

STATE OF ALASKA
STATE BOND COMMITTEE

TO BE HELD AT
Department of Revenue
Commissioner's Conference Room
333 Willoughby Avenue, 11th Floor
Juneau, Alaska 99801

October 11, 2016

11:00 AM ADT



STATE BOND COMMITTEE AGENDA FOR BOARD OF DIRECTOR'S MEETING

**Alaska Department of Revenue
Commissioner's Conference Room
333 Willoughby Avenue
State Office Building, 11th Floor
Juneau, Alaska 99811**

October 11, 2016 11:00 A.M.

- I. Call to Order**
- II. Roll Call**
- III. Public Meeting Notice**
- IV. Approval of Agenda**
- V. Public Participation and Comment**
- VI. Minutes of the June 6, 2016 State Bond Committee Meeting**
- VII. Minutes of the July 26, 2016 State Bond Committee Meeting**
- VIII. New Business**
 - A. Resolution 2016-10 – 2016 Clean Water and Drinking Water Bond Anticipation Notes**
 - B. Resolution 2016-11 – Private Activity Cap Allocation for Calendar Year 2016**
- X. Committee Member Comments**
- XI. Adjournment**

NOTICE OF MEETING: ALASKA STATE BOND COMMITTEE

Notice of Meeting – Alaska State Bond Committee

Notice is hereby given that the State of Alaska State Bond Committee will hold a meeting at the Alaska Department of Revenue Commissioner’s Office, 333 Willoughby Avenue, 11th Floor, Juneau, Alaska 99811, on October 11, 2016 at 11:00 a.m.

- Resolution 2016-10 2016 Clean Water and Drinking Water Bond Anticipation Notes
- Resolution 2016-11 2016 Private Activity Cap Allocation

The public is invited to attend and will be given the opportunity for public comment and participation. The State Bond Committee complies with Title II of the Americans with Disabilities Act of 1990 and the Rehabilitation Act of 1973.

Dated October 3, 2016
Ryan Williams
(907) 465-2893

Attachments, History, Details

Attachments

[public notice 10-11-16 SBC meeting.pdf](#)

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**MINUTES of the
STATE BOND COMMITTEE
June 6, 2016**

A meeting of the State Bond Committee was held at 11:06 a.m. ASDT on June 6, 2016 at the Department of Revenue, Commissioner's Conference Room, Juneau, Alaska (333 Willoughby Avenue, State Office Building, 11th Floor, Juneau, Alaska 99811).

State Bond Committee Members present were:

John Boucher, Deputy Commissioner, Department of Administration

Jerry Burnett, Deputy Commissioner, Department of Revenue

Fred Parady, Deputy Commissioner, Department of Commerce, Community & Economic Development

Also present were:

Deven Mitchell, Debt Manager, Department of Revenue

Ryan Williams, Op. Research Analyst, Department of Revenue

Present telephonically were:

Susan Barry, Orrick, Herrington & Sutcliffe, LLP

Pete Nissen, Acacia Financial Group

Scott Beall, Acacia Financial Group

I. Call to Order

Mr. Parady called the meeting to order at 11:06 a.m. ASDT on June 6, 2016.

II. Roll Call

Mr. Mitchell took roll call. M r . P a r a d y , Mr. Burnett, and Mr. Boucher were present. All members present, there was a quorum.

III. Public Meeting Notice

A copy of the Affidavit of Publication concerning the date, location, and purpose of the meeting was reviewed and made a part of the minutes of the meeting. Mr. Mitchell stated the meeting notice was advertised in the State's Online Public Notice - The notice was officially published on May 31, 2016, for the June 6, 2016 meeting date.

IV. Approval of Agenda

The Agenda was reviewed by the board and no changes were necessary. The agenda was approved as submitted without objection.

V. Minutes of January 5, 2016 SBC Meeting

Mr. Burnett moved and Mr. Boucher seconded approval of the January 5, 2016 minutes as written. The motion was unanimously adopted with 3 yes votes.

VI. Public Comment

Mr. Parady asked for public participation and comment. There was none.

VII. New Business

Resolution No. 2016-06 – Issuance by the Matanuska-Susitna Borough of its State of Alaska Lease Revenue Refunding Bonds, Series 2016 (Goose Creek Correctional Center Project)

Mr. Mitchell stated that Resolution 2016-06 would authorize the State Debt Manager and other appropriate officials of the State of Alaska to approve and to execute and deliver an amendment to the State's lease of the Goose Creek Correction Center, to approve information relating to the State of Alaska to be included in a Preliminary Official Statement and in an Official Statement and to execute the necessary documents in connection with the sale and issuance by the Matanuska-Susitna Borough (the "Borough") of its State of Alaska Lease Revenue Refunding Bonds, Series 2016. Mr. Mitchell noted that in April 2015, the Borough refunded \$101,850,000 in aggregate principal amount of the 2008 Bonds slated to mature from September 1st, 2026 to 2032. The Borough has been advised that refunding the remaining portion not captured in the 2015 refunding yields a current present value savings up to the ten percent range. The refunding issue is expected to result in lease payments by the Department of Administration (DOA) that are lower than the lease payments under the Original Lease Purchase Agreement. The 2016 bonds, as the Borough has determined, shall be sold by negotiated sale to RBC Capital Markets, LLC. The Debt Manager or his designee is hereby authorized to approve, on behalf of the State Bond Committee, the designation of the Refunding Candidates to be refunded by the 2016 bonds and the sale and issuance of the 2016 Bonds by the Borough, provided that the aggregate principal amount of the 2016 Bonds does not exceed \$70,000,000 and the net present value of savings effected as a result of the issuance of the 2016 Bonds is at least equal to 5.0% of the principal amount of the refunded 2008 bonds. Mr. Mitchell stated that upcoming travel may inhibit his ability to attend the planned sale of these proposed bonds at the beginning of July 2016, and Ms. Barry, bond counsel for SBC, noted that the designated representative can be someone other than the Debt Manager of the State, and Mr. Burnett mentioned he would potentially step in to perform these responsibilities. Ms. Barry, bond counsel for the SBC, stated that the authority to the

Designated Representative for the 2016 Bonds would expire on or before December 31, 2016. Mr. Boucher questioned the read on comparable interest rates, and expressed concern over the current legislature that is still in extended session, recent downgrades, and where pricing the deal may not be feasible. Mr. Mitchell responded that the negative arbitrage component of the original refunding continued to roll off from the previous refunding, while market conditions have generally improved over the same time period. With recent number runs by underwriters concerning the refunding, the present value savings estimation is well above the 5.0% threshold, but this component would definitely be inspected as parties move towards pricing the second week of July. Mr. Burnett moved Resolution 2016-06 and Mr. Boucher seconded the motion. The State Bond Committee then approved Resolution 2016-06 unanimously with three yes votes.

