

Adopted: September 6, 2017

Resolution No. 2017-09

Relating to Approval of the Sale of Railroad Land in the Vicinity of the Port of Anchorage to the Municipality of Anchorage

WHEREAS, the Alaska Railroad Corporation ("ARRC") owns an approximately 20.29-acre parcel of land in the vicinity of the Port of Anchorage ("POA") which is more particularly described on Exhibit 1 attached to this resolution (the "Property"); and

WHEREAS, the Municipality of Anchorage ("MOA") desires to obtain the Property for use in conjunction with POA development and operations; and

WHEREAS, the Property is currently part of an approximately 103.25-acre lease parcel of land subject to a ground lease between ARRC and MOA, ARRC Contract No. 6434 (the "Tidelands Lease"), and ARRC desires to obtain control over the remaining approximately 82.96 acres of said lease parcel (the "Remainder Parcel") by means of termination of the Tidelands Lease; and

WHEREAS, ARRC concurs with MOA's appraisal reflecting a fair market value of \$1.5 million, which reflects the net effect of tenant improvements; and

WHEREAS, ARRC and MOA have been involved in a dispute over the allocation of Federal Transit Administration ("FTA") Section 5307 Urbanized Area Formula Funds ("Section 5307 Funds") for the Anchorage Urbanized Area ("Anchorage UZA") beginning with such funds for Fiscal Year 2016; and

WHEREAS, the parties have agreed, as reflected in the attached summary of terms and conditions and the letters attached collectively hereto as Exhibit 2, that the Section 5307 Funds for Fiscal Years 2016, 2017 and, with conditions, 2018 shall be allocated such that ARRC will receive such funds that were or will be calculated by reference to the fixed guideway, or rail, tier of the formula for the Anchorage UZA, and MOA will receive such funds that were or will be calculated by reference to the bus tier of said formula, conditioned upon the sale of the Property by ARRC to MOA at the MOA's appraised fair market value of \$1.5 million; and

WHEREAS, said transaction will include the termination of the Tidelands Lease, which will return control of the Remainder Parcel to ARRC; and

WHEREAS, ARRC is authorized to sell its land pursuant to AS 42.40.285, 42.40.350 and 42.40.352 upon (i) the making by the Board of Directors of certain findings relating

to sale of the Property, (ii) the provision of public notice of ARRC's intent to sell the Property, and (iii) approval of the proposed sale by the Alaska Legislature; and

WHEREAS, the Board of Directors finds that proposed sale of the Property in exchange for payment of the specified fair market value price, for the allocation of the Section 5307 Funds as described above and for the termination of the Tidelands Lease will provide significant financial and other benefits to ARRC; and

WHEREAS, the Board of Directors specifically and expressly finds that (i) the Property is not necessary for railroad purposes, and (ii) the sale of the land is in the best interest of the State of Alaska; and

WHEREAS, the Board of Directors has reviewed the terms and conditions of the proposed sale of the Property and approves of said sale terms and conditions.

NOW, THEREFORE, BE IT RESOLVED that the ARRC Board of Directors hereby approves the proposed sale of the Property to the MOA in exchange for (i) a payment by MOA in the amount of \$1,500,000; (ii) allocation of Section 5307 Funds for the Fiscal Years 2016, 2017, and, subject to conditions, 2018; and (iii) termination of the Tidelands Lease, all as described in the attached summary and in Exhibit 2, on the terms and conditions set forth therein; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the ARRC Board of Directors hereby directs and authorizes the President and CEO, or his designee, to take such actions as are reasonably necessary to meet all obligations of ARRC relating to the sale of the Property to MOA, including but not limited to issuing required public notice, drafting and submitting appropriate legislation to secure the approval of the Alaska Legislature for the proposed sale of the Property, and, if legislative approval is obtained, negotiating, finalizing and executing all documents necessary to complete said transaction.

Summary of Terms and Conditions for Sale of ARRC Property in the Vicinity of the Port of Anchorage to the Municipality of Anchorage:

Property: An approximately 20.29-acre parcel of land in the vicinity of the Port of Anchorage, as more particularly described on Exhibit 1 attached to this resolution, which is a portion of an approximately 103.25-acre parcel of land that is currently subject to a ground lease between ARRC and MOA, ARRC Contract No. 6434, referred to herein as the Tidelands Lease.

