

ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY

RESOLUTION NO. G26-08

RESOLUTION OF THE ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY RELATING TO THE RECONSTITUTION, ANNUAL REFRESH, AND USE OF FUNDS FOR THE PURPOSE OF INITIAL PLANNING, DUE DILIGENCE, PRE-FEASIBILITY REVIEW, ANALYSIS, AND RELATED ACTIVITIES WITH RESPECT TO POTENTIAL AIDEA PROJECTS, DEVELOPMENT FINANCE OPPORTUNITIES, INFRASTRUCTURE, INDUSTRIAL, COMMERCIAL, ENERGY, NATURAL RESOURCE, TECHNOLOGY, TRANSPORTATION, LOGISTICS, MANUFACTURING, SITE DEVELOPMENT, AND OTHER ECONOMIC DEVELOPMENT PROJECTS CONSISTENT WITH AIDEA'S MISSION

WHEREAS, the Alaska Industrial Development and Export Authority ("AIDEA" or "Authority") has the ability under AS 44.88.080 to own and operate development projects by itself or in conjunction with the private sector that provide facilities needed to bring natural resources and goods to market, or a plant or facility for use in connection with a business enterprise;

WHEREAS, AIDEA under AS 44.88.670 is authorized to develop and finance the construction, improvement, rehabilitation, and expansion of qualified energy projects;

WHEREAS, under AS 44.88.820 and AS 44.88.830 AIDEA has the ability to finance Arctic infrastructure development;

WHEREAS, AIDEA's statutory purposes include supporting industrial development, alleviating unemployment, developing natural resources, supporting qualified energy projects, and otherwise facilitating the development and diversification of the State's economy;

WHEREAS, the Board of Directors adopted Resolution No. G23-08 in 2023, which authorized the use of up to \$4,500,000 in assets of the Economic Development Account, the

Sustainable Energy and Transmission Fund, and the Arctic Infrastructure Development Fund for initial planning, analysis, pre-feasibility review, and related work associated with potential AIDEA projects and development finance opportunities;

WHEREAS, AIDEA's project pipeline and economic development opportunities now include, and may in the future include, a broader range of potential projects and activities than energy and natural resource development alone, including infrastructure, industrial, commercial, transportation, logistics, port, rail, road, utility, manufacturing, processing, telecommunications, technology, data center, innovation, housing-supporting infrastructure, site development, tourism-supporting infrastructure, and other projects or activities that may advance AIDEA's mission of promoting economic growth, job creation, private investment, and diversification of Alaska's economy;

WHEREAS, current market conditions, including changing interest rates, capital market volatility, supply chain realignment, energy transition, technology infrastructure demand, national security and critical mineral needs, and increased competition among jurisdictions for private investment, create both opportunities and risks for Alaska economic development projects;

WHEREAS, potential development projects often require substantial preliminary analysis before the Authority can determine whether to finance, own, operate, participate in, or otherwise support a project, and such analysis may include financial, legal, technical, engineering, environmental, permitting, market, commercial, operational, site, title, valuation, governance, risk, and other due diligence activities;

WHEREAS, many potential projects have long lead times and may require initial planning, due diligence, feasibility assessment, financial modeling, concept development, engineering review, environmental and permitting assessment, market validation, stakeholder

coordination, and other pre-development work before the Authority can determine whether a project should proceed to a formal development finance process, reimbursement agreement, investment approval, or other transaction structure;

WHEREAS, the Authority's ability to move quickly and responsibly in evaluating potential projects is enhanced by maintaining a dedicated due diligence funding capacity that allows staff to retain consultants, financial advisors, attorneys, engineers, technical experts, and other appropriate professionals as needed;

WHEREAS, due diligence expenditures made before a final project determination may or may not be reimbursed by a project sponsor, private partner, borrower, developer, or other third party;

WHEREAS, the Board finds that maintaining a standing due diligence fund at a target balance of \$4,500,000 will support disciplined project evaluation, improve the Authority's ability to assess opportunities across sectors, and strengthen the Authority's capacity to fulfill its mission of promoting economic growth and diversification in Alaska;

WHEREAS, the Board further finds that the fund should be reconstituted to a balance of \$4,500,000 and refreshed at the beginning of each fiscal year to maintain the Authority's ongoing capacity to evaluate potential projects, unless otherwise modified by subsequent Board action.

