

Alaska Real Estate Developer John Rubini Bailed Out A Struggling Alaska Native Corporation That Wants To Drill For Oil In ANWR

The Kaktovik Iñupiat Corp Was In Dire Straits Before John Rubini Rescued It.

Rubini Claimed He Wanted The Kaktovik Community To Fully Participate After The Arctic National Wildlife Refuge Was Opened For Drilling.

The Kaktovik Iñupiat Corp, The Only ANC Within ANWR's Borders, Is Situated To Benefit From Opening ANWR To Drilling. "After Congress opened the Arctic National Wildlife Refuge to oil drilling in 2017, the Kaktovik Iñupiat Corp. should have been poised for a new era of prosperity. [...] The corporation, which grew out of the 1971 Alaska Native Claims Settlement Act, was designed to generate profits for indigenous Iñupiat shareholders from Kaktovik, on the Arctic coast – the only village inside the refuge boundaries. That auspicious location put the corporation in prime position to strike deals with oil companies seeking to do business in the refuge's coastal plain." [Alaska Public Radio, [07/29/19](#)]

But The Kaktovik Iñupiat Corp Was On Thin Ice And Being Sued By Creditors After An Oil Well Cleanup Mishap. "But a contract to clean up an old federal well elsewhere on the North Slope had gone awry, with more than \$5 million in losses for a company that's 51 percent owned by KIC, according to court documents. The company filed a lawsuit in April to recover the money. But with that case unresolved a month later, KIC's businesses were facing more than a half-dozen of their own lawsuits from an array of creditors." [Alaska Public Radio, [07/29/19](#)]

A Wealthy Real Estate Developer And Other Investors Bailed Kaktovik Out, Protecting The Corporation From Creditors By Forming A Joint Venture. "Then, John Rubini stepped in. [...] In May, Rubini helped stave off the creditors and, with the corporation and a few other investors, formed a joint venture. The idea is to merge KIC's local knowledge and proximity to the refuge with the investors' deal-making experience, Rubini said in a phone interview." [Alaska Public Radio, [07/29/19](#)]

- **Rubini Claims He "Wanted To Make Sure" That Katovik's Community Had The Tools And Resources To Fully Participate.** "If there's going to be development activity, I wanted to make sure that the community of Katovik had the tools and resources to participate fairly and effectively in that process," Rubini said. Rubini's interest in Kaktovik underscores how the coastal plain's opening has put the village in a new spotlight. It's still too early to know if petroleum even exists in the refuge in commercially-viable quantities. But if it's found, Kaktovik's residents are simultaneously positioned to be among the biggest beneficiaries, and to experience some of the biggest disruptions." [Alaska Public Radio, [07/29/19](#)]

Rubini Is The Chair And CEO Of JL Properties, Which Purchased The Anchorage, Alaska ConocoPhillips Office Building For \$104 Million.

John Rubini, One Of Alaska's "Two Richest Men," Owns Alaska Buildings That Also House Companies Like ConocoPhillips. "Rubini is one of Alaska's most successful investors; his [real](#)

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[estate company](#)'s properties include several of Anchorage's largest buildings, like the downtown offices of oil company ConocoPhillips. [Forbes](#) calls him one of the state's two richest men." [Alaska Public Radio, [07/29/19](#)]

JL Properties Purchased The ConocoPhillips Alaska Office Tower In 2013 For \$104 Million.

"A team including Cook Inlet Region Inc. and Anchorage-based JL Properties Inc. has purchased the Downtown Anchorage ConocoPhillips Alaska office tower for \$104 million, according to a brokerage firm involved in the deal. Also included in the deal was Washington Capital Management Inc., headquartered in Seattle. JL Properties announced the sale in a Dec. 16 release. [Alaska Journal Of Commerce, [12/16/18](#)]

- **Rubini Is The Chairman And CEO Of JL Properties.** "We are pleased to add this prominent property to our portfolio of commercial, retail and residential properties in Alaska. We are excited to partner with astute real estate investors such as Washington Capital and CIRI," JL Properties Chairman and CEO Jonathan Rubini said in a formal statement." [Alaska Journal Of Commerce, [12/16/18](#)]
- **ConocoPhillips Leases The Entire Facility.** [JL Properties -- ConocoPhillips Towers, accessed [10/27/20](#)]

Rubini Said That Even The Studies Of Projects Like ANWR Would Create "A Lot Of Office Space Demand."

The "Possibility" Of Drilling In ANWR "Bodes Well" For A "Modern Office Building." "The possibility of a North Slope natural gas pipeline or petroleum drilling in the Arctic National Wildlife Reserve also bodes well for a large-scale, modern office building, [Rubini] said." [Associated Press, 12/01/05]

Even If Projects Never Happened, "Just The Study" "Would Create A Lot Of Office Space Demand For Engineers And Other Types Of Professionals." "Even if they're never built, just the study of those two massive projects would create a lot of office space demand for engineers and the other types of professionals who put those kinds of projects together," Rubini said." [Associated Press, 12/01/05]

The Oil Industry Has Financially Supported Kaktovik

The Oil Industry Has Helped Fund Various Projects In Kaktovik.

