

ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY

RESOLUTION NO. G19-15A

**RESOLUTION OF THE ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY CREATING THE ALASKA SHIP
HOME-PORTING FOR IMPROVEMENTS PROGRAM ("AK
SHIP") TO FINANCE COMMERCIAL SHIP REPAIR AND
OVERHAUL WORK AT THE ALASKA SHIP & DRYDOCK AND
OTHER SHIPYARDS IN THE STATE**

WHEREAS, the Alaska Industrial Development and Export Authority (the "Authority") owns the Alaska Ship & Drydock located in Ketchikan, Alaska;

WHEREAS, the Alaska Ship & Drydock is operated by Vigor Alaska, LLC ("Vigor") under the Amended and Restated Agreement for the Operation and Use of the Alaska Ship & Drydock, dated effective as of December 1, 1995, that the Authority made with Vigor's predecessor-in-interest;

WHEREAS, the Alaska Ship & Drydock has the capacity to handle more commercial ship repair and overhaul work than it is currently receiving;

WHEREAS, Vigor could compete for additional commercial ship repair and overhaul work at the Alaska Ship & Drydock if a credit facility was available to assist Vigor's customers in financing the repair and overhaul work done at the shipyard;

WHEREAS, the Alaska Ship & Drydock is one of the Authority's development finance projects under AS 44.88.172 and the governing statute permits the Authority to expend funds from the Economic Development Account of the Revolving Fund to manage and operate its development finance projects;

WHEREAS, creating a credit facility to finance commercial ship repair and overhaul work at the Alaska Ship & Drydock will assist in expanding Vigor's customer base and potentially

increase the volume of work performed at the Alaska Ship & Drydock and thereby would be a part of the Authority managing and operating its development finance project;

WHEREAS, on June 26, 2019, the Board approved Resolution No. G19-15 that created the Alaska Ship Home-Porting for Improvements Program (“AK SHIP”) as a credit facility available to Vigor’s customers to finance commercial ship repair and overhaul work performed at the Alaska Ship & Drydock;

WHEREAS, the Authority has been approached by other shipyards in the state and their customers regarding the AK SHIP credit facility being made available to them;

WHEREAS, the Authority’s statutes permit it to provide development project financing under AS 44.88.172 for a “plant or facility,” the statutory definition of which is broad enough to include moveable equipment and personal property such as maritime vessels;

WHEREAS, expanding AK SHIP to finance commercial ship repair and overhaul work at shipyards in the state other than the Alaska Ship & Drydock will be in furtherance of the Authority’s statutory mission of advancing economic development and providing additional employment opportunities in the State of Alaska; and

WHEREAS, the staff of the Authority has provided a memorandum to the Board to describe the expanded AK SHIP credit facility.

NOW, THEREFORE, BE IT RESOLVED BY THE ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY AS FOLLOWS:

Section 1. The expanded Alaska Ship Home-Porting for Improvements Program, or “AK SHIP,” as described in the staff memorandum, is approved. AK SHIP shall be a credit facility available to finance commercial ship repair and overhaul work performed at the Alaska Ship & Drydock or at other shipyards in the state. The sum of \$10 million of the Economic Development

Account is designated as being available for AK SHIP purposes on a revolving loan fund basis. The Executive Director and the staff of the Authority shall manage AK SHIP in accordance with the memorandum provided to the Board that describes the program.

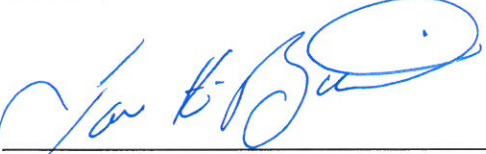
Section 2. Before the Authority commits to or makes a loan under AK SHIP, the Board must provide separate approval for each loan.

Section 3. The Executive Director is authorized to execute any documents and take any other actions necessary or useful in implementing this Resolution.

Dated at Anchorage, Alaska, this 4th day of March 2020.




Chair


Secretary