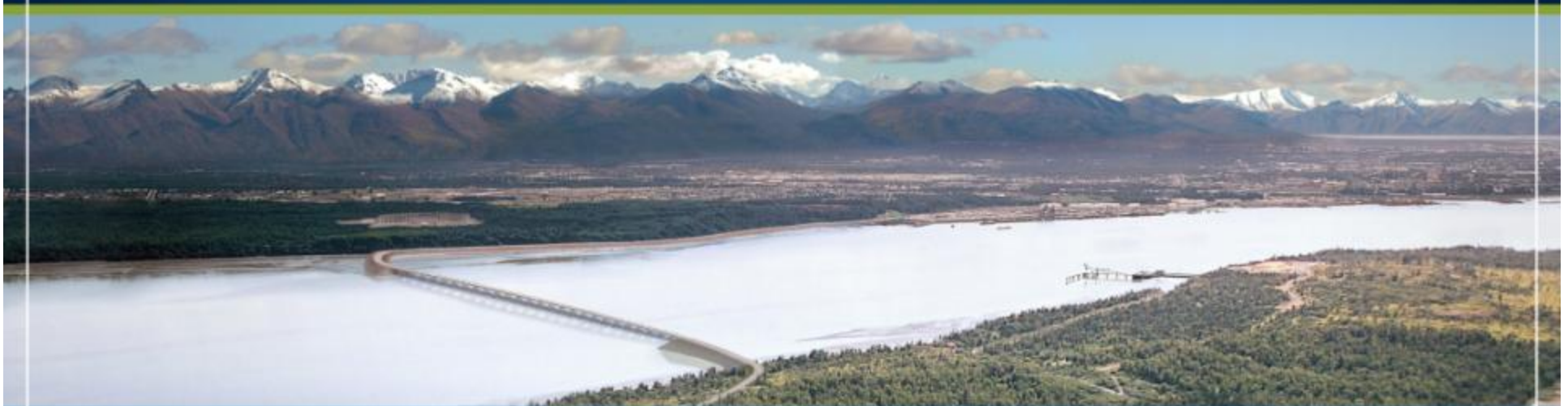




# KNIK ARM CROSSING

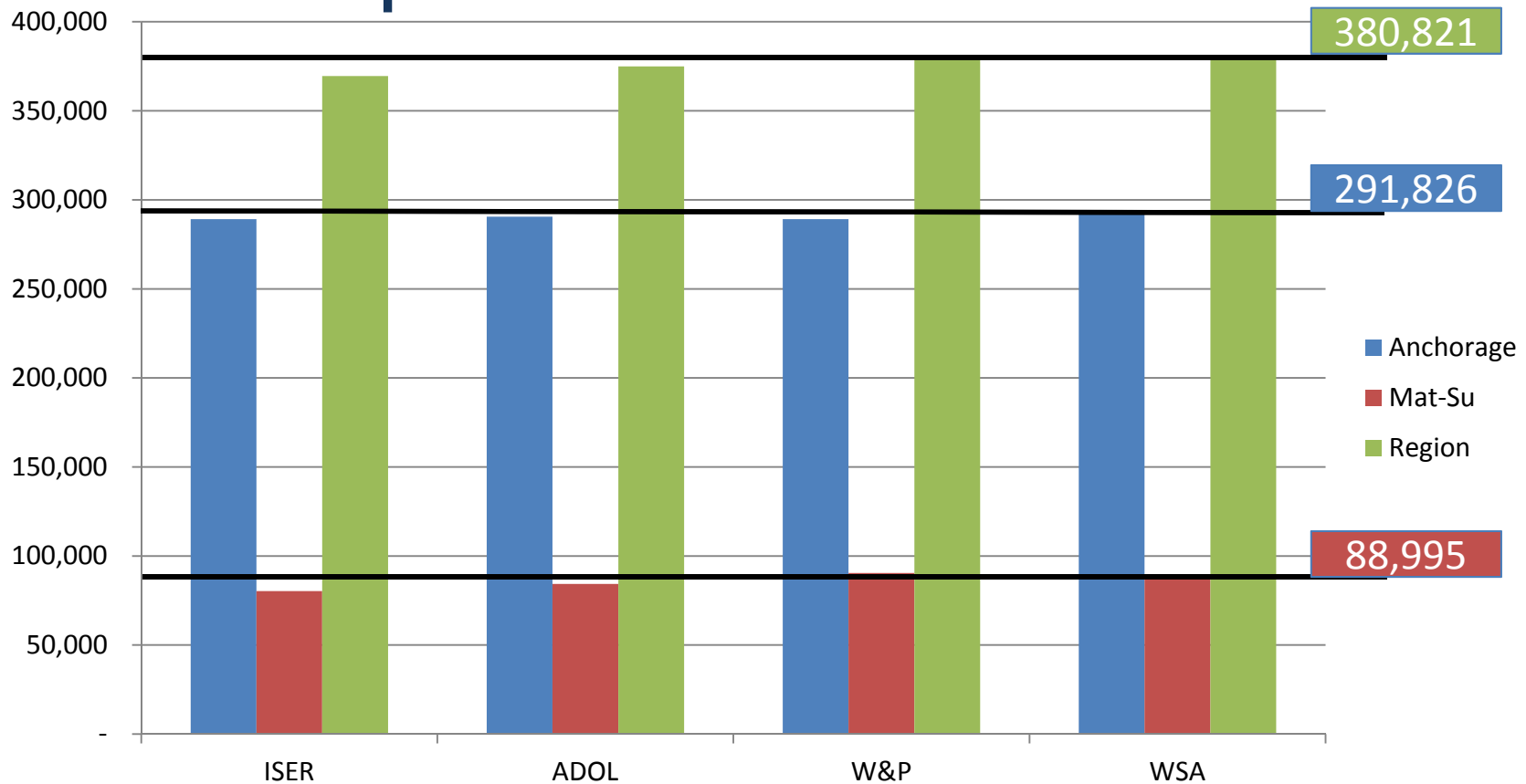


Delivering Statewide benefits, regional connectivity and economic growth.