Resolution 2016-07 – General Obligation Bonds, Series 2016B

Mr. Mitchell stated that Resolution 2016-07 would authorize the issuance and sale of general obligation bonds, Series 2016B, of the State of Alaska in an aggregate principal amount of not to exceed \$150,000,000, and authorizing the Designated Representative to approve the interest rates, maturity dates, redemption provisions and principal amounts for the bonds. Mr. Mitchell noted that the GO bond issue would provide funds, together with available funds in the 2012 State transportation project fund, to pay or to make grants to pay additional costs of the projects authorized by the State Transportation Bond Act. Mr. Mitchell mentioned that there is a plan in place draw down any remaining 2012 State transportation project funds before new funds from this issue are spent. It was also noted that it was originally contemplated to issue GO Bond anticipation notes after the issuance of the State's GO, Series 2016A, with the approval of resolution 2016-03 at the January 5, 2016 meeting, but due to cash flows of the State Transportation projects becoming generally mature, and the summer construction season upon us with recent spending out of the project fund, the consideration to fix out this issue instead of issuing short term debt may be beneficial. US Bank shall be the selected Bond Registrar. The bonds shall be sold by competitive sale to the underwriter pursuant to the terms of the official notice of sale and approved bid, so long as last maturity date is not later than 20 years after the date of the Bond are issued, true interest cost of the bonds does not exceed five percent, and the total debt service payment for fiscal year 2017 does not exceed \$9,200,000. Mr. Boucher moved Resolution 2016-07 and Mr. Burnett seconded the motion. The State Bond Committee then approved Resolution 2016-07 unanimously with three yes votes.

Resolution 2016-08 – Alaska Housing Finance Corporation (AHFC) Collateralized Bonds, Series 2016 (Veterans Mortgage Program, Guaranteed by the State of Alaska)

Mr. Mitchell stated that Resolution 2016-08 would authorize the issuance and sale by AHFC of no to exceed \$60,000,000 in aggregate principal amount of AHFC collateralized Bonds, Series 2016 Veterans Mortgage Program, to be guaranteed by the State of Alaska, approving the sale of such Bonds, and authorizing the State Debt Manager and other appropriate officials of the State of Alaska to approve information relating to the State of Alaska to be included in a Preliminary Official Statement and in an Official Statement. Mr. Mitchell also stated that the resolution would authorize the State Debt Manager and other

appropriate officials of the State of Alaska to approve the amount, terms and timing of the sale of such Bonds and to execute the necessary documents in connection therewith. Ms. Barry noted that these collateralized veterans mortgage program bonds haven't been issued since 2008. The 2002 Act (Ch.34, SLA 2002) authorized the unconditional guaranty by the State of Alaska of the principal and the interest on not more than \$500,000,000 of revenue bonds of AHFC to provide money for the purchase by the Corporation of mortgages made for qualifying veterans, approved by a majority of qualified voters voting at a general election held on November 5, 2002. The Corporation issued in two subseries \$190,000,000 aggregate principal amount of its Collateralized Bonds, 2006 First Series, of which \$33,900,000 were outstanding as of April 30, 2016. On June 1, 2016, the Corporation redeemed all of the outstanding 2006 First Series Bond with proceeds of commercial paper notes issued by the Corporation for such purpose. Ms. Barry noted the 2016 Bonds will be issued as Additional Bonds pursuant to, and will be secured on a parity with the outstanding bonds under the Corporation's Master Indenture, dated as of October 1, 1999, and as of June 2, 2016, there was approximately \$11,680,000 of bonds issued under the Master Indenture outstanding. Ms. Barry stated that acting as bond counsel for SBC, she would inspect the continuing disclosure undertaking for the State of Alaska, and align with the recent GO Bond documents. Mr. Burnett moved Resolution 2016-08 and Mr. Boucher seconded the motion. The State Bond Committee then approved Resolution 2016-08 unanimously with three yes votes.

Debt Manager's Report

The Debt Manager, Deven Mitchell, reported on the following items for the committee:

Rating Agency updates – On February 23, 2016 the Governor, Commissioner Hoffbeck, Deputy Commissioner Jerry Burnett, and myself met with all three rating agencies in New York City. The Governor presented his vision of the path forward for Alaska and his comprehensive fiscal plan. The meetings resulted in retention of the State's ratings for the 2016A general obligation bond issue. I have had at least four presentations or telephone calls with each of the rating agencies since that time. S&P was relatively clear in their latest write up that they will adjust the state's rating downward if some steps towards fiscal balance aren't made.

Knik Arm Crossing – The project's TIFIA loan application was denied in early 2016. I'm not sure where the project is at this point, but DOT, KAC staff continues to obtain approval for moving forward on the project. If it moves forward the State will issue up to \$300 million of subordinate toll pledge, state supported bonds. The anticipated debt service on these bonds to be paid from the general fund was up to \$20 million per year.

On January 13, 2016 the state sold via negotiated sale \$158 million of Alaska International Airport System revenue bonds comprised of a non-amt series and an amt series. The senior book running underwriter was Goldman Sachs & Co, co-senior underwriter was RBC Capital Markets, and co-managers were JP Morgan Securities LLC and Morgan Stanley & Co. LLC. Prior to the sale Goldman collected price views from the underwriting syndicate desks and Acacia prepared a summary of comparable sales that had been in the market. There was some lukewarm feedback from investors on Alaska,

concern about the credit, not interested in energy credits, and over weighted portfolios. Despite this, Goldman recommended going with an aggressive strategy and went out with a scale that was equal to or through the lowest price view of every desk throughout all maturities for the pre-marketing/retail day. On the day of pricing Goldman further reduced yields on the AMT side. Following an order several period strip orders for the non-AMT bonds from several accounts were secured and yields were reduced by 5 basis points. On the AMT side it was a little more sparse with a book of orders from a variety of bonds for around 85% of the bonds. Yields were maintained at the offering levels. On January 28, 2016 the state sold via negotiated sale an additional \$19,745,000 of AIAS revenue bonds on a forward delivery basis (the bonds won't close until July 6, 2016).

On February 25, 2016 the state competitively sold \$130,315,000 of general obligation bonds to refinance the 2015 general obligation bond anticipation notes. The State received eight bids for the 20 year bonds and the low bidder was Bank of America Merrill Lynch with a True Interest Cost of 3.024343%. The cover bid was Barclays Capital Inc. with a True Interest Cost less than one basis point higher at 3.030314%. The bonds were closed on March 17, 2016.