Title to be Conveyed: Fee simple, subject to any existing easements or other encumbrances. The Tidelands Lease, the leased premises of which includes both the Property and an adjacent parcel of land comprising approximately 82.96 acres, shall terminate in its entirety upon sale of the Property to MOA, and shall be of no further force and effect thereafter as to any of the leased premises thereunder.

Sale Price and Additional Consideration: \$1,500,000 cash to be paid by MOA to ARRC plus allocation of Section 5307 Funds for Fiscal Years 2016, 2017 and, with conditions, 2018, as more particularly described in this resolution and in the letters attached hereto as Exhibit 2.

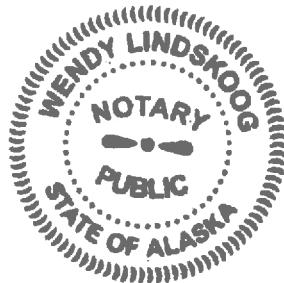
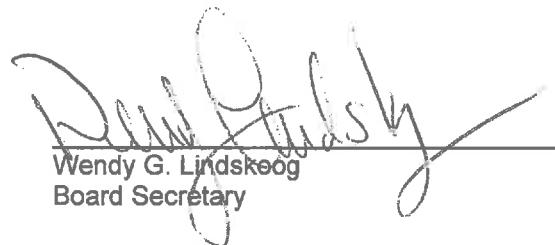
Estimated Date of Sale: 2018. The sale is conditional upon the approval of the sale by the Alaska Legislature by June 30, 2018. The actual date of the sale will depend on the timing of such approval.

This is to certify that I am the Secretary of the Board of Directors of the Alaska Railroad Corporation, and the above Resolution No. 2017-09 is a true and correct copy of the resolution adopted by the Alaska Railroad Corporation's Board of Directors at its special meeting on September 6, 2017.

Date

9/21/17

Wendy G. Lindskeog
Board Secretary



Adopted: January 9, 2018

Resolution No. 2018-02

Relating to the Sale of Railroad Land in the Chena Landings Subdivision in Fairbanks, Alaska

WHEREAS, the Alaska Railroad Corporation ("ARRC") owns two parcels of land comprising approximately 12.597 acres in the Chena Landings Subdivision in Fairbanks, Alaska which is more particularly described as "Tract 4 and Tract 5 of Chena Landings Subdivision recorded as Plat 2000-31, Fairbanks Recording District" (the "Property"); and

WHEREAS, the Property consists of riverfront land and nearby areas that are attractive for the development of residential lots and riverfront residential land is scarce in the Fairbanks area; and

WHEREAS, on December 20, 2017, the Platting Board of the Fairbanks North Star Borough approved with conditions a Preliminary Subdivision Plat of "Chena Landings Subdivision, First Addition" which divides the Property into 23 lots and a remainder Tract A, a copy of the Preliminary Plat and a copy of the condition approval are attached as Exhibit 1 and Exhibit 2, respectively, to this resolution; and

WHEREAS, ARRC is authorized to sell its land pursuant to AS 42.40.285, 42.40.350 and 42.40.352 upon (i) the making by the Board of Directors of certain findings relating to sale of the Property, (ii) the provision of public notice of ARRC's intent to sell the Property, and (iii) approval of the proposed sale by the Alaska Legislature; and

WHEREAS, the Board of Directors finds that proposed sale of the Property as residential lots, substantially in the form shown on the approved Preliminary Subdivision Plat, in exchange for payment of fair market value prices for such lots is in the best financial interest of ARRC; and

WHEREAS, the Board of Directors specifically and expressly finds that (i) the Property is not necessary for railroad purposes, and (ii) the sale of the land is in the best interest of the State of Alaska.

NOW, THEREFORE, BE IT RESOLVED that the ARRC Board of Directors hereby approves the proposed sale of the Property in the form of individual lots in exchange for payment by purchasers of said lots of fair market value based on appraisal or competitive bid and subject to the terms and conditions of an Earnest Money Receipt and Purchase Agreement in substantially the same form as that set forth as Exhibit 3 to this resolution; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the ARRC Board of Directors hereby directs and authorizes the President and CEO, or his designee, to take such actions as are reasonably necessary to meet all obligations of ARRC relating to the sale of the Property as residential lots, including but not limited to (i) issuing required public notice; (ii) drafting and submitting appropriate legislation either to secure the approval of the Alaska Legislature for the proposed sale of the Property or to eliminate the requirement of such Legislative approval; and (iii) if legislative approval is obtained or is no longer required, negotiating, finalizing and executing all documents necessary to complete said transaction.

