



# KNIK ARM CROSSING

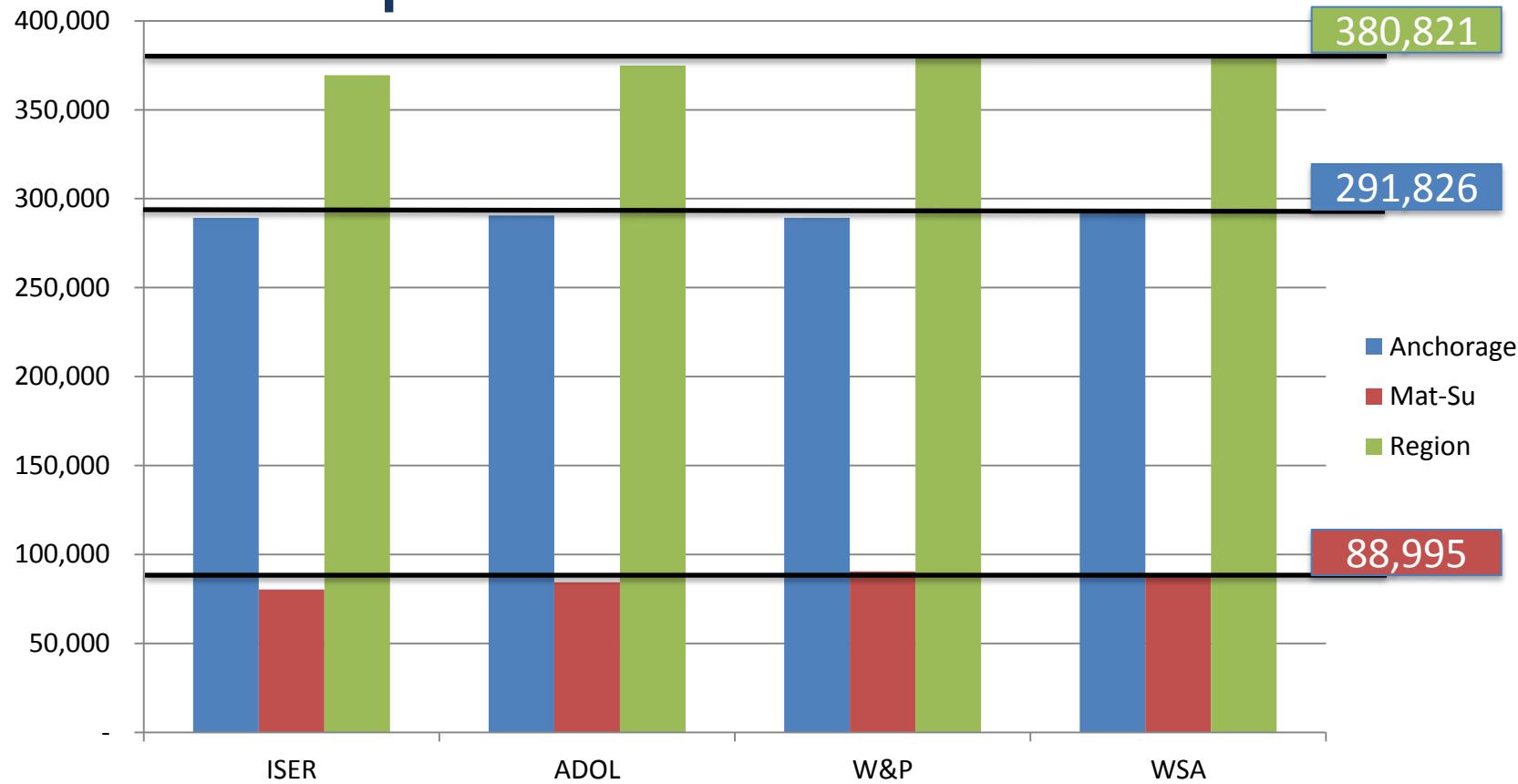


Delivering Statewide benefits, regional connectivity and economic growth.