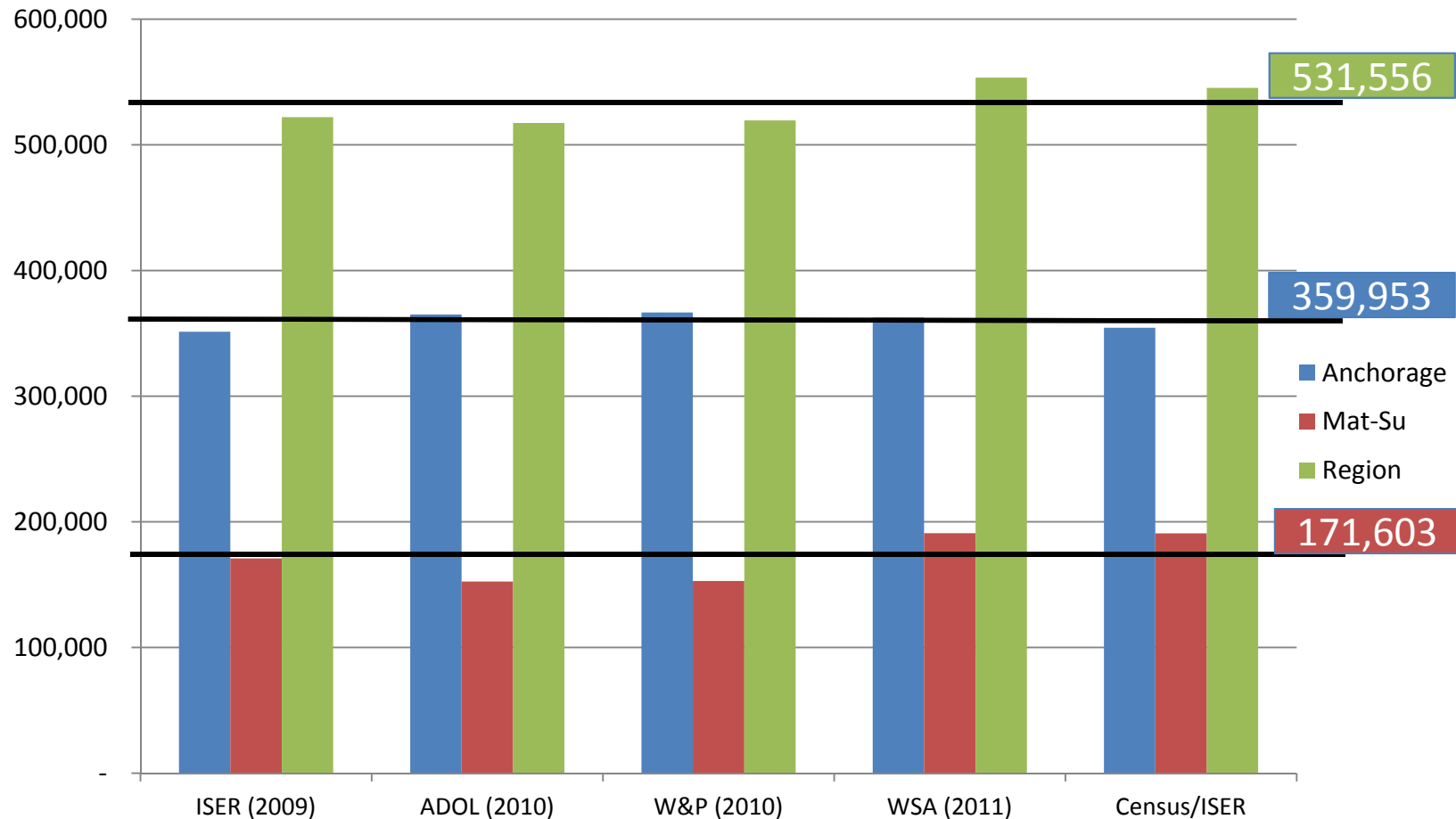
[www.knikarmbridge.com](http://www.knikarmbridge.com)

