



PRESS RELEASE

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AIDEA Supports Economic Development Revitalization with Major Hotel Loan

January 25, 2024 (Anchorage, Alaska) – The Alaska Industrial Development and Export Authority (AIDEA) is proud to announce its involvement in revitalizing downtown Anchorage with a loan to the Alaska Hotel Group. AIDEA has committed to loan \$25 million for the renovation of an older property and converting it to a nationally branded hotel. This project loan will generate significant economic and employment opportunities in construction and operations, creating 147 temporary construction jobs and over 150 permanent jobs.

Governor Mike Dunleavy expressed his support stating, “Any and all economic opportunities Alaska should take advantage of. While this opportunity may not be large like oil and gas plays, it does create economic opportunity, put people to work, and impact the economy in a positive way.”

Mark Begich, one of the investors involved in the project, said, “The transformation of this property into a high-end boutique hotel marks a pivotal moment for downtown Anchorage development. This hotel will offer a unique experience unlike anything else offered in Anchorage and create a ripple effect of economic benefits across the region.”

Randy Ruaro, AIDEA Executive Director, added, “The Alaska Hotel Group's project aligns with AIDEA's mission to promote economic growth and jobs. We are excited to see positive impacts from this project will have on the community and the state.” This investment through the AIDEA Loan Participation Program signifies AIDEA's commitment to fostering economic development and job creation in Alaska. [Click here](#) to watch a video from a recent tour of the property.

AIDEA's Loan Participation Program offers a unique financing solution for Alaska business enterprises. It allows AIDEA to purchase up to 90% of a loan (maximum \$25 million) from a financial institution and provide long-term, fixed, or variable-rate financing. The program benefits businesses by offering extended loan terms and reduced debt service, while also providing a secondary market for financial institutions. In 2023, AIDEA's Loan Participation Program financed \$23.6 million in loans and has a portfolio of \$387.5 million in outstanding loans for 247 Alaskan businesses all over the State, with a 0% default rate.

For more detailed information, please visit the program webpage at www.aidea.org/Programs/Loan-Participation.



Construction workers in action - Photo credit AIDEA Communications



Construction workers in action - Photo credit AIDEA Communications



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AIDEA supports initiatives that create jobs and responsible economic development in Alaska. For information about AIDEA or any of AIDEA's projects, please visit www.aidea.org or contact AIDEA at communications@aidea.org.

About AIDEA:

The Alaska Industrial Development and Export Authority is a public corporation of the State of Alaska. AIDEA's purpose is to promote, develop, and advance the general prosperity and economic welfare of the people of Alaska.

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