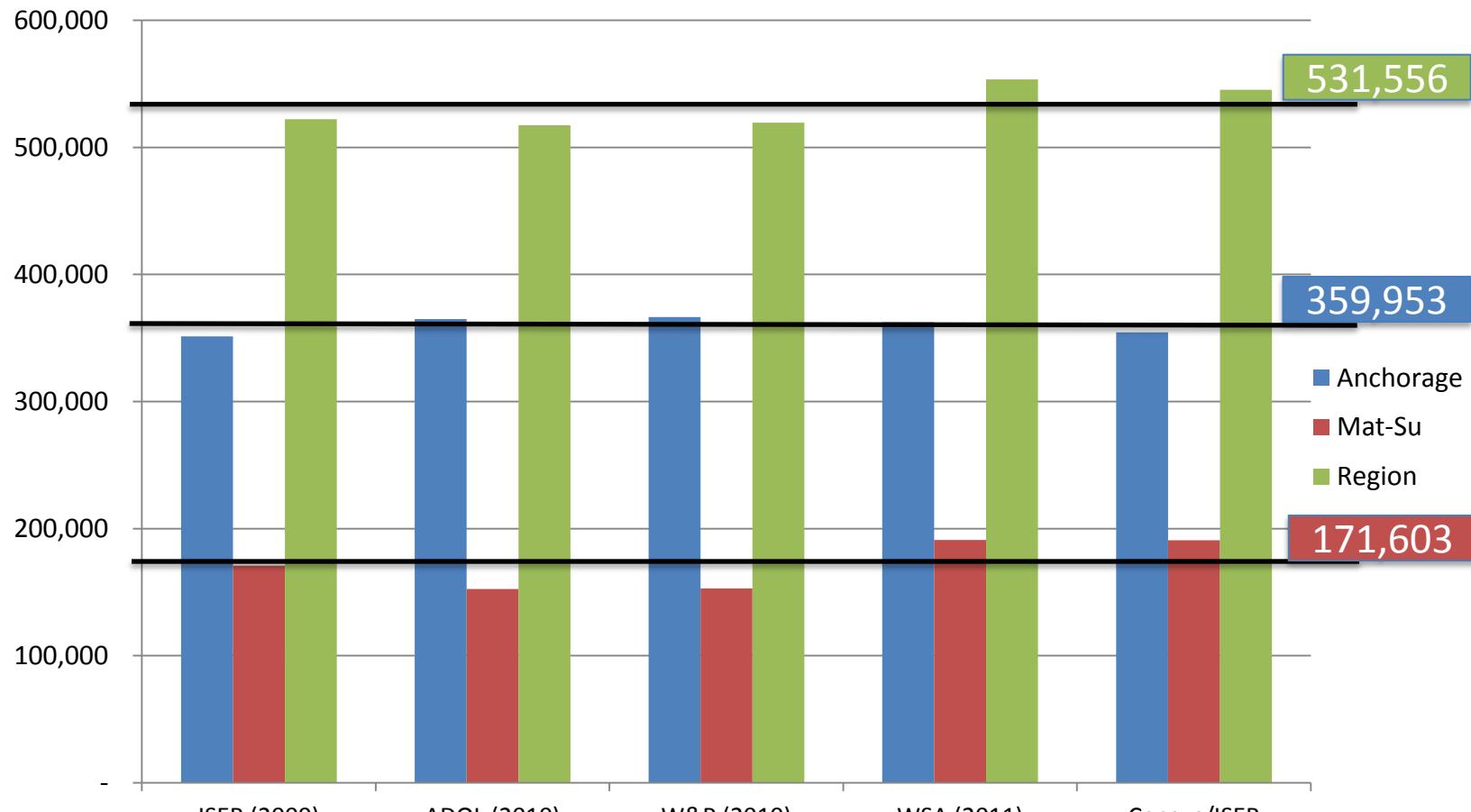
[www.knikarmbridge.com](http://www.knikarmbridge.com)