Project Briefing  
House Finance Committee  
March 22, 2012

# 2010 Population Forecasts Compared to Census Actual

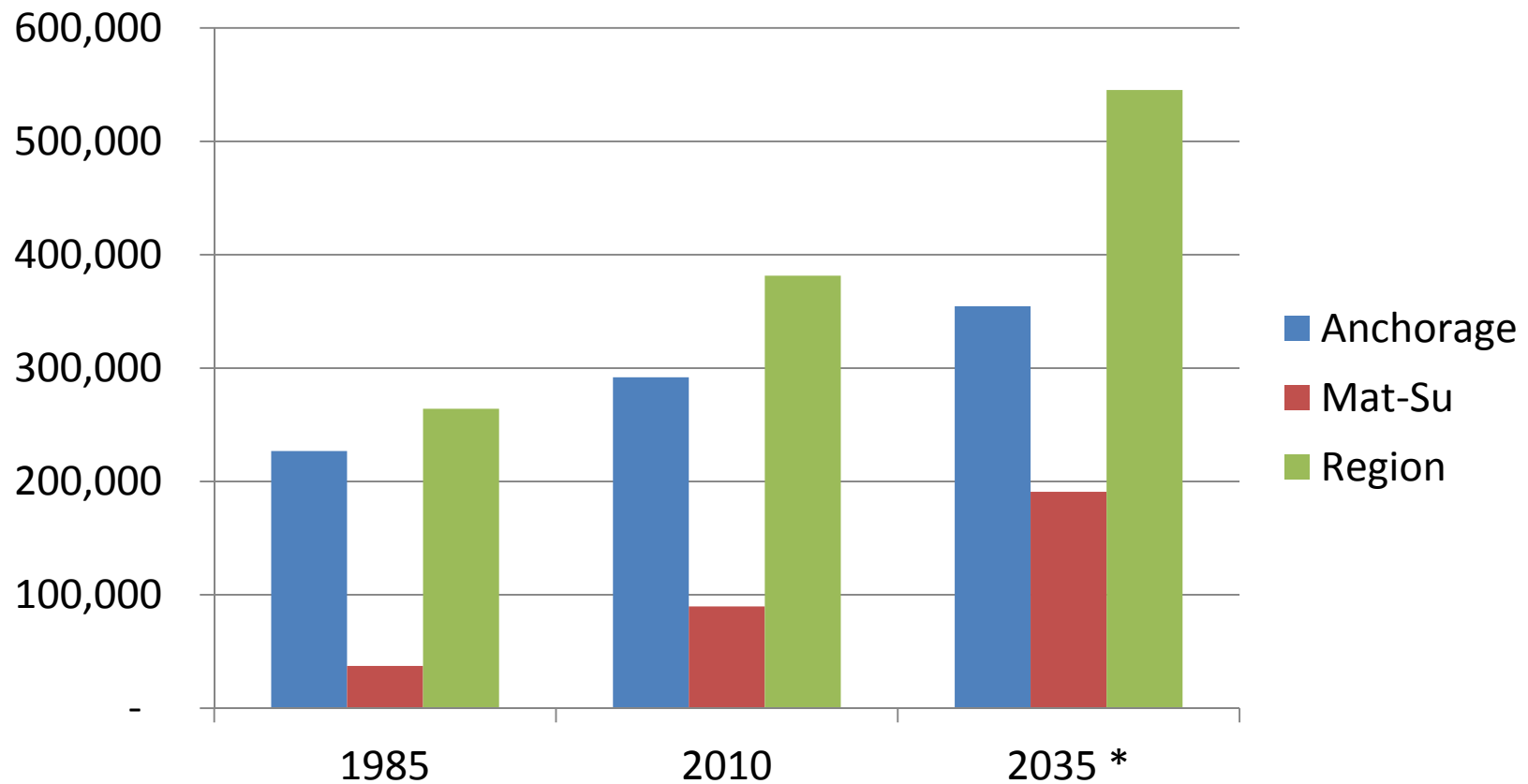


# 2035 Population Forecasts



- 2010 Census number increased by ISER annual growth rate for 2035 forecast.
- Forecasts assume completion of the Knik Arm Crossing.

# Historic and Projected Population Trend 1985 to 2035



\* 2010 Census number increased by ISER annual growth rate for 2035 forecast.