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

Section 1. The Authority is authorized to reconstitute and maintain a due diligence fund in an amount of up to \$4,500,000 for the purpose of undertaking initial planning, due diligence, pre-feasibility review, feasibility assessment, financial analysis, legal review, technical review, engineering review, environmental and permitting assessment, market analysis, commercial

analysis, risk assessment, valuation, site analysis, concept planning, transaction structuring, and related activities with respect to potential AIDEA projects and economic development opportunities.

Section 2. The Authority is authorized to engage consultants, financial advisors, attorneys, engineers, technical experts, market analysts, environmental and permitting professionals, appraisers, economists, and other appropriate professionals ("Professionals") to evaluate potential projects and opportunities that are recommended by staff and selected by the Executive Director for further review. Such Professionals may assist the Authority in assessing appropriate methods for financing, ownership, operation, participation, partnership, investment, or other support by the Authority.

Section 3. The Authority is authorized, when appropriate, to enter into pre-development agreements, cost-sharing agreements, reimbursement agreements, confidentiality agreements, access agreements, memoranda of understanding, or other preliminary arrangements with private sector companies, public entities, tribal entities, nonprofit entities, project sponsors, developers, borrowers, investors, or other parties in connection with potential projects or economic development opportunities.

Section 4. The due diligence fund may be used for potential projects and activities that support or may support AIDEA's mission, including but not limited to infrastructure, industrial development, commercial development, natural resource development, energy projects, Arctic infrastructure, transportation systems, roads, rail, ports, airports, logistics facilities, utilities, telecommunications, broadband, technology infrastructure, data centers, manufacturing facilities, processing facilities, tourism-supporting infrastructure, housing-supporting infrastructure, land and project site development, project finance opportunities, public-private partnerships, and other

activities that may promote economic growth, employment, investment, and diversification in Alaska.

Section 5. The Authority may utilize up to \$4,500,000 in assets of the Revolving Fund, the Sustainable Energy and Transmission Fund, the Arctic Infrastructure Development Fund, or other legally available Authority funds, as determined by the Executive Director in consultation with the Authority's Chief Financial Officer and legal counsel, to reconstitute and maintain the due diligence fund authorized by this Resolution.

Section 6. At the beginning of each fiscal year, unless otherwise directed by the Board, the Executive Director is authorized to refresh and reconstitute the due diligence fund to a target balance of \$4,500,000 from the funding sources identified in Section 5, subject to the availability of legally permissible funds and applicable accounting, budgeting, and financial controls of the Authority.

Section 7. Expenditures from the due diligence fund may be made for activities undertaken before the Authority determines whether a potential project will proceed to formal development finance consideration, Board approval, reimbursement agreement, investment, ownership, operation, financing, or other transaction structure. The Authority may seek reimbursement of such expenditures from project sponsors, developers, borrowers, private partners, or other parties when appropriate, but reimbursement shall not be required as a condition of expenditure under this Resolution.

Section 8. The Executive Director and senior management of the Authority will report to the Board on the progress of matters supported by the due diligence fund and expenditures made from the fund on at least a quarterly basis, providing both a written status report and a financial report of expenditures. Such reporting may be provided in executive session when appropriate to

protect confidential, proprietary, commercially sensitive, legally privileged, or procurement-sensitive information.

Section 9. Resolution No. G23-08 is superseded to the extent inconsistent with this Resolution, and all prior actions taken under Resolution No. G23-08 remain authorized, ratified, and confirmed.

DATED at Anchorage, Alaska, this 8th day of July, 2026.

ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY

Chair

SEAL

ATTEST:

Secretary



MEMORANDUM

TO: Board of Directors
Alaska Industrial Development and Export Authority

FROM: Randy Ruaro
Executive Director

DATE: July 8, 2026

SUBJECT: Resolution No. G26-08, relating to the reconstitution, annual refresh, and use of a \$4.5 million due diligence fund for initial planning, due diligence, pre-feasibility review, analysis, and related activities for potential AIDEA projects and economic development opportunities

Resolution Background

In 2023, the Board approved Resolution No. G23-08, which authorized up to \$4.5 million for initial planning and analysis related to potential AIDEA development projects. That authorization allowed the Authority to conduct early-stage project analysis, retain appropriate professional advisors, and evaluate opportunities before a project was mature enough for formal development finance consideration, a reimbursement agreement, or final Board action.

Resolution No. G26-08 updates that authorization in two important respects. First, it reconstitutes the due diligence fund to a target balance of \$4.5 million. Second, it authorizes the fund to be refreshed at the beginning of each fiscal year back to the \$4.5 million target balance, unless otherwise directed by the Board and subject to the availability of legally permissible funds and applicable Authority financial controls.