Project Briefing  
Senate Finance Committee  
Monday, March 26, 2012

# 2010 Population Forecasts Compared to Census Actual

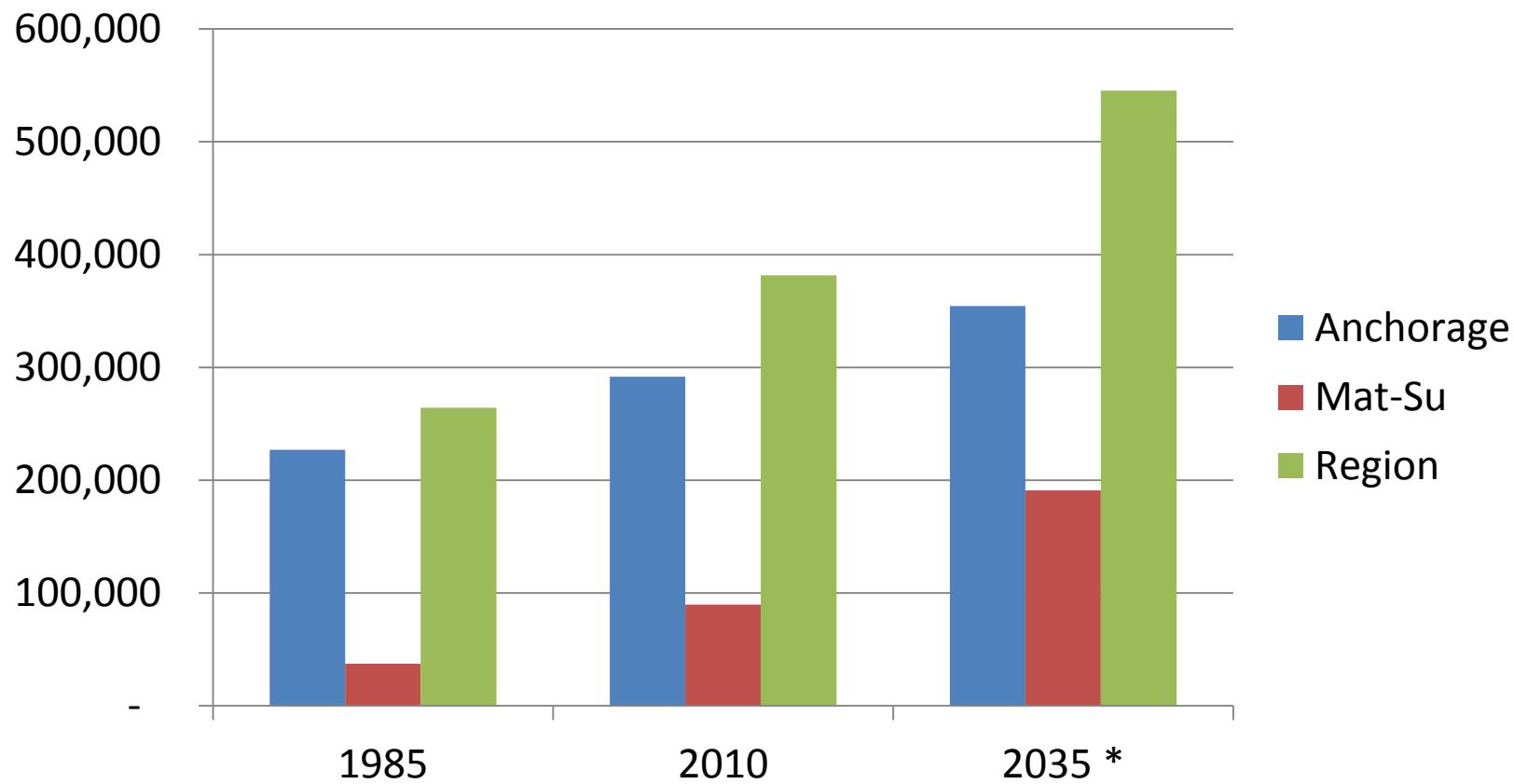


# 2035 Population Forecasts



- 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



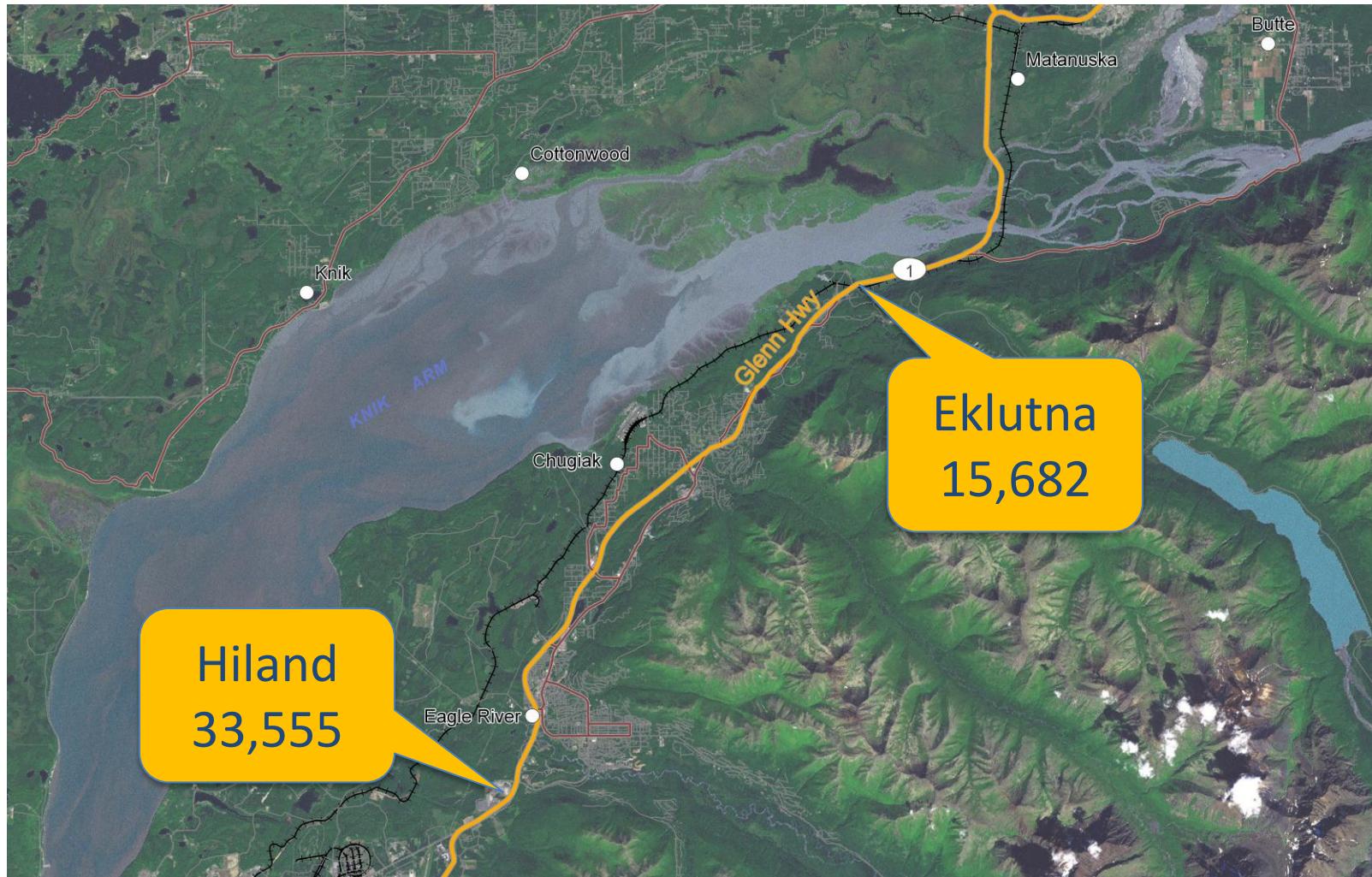
\* 2010 Census number increased by ISER annual growth rate for 2035 forecast.