Pension Obligation Bonds – the POB team has discontinued meeting as the Legislature made it clear that they would not support a transaction at this time.

Anchorage Legislative Information Office – It was determined that the procurement undertaken to enter the lease for the Anchorage LIO was illegal. This determination has further removed the issue from the concern of the State Bond Committee as having any impact on the state's credit. At this point it appears that the Legislature will discontinue their use of the building and move to an alternate location in mid-town Anchorage.

VIII. Committee Member Comments

Mr. Parady, Mr. Burnett, and Mr. Boucher had no additional comments.

IX. Schedule Next Meeting

Mr. Mitchell mentioned that another meeting would be at the call of the Chair. At this point there is no prospective date, but would stay in contact with the committee.

X. Adjournment

The meeting was adjourned at 12:01 PM ASDT.

Fred Parady, Deputy Commissioner, Department
Of Commerce, Community and Economic Development – Chair

ATTEST:

Jerry Burnett, Deputy Commissioner, Department of Revenue –
Secretary

**MINUTES of the
STATE BOND COMMITTEE
July 26, 2016**

A meeting of the State Bond Committee was held at 9:09 a.m. ASDT on July 26, 2016 at the Department of Revenue, Commissioner's Conference Room, Juneau, Alaska (333 Willoughby Avenue, State Office Building, 11th Floor, Juneau, Alaska 99811), and telephonically.

State Bond Committee Members present were:

John Boucher, Deputy Commissioner, Department of Administration

Jerry Burnett, Deputy Commissioner, Department of Revenue

Also present were:

Deven Mitchell, Debt Manager, Department of Revenue

Ryan Williams, Op. Research Analyst, Department of Revenue

Present telephonically were:

Susan Barry, Orrick, Herrington & Sutcliffe, LLP

Angela Trout, Orrick, Herrington & Sutcliffe, LLP

Michael Strand, CFO/Finance Director, Alaska Housing Finance Corporation

I. Call to Order

Mr. Burnett called the meeting to order, acting as Chair, at 9:09 a.m. ASDT on July 26, 2016.

II. Roll Call

Mr. Mitchell took roll call. Mr. Burnett, and Mr. Boucher were present, and there was a quorum. Mr. Parady was unable to attend the meeting.

III. Public Meeting Notice

A copy of the Affidavit of Publication concerning the date, location, and purpose of the meeting was reviewed and made a part of the minutes of the meeting. Mr. Williams stated the meeting notice was advertised in the State's Online Public Notice - The notice was officially published on July 21, 2016, for the July 26, 2016 meeting date.

IV. Approval of Agenda

The Agenda was reviewed by the board and no changes were necessary. Mr. Boucher moved approval of the agenda as written, and Mr. Burnett seconded. The agenda was approved.

V. Public Comment

Mr. Burnett asked for public participation and comment. There was none.

VI. New Business

Resolution 2016-09 – Alaska Housing Finance Corporation (AHFC) Collateralized Bonds, 2016 First Series and 2016 Second Series (Veterans Mortgage Program, Guaranteed by the State of Alaska) to make and/or purchase new mortgage loans

Mr. Mitchell noted that Resolution 2016-09, for consideration in front of the committee, expands and replaces previous Resolution 2016-08 to include a new money series to AHFC's Veterans Mortgage Program transaction. After the June 6 meeting of the SBC that authorized resolution 2016-08, representatives in DOR – Debt Management received an updated memo a day later, on June 7th, delineating two series of AHFC collateralized bonds, with the second series of new money providing funds to make or purchase mortgage loans. Mr. Williams noted the 2016 Bonds are anticipated to close in one day, on July 27th, and asked Ms. Barry, SBC's bond counsel to make any additional comments on Resolution 2016-09. Ms. Barry discussed the addition of an aggregate principal amount of \$50,000,000 AHFC collateralized bonds as a second series for new money purposes, while ratifying the previously authorized Resolution 2016-08, containing an aggregate principal amount of \$60,000,000 for the purpose of refunding commercial paper notes. Mr. Boucher moved Resolution 2016-09 to replace previously authorized Resolution 2016-08, and Mr. Burnett seconded that motion. Mr. Mitchell called roll, and Resolution 2016-09 was approved unanimously with two yes votes.

VII. Committee Member Comments

Mr. Burnett, and Mr. Boucher had no additional comments.

VIII. Adjournment

The meeting was adjourned at 9:14 PM ASDT.

Jerry Burnett, Deputy Commissioner, Department
Of Revenue – Acting Chair

ATTEST:

John Boucher, Deputy Commissioner, Department of
Administration – Acting Secretary

STATE BOND COMMITTEE
OF THE STATE OF ALASKA

RESOLUTION NO. 2016-10

Providing for the Issuance of

Alaska Clean Water Fund Revenue Bond Anticipation Note, 2016 Series C
and of
Alaska Drinking Water Fund Revenue Bond Anticipation Note, 2016 Series D

Approved on October 11, 2016

Prepared by:

ORRICK, HERRINGTON & SUTCLIFFE LLP

TABLE OF CONTENTS*

	<u>Page</u>
Section 1. Defined Terms	2
Section 2. Authorization of Series of Clean Water Bonds.....	5
Section 3. Authorization of Series of Drinking Water Bonds	5
Section 4. Authorization of Notes.....	5
Section 5. Designated Representative.....	6
Section 6. Sale of Notes	7
Section 7. Form of Notes	7
Section 8. Execution and Delivery of Notes	12
Section 9. Disbursement of Note Proceeds.....	12
Section 10. Repayment of Notes.....	12
Section 11. Further Documents and Certificates	13
Section 12. Limitations on Liability	14

* This Table of Contents is not a part of the following resolution.

STATE BOND COMMITTEE

RESOLUTION NO. 2016-10

A Resolution of the State Bond Committee of the State of Alaska relating to the issuance and sale of two series of notes to be designated as Alaska Clean Water Fund Revenue Bond Anticipation Note, 2016 Series C in the aggregate principal amount of up to \$1,666,600 and Alaska Drinking Water Fund Revenue Bond Anticipation Note, 2016 Series D in the aggregate principal amount of up to \$1,757,400; fixing the place of payment and other covenants with respect to said notes; and authorizing the Debt Manager to solicit proposals from banks for the purchase of the notes, to approve the final interest costs and maturity dates for the notes and to execute a purchase contract, under the terms and conditions set forth herein.

