

Municipal Harbor Facility Grant Fund Projects**FY2019 Request: \$10,000,000****Reference No: 49780****AP/AL:** Appropriation**Project Type:** Construction**Category:** Transportation**Location:** Statewide**House District:** Statewide (HD 1-40)**Impact House District:** Statewide (HD 1-40)**Contact:** Mike Vigue**Estimated Project Dates:** 07/01/2018 - 06/30/2023**Contact Phone:** (907)465-6971**Brief Summary and Statement of Need:**

The 50/50 harbor grant program maximizes local government, promotes state jobs and provides economic assistance. The program continues to show strong local interest. Eight municipalities from across the state submitted applications requesting a total of \$9.8 million in matching state funds for FY2019. These harbor projects are locally managed and therefore require minimal state staff resources.

Funding:	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	Total
1250 Maint Cap	\$10,000,000	\$10,000,000	\$10,000,000				\$30,000,000
Total:	\$10,000,000	\$10,000,000	\$10,000,000	\$0	\$0	\$0	\$30,000,000

☐ State Match Required
 ☐ One-Time Project
 ☐ Phased - new
 ☐ Phased - underway
 ☒ On-Going
 0% = Minimum State Match % Required
 ☐ Amendment
 ☐ Mental Health Bill

Operating & Maintenance Costs:

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

Prior Funding History / Additional Information:

Sec1 Ch1 SLA2017 P8 L18 SB23 \$5,000,000
 Sec27(a) Ch2 SLA2016 P43 L11 SB138 \$207,500
 Sec27(b) Ch2 SLA2016 P43 L16 SB138 \$4,400,000
 Sec1 Ch38 SLA2015 P7 L14 SB26 \$4,497,000
 Sec1 Ch18 SLA2014 P64 L13 SB119 \$1,704,000
 Sec35(b) Ch18 SLA2014 P116 L24 SB119 \$996,046
 Sec35(c) Ch18 SLA2014 P117 L22 SB119 \$2,000,000
 Sec1 Ch17 SLA2012 P135 L20 SB160 \$23,093,100

Project Description/Justification:

As directed by the Legislature, the department started, in 1986, to transfer state owned harbor facilities, whenever possible, to local municipalities in order to maximize local governance. Since then, 78 harbors have been transferred. AS 29.60.800 created a program to provide state financial and economic assistance to a municipality with one of more harbor facilities by making available a 50/50 matching state grant, and it established a priority preference process for previously state owned harbors, i.e. Tier I harbors. Tier II harbors are harbors which were locally built and were never owned by the state. This year's request would fund the Tier I harbor grant request.

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Project Name	Tier	Score	District	Total Project Cost	Local Match (50%)	State Match (50%)
City & Borough of Sitka: Crescent Harbor	I	142.0	35R	\$10,000,000	\$5,000,000	\$5,000,000
City of Whittier: Whittier Small Boat Harbor	II	126.4	32P	\$2,690,600	\$1,345,300	\$1,345,300
City & Borough of Sitka: Eliason Harbor	II	119.8	35R	\$3,000,000	\$1,500,000	\$1,500,000
City of Ketchikan: Bar Harbor North Harbor	II	104.0	36R	\$1,254,110	\$627,055	\$627,055
Anchorage: South Float	II	99.8	20J	\$1,995,572	\$997,786	\$997,786
Whale Pass: Whale Pass Small Boat Harbor	II	98.2	35R	\$180,000	\$90,000	\$90,000
Juneau: Douglas Harbor	II	81.0	33Q	\$280,000	\$140,000	\$140,000
Juneau: Harris Harbor	II	81.0	33Q	\$240,000	\$120,000	\$120,000
Total				\$19,640,282	\$9,820,141	\$9,820,141

AS 29.60.800 continues to see strong support from the municipalities across the state: from Nome to Unalaska to Kodiak to Ketchikan. So far the department has received 76 municipal applications for this program. To date, the municipalities have offered to provide \$179.7 million in local match, which far exceeds the state matching grant amount (\$78.0 million) appropriated to the harbor grant program. Still the department has been able to award 39 (twenty-nine Tier I's and ten Tier II's) harbor grants to the municipalities. The harbor grant program provides more than just local economic assistance. Besides repairing and improving harbor and marine facilities, which greatly benefits the state's fishing industry; these harbor grants benefit construction and engineering related industries and put Alaskans to work.