

Skagway - City Dock Improvements**FY2012 Request: \$10,000,000****Reference No: 51263**

AP/AL: Appropriation
Category: Development
Location: Skagway

Project Type: Renovation and Remodeling
Recipient: City of Skagway
House District: Cordova/Southeast Islands (HD 5)

Impact House District: Cordova/Southeast Islands (HD 5)

Contact: JoEllen Hanrahan

Estimated Project Dates: 07/01/2011 - 07/01/2016

Contact Phone: (907)465-2506

Brief Summary and Statement of Need:

This amendment changes \$3,018,200 of the project funding from Alaska Housing Capital Corporation receipts to commercial passenger vessel tax.

This project provides improvements to the Port of Skagway to accommodate both the tourism industry and the expanding mining activity in the Yukon Territory. This project contributes to the Department's mission of promoting healthy economies.

Funding:	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
AIDEA Div	\$2,900,000						\$2,900,000
Gen Fund	\$7,100,000						\$7,100,000
Total:	\$10,000,000	\$0	\$0	\$0	\$0	\$0	\$10,000,000

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
<u>One-Time Startup:</u>	<u>0</u>	<u>0</u>
Totals:	0	0

Additional Information / Prior Funding History:

No prior funding history.

Project Description/Justification:

The improvements to the Port of Skagway will accommodate both the tourism industry and the expanding mining activity in the Yukon Territory. In partnership with the City of Skagway and the White Pass and Yukon Railroad, the Alaska Industrial Development and Export Authority is also improving the ore handling facility at the Port. Recent mining activity at large Canadian mines such as the Selwyn mine and increased shipments of ore through the Skagway port facilities will provide new jobs and economic growth.

As the Yukon's economy continues to expand, along with the number of operational mines, Yukon ore will increasingly contribute to a year round industry for the Port of Skagway. Yukon's mineral potential is also dependent on cost-effective access to adequate port facilities. Skagway is the most economical port for most Yukon mines, however, it cannot handle the demand coming from the Yukon much longer. Enhanced port infrastructure is of strategic interest to both Alaska and the Yukon. The movement of people and goods between the two regions has existed for over a century,

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benefiting both of these communities and economies.

Specifically, this request is for construction of an intermodal cell dock at the Ore Terminal. This request forms the cornership component within the Ore Terminal Improvement Phase. The proposed dock facility will allow for multiple cruise vessels berthing at the Ore Terminal and allow for the larger class cruise vessels that are likely to arrive in Alaska over the next few years. Additional benefits of this investment will accrue to the movement of the ore product and increased lay down for shipment of large scale material such as pipeline or bulk goods.