

Introduced by: Mayor
Date: 06/06/17
Action: Adopted
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2017-038**

**A RESOLUTION AMENDING THE TERMS OF THE \$8,500,000 KENAI PENINSULA
BOROUGH REVENUE BOND, 1998 (SOUTHCENTRAL FOUNDATION PROJECT);
AND PROVIDING FOR RELATED MATTERS**

WHEREAS, the Kenai Peninsula Borough (the "Borough") issued its \$8,500,000 Revenue Bond, 1998 (Southcentral Foundation Project) (the "Bond") on December 30, 1998, pursuant to Resolution 98-097, adopted on December 8, 1998; and

WHEREAS, the Borough sold the Bond to National Bank of Alaska (now Wells Fargo Bank, National Association, the "Purchaser") and used the proceeds of the sale of the Bond to make a loan (the "Loan") to Southcentral Foundation, an Alaska nonprofit corporation (the "Borrower"); and

WHEREAS, the Bond and the Loan were amended (the "Amended Bond" and the "Amended Loan", respectively) pursuant to Resolution 2007-060, adopted September 4, 2007; and

WHEREAS, the Amended Loan is evidenced by a Loan Agreement dated December 30, 1998, by and between the Borough and the Borrower, as amended by a Universal Amendment dated October 30, 2007 (as so amended, the "Loan Agreement"); and

WHEREAS, the Purchaser and the Borrower have requested that the Borough agree to make certain changes in the terms of the Loan and the Bond;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. That the terms of the Bond and the Loan shall be amended as follows:

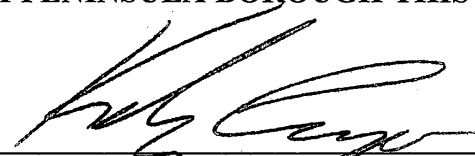
1. The interest rate on the Amended Bond shall be reduced by changing the spread applicable in the determination of the interest rate, from a variable rate per annum equal to 66.8 percent of 1-month London Interbank Offered Rate ("LIBOR"), as in effect from time to time as determined by the Purchaser, plus 0.94%, to a variable rate per annum equal to the "LIBOR Index Rate" as defined in the Bond.
2. Add provisions with respect to minimum authorized denominations, other transfer restrictions, and the form of Investor Letter that is required of the Purchaser.

3. The changes set forth in Paragraphs 1 and 2 above shall be effective on such date as agreed upon between the Purchaser and the Borrower, but in no event later than December 1, 2017.

SECTION 2. That each of the Mayor and the Administrative Officer acting alone is hereby authorized to execute such documents as such officer considers necessary or appropriate to effect the changes to the Loan and the Bond authorized in Section 1, including without limitation documents amending the Loan Agreement and the Bond, and to take all other actions as such officer may determine to be necessary or appropriate to carry out the purposes of this Resolution.


SECTION 3. That this resolution takes effect immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 6TH DAY OF JUNE, 2017.

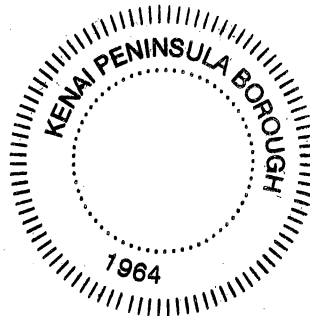


Kelly Cooper, Assembly President

ATTEST:



Johni Blankenship, MMC, Borough Clerk



Yes: Bagley, Carpenter, Dunne, Fischer, Hibbert, Ogle, Schaefer, Welles, Cooper
No: None
Absent: None