# Population Forecasts Comparison

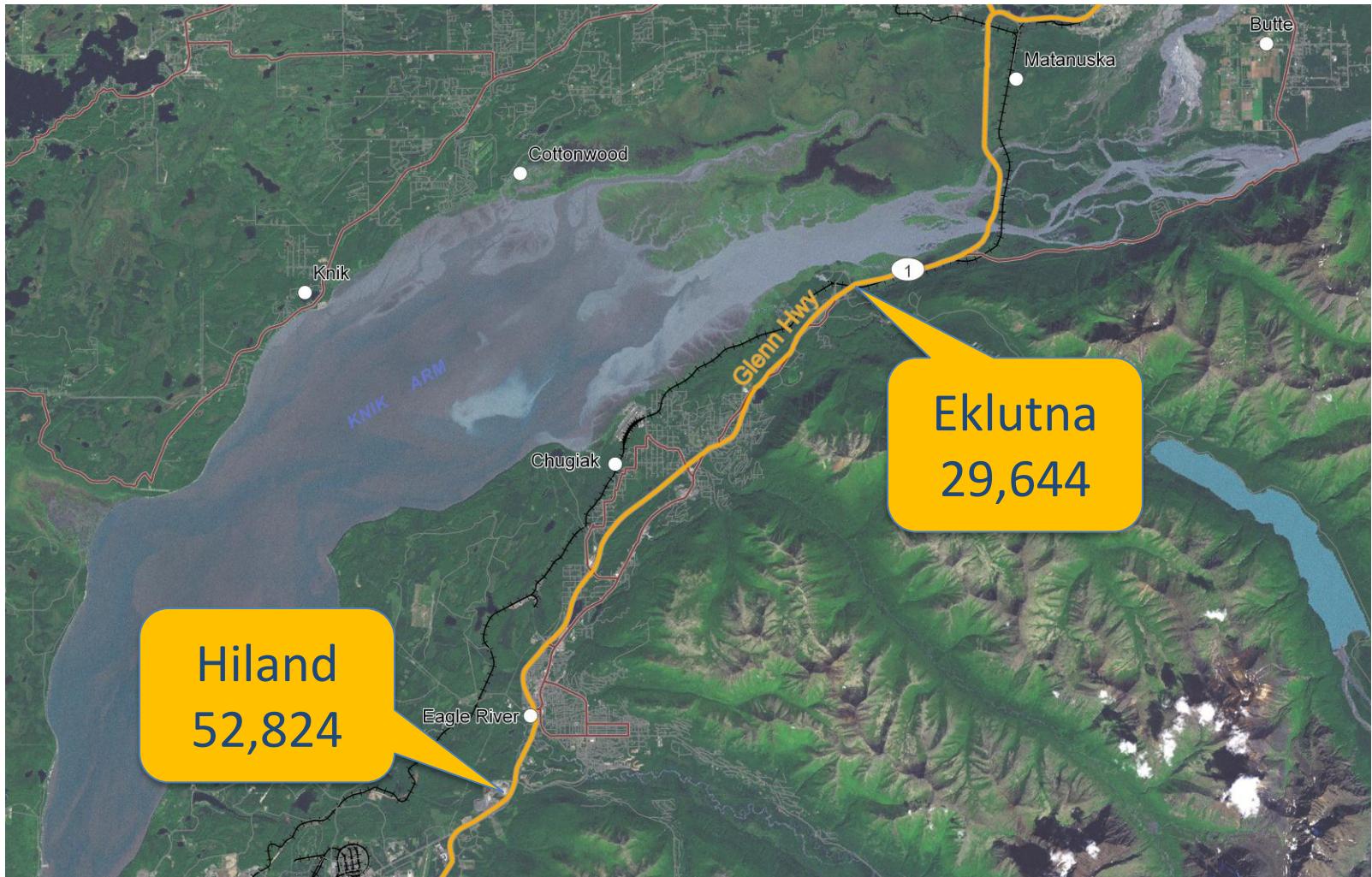
	ISER (2009)	ADOL (2010)	W&P (2010)	WSA (2011)	2010 Census *
<b>2010</b>					
Anchorage	289,200	290,588	289,200	291,826	291,826
Mat-Su	80,300	84,314	90,433	88,995	88,995
Region	369,500	374,902	379,633	380,821	380,821
<b>2035</b>					
Anchorage	351,300	364,973	366,544	362,458	354,490
Mat-Su	170,800	152,456	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.

