

ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY

RESOLUTION NO.G20-27

RESOLUTION OF THE ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY APPROVING AMENDMENT TO LOAN AGREEMENT FOR DUCK POINT DEVELOPMENT II LLC (ICY STRAIT POINT PHASE 2)

WHEREAS, in Resolution No. G19-14, adopted on May 22, 2019, the Alaska Industrial Development and Export Authority (the “Authority”) approved a loan of up to \$15 million to Duck Point Development II LLC (DPDII), a wholly-owned subsidiary of Huna Totem Corporation, under the Authority’s development finance program (AS 44.88.172);

WHEREAS, in June 2019, the Authority, as Lender, entered into a Loan Agreement and related security arrangements with DPDII, as Borrower, and Huna Totem Corporation and Icy Strait Point, LLC, as Guarantors, under which the Authority agreed to provide a loan of up to \$15 million to finance the development of a second cruise ship dock and associated upland improvements at Icy Strait Point near Hoonah, Alaska (“Project”);

WHEREAS, because of the economic impact caused by the COVID-19 pandemic. DPDII and staff have agreed to the following amendments to the Loan Agreement: (1) to increase the construction loan portion to approximately \$9.2 million; (2) to allow use of the expansion loan portion, which is \$6 million of the total loan amount, for current drawdowns to bridge expenses and (3) to defer payment of principal up to July 2021.

WHEREAS, the Authority's amended loan to DPDII would be on terms and conditions as set out in the confidential memorandum that staff has provided to the Board, and in particular

would require certain financial covenants in the original Loan Agreement to be modified due to the economic impact of the COVID-19 pandemic;

WHEREAS, the staff of the Authority has completed due diligence of the Project and the amended loan;

WHEREAS, the Project continues to be a suitable one for the Authority and is in furtherance of the Authority's statutory purpose of promoting, developing and advancing the general prosperity and economic welfare of the people of Alaska, to relieve problems of unemployment, and to create additional employment.

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

Section 1. The Authority is authorized to amend the loan to DPDII for the Project in accordance with the confidential memorandum presented to the Board.

Section 2. The Executive Director of the Authority is authorized to complete the negotiations on all the agreements related to the Authority providing the amended loan to DPDII. The final loan documents shall be on the same terms outlined in the confidential memorandum provided to the Board, or with non-material modifications to those terms as the Executive Director, in his discretion, determines to be appropriate.

Section 3. The Executive Director is authorized to execute the final agreements and other loan documents regarding the Authority providing development project financing to DPDII for the Project, and take all other steps that are necessary or desirable to provide the financing for the Project and to perform the Authority's obligations under the final agreements.

Dated at Anchorage, Alaska, this 16th day of September 2020.

[SEAL]

S. D. R.

Chair

ATTEST:

[Signature]

Secretary

Alaska Industrial Development and Export Authority