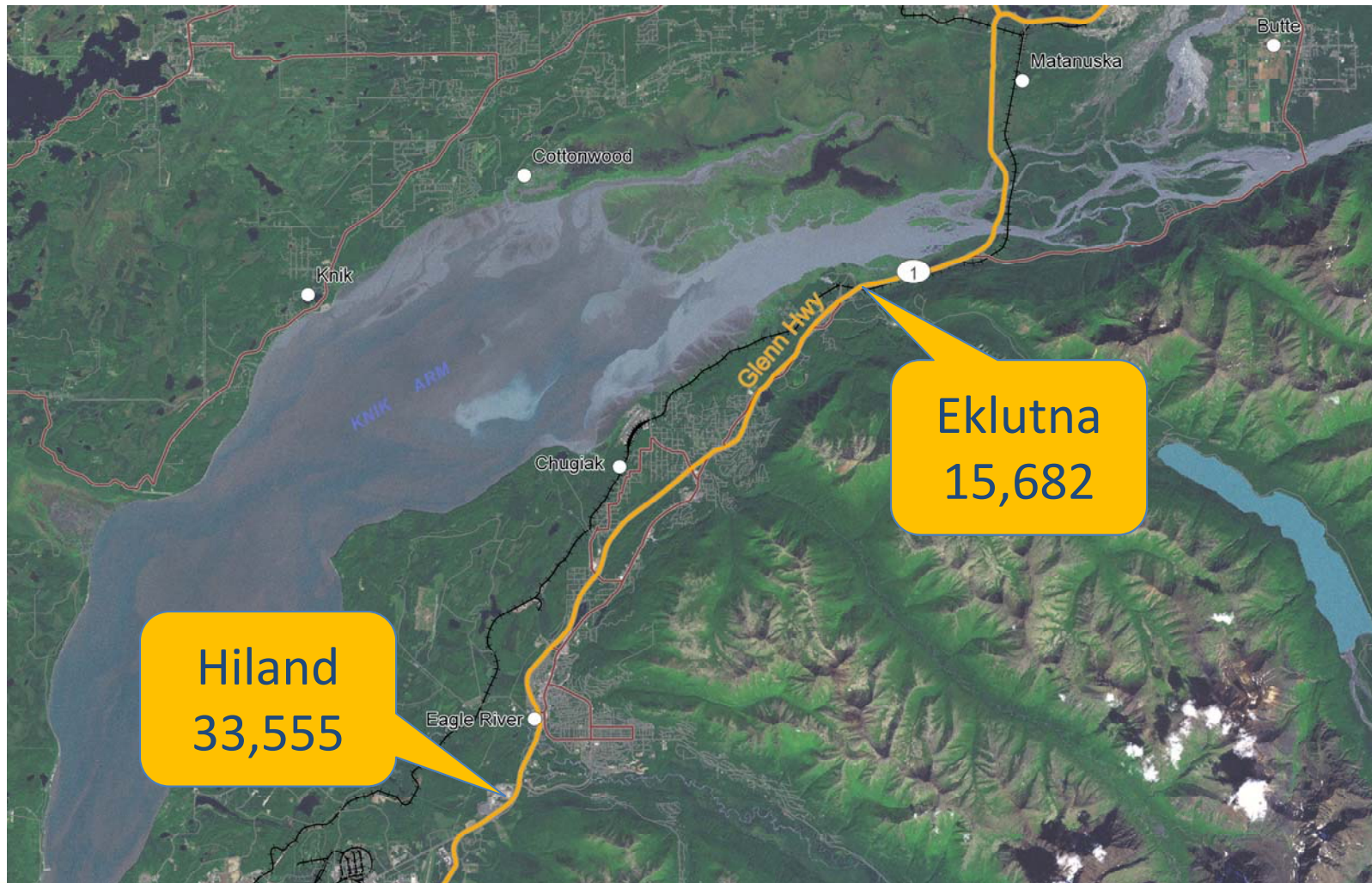
# Population Forecasts Comparison

	ISER (2009)	ADOL (2010)	W&P (2010)	WSA (2011)	2010 Census *
<b>2010</b>					
Anchorage	289,200	290,588	289,200	291,826	291,826
Mat-Su	80,300	84,314	90,433	88,995	88,995
Region	369,500	374,902	379,633	380,821	380,821
<b>2035</b>					
Anchorage	351,300	364,973	366,544	362,458	354,490
Mat-Su	170,800	152,456	152,908	190,976	190,873
Region	522,100	517,429	519,452	553,434	545,363

\* 2010 Census number increased by ISER annual growth rate for 2035 forecast.

