

MARINE PASSENGER FEE FUND

This is a special revenue fund established to accept proceeds of the Commercial Passenger Excise Tax collected by the State of Alaska and passed through to the City and Borough of Sitka.

By Ordinance No 2008-29, the Assembly established a five member Board to administer these funds. The Board consists of the Administrator, the Finance Director, a member from the Ports and Harbor Committee, a member from the Sitka Visitors and Convention Bureau, and a member of the Tourism Committee.

The Community and Community Organizations are asked to submit projects for consideration to any of the five Board members. Projects must address the impacts caused by the Marine Passenger Ship Industry. Such projects must include at least one of the three criteria "Safety, Efficiency, or Transportation" impacts caused by the cruise ship industry.

Examples include:

- a.) Design, construction, operation, or maintenance of capital improvements to relieve impacts of marine passenger ships and marine passengers;
- b.) Operating funds for personnel, training, commodities, rentals, services and equipment for services provided, made available to, or required as a result of marine passenger ships and marine passengers;
- c.) Projects and programs that promote safety, environmental improvements, or enforcement of laws caused or required by marine passenger ships and marine passengers;
- d.) Acquisition of land required to execute the activities listed in this section;
- e.) Beautification and enhancement of the facilities listed in this subsection;
- f.) Surveys, analyses, polls, plans, monitoring, and similar efforts to measure, describe or predict, or manage the impacts of marine passenger ships and marine passengers, for items listed in this subsection.

Project Timelines:

- December 1, 2008
Administrator will post on the City webpage requesting Project requests.
- January 1, 2009
Administrator will prepare a draft list of projects received.
- January 15, 2009
Administrator will post draft list on City webpage. Will also forward to Cruise Line Industry and all committee members.
- January 15 to February 1, 2009
All committee members will prepare project items for consideration. **Community and Community Organizations will be solicited for projects.**
- February 1 to February 15, 2009
Committee will meet to prioritize projects.
- February 15, 2009
Comment period closes.
- March 1, 2009
Administrator posts final recommendations on City webpage.

- First Assembly Meeting March, 2009
Administrator will present recommendations for Assembly approval.

Suggested projects may also be delivered to City Hall Clerks Office.

All suggested projects must be submitted prior to February 15, 2009.

FY2010 CBS CAPITAL PROJECT REQUEST FOR LEGISLATIVE CONSIDERATION

Project Title: CBS COMMERCIAL PASSENGER VESSEL AND VISITOR FACILITIES

Total Project Cost:	\$4,000,000 (100%)
Funding already secured:	\$ 0
FY2010 State Funding Request:	\$4,000,000 (100%)
Other funding requests:	\$ 0
Additional Funding Required:	\$ 0
CBS Federal Tax ID Number: 92-0041163	

CBS requests \$4,000,000 funding from the State of Alaska's Commercial Passenger Vessel Tax Account (AS433.52.040) for capital projects to upgrade commercial passenger vessel services and watercraft infrastructure, enhance passenger safety, and support cruise ship visitor activities. Sitka receives more than 280,000 cruise ship visitors annually and needs to upgrade its municipal facilities with its share of the tax proceeds to better serve them.

FY2009 Project: Sitka Commercial Passenger Vessel Lightering Facilities Improvements was requested but not funded in FY09 and is still greatly needed for the safety and convenience of Sitka's cruise ship visitors. There are NO covered facilities for visitors coming ashore from the lightering facilities, the cruise ships' only access to the community. Passengers currently line up and wait for the shore boats to return them to their ships in the open, and in Sitka's rainforest environment, the weather is often inclement. The passengers need protection from the wind, rain and cold, and interpretive signing to acquaint them with Sitka is greatly needed. Many elderly or infirm passengers need not only shelter from the weather, but seating as well, since long waits for the lightering vessels are not uncommon.

The combined project includes constructing a new 4000 square foot visitor service facility, expanding and upgrading existing restroom facilities, and providing interpretive signage at the Sitka Lightering Facility. The second part of this project is to construct the pedestrian access walkway included in the State DOTPF's STIP Needs List for many years, from the Lightering Facility to the existing sidewalk on the south side of the State highway, Harbor Drive. This major improvement will increase passenger safety and public access to visitors without having to cross the busy highway to get to Centennial Hall. Cost of this project is estimated at \$2,000,000.