WHEREAS, the Federal Water Quality Act of 1987 (the “Clean Water Act”) established a state revolving fund program in order to replace the United States Environmental Protection Agency (“EPA”) construction grants program with revolving loan programs operated by the individual states; and

WHEREAS, the Safe Drinking Water Act Amendments of 1996, amending the Safe Drinking Water Act (the “Drinking Water Act”) also established a state revolving fund program in order to permit states to establish revolving fund loan programs; and

WHEREAS, in order to capitalize state revolving funds, the EPA may make annual capitalization grants to the states, on the condition that each state provide a state match for such state’s revolving funds; and

WHEREAS, Chapter 141 of the Session Laws of Alaska of 1996, as amended in 2000 by the Alaska Legislature in House Bill 304(FIN) and as codified at AS 37.15.560-.605 and AS 46.03.032-.039 (the “Act”), authorized the issuance and sale of Alaska Clean Water Fund revenue bonds of the State of Alaska (the “State”) in the principal amount of up to \$15,000,000 per Fiscal Year or up to \$150,000,000 total to provide financial assistance to municipalities and other qualified entities through the Alaska Clean Water Fund Loan Program (the “Authorized Clean Water Bonds”); and

WHEREAS, the Act authorized the issuance and sale of Alaska Drinking Water Fund revenue bonds of the State in the principal amount of up to \$15,000,000 per Fiscal Year or up to \$150,000,000 total to provide financial assistance to municipalities and other qualified entities through the Alaska Drinking Water Fund Loan Program (the “Authorized Drinking Water Bonds”); and

WHEREAS, AS 37.15.300-.390 authorizes the State Bond Committee (the “Committee”), when the Committee considers it in the best interests of the State, to borrow money in anticipation of the sale of revenue bonds if money to be derived from the sale of the bonds has been appropriated and if the revenue bonds have been authorized by law; and

WHEREAS, the Committee wishes to delegate authority to the Debt Manager of the State to solicit proposals from banks for the purchase of the notes authorized herein, approve the interest costs and maturity dates for the Notes within the parameters described in this resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BOND COMMITTEE OF THE STATE OF ALASKA, as follows:

Section 1. Defined Terms. In this resolution, the following terms shall have the following meanings.

Act means Chapter 141 of the Session Laws of Alaska of 1996, as amended by House Bill No. 304 (FIN), codified at AS 37.15.560-.605 and AS 46.03.032-.039.

Alaska Clean Water Fund or ***Clean Water Fund*** means the fund established pursuant to AS 46.03.032(a).

Alaska Drinking Water Fund or ***Drinking Water Fund*** means the fund of that name established pursuant to AS 46.03.036.

Bank means the bank selected and identified by the Designated Representative in accordance with the authority granted to him pursuant to Section 5 hereof.

Bond Fund – Clean Water means the Alaska Clean Water Fund Revenue Bond Redemption Fund, established pursuant to AS 37.15.565.

Bond Fund – Drinking Water means the Alaska Drinking Water Fund Revenue Bond Redemption Fund, established pursuant to AS 37.15.565.

Bonds mean Clean Water Bonds or the Drinking Water Bonds.

Clean Water Act means the Federal Clean Water Act, as amended by the Federal Water Quality Act of 1987, 33 U.S.C. 1251-1387.

Clean Water Bonds means the bonds payable from Clean Water Revenues which include interest on loan repayments and investment interest and issued under authority of AS 37.15.560-.605 pursuant to authorization of the Committee.

Clean Water Maturity Date means the date of maturity of the Clean Water Note, which date of maturity shall be specified in the Purchase Contract and shall be no later than December 31, 2016.

Clean Water Note, as further defined in Section 4(a), means the Alaska Clean Water Fund Revenue Bond Anticipation Note, 2016 Series C in the aggregate principal amount of up to \$1,666,600.

Clean Water Project means any one of the following categories of projects:

- (a) planning, designing, building, constructing and rehabilitating a public

wastewater collection, treatment or discharge system;

(b) implementing a management program for controlling water pollution from nonpoint sources under 33 U.S.C. 1329, including planning, designing, building, constructing and rehabilitating a solid waste management system; and

(c) developing and implementing an estuary conservation and management program under 33 U.S.C. 1330.

Clean Water Rate means the per annum interest rate payable on the Clean Water Note, which interest rate shall be specified in the Purchase Contract.

Clean Water Revenues means the money on hand in the Clean Water Fund, including money appropriated by the State Legislature to meet federal matching requirements, federal capitalization grants, loan repayments, interest received from loan repayments and interest received from investment of money in the Clean Water Fund and the proceeds and accrued interest received from the sale of Clean Water Bonds issued under AS 37.15.560-.605 and secured by the Clean Water Fund.

Committee means the state bond committee, created pursuant to AS 37.15.110, whose members include the commissioner of commerce, community and economic development, the commissioner of administration and the commissioner of revenue.

DEC means the State of Alaska Department of Environmental Conservation, or a successor.

DEC Representative means the Commissioner of DEC or such other official of DEC as shall be designated by the Commissioner in writing to the Designated Representative.

Designated Representative means the Debt Manager of DOR or such other person as may be designated from time to time by resolution of the Committee.

DOR means the State of Alaska Department of Revenue, or a successor.

Drinking Water Act means the Federal Safe Drinking Water Act, as amended by the Safe Drinking Water Act Amendments of 1996, 42 U.S.C. 300j *et. seq.*

Drinking Water Bonds means the bonds payable from Drinking Water Revenues which include interest on loan repayments and investment interest and issued under authority of AS 37.15.560-.605 pursuant to authorization of the Committee.

Drinking Water Fund means the separate fund established by AS 46.03.036(a).

Drinking Water Maturity Date means the date of maturity of the Drinking Water Note, which date of maturity shall be specified in the Purchase Contract and shall be no later than December 31, 2016.

Drinking Water Note, as further defined in Section 4(b), means the Alaska Drinking

Water Fund Revenue Bond Anticipation Note, 2016 Series D in the aggregate principal amount of up to \$1,757,400.

Drinking Water Rate means the per annum interest rate payable on the Drinking Water Note, which interest rate shall be specified in the Purchase Contract.

Drinking Water Project means drinking water system projects, including projects to plan, design, build, construct, or rehabilitate a public drinking water collection, storage, treatment or distribution system.

Drinking Water Revenues means the money on hand in the Drinking Water Fund, including money appropriated by the State Legislature to meet federal matching requirements, federal capitalization grants, loan repayments, interest received from loan repayments and interest received from investment of money in the Drinking Water Fund and the proceeds and accrued interest received from the sale of Drinking Water Bonds issued under AS 37.15.560-.605 and secured by the Drinking Water Fund.

Fiscal Year means the fiscal year of the State, which currently is July through June of each year.

Note Account – Clean Water means the Alaska Clean Water Fund Revenue Bond Anticipation Note Account, created within the Bond Fund – Clean Water for the payment of principal and interest on the Clean Water Note.