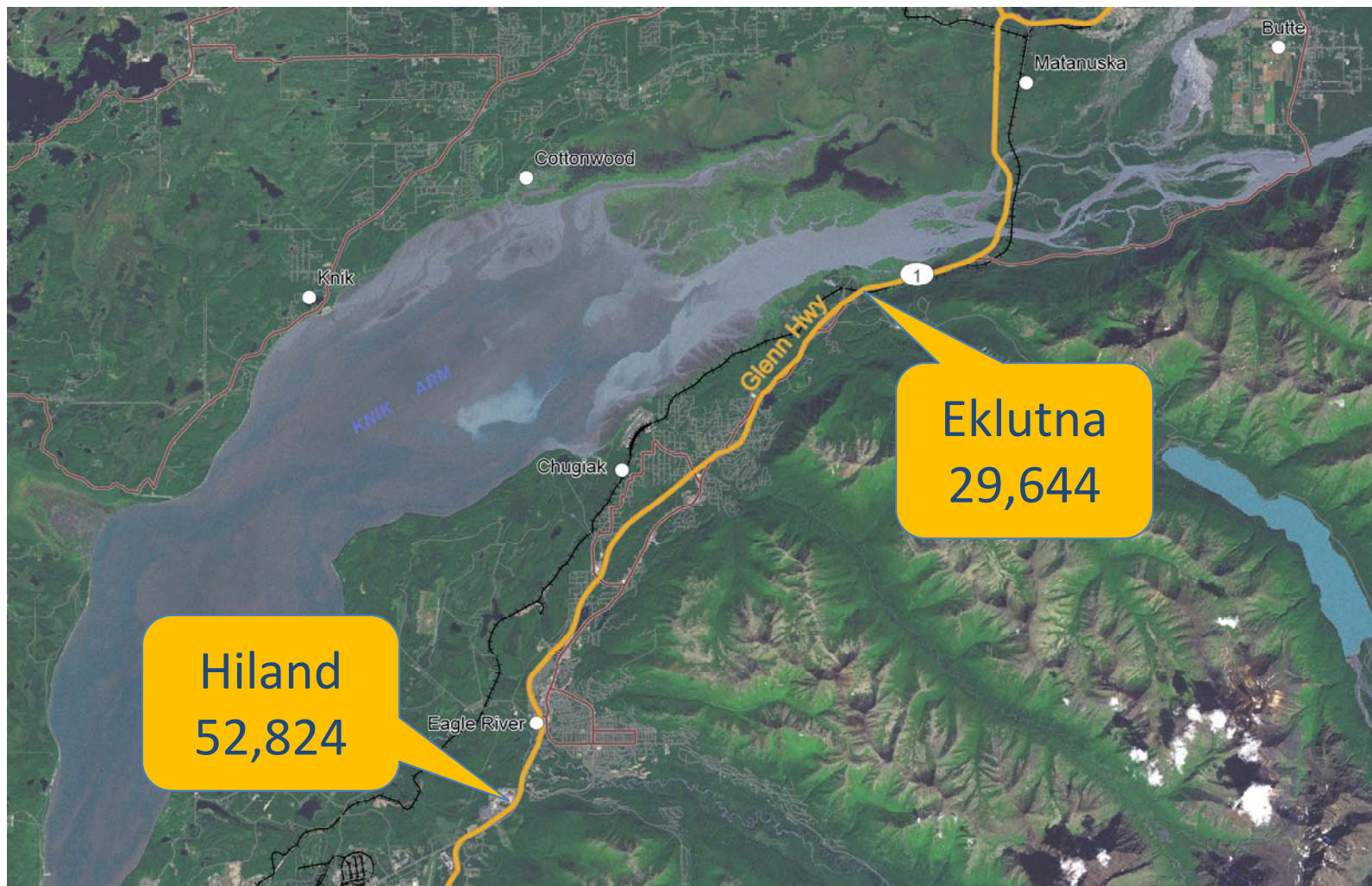


# 1985 Glenn Highway AADT Counts



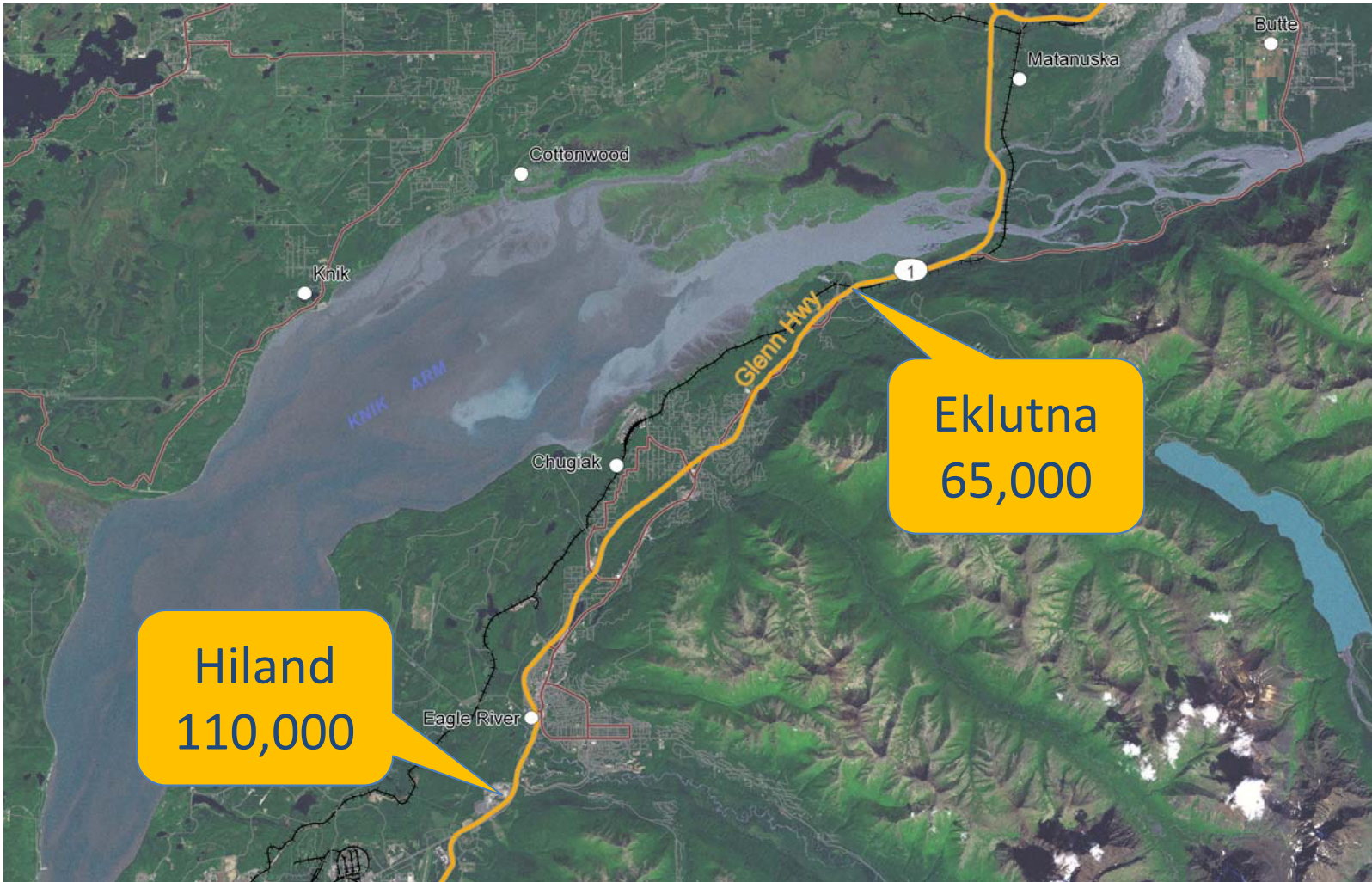


# 2010 Glenn Highway AADT Counts



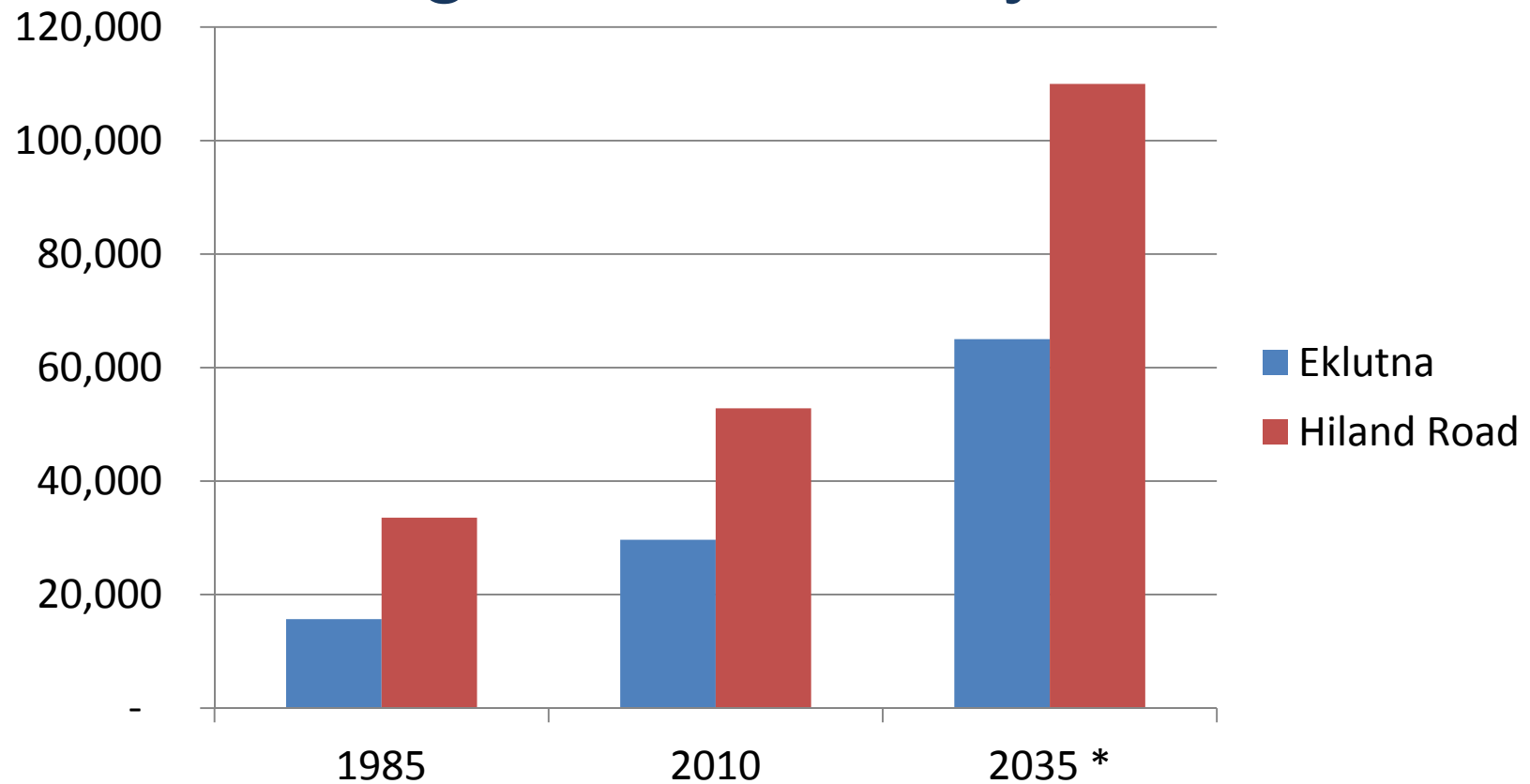


# 2035 Glenn Highway AADT Counts Without Bridge





# Historic and Projected Average Annual Daily Traffic



\* Without Bridge.

# Population and Traffic Are Coming

- Current Glenn Highway Traffic:
  - $\approx 30,000$  AADT at Eklutna 2010
  - $\approx 52,000$  AADT at Hiland Road 2010
- Population forecast 2035:
  - Mat-Su  $\approx 190,000$  people (119% increase)
  - Chugiak-Eagle River  $\approx 68,000$  people (74% increase)
