the 1993 Bonds held by the Trustee and from  
11 appropriations made pursuant to Section 2 of this resolution from the ATU Trust Fund Reserve -  
12 Fund (731). Pursuant to Section 2 of this resolution and Ordinance No. 2000-162(S), a portion of  
13 the funds necessary to accomplish the defeasance shall be appropriated from the ATU Trust Fund  
14 Reserve – Fund (731) to the Areawide General Fund – Fund (101) to complete the defeasance.  
15

16 (b) *General Authorization to the Designated Municipality Representative.* The Assembly  
17 of the Municipality hereby authorizes and directs the Designated Municipality Representative to  
18 arrange for the defeasance of the 1993 Bonds in accordance with the provisions of the 1993  
19 Indenture and this resolution. The Designated Municipality Representative, with the assistance of  
20 the Municipality's financial advisor shall arrange for purchase of noncallable "Federal Obligations"  
21 as defined in the 1993 Indenture maturing at such times and in such amounts as shall be necessary  
22 for the payment of the principal of, interest on and redemption premium, if any, on the 1993 Bonds  
23 and to undertake a plan for the defeasance of the 1993 Bonds ("Plan of Defeasance").  
24

25 Pursuant to the Plan of Defeasance, Federal Obligations shall be purchased and held by the  
26 Trustee until disbursed to pay the principal of, interest on and redemption premium, if any, on the  
27 1993 Bonds. The Plan of Defeasance may provide for the payment of the 1993 Bonds at the  
28 maturity thereof or at redemption prior to maturity, may designate an escrow verification agent to  
29 prepare a verification of the sufficiency of the escrowed Federal Obligations, shall provide for the  
30 giving of notice of defeasance and notice of redemption, if appropriate shall provide for the payment  
31 of all rebatable arbitrage, if any, to the federal government with respect to the 1993 Bonds, shall  
32 provide for the payment of all costs of executing the Plan of Defeasance such costs to be paid from  
33 the escrowed funds on the date of defeasance.  
34

35 The Trustee is hereby authorized and directed to provide for the timely giving of notice of  
36 defeasance of the 1993 Bonds in accordance with the applicable provisions of the 1993 Indenture  
37 and notice of redemption, if any. The Designated Municipality Representative is authorized and  
38 requested to provide whatever assistance is necessary to accomplish such defeasance and the giving  
39 of notice therefor. The costs of publication of such notice shall be an expense of the Municipality.  
40

41 The payment of all fees, compensation and expenses incurred in connection with the Plan of  
42 Defeasance shall be paid on the date of defeasance.  
43  
44

(c) *Discharge of 1993 Indenture and Flow of Revenues to the Municipality.* Following the defeasance of the 1993 Bonds as provided in the 1993 Indenture no further payments need be made into the Bond Fund for the 1993 Bonds for the payment of the principal of and interest on the 1993 Bonds, and the 1993 Bonds shall cease to be entitled to any lien, benefit or security of the 1993 Indenture except the right to receive the funds so set aside and pledged, and the 1993 Bonds shall be deemed not to be outstanding under the 1993 Indenture. The pledge and assignment of any Revenues (as defined in the 1993 Indenture), and other moneys and securities pledged under the 1993 Indenture and all covenants, agreements and other obligations of the Authority to the bondowners, shall thereupon cease, terminate and become void and be discharged and satisfied. In consideration of the Municipality's agreement to provide funds to defease the 1993 Bonds, the Trustee shall cause an accounting to be prepared and filed with the Municipality and, upon the request of the Municipality shall execute and deliver to the Municipality all such instruments as may be desirable to evidence such discharge and satisfaction of the 1993 Bonds. Further, the Trustee shall pay over or deliver to the Municipality all moneys or securities held by it pursuant to the 1993 Indenture which are not required for the Plan of Defeasance.

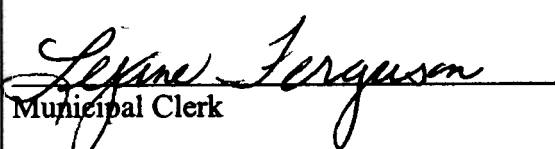
All other moneys held by the Trustee under the 1993 Indenture other than those required to pay costs and effect the defeasance, shall paid to the Municipality for deposit to the general fund of the Municipality. The Authority shall, by resolution, approve the transfer to the Municipality of all surplus revenues (gross revenues less monthly maintenance and operations costs) to the Municipality.

**Section 2. Appropriations.** An amount of not to exceed ten million one hundred thousand dollars (\$10,100,000) is hereby appropriated from the ATU Trust Fund Reserve - Fund (731) to the Areawide General Fund - Fund (101) for the purpose of funding the Plan of Defeasance.

**Section 3. Effective Date.** This resolution is effective immediately upon its passage and approval. PASSED AND APPROVED by the Anchorage Assembly this 19th day of December, 2000.

  
Chair of the Assembly

ATTEST:

  
Municipal Clerk

Municipality of Anchorage  
MUNICIPAL CLERK'S OFFICE  
**Agenda Document Control Sheet**

AR 2000-384

(SEE REVERSE SIDE FOR FURTHER INFORMATION)

<b>1</b>	SUBJECT OF AGENDA DOCUMENT AR Authorizing Defeasance of Anchorage Parking Authority's 1993 Outstanding Lease Revenue Refunding Bonds	DATE PREPARED 12-12-00
		Indicate Documents Attached <input type="checkbox"/> AO <input checked="" type="checkbox"/> R <input checked="" type="checkbox"/> I <input type="checkbox"/> A
<b>2</b>	DEPARTMENT NAME Finance	DIRECTOR'S NAME Kate Giard
<b>3</b>	THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY Kate Giard	HIS/HER PHONE NUMBER 343-6610
<b>4</b>	<b>COORDINATED WITH AND REVIEWED BY</b>	<b>INITIALS</b>
<input checked="" type="checkbox"/>	<b>Mayor</b>	
	Heritage Land Bank	
	Merrill Field Airport	
	Municipal Light & Power	
	Port of Anchorage	
	Solid Waste Services	
	Water & Wastewater Utility	
<input checked="" type="checkbox"/>	<b>Municipal Manager</b>	m
	Cultural & Recreational Services	
	Employee Relations	
<input checked="" type="checkbox"/>	Finance, Chief Fiscal Officer	[Signature]
	Fire	
	Health & Human Services	
<input checked="" type="checkbox"/>	Office of Management and Budget	[Signature]
	Management Information Services	
	Police	
	Planning, Development & Public Works	
	Development Services	
	Facility Management	
	Planning	
	Project Management & Engineering	
	Street Maintenance	
	Traffic	
	Public Transportation Department	
	Purchasing	
<input checked="" type="checkbox"/>	<b>Municipal Attorney</b>	[Signature]
	<b>Municipal Clerk</b>	
	<b>Other</b>	
<b>5</b>	Special Instructions/Comments <div style="text-align: right;"> <del>7B17 - INTRODUCTION</del>  <del>ONLY</del> </div>	
<b>6</b>	ASSEMBLY HEARING DATE REQUESTED 12-12-00	<b>7</b>
		PUBLIC HEARING DATE REQUESTED 12-19-00