Note Account – Drinking Water means the Alaska Drinking Water Fund Revenue Bond Anticipation Note Account, created within the Bond Fund – Drinking Water for the payment of principal and interest on the Drinking Water Note.

Note Register means the books or records maintained by the State containing the name and mailing address of the owner of each Note or nominee of such owner and the principal amount and number of Notes held by each owner or nominee.

Notes means either or both of the Clean Water Note and the Drinking Water Note.

Pledged Clean Water Revenue means Clean Water Revenues consisting of interest received from investment of money in the Clean Water Fund and the interest portion of loan repayments.

Pledged Drinking Water Revenue means Drinking Water Revenues consisting of interest received from investment of money in the Drinking Water Fund and the interest portion of loan repayments.

Purchase Contract means a purchase contract or agreement executed by the Designated Representative and the Bank in connection with the sale and purchase of the Notes as authorized to be executed pursuant to Section 5 hereof.

Regulations means the regulations promulgated by DEC with respect to the Alaska Clean Water and Drinking Water Revolving Loan Funds, under 18 AAC 76, as the same may be

hereafter amended or modified and supplemented from time to time.

Series means all of the Bonds authenticated and delivered on original issuance and identified as being a part of a separate series.

State means the State of Alaska.

Section 2. Authorization of Series of Clean Water Bonds. The State shall issue Clean Water Bonds in Series from time to time to implement the Act. The proceeds of the Clean Water Bonds shall be used for the purposes described in AS 46.03.032(d). The Clean Water Bonds shall be authorized by resolution of the Committee which shall fix the principal amount, denomination, date, maturities, manner of sale, place or places of payment, rights of redemption, if any, terms, form, conditions and covenants of said Clean Water Bonds.

Section 3. Authorization of Series of Drinking Water Bonds. The State shall issue Drinking Water Bonds in Series from time to time to implement the Act. The proceeds of the Drinking Water Bonds shall be used for the purposes described in AS 46.03.036. The Drinking Water Bonds shall be authorized by resolution of the Committee which shall fix the principal amount, denomination, date, maturities, manner of sale, place or places of payment, rights of redemption, if any, terms, form, conditions and covenants of said Drinking Water Bonds.

Section 4. Authorization of Notes.

(a) *Clean Water Note.* In anticipation of the issuance of the Clean Water Bonds authorized by Section 2 hereof, the Committee hereby authorizes the issuance of a revenue bond anticipation note to finance certain Clean Water Projects (the "Clean Water Note"). The Clean Water Note shall be issued in the aggregate principal amount of up to \$1,666,600 and shall be designated as the Alaska Clean Water Fund Revenue Bond Anticipation Note, 2016 Series C. The Clean Water Note shall be dated as of the date of its issuance and delivery; shall be fully registered as to both principal and interest, shall be in the denomination of up to \$1,666,600, shall be numbered N-1, and shall bear interest on unpaid principal from its date at a rate equal to the Clean Water Rate and shall mature on the Clean Water Maturity Date.

(b) *Drinking Water Note.* In anticipation of the issuance of the Drinking Water Bonds authorized by Section 3 hereof, the Committee hereby authorizes the issuance of a revenue bond anticipation note to finance certain Drinking Water Projects (the "Drinking Water Note"). The Drinking Water Note shall be issued in the aggregate principal amount of up to \$1,757,400 and shall be designated as the Alaska Drinking Water Fund Revenue Bond Anticipation Note, 2016 Series B. The Drinking Water Note shall be dated as of the date of its issuance and delivery; shall be fully registered as to both principal and interest, shall be in the denomination of up to \$1,757,400, shall be numbered N-1, and shall bear interest on unpaid principal from its date at a rate equal to the Drinking Water Rate, payable at maturity and shall mature on the Drinking Water Maturity Date.

(c) *Place and Medium of Payment.* The principal of and interest on the Notes shall be payable in lawful money of the United States of America. Interest on the Notes shall be calculated on the basis of a 365-day year and actual days elapsed. Upon presentation and surrender of the Clean Water Note, principal and interest shall be transferred from the Note Account – Clean Water to the Bank on the date when due. Upon presentation and surrender of the Drinking Water Note, principal and interest shall be transferred from the Note Account – Drinking Water to the Bank on the date when due. Interest and principal of the Notes shall, upon request of the Bank, be payable by wire transfer to the account of the Bank on the date due (upon confirmation that the Notes shall have been presented to the Designated Representative for payment).

Section 5. Designated Representative. The Committee hereby designates the Debt Manager of the Department of Revenue to act on its behalf as the “Designated Representative” and to exercise the authority granted to the Designated Representative hereunder.

The Committee has determined that it may be inconvenient to meet before the proposed time on which money may be required from the sale of the Notes. Accordingly, the Designated Representative is hereby authorized to prepare a solicitation for proposals to be circulated to local, Alaska banks for the purchase of the Notes and to review and negotiate terms for the purchase of the Notes consistent with the terms of this section. The Committee has determined that it would be in the best interest of the Committee to delegate to the Designated Representative for a limited time the authority to approve the final interest costs and maturity dates for the Notes and other terms and conditions of the Notes. The Designated Representative is hereby authorized to approve the final interest costs (to be expressed as an interest rate for each Note) and maturity dates of Notes and the total of all other costs to be incurred in connection with the financing in the manner provided hereafter.

If the Designated Representative elects to prepare a solicitation and in preparing the solicitation for proposals, evaluating the responses, negotiating a Purchase Contract and determining the final interest rates, maturity dates and total costs of issuance for the Notes, the Designated Representative, in consultation with the Deputy Commissioner of the Department of Revenue and the State’s financial advisor, shall take into account those factors that, in his judgment, will result in the lowest true interest cost on the Notes to their maturity, including, but not limited to current financial market conditions and current interest rates for obligations comparable in tenor and quality to the Notes. The date of issuance and final maturity date shall occur no later than December 31, 2016, and the total costs of the Notes, including total interest payable on the Notes, shall not exceed \$12,000. Subject to the terms and conditions set forth in this Section 5, the Designated Representative is authorized to reject any proposal received (including all proposals) and to re-advertise and accept the proposal deemed most responsive and cost effective. The Designated Representative is hereby authorized to execute the final form of the Purchase Contract. Following the execution of the Purchase Contract, the Debt Manager shall provide a report to the Committee, describing the final terms of the Notes approved pursuant to the authority delegated in this section. The authority granted to the Debt Manager by this Section 5 shall expire 75 days after the date of adoption and approval of this resolution. If the Purchase Contract for the Notes has not been executed within 75 days after the date of adoption and final approval of this resolution, the authorization for the issuance of the Notes shall be rescinded, and such Notes shall not be issued nor their sale approved unless such Notes

shall have been re-authorized by resolution of the Committee. The resolution re-authorizing the issuance and sale of such Notes may be in the form of a new resolution repealing this resolution in whole or in part (only with respect to the Notes not issued) or may be in the form of an amendatory resolution approving a purchase contract or establishing terms and conditions for the authority delegated under this Section 5.