- $\approx 35,000$  additional AADT at Eklutna by 2035
  - 2035 AADT  $\approx 65,000$
- $\approx 58,000$  additional AADT at Hiland Road by 2035
  - 2035 AADT  $\approx 110,000$

# What Happens Without the Bridge?

- State has to accommodate transportation needs to maintain existing level of service:
  - 6 lane improvements on Glenn Highway from Eagle River to Wasilla
  - 8 lane improvements on Glenn Highway from South Eagle River to 5<sup>th</sup> Avenue
  - Parks Wasilla Bypass
  - Network improvements in Palmer/Wasilla corridor
- ≈\$3 billion total cost with no toll revenue \*

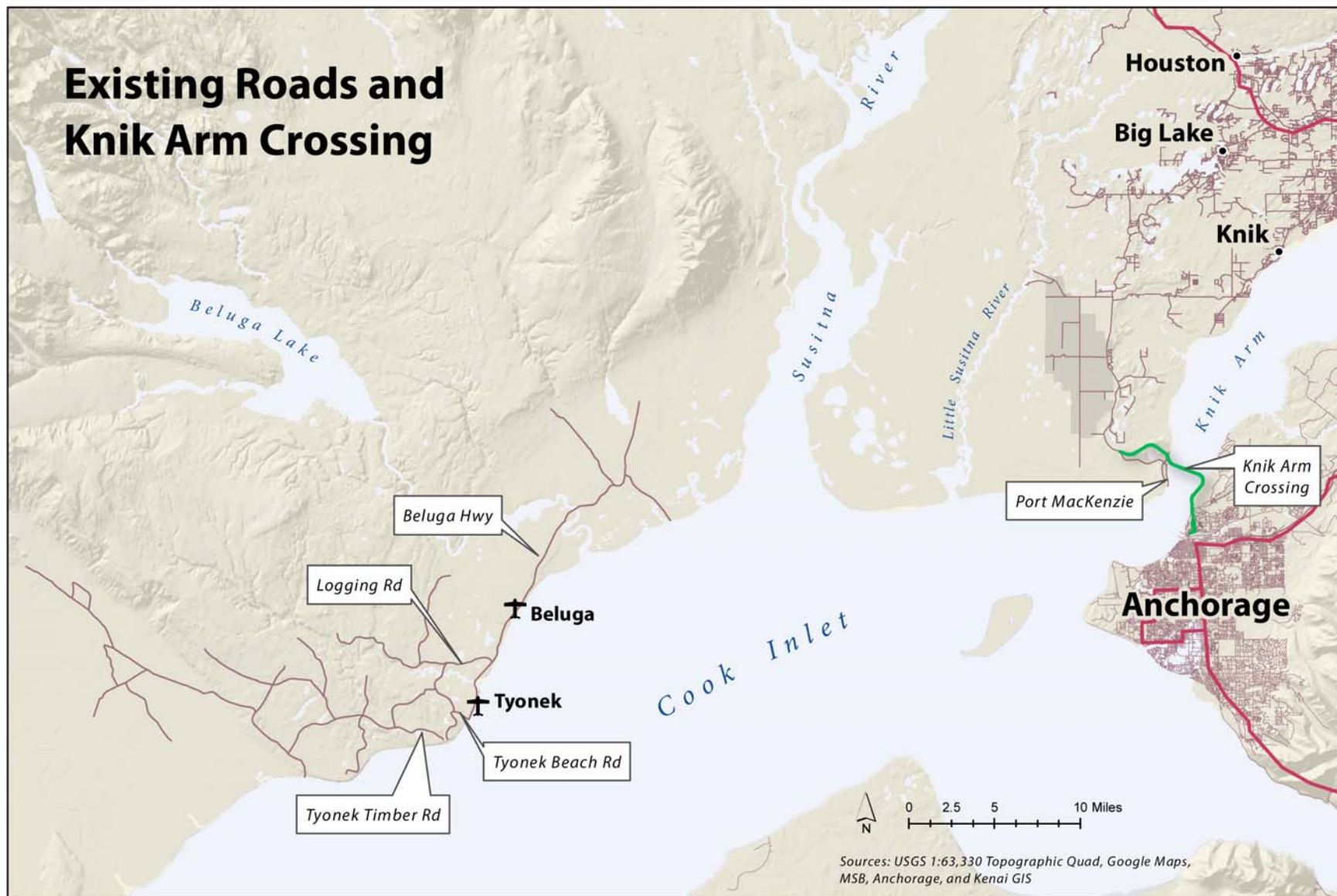
\* Estimate per 2008 Statewide LRTP prepared by ADOT&PF