FY2010 Project: Sitka Centennial Hall Upgrade To Support Cruise Ship Visitor Uses. Centennial Hall is the primary public facility for cruise ship visitors in Sitka. It provides bus access and parking, restroom facilities, auditorium for performances, resting and viewing areas for visitors, visitor information services, museum and other historical, cultural and biological displays, and many other visitor attractions and amenities. It has not been upgraded for many years and has considerable unmet deferred maintenance and rehabilitation requirements.

This project will construct new pedestrian walkway and seating/viewing areas between the Harrigan Centennial Hall and Kettleson Memorial Library, repave the Hall parking lot, and rehabilitate the flooring and interior finishes of the high tourist traffic areas of the Hall. While these projects are somewhat utilitarian, they are needed to correct visitor safety concerns and adequately provide basic visitor services for the hundreds of thousands of cruise vessel guests who visit Sitka. Cost of this project is estimated at \$2,000,000. Project Timetable is contingent on funding in FY2010, design completion in Summer, 2009, and construction in Fall 2010 through Spring, 2011.

FY2010 CBS CAPITAL IMPROVEMENT PROJECTS STATE REQUESTS

Project Title: SAWMILL COVE INDUSTRIAL PARK WATERFRONT DEVELOPMENT MATCHING FUNDS

Total Waterfront Development Project Cost:	\$16,668,000 (Priorities 1,2-100%)
Funding already secured:	\$ 143,000 (HUD Grant—1%)
FY2010 State Priority 1 Funding Request:	\$ 6,000,000 (36%)
Other Priority 1 funding requests:	\$ 3,000,000 (Federal—18%)
	\$ 701,000 (CBS Match—4%)
Additional funding required for Priority 1:\$0; Priority 2: \$6,824,000 (41%)	

The City and Borough of Sitka took over the former Alaska Pulp Corporation mill site in 1999. Over \$10,000,000 Federal, State and CBS funds, uplands utilities and system upgrades are complete. The State contributed \$1 million toward the raw water line, and the Wastewater Outfall Project is also completed. The Industrial Park is operational, with tenants including Tongass Biofuels, Theobroma Chocolate Company, Baranof Frozen Foods, and Silver Bay Seafoods, which processed over 23 million pounds of fish in 2008 and invested nearly \$10 million in facility upgrades and equipment. In 2008, the two seafood processors had 175 seasonal employees. A 150-person dormitory is operational; a second is planned.

The 2002 Sawmill Cove Industrial Park Waterfront Plan details the improvements that must be completed to permit deep water port use of the Industrial Park. The existing docks and waterfront facilities are too old and unsafe for use and must be removed and new pilings, sheet pile bulkheads, dredging and shoreline protection, and other improvements completed.

The highest priority Waterfront Development Project is the Sawmill Cove Bulkhead Dock Completion – Total cost \$9,844,000. CBS requests \$6,000,000 State funds; \$3,000,000 Federal funds and \$701,000 CBS match. This multi-purpose dock facility, a sheet pile bulkhead cargo and freight dock, will be located in the center of the Industrial Park waterfront (Lot 9). **Phase 1 includes a 120 linear foot rock-filled sheet pile bulkhead dock, fender system, and uplands improvements to allow freight to come over the dock for \$5,119,000.** It will allow CBS to utilize this bulkhead dock to assist with the proposed Blue Lake Dam Expansion. The Sawmill Cove Industrial Park will be the ideal location to accept and stage materials for the expansion project. Currently there is no docking facility at the industrial park to accommodate the future need to deliver freight and rock for the Blue Lake Dam expansion. **Phase 2 includes 8 breasting/mooring dolphins and 900 linear feet of catwalks to allow bulk water tankers and larger freight vessels to utilize the dock for \$4,725,000.** The completion of this intermodal dock will permit the \$1.94 million Federal Transit Administration FY'04 earmark to be used to pave the uplands to accommodate public bus service.

The second priority project is Fill and Shoreline Protection Structure with Boat Haul-Out Capabilities. Funding of \$6,824,000 is needed for fill and a shoreline protection structure with boat haul-out capabilities: Phase 1: 300 linear ft. rock-filled, sheet pile bulkhead, utilities and fender piles for \$6,644,000; Phase 2 includes a lighting systems for \$180,000. The proposed location is between LOT 4 and Lot 2. Lot 2 is the Sawmill Creek spit and the site of the Northern Southeast Regional Aquaculture Association (NSRAA) Silver Salmon Hatchery. The hatchery is now providing year-round jobs and new opportunities for the fishing industry.

The Waterfront Development Project at Sawmill Cove Park is the key to enabling Sitka to develop an economically viable deep water port intermodal facility.