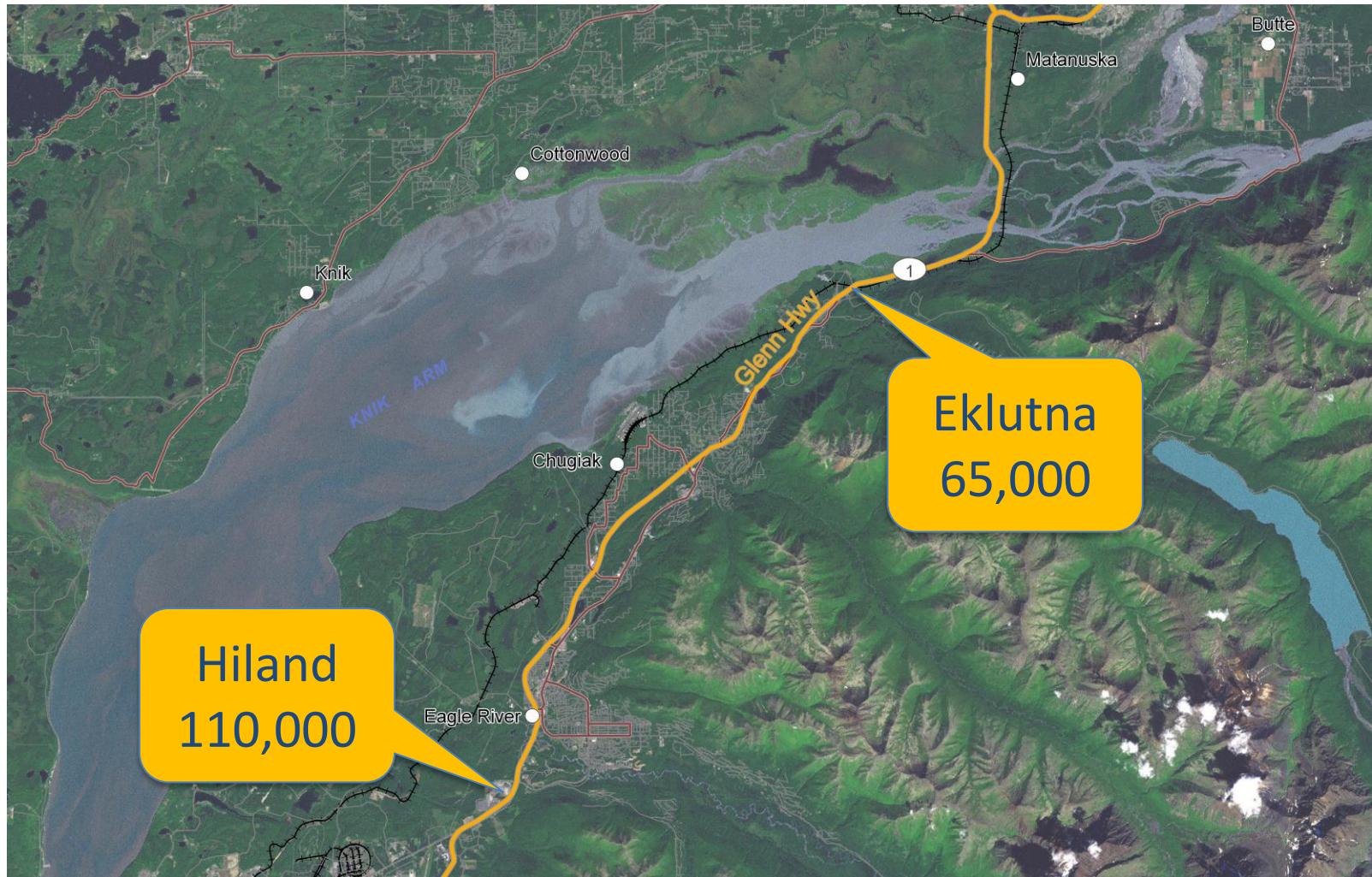
# 1985 Glenn Highway AADT Counts



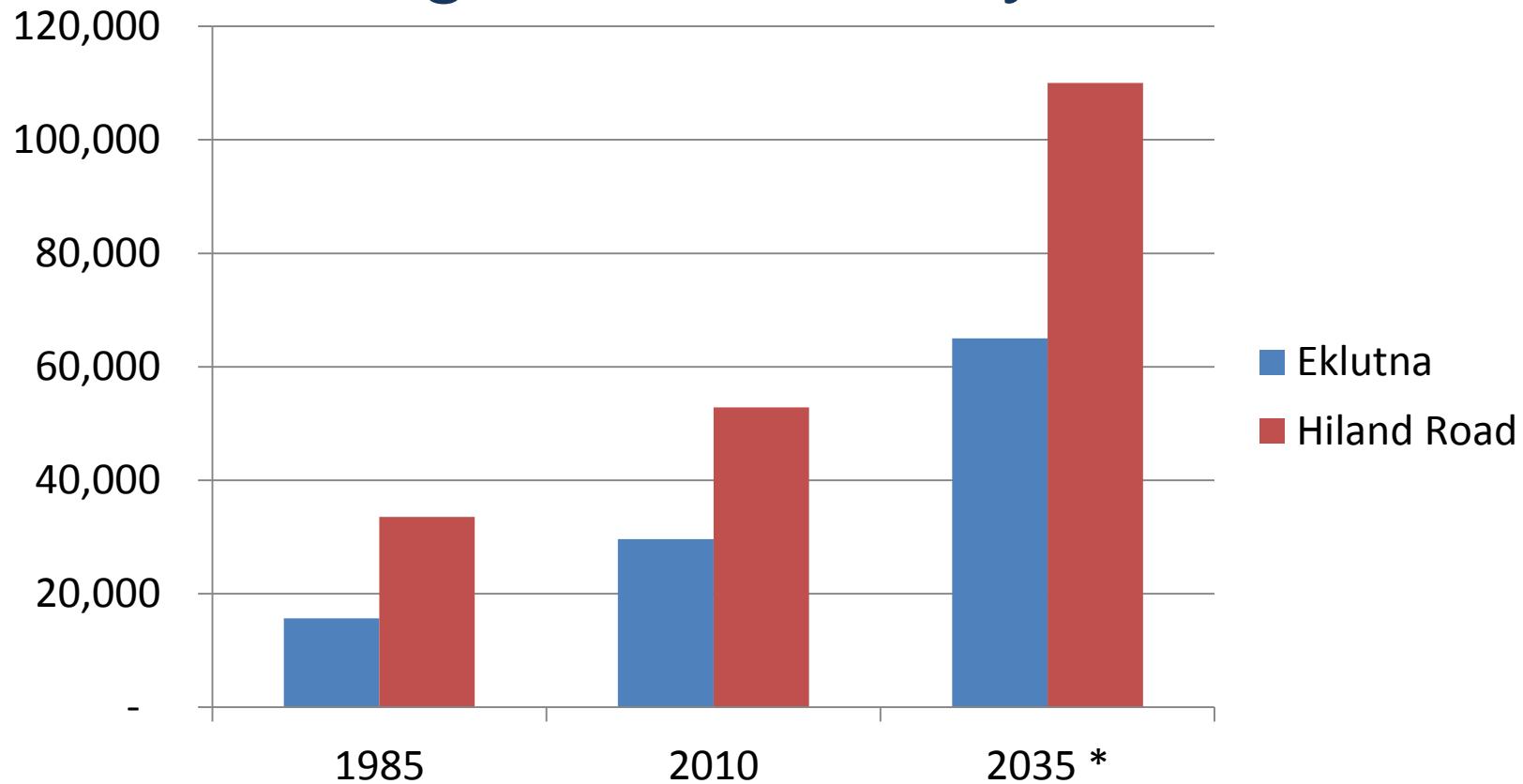
# 2010 Glenn Highway AADT Counts



# 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?

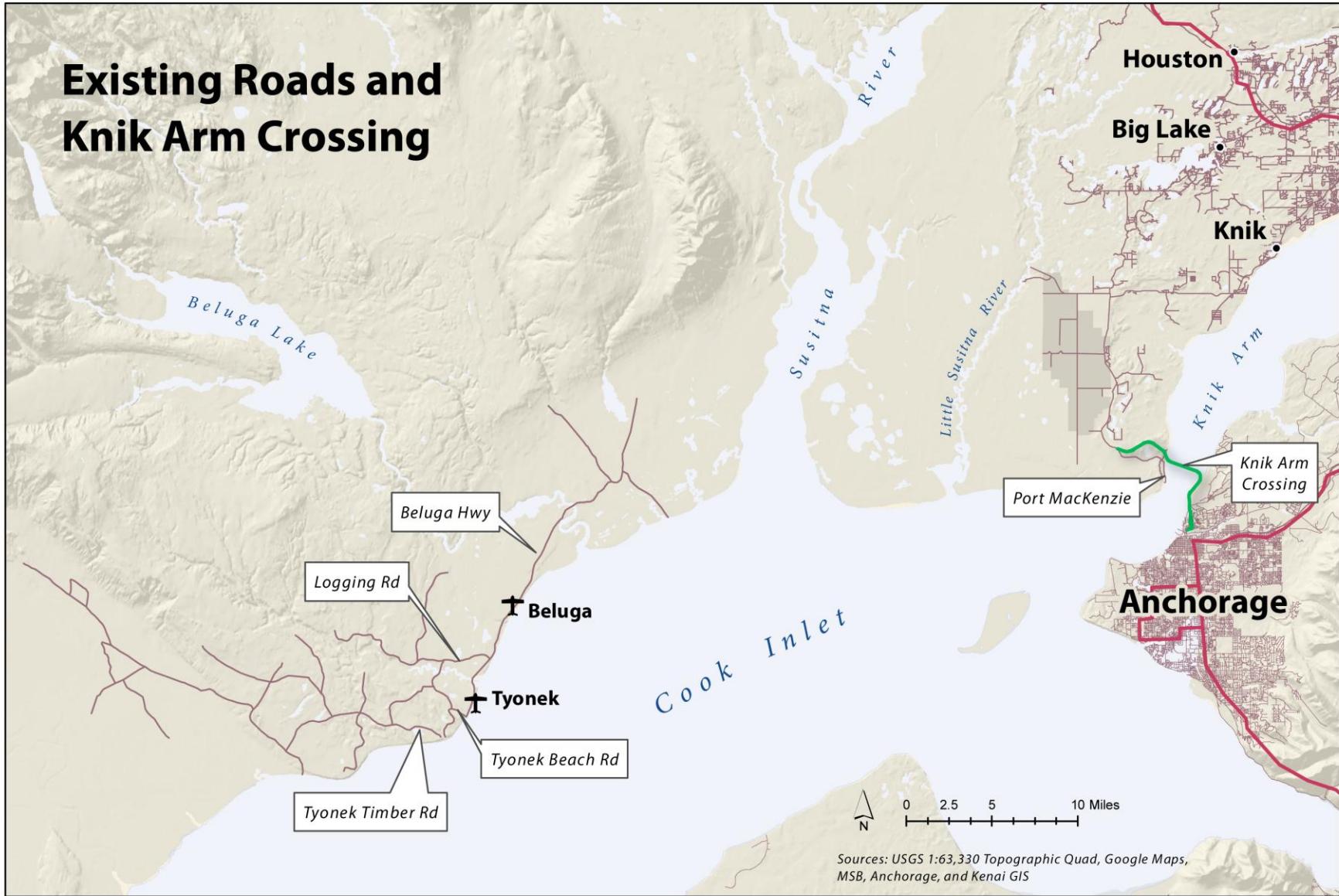
- State has to accommodate transportation needs to maintain existing level of service:
