



Reviewed Nov 21, 2011

**Project Fact Sheet: FEDERAL EXPRESS AIRCRAFT MAINTENANCE FACILITY
Ted Stevens Anchorage International Airport**

CURRENT STATUS: Federal Express took occupancy of the facility in February 1995 with a 20-year lease (expires 2015). AIDEA received a letter from FedEx April 8, 2010 requesting a lease extension beyond 2015. Staff is developing a plan forward based on determining fair market value and market analysis as well as addressing procurement issues.

SCOPE OF PROJECT: The Federal Express facility consists of a hangar capable of accommodating one wide-body aircraft, such as a Boeing 747. The project also includes a ramp, taxiway, road, utilities, and landscaping. The hangar is supported by a fire suppression pump house and water storage facility, which was constructed as part of this project.

PURPOSE: Strengthens Alaska's role as an international air crossroads by improving basic services for air carriers serving Alaska.

PARTICIPANTS: Federal Express had a ground lease agreement at the Ted Stevens Anchorage International Airport, which was conveyed to AIDEA. Federal Express signed a 20-year lease with AIDEA for use of the facility. The lease expires in March 2015.

BACKGROUND: Federal Express currently operates an international package sorting facility at the Ted Stevens Anchorage International Airport. Federal Express management realized the potential to enhance their Anchorage operation by being able to perform line maintenance on their fleet of 747 aircraft operating through Anchorage and approached AIDEA to finance the facility.

ECONOMIC EFFECTS: The facility created approximately 20 permanent, high-skill jobs and brought to Alaska a pilot base providing a direct infusion of income into the Alaska economy. The project demonstrates the significance of the Federal Express operation at Ted Stevens Anchorage International Airport to their overall business.

CONSTRUCTION BUDGET: \$30.75 million

SOURCE OF FUNDS: Tax-exempt bonds (\$28 million) sold by AIDEA in September 1992, along with Authority funds, financed the project. The investment will be repaid through user fees. The \$20,540,000 remaining outstanding bonds were refunded on June 20, 2002 by the issuance of \$20,475,000 refunding bonds at lower rates.