The purpose of the fund is to preserve AIDEA's ability to evaluate potential projects in a timely, disciplined, and commercially responsible manner. Early-stage project review often requires outside expertise, including financial, legal, engineering, technical, market, environmental, permitting, commercial, valuation, and risk analysis. These activities frequently must occur before AIDEA can determine whether a project should proceed to a formal financing, ownership, operating, partnership, reimbursement, or investment structure.

Expanded Scope of Project Evaluation

Resolution No. G23-08 focused primarily on energy, natural resource, transportation, industrial access, port, and related infrastructure opportunities. Those areas remain important to AIDEA's mission and continue to be within the scope of the proposed resolution. However, AIDEA's current and future project pipeline may include a broader range of economic development opportunities that support job creation, investment, and diversification of Alaska's economy.

Resolution No. G26-08 therefore broadens the scope of authorized due diligence activities to include potential projects and activities across multiple sectors, including infrastructure, industrial development, commercial development, energy, natural resources, Arctic infrastructure, transportation, logistics, ports, roads, rail, utilities, telecommunications, broadband, technology infrastructure, data centers, manufacturing, processing, tourism-supporting infrastructure, housing-supporting infrastructure, land and project site development, public-private partnerships, project finance opportunities, and other activities that may advance AIDEA's statutory mission.

This broader scope is intended to provide flexibility while preserving accountability. The resolution does not approve any individual project. Rather, it authorizes management to perform the preliminary work necessary to determine whether a project or opportunity merits further consideration by the Authority.

Need for a Standing Due Diligence Capacity

Potential development projects often have long lead times and require substantial preliminary work before the Authority can determine whether they are feasible, financeable, and consistent with AIDEA's mission. In some cases, AIDEA may need to conduct initial analysis before a project sponsor is prepared to enter into a reimbursement agreement or before the project has advanced to a stage where costs can be allocated to a specific transaction.

The due diligence fund allows AIDEA to move efficiently when opportunities arise, while still maintaining Board oversight through quarterly reporting. Uses of the fund may include feasibility reviews, financial modeling, legal analysis, environmental and permitting review, engineering and technical review, market studies, valuation work, site analysis, risk assessment, commercial structuring, transaction analysis, and other activities needed to evaluate whether an opportunity should proceed.

Some costs incurred through the fund may later be reimbursed by project sponsors, developers, borrowers, private partners, or other parties. However, reimbursement may not always be available or appropriate, particularly during early-stage review. Maintaining a dedicated fund recognizes that not every due diligence effort will result in a completed project, but that disciplined evaluation is necessary to identify viable opportunities and avoid committing Authority resources to projects that do not meet AIDEA's standards.

Annual Refresh Mechanism

Resolution No. G26-08 authorizes the Executive Director to refresh and reconstitute the due diligence fund to a target balance of \$4.5 million at the beginning of each fiscal year, unless otherwise directed by the Board. This annual refresh mechanism is intended to ensure that AIDEA begins each fiscal year with sufficient capacity to evaluate potential projects and respond to emerging economic development opportunities.

The refresh would be made from assets of the Revolving Fund, the Sustainable Energy and Transmission Fund, the Arctic Infrastructure Development Fund, or other legally available Authority funds, as determined by the Executive Director in consultation with the Chief Financial Officer and legal counsel. The mechanism remains subject to the availability of legally permissible funds and applicable accounting, budgeting, and financial controls.

Oversight and Reporting

Resolution No. G26-08 maintains Board oversight by requiring the Executive Director and senior management to report to the Board at least quarterly regarding matters supported by the due diligence fund and expenditures made from the fund. Reports will include both a written status report and a financial report of expenditures. When appropriate, certain information may be provided in executive session to protect confidential, proprietary, commercially sensitive, legally privileged, or procurement-sensitive information.

This reporting structure is intended to balance the need for flexibility and timely project review with the Board's responsibility to oversee the use of Authority resources.

Impact of the Resolution

Approval of Resolution No. G26-08 would strengthen AIDEA's ability to evaluate projects across the full range of economic activity relevant to Alaska's development needs. It would provide management with a durable due diligence tool that can support early-stage review, project screening, financial analysis, and transaction development before a project is ready for formal Board consideration.

The resolution would also signal to private sector partners, public entities, and other stakeholders that AIDEA is prepared to evaluate potential opportunities in a commercially responsible manner. By maintaining a standing due diligence capacity, the Authority can better identify projects that merit further investment of time and resources, structure potential partnerships, assess risk, and support economic growth and diversification in Alaska.

Recommendation

Staff recommends approval of Resolution No. G26-08.