

ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY

RESOLUTION G25-13

A RESOLUTION OF THE ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY AUTHORIZING THE ISSUANCE AND SALE, FROM TIME TO TIME, OF TAXABLE AND TAX-EXEMPT REVENUE BONDS TO REIMBURSE COSTS FOR ONE OR MORE PROJECTS PREVIOUSLY FINANCED BY THE AUTHORITY AND APPROVED BY THE BOARD; PROVIDING THAT SUCH BONDS MAY BE ISSUED UNDER THE AUTHORITY'S GENERAL STATUTES OR, AS APPLICABLE, THROUGH THE SUSTAINABLE ENERGY TRANSMISSION AND SUPPLY (SETS) PROGRAM OR THE ARCTIC INFRASTRUCTURE DEVELOPMENT FUND (AIDF) PROGRAM; AUTHORIZING THE ISSUANCE OF BONDS APPROVED BY THE ALASKA LEGISLATURE UNDER HCS CSSB 106, CHAPTER 18, SLA 93; APPROVING THE FORMS OF FINANCING DOCUMENTS; DELEGATING CERTAIN POWERS TO AUTHORIZED OFFICERS; AND ADDRESSING RELATED MATTERS.

WHEREAS, the Alaska Industrial Development and Export Authority ("AIDEA" or the "Authority") is a public corporation of the State of Alaska, created pursuant to AS 44.88, with the purpose of promoting, developing, and advancing the general prosperity and economic welfare of the people of the State, relieving problems of unemployment, and creating additional employment by providing various means of financing and facilitating the financing of industrial, manufacturing, energy, export, small business, and business enterprises, and other facilities as described in AS 44.88.010 and AS 44.88.070;

WHEREAS, the Authority is authorized by Title 44, Chapter 88, of the Alaska Statutes, as amended, to issue revenue bonds for the purpose of providing funds to finance the cost of acquiring, constructing, improving and equipping projects in the State of Alaska (the "State") and also for the purpose of providing funds to refinance bonds issued for such purposes by the Authority, provided the user thereof agrees to pay the Authority an amount at least sufficient to pay the principal of, and the premium, if any, and interest on, said bonds and other expenses incurred by the Authority in connection therewith;

WHEREAS, the Authority may issue bonds payable exclusively from the income and receipts or other money derived from projects or development projects financed with the proceeds of the bonds, or from its income and receipts or other assets generally, or a designated part or parts thereof, as authorized by AS 44.88.090;

WHEREAS, The Authority may issue bonds for projects to be financed under AS 44.88.172 (Economic Development Account), including projects that are not yet defined, provided that prior to the issuance of such bonds, the Authority will prepare a finance plan, obtain necessary approvals, and make findings as required by AS 44.88.173, AS 44.88.095, and other applicable statutes;

WHEREAS, The Authority is authorized to issue bonds in an amount not to exceed \$400,000,000 in any twelve-month period, excluding refunding bonds, and must obtain prior legislative approval for development finance projects in excess of \$25,000,000, as set forth in AS 44.88.095;

WHEREAS, The Authority may issue bonds for the purpose of reimbursing costs of previously approved and financed projects, including but not limited to those related to manufacturing, natural resource extraction, transportation, energy, tourism infrastructure, and other economic development activities, as such projects may be identified and approved in accordance with applicable law;

WHEREAS, The Authority is authorized to issue bonds under legislative authority provided by HCS CSSB 106 CHAPTER 18 SLA 93, dated May 13, 1993, which grants the Authority the power to issue revenue bonds in the following amounts for specific power transmission intertie projects:

- \$60,000,000 for the acquisition, design, and construction of a power transmission intertie of at least 138 kilovolts between Healy and Fairbanks, to be owned for the benefit of all participating utilities by Golden Valley Electric Association, Inc.;
- \$60,000,000 for the acquisition, design, and construction of a power transmission intertie of at least 138 kilovolts between Anchorage and the Kenai Peninsula, to be owned for the benefit of all participating utilities by Chugach Electric Association, Inc.;
- \$40,000,000 for the acquisition, design, and construction of a power transmission intertie of at least 115 kilovolts between the Swan Lake and Tyee Lake hydroelectric projects, to be owned for the benefit of all participating utilities by Ketchikan Public Utilities; and
- \$25,000,000 for the acquisition, design, and construction of a power transmission intertie of at least 138 kilovolts between Sutton and Glennallen, to be owned for the benefit of all participating utilities by Copper Valley Electric Association;

for a total aggregate principal amount of \$185,000,000 in revenue bond authorization for these specified projects;