Katovik Is A Village In The North Slope Borough Of Alaska And Is Located On The Northern Edge Of ANWR. "Kaktovik includes Barter Island, 90 miles west of the Canadian border and 280 miles southeast of Barrow. The village is on the northern edge of the 20-million-acre Arctic National Wildlife Refuge. The ruins of old Kaktovik can be seen from the road into the village from the airport. The community incorporated as a second class city in 1971." [North Slope Borough - Kaktovik, accessed [10/28/20](#)]

The Oil Industry Has Helped Pay For Things In Katovik Such As A New Basketball Gym And A Full-Time Fire Department With New Fire Trucks. "But [polar bear patrol guard Nathan] Gordon's paycheck comes largely from the oil industry, thanks to drilling in Prudhoe

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Bay to the west. The industry pays some \$370 million in annual property taxes to the North Slope Borough, and that money, in addition to Gordon's salary, helped build Kaktovik's \$16 million new basketball gym. It also funds a full-time fire department, with two gleaming fire trucks." [KTOO, 07/02/19]

The Kaktovik Inupiaq Corporation And The Arctic Slope Regional Corporation Own 92,000 Acres Of Rights In ANWR.

The Arctic Slope Regional Corporation Leases Land For Oil And Gas Exploration. The Arctic Slope Regional Corporation (ASRC), whose shareholders are the Inupiaq people of the North Slope, owns surface and subsurface rights to millions of acres in the Arctic, and leases land for oil and gas exploration." [Reuters, 04/24/19]

- **The Kaktovik Inupiaq Corporation Also Owns Rights In ANWR.** "With the Kaktovik Inupiaq Corporation, the two indigenous companies own 92,000 acres of surface and subsurface rights in ANWR which contains some of North America's wildest territory." [Reuters, 04/24/19]
- **The Oil Beneath Kaktovik Inupiaq Corp.'s Land In The North Slope Is Owned By ASRC.** "Oil production from those corporate lands could generate a lucrative stream of royalties for KIC and Arctic Slope Regional Corp. ASRC is the regional Native corporation for the entire North Slope, and it owns the rights to the oil beneath KIC's land." [Anchorage Daily News, 07/31/19]

KIC Had Applied For Approval To Conduct Seismic Studies In ANWR...

The Kaktovik Inupiat Corp. Applied For Approval To Conduct Seismic Testing With SAEexploration And The Arctic Slope Regional Corp. "Two Alaska Native corporations are asking the federal government if they can start looking for oil in the Arctic National Wildlife Refuge. Arctic Slope Regional Corporation (ASRC) and Kaktovik Inupiat Corporation have submitted a 3-D seismic exploration plan for the Coastal Plain, or the 1002 area. They partnered with oil exploration company SAEexploration." [Alaska Public Media, 05/31/18]

...With SAEexploration, A Company That Has Faced Multiple Investigations By The Securities And Exchange Commission, The Department Of Justice And The Alaska Department Of Revenue.

SAEexploration Continues To Await The Outcome Of Investigations By The Securities And Exchange Commission, The Department Of Justice And The Alaska Department Of Revenue Regarding The Company's Treatment Of Alaska Seismic Ventures LLC. "[...] the outcome of the investigations by the SEC, the Department of Justice ("DOJ") and the Alaska Department of Revenue (the "DOR"), which is investigating SAE's treatment of Alaskan Seismic Ventures, LLC as a variable interest entity and related Alaska tax credit certificates, which could include sanctions or other actions against SAE and its officers and directors, civil lawsuits, and penalties." [SAEexploration Holdings Press Release, 04/21/20]

Kaktovik Residents Showed "Unanimous Support" In Front Of A Hours Resources Committee Panel. "Of the 22 people who testified before the House Resources Committee last

week, those from the North Slope expressed unanimous support for exploration in the Arctic National Wildlife Refuge.” [The Arctic Sounder, [03/15/19](#)]

In October 2020, KIC Submitted A “Sharply Scaled Back” Plan To Conduct Seismic Exploration In ANWR And Plans To Have SAExploration As Its Operator.

The Plans Consist Of Seismic Exploration In Winter 2020. “A Native village corporation has submitted plans to federal regulators to conduct seismic exploration this winter with an embattled company in the Arctic National Wildlife Refuge, a potential step before drilling can occur there.” [Alaska Journal of Commerce, [10/28/20](#)]

KIC’s Plan Is “Sharply Scaled Back” From Its 2018 Proposal. “The plan, submitted by Kaktovik Inupiat Corp., an Alaska Native village corporation, will be sharply scaled back from an ambitious plan that KIC was involved in in 2018. That larger plan stalled after it was submitted to the federal government for approval.” [Alaska Journal of Commerce, [10/28/20](#)]

KIC’s Plan Says SAExploration Will Be Its Operator. “KIC says in the plan that its operator will be SAExploration, a seismic company currently in bankruptcy. Some of SAExploration’s previous leaders face federal fraud charges. Working with KIC and Arctic Slope Regional Corp., a regional Alaska Native corporation, SAExploration led the 2018 seismic proposal for ANWR that did not advance after it was submitted.” [Alaska Journal of Commerce, [10/28/20](#)]