The Designated Representative and the State's financial advisor are hereby authorized to review and approve on behalf of the Committee a request for qualifications/proposal to be distributed to eligible banking institutions relative to the Notes with such additions and changes as may be deemed necessary or advisable to them. The proper State officials are hereby authorized and directed to do everything necessary for the prompt execution and delivery of the Notes to the Bank and for the proper application and use of the proceeds of sale thereof.

The Designated Representative is hereby designated as the registrar and authenticating agent for the Notes. The Designated Representative is hereby further authorized to contract with and arrange for the printing and delivery of the Notes.

Section 6. Sale of Notes. The Notes shall be sold to the Bank in accordance with its proposal for the purchase of the Notes and the Purchase Contract, as authorized to be delivered under Section 5 of this resolution. The Designated Representative is hereby authorized and directed to do all things necessary for the prompt delivery of the Notes to the Bank.

Section 7. Form of Notes.

(a) *Clean Water Note.* The Clean Water Note shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. 1 \$ _____

STATE OF ALASKA
ALASKA CLEAN WATER REVENUE BOND ANTICIPATION NOTE,
2016 SERIES C

INTEREST RATE: ____% MATURITY DATE: _____, 2016

DATED DATE: _____, 2016

REGISTERED OWNER: _____

TAX ID NUMBER: _____

PRINCIPAL AMOUNT: _____

The State of Alaska (the "State") hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or its registered assigns, but solely from the Note Account – Clean Water (hereinafter defined) on the Maturity Date identified above, the Principal Amount indicated above together with interest thereon from the Dated Date payable on the Maturity Date. Such Principal Amount, together with accrued interest, shall be paid only upon presentation and surrender of this note at the office of the Debt Manager of the State of Alaska, as registrar and authenticating agent (the "Registrar"). Both

principal of and interest on this note are payable in lawful money of the United States of America solely out of the Note Account – Clean Water (the “Note Account – Clean Water”) created within the special fund of the State known as the “Alaska Clean Water Fund Revenue Bond Redemption Fund” (the “Bond Fund –Clean Water”) established pursuant to AS 37.15.565 and in accordance with the terms of Resolution No. 2016-10 (the “Resolution”) of the State Bond Committee (the “Committee”). The definitions contained in the Resolution shall apply to capitalized terms contained herein.

This note is issued pursuant to the Constitution and statutes of the State of Alaska and duly adopted resolutions of the Committee in anticipation of the issuance of clean water fund revenue bonds for the purpose of implementing the Alaska Clean Water Fund Loan Program for the State and its municipalities. This note is payable solely from the Note Account – Clean Water, into which shall be deposited Clean Water Revenues consisting of interest earnings on Clean Water Revenues in the Clean Water Fund and the interest portion of loan repayments (collectively, “Pledged Clean Water Revenue”) deposited in the Clean Water Fund and/or the proceeds of Clean Water Bonds or of refunding bond anticipation notes on or prior to the maturity of this note.

THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE A GENERAL OBLIGATION OF THE STATE OF ALASKA OR ANY OF ITS DEPARTMENTS, OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF ALASKA OR OF ANY SUCH DEPARTMENT, BUT SHALL BE PAYABLE SOLELY FROM THE NOTE ACCOUNT – CLEAN WATER WITHIN THE BOND FUND – CLEAN WATER AND FROM THE CLEAN WATER REVENUES. THE STATE OF ALASKA SHALL NOT BE OBLIGATED TO PAY THE SAME NOR INTEREST THEREON EXCEPT FROM SUCH PAYMENTS AND PROCEEDS PLEDGED THEREFOR, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF ALASKA OR OF ANY DEPARTMENT THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THIS NOTE.

The interest on this note is not exempt from federal income taxation. The interest on this note is includible in federal gross income.

This note shall not be validly issued until duly authenticated by the manual signature of the Registrar in the Certificate of Authentication below.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Alaska, and resolutions of the State to be done precedent to and in the issuance of this note have happened, been done and performed.

IN WITNESS WHEREOF, the State of Alaska has caused this note to be executed with the facsimile signature of the Governor of the State of Alaska and to be countersigned by the Lieutenant Governor, this ____ day of _____, 2016.

STATE OF ALASKA

By _____
Governor

Countersigned:

Lieutenant Governor

The Certificate of Authentication on the Clean Water Note shall be in substantially the following form:

Date of Authentication:

CERTIFICATE OF AUTHENTICATION

This note is the note described in the within-mentioned Resolution and is the Alaska Clean Water Fund Revenue Bond Anticipation Note, 2016 Series C of the State of Alaska, dated _____, 2016.

STATE OF ALASKA

DEPARTMENT OF REVENUE

By _____
Debt Manager

(b) *Drinking Water Note.* The Drinking Water Note shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. 1

\$ _____

STATE OF ALASKA
ALASKA DRINKING WATER REVENUE BOND ANTICIPATION NOTE,
2016 SERIES D

INTEREST RATE: _____% MATURITY DATE: _____, 2016

DATED DATE: _____, 2016

REGISTERED OWNER: _____

TAX ID NUMBER: _____

PRINCIPAL AMOUNT: _____

The State of Alaska (the “State”) hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or its registered assigns, but solely from the Note Account – Drinking Water (hereinafter defined) on the Maturity Date identified above, the Principal Amount indicated above together with interest thereon from the Dated Date payable on the Maturity Date. Such Principal Amount, together with accrued interest, shall be paid only upon presentation and surrender of this note at the office of the Debt Manager of the State of Alaska, as registrar and authenticating agent (the “Registrar”). Both principal of and interest on this note are payable in lawful money of the United States of America solely out of the Note Account – Drinking Water (the “Note Account – Drinking Water”) created within the special fund of the State known as the “Alaska Drinking Water Fund Revenue Bond Redemption Fund” (the “Bond Fund – Drinking Water”) established pursuant to AS 37.15.565” and in accordance with the terms of Resolution No. 2016-10 (the “Resolution”) of the State Bond Committee (the “Committee”). The definitions contained in the Resolution shall apply to capitalized terms contained herein.