WHEREAS, The Authority may issue bonds under its general powers, including funding through the Enterprise Development Account (AS 44.88.155) and/or the Economic Development Account (AS 44.88.172);

WHEREAS, The Authority also administers (a) the Sustainable Energy Transmission and Supply (“SETS”) program, under AS 44.88.650–690 (including the SETS fund established in AS 44.88.660) and implementing regulations at 3 AAC 101.010–190; and (b) the Arctic Infrastructure Development Fund (“AIDF”) program under AS 44.88.800–.840 (including the AIDF fund established in AS 44.88.810) and implementing regulations at 3 AAC 103.010–170, each of which authorizes programmatic financing (including bonds secured by the respective funds) for qualified projects;

WHEREAS, the Authority hereby finds and determines that it is in the public interest and will further the purposes of the Authority to provide for the issuance of bonds of the Authority which are special, limited revenue obligations of the Authority payable solely from the revenues pledged for the payment of such bonds and secured pursuant to that certain Amended and Restated Master Trust Agreement dated as of November 1, 2025 (the “Master Trust Agreement”) by and between the Authority and U.S. Bank Trust Company, National Association, as Master Trustee, the Indentures (as defined herein) for such projects, and other sources of security, as permitted by law;

WHEREAS, each series of the Bonds will be issued under and pursuant to and are further secured by a supplemental indenture by and between the Authority and U.S. Bank Trust Company, National Association, as Trustee (each an “Indenture” and, collectively, the “Indentures”);

WHEREAS, provisions shall be made for the sale of the Bonds pursuant to one or more contracts of purchase, with each such contract of purchase entered into among the purchaser of the Bonds to which such contract of purchase relates;

WHEREAS, the Authority desires to comply with the requirements of Treasury Regulation 1.150-2 (the “Regulations”) with respect to the projects to be financed pursuant to the authorizations contained within this Resolution; and

WHEREAS, The Board desires to establish a framework inducement and authorization to issue and sell bonds from time to time in one or more series, taxable or tax-exempt, to reimburse eligible costs of one or more projects previously financed by the Authority approved and by the Board, including costs of issuance and required reserves, and where appropriate to utilize the SETS or AIDF authorities cited above.

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

Section 1. The Authority hereby authorizes the issuance and sale, from time to time, of its Revenue Bonds (the “Bonds”) in an aggregate principal amount not to exceed \$25,000,000 if issued under its general powers (AS 44.88.080, AS 44.88.090, AS 44.88.100), in one or more series or subseries, on a taxable or tax-exempt basis, at fixed or variable rates, and otherwise with the terms set by an Authorized Officer under Section 7, to reimburse costs of one or more projects previously approved and financed by the Board, in accordance with the Regulations, to pay costs

of issuance, and to fund reserves. The Bonds may be secured by trust indenture, trust agreement, or other instruments permitted by law (AS 44.88.090; AS 44.88.100).

Each series of Bonds may be issued as Authority revenue bonds secured by pledged revenues, and, if appropriate, issued under or secured by SETS or AIDF program statutes and funds (3 AAC 99.100 - 160; AS 44.88.650 - 690; AS 44.88.800 - 840).

Section 2. For any Project that is an eligible qualified energy development under the Sustainable Energy Transmission and Supply (SETS) Program, they shall be authorized and secured in accordance with AS 44.88.650 - 690 and implementing regulations at 3 AAC 101.010 - 190. Bonds issued under SETS may be payable from the revenues of such qualified energy development projects and/or secured by amounts in the SETS fund, subject to all statutory requirements for bond issuance under AS 44.88.090 and AS 44.88.100.

For any Project that is an eligible qualified Arctic infrastructure development under the Arctic Infrastructure Development Fund (AIDF) Program, they shall be authorized and secured in accordance with AS 44.88.800 - 840 and implementing regulations at 3 AAC 103.010 - 170. Bonds issued under AIDF may be payable from revenues of such Arctic infrastructure development projects and/or secured by amounts in the AIDF fund, subject to all statutory requirements for bond issuance under AS 44.88.090 and AS 44.88.100.).

If Bonds are not issued under SETS or AIDF, they may be issued under the Authority's general bonding powers, including AS 44.88.080, AS 44.88.090, AS 44.88.100, and related provisions, and may be funded through the Enterprise Development Account (AS 44.88.155) and/or the Economic Development Account (AS 44.88.172), subject to all applicable statutory limitations and shall not exceed \$25,000,000.

