



DENALI COMMISSION

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RESOLUTION NO. 03- 18 ALASKA GROWTH CAPITAL PROGRAM

WHEREAS, promotion of economic development, particularly distressed communities, is part of the mission of the Denali Commission; and

WHEREAS, there are not adequate sources of funding available for small business loans in economically distressed rural communities without access to bank capital; and

WHEREAS, Alaskan's have the desire to develop a sustainable economy that is based on local values; and

WHEREAS, Alaska Growth Capital is currently the only Business and Industrial Development Corporation or BIDCO in Alaska; and

WHEREAS, a stated purpose of a BIDCO, according to Alaska Statute 10.13, is to "encourage capital sources to invest in and lend money to BIDCOs by providing for BIDCOs a system of licensing, regulation, and enforcement designed to prevent fraud, conflict of interest, and mismanagement, and to promote competent management, accurate record keeping, and appropriate communication with shareholders"; and

WHEREAS, businesses in distressed Alaska communities continue to need a combination of business technical assistance and capital; and

WHEREAS, in 2002 Alaska Growth Capital exceeded the "outstanding" performance level in 3 performance measures, and exceeded the "satisfactory" performance level in one of its performance measures; and

WHEREAS, Alaska Growth Capital has proposed that performance measures for new investments would be in effect for 10 years instead of 5, and

WHEREAS, Alaska Growth Capital has proposed new performance measures that provide a better measure of the effectiveness of their financing program;

NOW THEREFORE BE IT RESOLVED, that the Commission allocates up to \$1,000,000 to Alaska Growth Capital for a loan program benefiting Alaskan owned small businesses primarily in economically distressed rural communities, and be it

BE IT FURTHER RESOLVED, that the proposed new performance measures be applied to this new investment.

CERTIFICATION

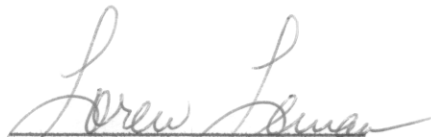
We, the undersigned, hereby certify that the Denali Commission is comprised of seven members (or their duly appointed alternate), of whom six, constituting a quorum, were present at a meeting duly and regularly called, noticed, convened and held this 30th day of April, 2003, and that the foregoing Resolution was duly adopted at said meeting by the affirmative vote of seven members (Commissioner Kitka's proxy vote by Commissioner Staser), and opposed by 0 members, and that said Resolution has not been rescinded or amended in any way.

Dated this 30th day of April, 2003

SIGNED:



Jeff Staser,
Federal Co-Chair



Loren Leman,
State Co-Chair