  - 6 lane improvements on Glenn Highway from Eagle River to Wasilla
  - 8 lane improvements on Glenn Highway from South Eagle River to 5<sup>th</sup> Avenue
  - Parks Wasilla Bypass
  - Network improvements in Palmer/Wasilla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

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

# Benefits of the Bridge

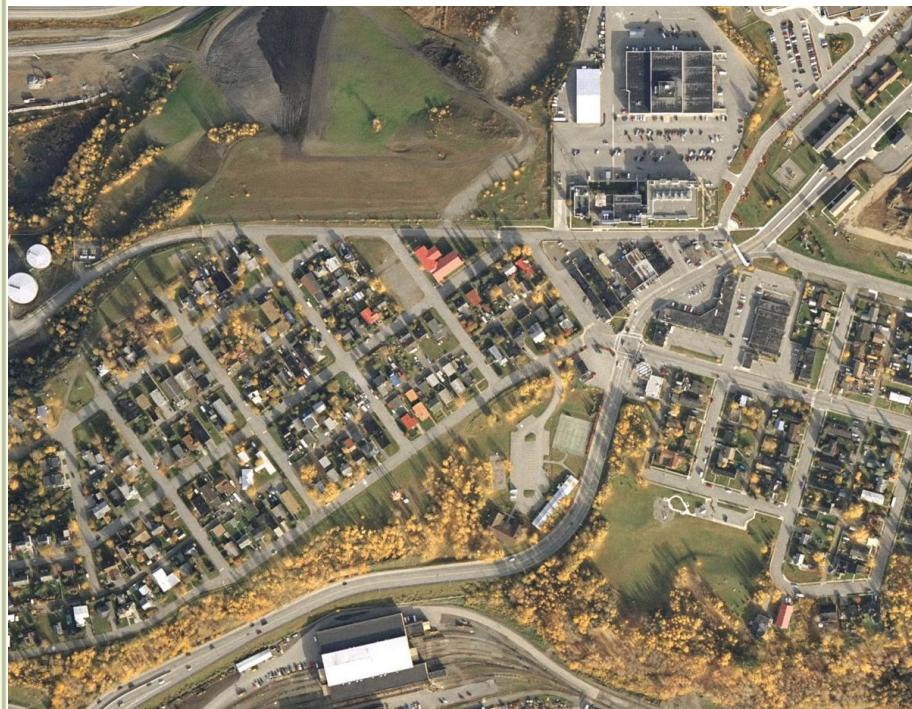
<ul style="list-style-type: none"><li>• 1,500 construction related jobs and enables thousands of permanent direct and indirect jobs</li></ul>	<ul style="list-style-type: none"><li>• Second route for safety and emergencies for 54% of the State's population (61% if Kenai included)</li></ul>
<ul style="list-style-type: 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