# Benefits of the Bridge

<ul style="list-style-type: none"> <li>• 1,500 construction related jobs and enables thousands of permanent direct and indirect jobs</li> </ul>	<ul style="list-style-type: none"> <li>• Second route for safety and emergencies for 54% of the State's population (61% if Kenai included)</li> </ul>
<ul style="list-style-type: none"> <li>• Supports coming population growth</li> </ul>	<ul style="list-style-type: none"> <li>• Funds future transportation projects</li> </ul>
<ul style="list-style-type: none"> <li>• Goose Creek Correctional Center 12 miles from courts, jail and supplies in Anchorage with bridge (72 miles without)</li> </ul>	<ul style="list-style-type: none"> <li>• First leg to western Cook Inlet resources (Kenai Peninsula Borough); Coal, Hydroelectric, Timber, Oil and Gas, Geothermal</li> </ul>
<ul style="list-style-type: none"> <li>• Intermodal connectivity between ports, rail, airports and highway network</li> </ul>	<ul style="list-style-type: none"> <li>• Defers need for capacity improvements in Glenn Highway / Parks Highway corridor</li> </ul>
<ul style="list-style-type: none"> <li>• User fees (tolls) cover maintenance and operations over the life of the facility</li> </ul>	<ul style="list-style-type: none"> <li>• Reduces transportation costs to Denali, Fairbanks, the Interior and North Slope</li> </ul>
<ul style="list-style-type: none"> <li>• Opens up the Port MacKenzie Industrial District (8,940 acres) for commercial and industrial development – just 5 miles from Anchorage</li> </ul>	<ul style="list-style-type: none"> <li>• Significantly reduces vehicle miles travelled, fuel consumption and greenhouse gas emissions, saving Alaskan's time and money</li> </ul>
<ul style="list-style-type: none"> <li>• Allows northbound traffic to bypass downtown Anchorage, preserving city streets</li> </ul>	<ul style="list-style-type: none"> <li>• Provides access to housing closer to Anchorage, promoting smarter growth</li> </ul>

## Existing Roads and Knik Arm Crossing





# Government Hill Community Impacts Minimized

Before



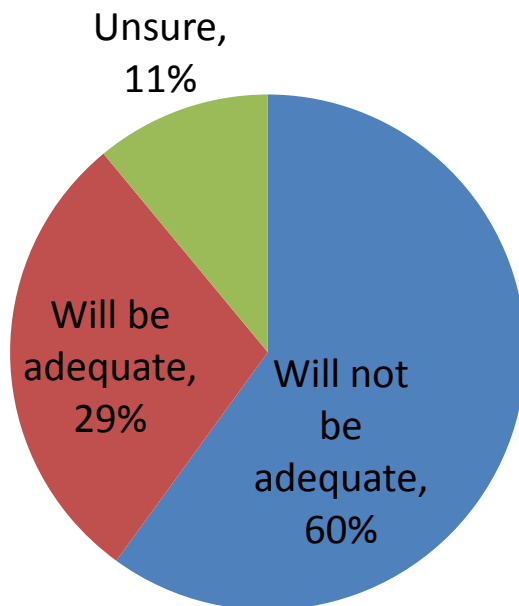
After





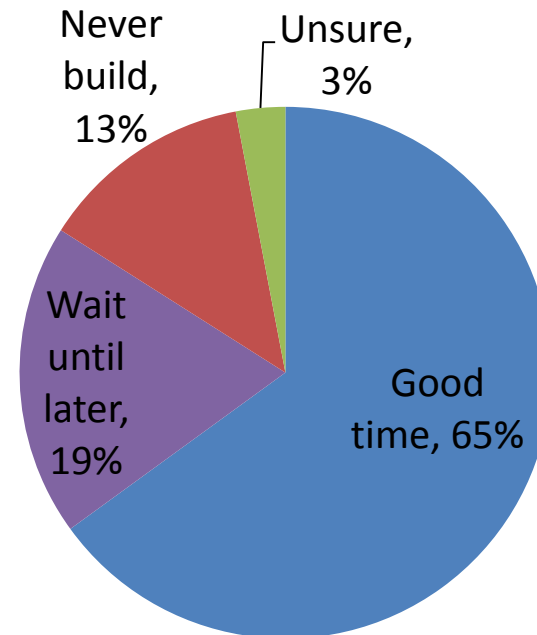
# Alaskans Recognize Bridge Value

Do you feel the current Glenn and Parks Highways between Anchorage and the Mat-Su Valley will or will not be adequate for transportation and commuting over the next 25 years?