This is to certify that I am the Secretary of the Board of Directors of the Alaska Railroad Corporation, and the above Resolution No. 2018-02 is a true and correct copy of the resolution adopted by the Alaska Railroad Corporation's Board of Directors at its special meeting on January 9, 2018.

Date

1/9/2018

Andy Behrend
Andy Behrend
Board Secretary

Corporate Seal



Adopted: January 9, 2018

Resolution No. 2018-03

Relating to the Sale of Railroad Land Near Otto
Lake in the Alaska Railroad Healy Reserve

WHEREAS, the Alaska Railroad Corporation ("ARRC") owns an approximately 47.04-acre parcel of land in the Alaska Railroad Healy Reserve near Otto Lake in Healy, Alaska, which is more particularly shown on Exhibit 1 attached to this resolution (the "Property"); and

WHEREAS, an approximately 29.52-acre portion of the Property, which is more particularly shown on Exhibit 2 attached to this resolution (the "Leased Parcel") is currently subject to a ground lease, ARRC Contract No. 8972, currently between ARRC, as lessor, and Denali Outdoor Center, Inc. ("DOC"), as lessee (the "Lease"); and

WHEREAS, the Property consists of lakefront land and associated uplands upon which Alaska Tourism Development, LLC wishes to build a tourist lodge and associated resort facilities; and

WHEREAS, ARRC is authorized to sell its land pursuant to AS 42.40.285, 42.40.350 and 42.40.352 upon (i) the making by the Board of Directors of certain findings relating to sale of the Property, (ii) the provision of public notice of ARRC's intent to sell the Property, (iii) the provision to the existing lessee of a right of first refusal to purchase the Leased Parcel; and (iv) approval of the proposed sale by the Alaska Legislature; and

WHEREAS, Alaska Tourism Development, LLC has offered to pay ARRC a purchase price of Four Hundred Thousand and no/100 Dollars (\$400,000.00) for the conveyance of ARRC's full title to the Property, less Seller's reasonable closing costs; and

WHEREAS, the Board of Directors finds, based on a recent appraisal, that the proposed purchase price set forth in the preceding recital constitutes a fair market value offer for the Property; and

WHEREAS, Alaska Tourism Development, LLC has agreed that its purchase of the Property would be conditional on (i) it obtaining DOC's full leasehold interest under the Lease by means of a lease assignment, and (ii) on the subsequent termination of the Lease before or at the time of closing of said purchase; and

WHEREAS, the Board of Directors finds that proposed sale of the Property for the purpose of construction of a tourist lodge and associated resort facilities in exchange for payment of fair market value is in the best financial interest of ARRC; and

WHEREAS, the Board of Directors specifically and expressly finds that (i) the Property is not necessary for railroad purposes, and (ii) the sale of the land is in the best interest of the State of Alaska.

NOW, THEREFORE, BE IT RESOLVED that the ARRC Board of Directors hereby approves the proposed sale of the Property to Alaska Tourism Development, LLC in exchange for a cash payment of Four Hundred Thousand and no/100 Dollars (\$400,000.00) less reasonable Seller's closing costs, with such sale being conditional upon (i) Alaska Tourism Development, LLC obtaining, before closing, DOC's entire leasehold interest in the Lease; (ii) the parties terminating the Lease no later than the time of closing; and (iii) conveyance of the Property being accomplished on an "as-is, where-is" basis by means of a quit claim deed; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the ARRC Board of Directors hereby directs and authorizes the President and CEO, or his designee, to take such actions as are reasonably necessary to meet all obligations of ARRC relating to the sale of the Property as described above, including but not limited to (i) issuing required public notice; (ii) drafting and submitting appropriate legislation either to secure the approval of the Alaska Legislature for the proposed sale of the Property or to eliminate the requirement of such Legislative approval; and (iii) if legislative approval is obtained or is no longer required, negotiating, finalizing and executing all documents necessary to complete said transaction.