Section 3. This Resolution references and incorporates the legislative bonding authority granted to the Alaska Industrial Development and Export Authority under HCS CSSB 106 CHAPTER 18 SLA 93, dated May 13, 1993, which expressly authorizes the issuance of revenue bonds in the following amounts for designated power transmission intertie projects:

- \$60,000,000 for a power transmission intertie of at least 138 kilovolts between Healy and Fairbanks, to be owned for the benefit of all participating utilities by Golden Valley Electric Association, Inc.;
- \$60,000,000 for a power transmission intertie of at least 138 kilovolts between Anchorage and the Kenai Peninsula, to be owned for the benefit of all participating utilities by Chugach Electric Association, Inc.;
- \$40,000,000 for a power transmission intertie of at least 115 kilovolts between the Swan Lake and Tyee Lake hydroelectric projects, to be owned for the benefit of all participating utilities by Ketchikan Public Utilities; and

- \$25,000,000 for a power transmission intertie of at least 138 kilovolts between Sutton and Glennallen, to be owned for the benefit of all participating utilities by Copper Valley Electric Association;

for a total aggregate principal amount of \$185,000,000 in revenue bond authorization for these specified projects.

Section 4. This Resolution constitutes a general inducement and financing authorization for the issuance of taxable and tax-exempt bonds for reimbursement of costs for projects previously approved and financed by the Board. The Board will approve each specific reimbursement and financing by subsequent action (including any TEFRA/public-approval steps if applicable under the Internal Revenue Code) after receiving programmatic and credit materials. The Authority hereby declares its intent to follow and to cause borrowers, which shall be named at a later date, to follow the Regulations with respect to reimbursements, and use the proceeds of bonds meant for reimbursement to reimburse certain expenditures with respect to such projects.

Prior to entering any financing agreement, and before adopting any project-specific bond authorization, the Board (or the Authority, as applicable) shall make the findings required by AS 44.88.095, including with respect to economic advantage, applicant responsibility, public facilities, and employment, and obtain any required local consents or approvals, and shall observe any applicable bonding limitations (AS 44.88.095). The Authority will prepare a finance plan and obtain all necessary approvals and findings as required by AS 44.88.173 and other applicable statutes at the time each reimbursement is identified and each bond issuance is authorized.

Section 5. The Bonds shall be special, limited obligations payable solely from pledged revenues or other pledged assets, which may include payments under loan, lease, or other financing agreements, reserve funds, and, if applicable, amounts in the SETS or AIDF funds, as permitted by law. The Bonds shall not be a debt or liability of the State or any political subdivision other than the Authority (AS 44.88.120).

The Authority may enter trust indentures or trust agreements and make pledges of money and property that are valid and binding from the time made, with a lien not requiring filing under the UCC (AS 44.88.100; AS 44.88.110).

Section 6. The Authority may include covenants necessary to maintain the exclusion from gross income for interest on any tax-exempt Bonds under federal law and shall rely on AS 44.88.140 for Authority bond and property tax exemptions, subject to stated exceptions and any PILOT arrangements. The execution and delivery of final documents by an Authorized Officer shall constitute conclusive evidence of the Authority's approval of any changes therein consistent with this Resolution and applicable law (Authority to adopt regulations and enter contracts: AS 44.88.080(4), (11); trust arrangements and pledges: AS 44.88.100).

Section 7. Each series shall be issued and sold upon terms (interest rates, price/yield, maturities, redemption, denomination, offering method, and closing conditions) established by an

Authorized Officer consistent with AS 44.88.090. The Authority may obtain bond insurance, letters of credit, standby purchase agreements, or liquidity facilities if an Authorized Officer determines such arrangements are in the Authority's best interests. The Authority may enter interest-rate swaps or hedges solely to manage interest-rate risk and in compliance with applicable law and program guidelines.

The Executive Director, Chief Investment Officer, Chief Financial Officer, or any designee thereof (each, an Authorized Officer) is authorized and directed to (i) finalize, execute, and deliver all documents; (ii) determine final terms within the parameters of this Resolution; (iii) take all actions necessary or desirable to effectuate the sale and issuance of the Bonds; and (iv) prepare, execute, and deliver any certificates or tax, federal securities, or continuing disclosure documents customarily required in municipal bond transactions.


Section 8. Amounts held in funds/accounts for any series may be invested in accordance with AS 37.10.071, as incorporated by AS 44.88.060 (Revolving Fund) and, if applicable, by AS 44.88.660 (SETS) and AS 44.88.810 (AIDF).

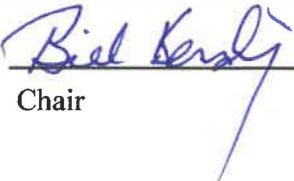
Section 9. The Board reaffirms that the Bonds are legal investments pursuant to AS 44.88.150, are not debts of the State under AS 44.88.120, and benefit from the pledge of the State in AS 44.88.130.