- **Mike Faust Is SAExploration’s Chief Executive.** “Mike Faust, SAExploration’s new chief executive, has said SAExploration entered bankruptcy with a plan that strengthens its balance sheet and clears much of its debt. Faust has said the company has taken steps to prevent improper actions from happening again.” [Alaska Journal of Commerce, [10/28/20](#)]
 - **According To Faust’s Profile On The SAExploration Website, He Previously Worked With ExxonMobil And ConocoPhillips.** “Previously, Mr. Faust had a long career of increasing responsibilities with ExxonMobil and ConocoPhillips.” [SAExploration – Michael Faust, accessed [10/28/20](#)]

Rubini Has A Long History With The AIDEA, A State Authority Trying To Buy Up ANWR Leases To Stymie The Biden Administration

The Alaska Industrial Development And Export Authority Is Looking To Bid Up To \$20M On ANWR Leases.

The Alaska Industrial Development And Export Authority (AIDEA) Is Seeking To Spend Up To \$20M Bidding On Oil And Gas Leases In The Arctic National Wildlife Refuge. “Alaska’s state-owned development corporation may bid in the upcoming oil and gas lease sale in the coastal plain of the Arctic National Wildlife Refuge. The Alaska Industrial Development and Export Authority is asking its board to allow it to spend up to \$20 million on the sale.” [Alaska Public Radio, [12/22/20](#)]

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- **Former Alaska Governors Have Encouraged The State To Bid On Leases To Limit The Biden Administration's Ability To Protect The Land From Development.** "Former Alaska Gov. Bill Walker and Gov. Frank Murkowski have recently urged the state to submit at least the minimum bid on the oil leases, so it can secure the drilling rights in case no one else puts in an offer. If no one bids, the federal government will maintain control of the land "that we have fought long and hard to responsibly develop," Walker wrote in an opinion column published in the Daily News." [*Alaska Public Radio*, [12/22/20](#)]

Jon Rubini Has Decades Of Connections With AIDEA, Working As Legal Counsel And Seeking Funding For Projects.

John Rubini Has Worked As A Lawyer For AIDEA. "Through the state Department of Law, JL Properties co-owner John Rubini worked for AIDEA as a lawyer for years. Rubini was not a member of AIDEA staff, but he gave legal advice and negotiated the terms and structures of business deals, most recently on the failed Alaska Seafood International project in Anchorage." [*Anchorage Daily News*, updated [12/27/18](#)]

- **Rubini Represented AIDEA As Legal Counsel In A 1995 Alaska State Legislature Budget And Audit Committee Meeting.** [Alaska State Legislature, [02/09/95](#)]

Multiple Former AIDEA Chiefs And Staff Members Have Gone On To Work For Rubini's JL Properties. "Two former AIDEA chiefs -- executive directors Randy Simmons and Riley Snell -- also went to work for JL Properties. (Rubini says Snell joined within the past two months, while Simmons has since retired.) David Germer, a former AIDEA project manager, and Keith Laufer, formerly the agency's deputy finance director, are both on the JL Properties team." [*Anchorage Daily News*, updated [12/27/18](#)]

AIDEA Has Ownership Of Several Projects In Alaska Including The DeLong Mountain Transportation System. "Since the Project Development program's inception in 1986, AIDEA has had ownership of several projects. Currently, AIDEA has ownership of six projects including the DeLong Mountain Transportation System (road and port facilities at the Red Dog Mine near Kotzebue), the Skagway Ore Terminal, Ketchikan Shipyard, Federal Express Aircraft Maintenance Facility, Cook Inlet Jack-Up Rig, and the Snettisham Hydroelectric Project. The Authority continues to assess the economic benefit and feasibility of many other projects." [AIDA, Programs, accessed [12/23/20](#)]

- **Jon Rubini Was Involved In AIDEA's DeLong Mountain Transportation System.** [AIDEA, Correspondence AIDA DOT DEC Cominco, page 6, [03/09/09](#)]

Jon Rubini-Owned JL Properties Previously Sought \$24M From AIDEA To Fund A Ski Resort Project. "Today, another developer -- one of Alaska's biggest, Anchorage-based JL Properties -- wants to try it again. JL would use Government Peak at Hatcher Pass as the focal point for a regional Alpine ski resort, commercial village and hundreds of new homes. [...] Nearly a quarter of the cash would come from the borough. JL also plans to ask for an additional \$24 million in financial assistance from another public entity, the Alaska Industrial Development and Export Authority." [*Anchorage Daily News*, updated [12/27/18](#)]

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- **JL Properties Requested An Increase In The State's Financing Capacity For The Hatcher Pass Project.** "AIDEA's Anderson said JL Properties had requested an increase in the state's financing capacity for the project, but confirmed that discussions remained at the preliminary stage, with significant due diligence left to do before the project would be considered for funding approval." [*Alaska Journal*, [08/10/06](#)]