This note is issued pursuant to the Constitution and statutes of the State of Alaska and duly adopted resolutions of the Committee in anticipation of the issuance of drinking water fund revenue bonds for the purpose of implementing the Alaska Drinking Water Fund Loan Program for the State and its municipalities. This note is payable solely from the Note Account – Drinking Water, into which shall be deposited Drinking Water Revenues constituting interest received from investment of money in the Drinking Water Fund and the interest portion of loan repayments (collectively, “Pledged Drinking Water Revenue”) and/or the proceeds of Drinking Water Bonds or of refunding bond anticipation notes on or prior to the maturity of this note.

THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE A GENERAL OBLIGATION OF THE STATE OF ALASKA OR ANY OF ITS DEPARTMENTS, OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF ALASKA OR OF ANY SUCH DEPARTMENT, BUT SHALL BE PAYABLE SOLELY FROM THE NOTE ACCOUNT – DRINKING WATER WITHIN THE BOND FUND – DRINKING WATER AND FROM THE DRINKING WATER REVENUES. THE STATE OF ALASKA SHALL NOT BE OBLIGATED TO PAY THE SAME NOR INTEREST THEREON EXCEPT FROM SUCH PAYMENTS AND PROCEEDS PLEDGED THEREFOR, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF ALASKA OR OF ANY DEPARTMENT THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THIS NOTE.

The interest on this note is not exempt from federal income taxation. The interest on this note is includible in federal gross income.

This note shall not be validly issued until duly authenticated by the manual signature of the Registrar in the Certificate of Authentication below.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Alaska, and resolutions of the State to be done precedent to and in the issuance of this note have happened, been done and performed.

IN WITNESS WHEREOF, the State of Alaska has caused this note to be executed with the facsimile signature of the Governor of the State of Alaska and to be countersigned by the Lieutenant Governor, this ____ day of _____, 2016.

STATE OF ALASKA

By _____
Governor

Countersigned:

Lieutenant Governor

The Certificate of Authentication on the Drinking Water Note shall be in substantially the following form:

Date of Authentication:

CERTIFICATE OF AUTHENTICATION

This note is the note described in the within-mentioned Resolution and is the Alaska Drinking Water Fund Revenue Bond Anticipation Note, 2016 Series B of the State of Alaska, dated _____, 2016.

STATE OF ALASKA

DEPARTMENT OF REVENUE

By _____
Debt Manager

Section 8. Execution and Delivery of Notes. The Notes shall be executed with the facsimile signature of the Governor and countersigned by facsimile signature of the Lieutenant Governor. The Designated Representative is hereby authorized and directed to authenticate and thereafter to deliver the Notes to the Bank.

Section 9. Disbursement of Note Proceeds.

(a) Alaska Clean Water Fund. The Alaska Clean Water Fund has been established as a State fund by AS 46.03.032. The net proceeds of the Clean Water Note shall be deposited in the Clean Water Fund and shall be disbursed as directed by legislative appropriation to pay costs of Clean Water Projects and for such additional purposes as provided in AS 46.03.032, including but not limited to the provision of state matching funds. Costs of issuance for the Clean Water Note shall be paid from gross proceeds of the Clean Water Note and shall be paid on the date of issuance of the Clean Water Note.

(b) Alaska Drinking Water Fund. The Alaska Drinking Water Fund has been established as a State fund by AS 46.03.036. The net proceeds of the Drinking Water Note shall be deposited in the Drinking Water Fund and shall be disbursed as directed by legislative appropriation to pay costs of Drinking Water Projects and for such additional purposes as provided in AS 46.03.036, including but not limited to the provision of state matching funds. Costs of issuance for the Drinking Water Note shall be paid from gross proceeds of the Drinking Water Note and shall be paid on the date of issuance of the Drinking Water Note.

Section 10. Repayment of Notes.

(a) Note Account – Clean Water. The Bond Fund – Clean Water has been established as a State fund within the State by AS 37.15.565. There is authorized to be created within the Bond Fund – Clean Water an account to be named the “Note Account – Clean Water.” The Note Account – Clean Water shall be a trust fund used for paying and securing the payment of principal of and interest on the Clean Water Note.

On or prior to the date the Clean Water Note becomes due and payable, and in the event that money is not otherwise on hand in the Note Account – Clean Water, the State shall cause to be deposited in the Revenue Account – Clean Water, sufficient Pledged Clean Water Revenue to pay and redeem the Clean Water Note.

On or before the date on which the Clean Water Note matures, the Designated Representative shall cause to be deposited Pledged Clean Water Revenue in the Note Account – Clean Water or the Committee shall cause Clean Water Bonds to be issued or issue a refunding bond anticipation note to provide amounts sufficient to pay and redeem the Clean Water Note. The Designated Representative is hereby authorized to transfer Pledged Clean Water Revenue from the Revenue Account – Clean Water to the Note Account – Clean Water amounts sufficient to pay and redeem the Clean Water Note when due.

The Clean Water Note shall be an obligation only of the Note Account – Clean Water created and maintained within the Bond Fund – Clean Water and shall not constitute a general obligation of the State. When principal of and interest of the Clean Water Note has been paid in full, any remaining amount in the Note Account – Clean Water shall become part of the entire Bond Fund – Clean Water, and the Note Account – Clean Water shall be closed.

(b) Note Account – Drinking Water. The Bond Fund – Drinking Water has been established as a State fund within the State by AS 37.15.565. There is authorized to be created within the Bond Fund – Drinking Water an account to be named the “Note Account – Drinking Water.” The Note Account – Drinking Water shall be a trust fund used for paying and securing the payment of principal of and interest on the Drinking Water Note.

On or prior to the date the Drinking Water Note becomes due and payable, and in the event that money is not otherwise on hand in the Note Account – Drinking Water, the State shall cause to be deposited in the Revenue Account – Drinking Water, sufficient Pledged Drinking Water Revenue to pay and redeem the Drinking Water Note.

On or before the date on which the Drinking Water Note matures, the Designated Representative shall cause to be deposited Pledged Drinking Water Revenue in the Note Account – Drinking Water or the Committee shall cause Drinking Water Bonds to be issued or issue a refunding bond anticipation note to provide amounts sufficient to pay and redeem the Drinking Water Note. The Designated Representative is hereby authorized to transfer Pledged Drinking Water Revenue from the Revenue Account – Drinking Water to the Note Account – Drinking Water amounts sufficient to pay and redeem the Drinking Water Note when due.

The Drinking Water Note shall be an obligation only of the Note Account – Drinking Water created and maintained within the Bond Fund – Drinking Water and shall not constitute a general obligation of the State.

When principal of and interest of the Drinking Water Note has been paid in full, any remaining amount in the Note Account – Drinking Water shall become part of the entire Bond Fund – Drinking Water, and the Note Account – Drinking Water shall be closed.

