



# THE CITY OF WHITTIER

*Gateway to Western Prince William Sound*

P.O. Box 608 • Whittier, Alaska 99693 • (907) 472-2327 • Fax (907) 472-2404

*January 16<sup>TH</sup>, 2012*

*Alaska Railroad Corporation  
327 W. Ship Creek Ave.  
Anchorage, Alaska 99501  
Attn: Corporate Affairs*

*Re: Alaska Railroad Ground Lease Extension to 95 years*

*Dear Alaska Railroad Board of Directors,*

*For the reasons listed below the City of Whittier supports the proposed legislation that would allow ARRC to extend the maximum lease term from 55 years to 95 years.*

- 1. Financial institutions would be more likely to provide financial support to developers as well as business owners for high dollar projects.*
- 2. Businesses and improvements would become more sellable and transferrable to new owners because there would be more finance periods throughout the term of the lease.*
- 3. Owners could and would be more likely to make continued improvements with a longer lease period.*

*The ARRC BOD would of course make the final determination on a case to case basis. Their approval would be determined by each proposal submitted to them.*

*This extension of the ARRC leases will allow developers and owners the flexibility that is necessary in the current market to make long term developments and improvements on property owned by the State of Alaska under Alaska Railroad Corporation's direction.*

*Thank-you,*

*Robert Prunella  
City Manager  
Whittier, Alaska*