Section 10. The Executive Director or their designee may execute such certificates, agreements, and other documents as may be necessary, useful, or convenient to carry out the intent and purposes of this Resolution and to comply with applicable statutes and regulations (including 3 AAC 99, and as applicable, 3 AAC 101 or 3 AAC 103).

DATED at Anchorage, Alaska, this 10th day of December, 2025.



Attest

Secretary


Chair



MEMORANDUM

To: Board Members
Alaska Industrial Development and Export Authority

From: Randy Ruaro
Executive Director

Date: December 10, 2025

Subject: Resolution No. G25-13 Authorizing the issuance of taxable or tax-exempt bonds to reimburse prior project costs, under AIDEA's general statutes or specific programs.

Purpose and Intent

Resolution No. G25-13 establishes a conceptual framework that enables AIDEA staff to evaluate and propose the potential issuance of taxable and tax-exempt revenue bonds for a variety of future scenarios. Importantly, this resolution does not grant staff immediate authority to issue bonds for any specific project. Rather, it sets forth a process whereby staff may identify potential projects suitable for bonding or debt issuance and must return to the Board at a later date to seek approval through a separate and independent resolution for each identified project. In this way, the Board retains full authority over whether bonds are issued for individual projects, ensuring that all debt issuances are subject to thorough review and approval in accordance with AIDEA's mission and applicable laws.

AIDEA staff is proposing Resolution No. G25-13 to create a flexible framework for considering the issuance and sale of taxable and tax-exempt revenue bonds. The primary intent is to establish a process for reimbursing costs for one or more projects previously financed and approved by the Board, as well as to support future bond issuances that advance AIDEA's mission of economic development in Alaska. However, this resolution does not itself authorize the issuance of any bonds at this time. Instead, it outlines the steps staff must follow to explore and identify projects that may be suitable for bond financing, with the understanding that any actual bond issuance must be presented to the Board for separate approval through an independent resolution specific to each project.

In summary, Resolution G25-13 provides a responsible and flexible framework for AIDEA to consider financing important projects, but does not confer present authority to issue bonds for any project. All future bond issuances will require the Board's explicit approval through a distinct resolution, ensuring continued oversight and compliance with all applicable laws and AIDEA's mission.

In addition, staff will return to the Board at a later date with an identified project or projects suitable for bonding or debt issuance pursuant to this resolution and will seek Board approval under a new resolution to authorize the issuance of debt.

Background

AIDEA is empowered by Alaska Statutes (AS 44.88) to promote economic growth, create jobs, and support industrial, manufacturing, energy, and infrastructure projects across the state. The Authority can issue revenue bonds to finance or refinance eligible projects, provided such actions are approved by the Board and, where required, by the Alaska Legislature.

Key Provisions of the Resolution

- **Bond Authorization:** The resolution authorizes AIDEA to issue and sell revenue bonds (taxable or tax-exempt) in one or more series, up to \$25 million under its general powers, to reimburse costs of previously approved and financed projects. Bonds may also be issued under specific legislative authority for designated power transmission projects, with a total aggregate principal amount of up to \$185 million for those projects
- **Eligible Programs:** Bonds may be issued under AIDEA's general statutes or, as applicable, through the Sustainable Energy Transmission and Supply (SETS) Program or the Arctic Infrastructure Development Fund (AIDF) Program. These programs allow for targeted financing of energy and Arctic infrastructure projects.
- **Security and Repayment:** The bonds are special, limited obligations of AIDEA, payable solely from pledged revenues or other pledged assets (such as payments under loan or lease agreements, reserve funds, or program funds). They are not debts of the State of Alaska or its political subdivisions.
- **Oversight and Compliance:** Each bond issuance will require subsequent Board approval, including necessary findings and compliance with statutory requirements. The resolution delegates authority to designated officers to finalize terms, execute documents, and take actions necessary to complete bond sales.
- **Public Interest:** The resolution affirms that these actions are in the public interest, supporting AIDEA's statutory mission to foster economic prosperity, relieve unemployment, and facilitate the development of critical infrastructure.

Summary

Resolution No. G25-13 provides AIDEA with a flexible, transparent framework to issue bonds that reimburse costs for previously approved projects and support future economic development initiatives. It ensures compliance with all applicable laws and regulations, maintains strong oversight, and reinforces AIDEA's commitment to responsible public finance.

Recommendation

AIDEA staff recommends that the Authority approve Resolution G25-13.