This is to certify that I am the Secretary of the Board of Directors of the Alaska Railroad Corporation, and the above Resolution No. 2018-03 is a true and correct copy of the resolution adopted by the Alaska Railroad Corporation's Board of Directors at its special meeting on January 9, 2018.

Date

1/9/2018

Andy Behrend
Andy Behrend
Board Secretary

Corporate Seal



Adopted: January 9, 2018

Resolution No. 2018-04

Relating to the Transfer of Alaska Railroad Corporation Land to Eklutna, Inc., in Exchange for Land and Other Consideration of Equal Total Value

WHEREAS, the Alaska Railroad Corporation (“ARRC”) owns an approximately 400-acre parcel of land in Eagle River, Alaska, which is more particularly shown on Exhibit 1 attached to this resolution (the “ARRC Property”), and which is not currently used or planned to be used for ARRC operations; and

WHEREAS, Eklutna, Inc. (“Eklutna”) owns an approximately 133.1-acre parcel of land in Birchwood, Alaska, which is more particularly shown on Exhibit 2 attached to this resolution (the “Eklutna Property”); and

WHEREAS, Eklutna also owns another parcel of land in Birchwood, Alaska, comprising approximately 39.8 acres, which also is more particularly shown on Exhibit 2 (the “Eklutna Option Area”); and

WHEREAS, ARRC desires to acquire title to the Eklutna Property for the benefit of ARRC by providing it with additional land adjacent to existing ARRC-owned land, including but not limited to ARRC’s rail corridor, in Birchwood, which will provide ARRC with considerable long-term operational and business benefits; and

WHEREAS, Eklutna desires to acquire title to the ARRC Property for the benefit of Eklutna for the purpose of developing gravel excavation operations and other development of the ARRC Property in conjunction with adjacent land already owned by Eklutna; and

WHEREAS, ARRC and Eklutna have obtained independent appraisals establishing the value of the ARRC Property, the Eklutna Property and the Eklutna Option Area, which appraisals will be used in conjunction with the conveyances of the ARRC Property and the Eklutna Property to be made under the proposed property exchange that is the subject of this resolution; and

WHEREAS, AS 42.40.120(c)(14) and AS 42.40.285(1), respectively, require approval by the ARRC Board and the Alaska Legislature before ARRC can convey its entire interest in land; and

WHEREAS, the Board has reviewed the proposed transaction described above and finds that the ARRC Property is not necessary for railroad purposes and that it is in the best interest of both ARRC and the State of Alaska for ARRC to transfer the ARRC Property to Eklutna in exchange for the Eklutna Land, with any differential in the respective appraised fair market values of the ARRC Property and the Eklutna Property to be made up in the exchange transaction by means of the payment of cash and/or other consideration that is equal in value to said differential.

NOW, THEREFORE, BE IT RESOLVED that the ARRC Board of Directors hereby approves the conveyance of the ARRC Property to Eklutna in exchange for the Eklutna Property, provided that the party whose land is appraised at a lower overall fair market value than the other party's land shall make a payment of cash or other mutually acceptable consideration, which may or may not include conveyance of all or part of the Eklutna Option Area to ARRC, to the other party in an amount equal to the difference in the appraised fair market values of the two properties; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the ARRC Board of Directors hereby directs and authorizes the President and CEO, or his designee, to take such actions as are reasonably necessary to meet all obligations of ARRC relating to the proposed exchange of the ARRC Property and the Eklutna Property described above, including but not limited to (i) drafting and submitting appropriate legislation either to secure the approval of the Alaska Legislature for the proposed property exchange or to eliminate the requirement of such Legislative approval; (ii) if legislative approval is obtained or is no longer required, negotiating, finalizing and executing all documents necessary to complete the transaction authorized herein; and (iii) taking such other steps with respect to said transaction as he deems appropriate and in the best interest of ARRC.

This is to certify that I am the Secretary of the Board of Directors of the Alaska Railroad Corporation, and the above Resolution No. 2018-04 is a true and correct copy of the resolution adopted by the Alaska Railroad Corporation's Board of Directors at its special meeting on January 9, 2018.

Date

1/9/2018

Andy Behrend
Andy Behrend
Board Secretary

Corporate Seal