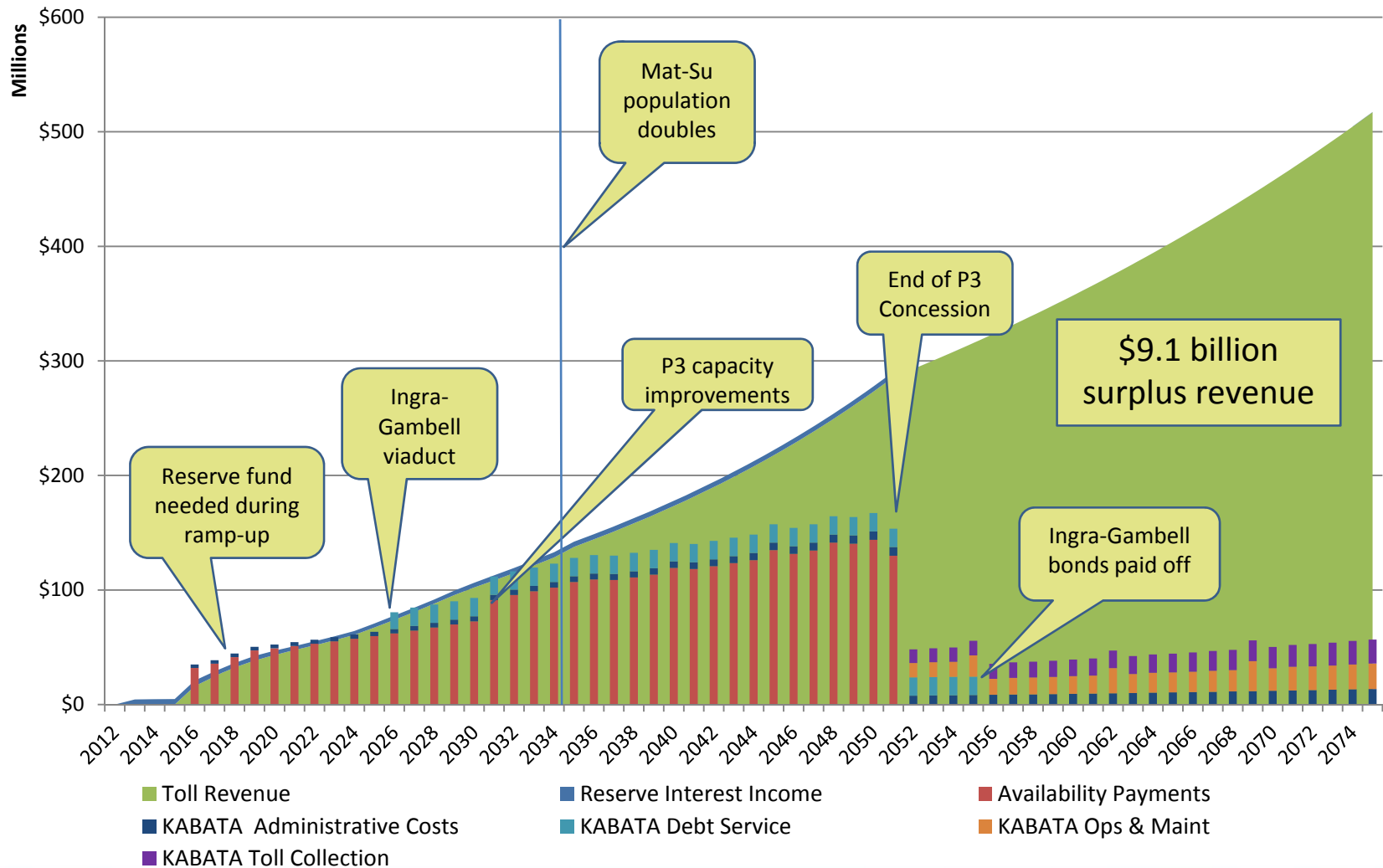
Overall, when everything is considered, would you say now is a good time to build the Knik Arm Bridge, should we wait until later, or should it never be built?

Statewide Results



Dittman Research and Communications Alaskan Attitudes and Perceptions Survey, November - December 2011.

# 60 Year Cost and Revenue Projection



# Key Legislation Points

- **Private Activity Bonds (PABs)**
  - Matches \$600 million in federal PABS capacity allocated to the project
  - KABATA acts as conduit issuer but the Private Partner will be borrower
  - Tax exempt nature lowers cost of capital providing better value to State
- **Property Tax Exemption**
  - Clarifies bridge and connectors are not subject to state and local property tax if operated by Private Partner on State's behalf
  - Consistent with treatment of all other public road in Alaska
- **Project Reserve Fund**
  - Acts as a line of credit in the early years
  - Paid back from toll revenue over time
  - Lowers cost of financing thus reducing availability payments



# Concept Rendering