Section 11. Further Documents and Certificates. The Chair, Secretary and Designated Representative, as may be appropriate, are authorized and directed to execute any and all

documents and do any and all things determined necessary to effect the accomplishment of the issuance, placement and delivery of the Notes and to deliver the necessary documents to the proper parties as requested to carry out the intended purposes of this resolution.

Section 12. Limitations on Liability. Nothing contained in this resolution nor in the Notes, nor any other instrument, shall be construed with respect to the State as incurring a charge upon the general credit of the State or against the taxing power of the State, nor shall the breach of any agreement contained in this resolution, the Notes or any other instrument or document executed in connection therewith impose any charge upon the general credit of the State or the taxing power of the State.

ADOPTED AND APPROVED by the State Bond Committee of the State of Alaska, the 11th day of October, 2016.

STATE OF ALASKA
STATE BOND COMMITTEE

Chris Hladick
Commissioner, Department of Commerce
Community and Economic Development
Chair and Member
Alaska State Bond Committee

Sheldon Fisher
Commissioner, Department of Administration
Member
Alaska State Bond Committee

Randall Hoffbeck
Commissioner, Department of Revenue
Secretary and Member
Alaska State Bond Committee

Approved as to form:

Alaska Department of Law
State of Alaska

CERTIFICATE

I, the undersigned, Secretary of the State Bond Committee of the State of Alaska (herein called the "Committee") DO HEREBY CERTIFY:

1. That the attached Resolution numbered 2016-10 (herein called the "Resolution") is a true and correct copy of a resolution of the Committee as adopted at a meeting held on October 11, 2016, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Committee voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 11th day of October, 2016.

Secretary

STATE BOND COMMITTEE

RESOLUTION NO. 2016-11

A Resolution of the State Bond Committee of the State of Alaska Allocating the Private Activity Bond Volume Limit And Allocating the Qualified Public Education Facilities Private Activity Bond Limit of the State of Alaska for Calendar Year 2016

WHEREAS, Alaska Statute 37.15.800 directs the State Bond Committee (the "Committee") to allocate the private activity bond volume limit for Alaska (the "volume cap") as authorized under 26 U.S.C. 146(e); and

WHEREAS, the volume cap for calendar year 2016 is \$302,875,000; and

WHEREAS, the Alaska Housing Finance Corporation (AHFC) has requested an allocation of \$5,000,000 of volume cap for a conduit revenue bond issue; and

WHEREAS, AHFC intends to issue the bonds as exempt facility bonds to provide a qualified residential rental project under 26 U.S.C. Section 142(a)(7), comprised of paying for construction of a 23-unit low-income housing complex and to pay miscellaneous costs required for the financing in Anchorage, Alaska; and

WHEREAS, the Alaska Industrial Development and Export Authority (AIDEA) has requested an allocation of \$100,000,000 of volume cap to provide for anticipated future projects that are estimated to accumulate to \$200,000,000; and

WHEREAS, in addition to the Volume Cap, 26 U.S.C. Section 142(a)(13) permits tax-exempt bonds to be issued to finance certain public educational facilities ("Qualified Public Educational Facilities Bonds"); and

WHEREAS, 26 U.S.C. Section 142(k) provides an annual limit for the issuance of Qualified Public Educational Facilities Bonds equal to the greater of (1) \$10 multiplied by the State population or (2) \$5,000,000; and

WHEREAS, Notice 2016-24 of the Internal Revenue Service specifies that the population figures for the 2016 calendar year are the 2015 midyear population figures in the U.S. Census Bureau's International Data Base (IDB). The U.S. Census Bureau electronically announced an update of the IDB on July 9, 2015, in Press Release CB15-TPS.53 showing resident population figures to be used to determine the Qualified Public Educational Facilities Bond limit for that calendar year; and

WHEREAS, the 2015 update by the U.S. Census Bureau estimate of the

State Bond Committee
Resolution 2016-11

Page 2 of 3

resident population of Alaska released by the Bureau of the Census is 738,432, and, therefore, the Qualified Public Educational Facilities Bond limit for Alaska for 2016 is \$7,384,320;

WHEREAS, private activity bond calendar year volume cap is available for use through the end of the calendar year in which it arises and then may be carried forward for an additional period of three years if carryforward forms are filed with the Internal Revenue Service no later than February 15 of the following year; and

WHEREAS, there have been no requests by municipalities and no other requests for volume cap for calendar year 2016 other than those referenced in this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BOND COMMITTEE:

Section 1. The Committee hereby allocates \$5,000,000 of the 2016 private activity bond volume limit for Alaska to AHFC.

Section 2. The Committee hereby allocates \$100,000,000 of the 2016 private activity bond volume limit for Alaska to AIDEA.

Section 3. The Committee hereby allocates the remaining \$197,875,000 of the 2016 private activity bond volume limit for Alaska to AHFC.

Section 4. The Committee hereby allocates the entire Qualified Public Educational Facilities Bond limit for Alaska for 2016 of \$7,384,320 to AIDEA.

Section 5. This Resolution is effective immediately.

DATED AND ADOPTED this 11th day of October, 2016.

and

Chris Hladick, Commissioner
of the Department of Commerce, Community
Economic Development, Chair

State Bond Committee
Resolution 2016-11

Page 3 of 3

Randy Hoffbeck, Commissioner of the
Department of Revenue, Secretary

Sheldon Fisher, Commissioner of the
Department of Administration, Member

APPROVED AS TO FORM:

Attorney General of the
State of Alaska

Memorandum

Date: September 12, 2016
To: Alaska State Bond Committee
From: Jordon Matukonis, Financial Analyst
Re: Request for 2016 Private Activity Volume Cap Allocation

Muldoon Garden Limited Partnership (the “Borrower”) has asked the Alaska Housing Finance Corporation (“AHFC”) to issue its conduit revenue bonds (the “Bonds”) to pay for construction of a 23-unit low-income housing complex to be located at 207 Muldoon Road, in Anchorage and to pay certain other miscellaneous costs associated with the financing (collectively, the “Project”).

The Borrower is not a 501(c)(3) entity. AHFC intends to issue the Bonds as exempt facility bonds to provide a qualified residential rental project under 26 U.S.C. Section 142(a)(7). The Bonds will require private activity bond volume cap pursuant to 26 U.S.C. Section 146.

AHFC respectfully requests that the State Bond Committee, acting under its authority in AS 37.15.800, allocate \$5,000,000 of the State of Alaska’s 2016 private activity bond volume cap to AHFC for the issuance of the Bonds to provide financing for the Project.

The Committee’s consideration is sincerely appreciated.