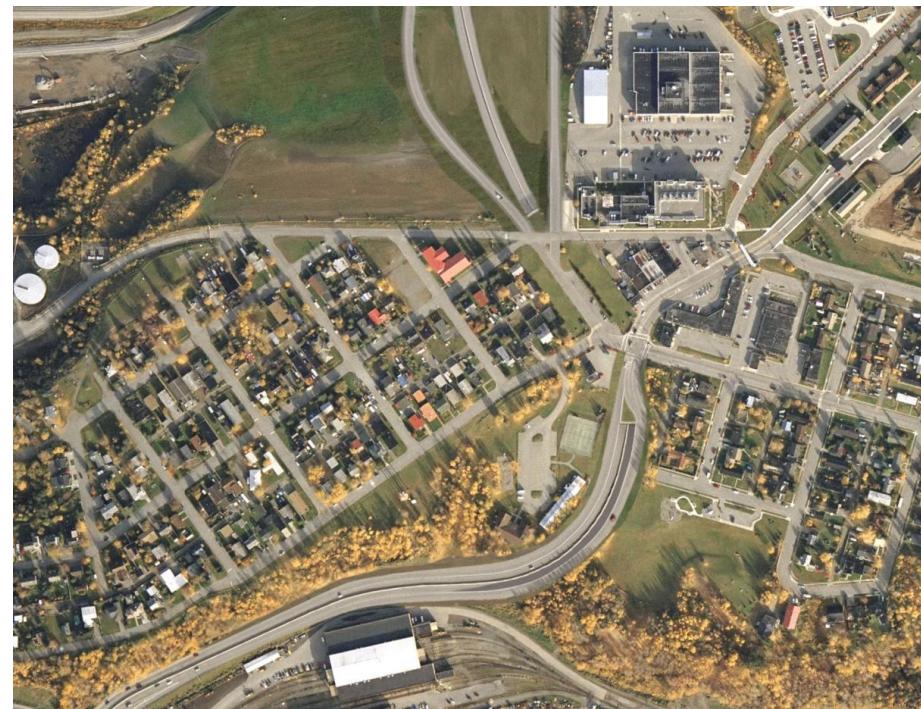


# Government Hill Community Impacts Minimized

## Before

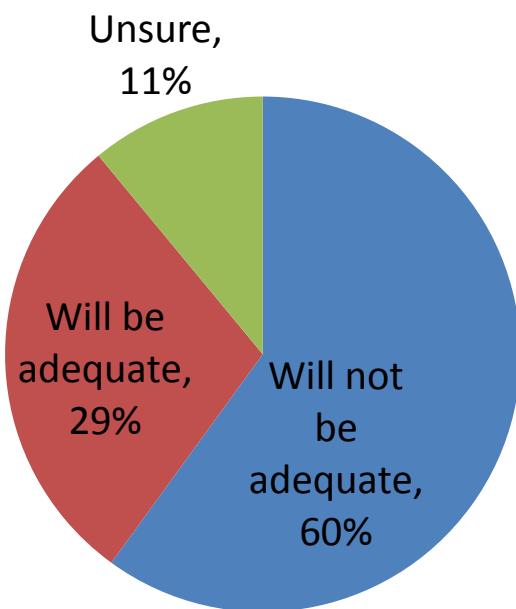


After

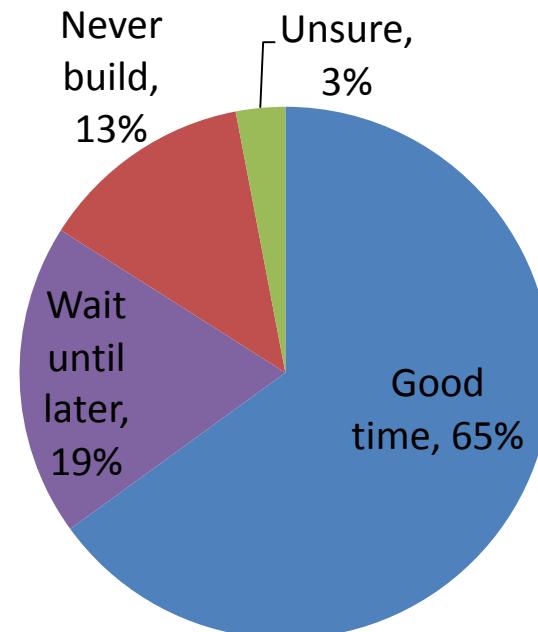


# Alaskans Recognize Bridge Value

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?

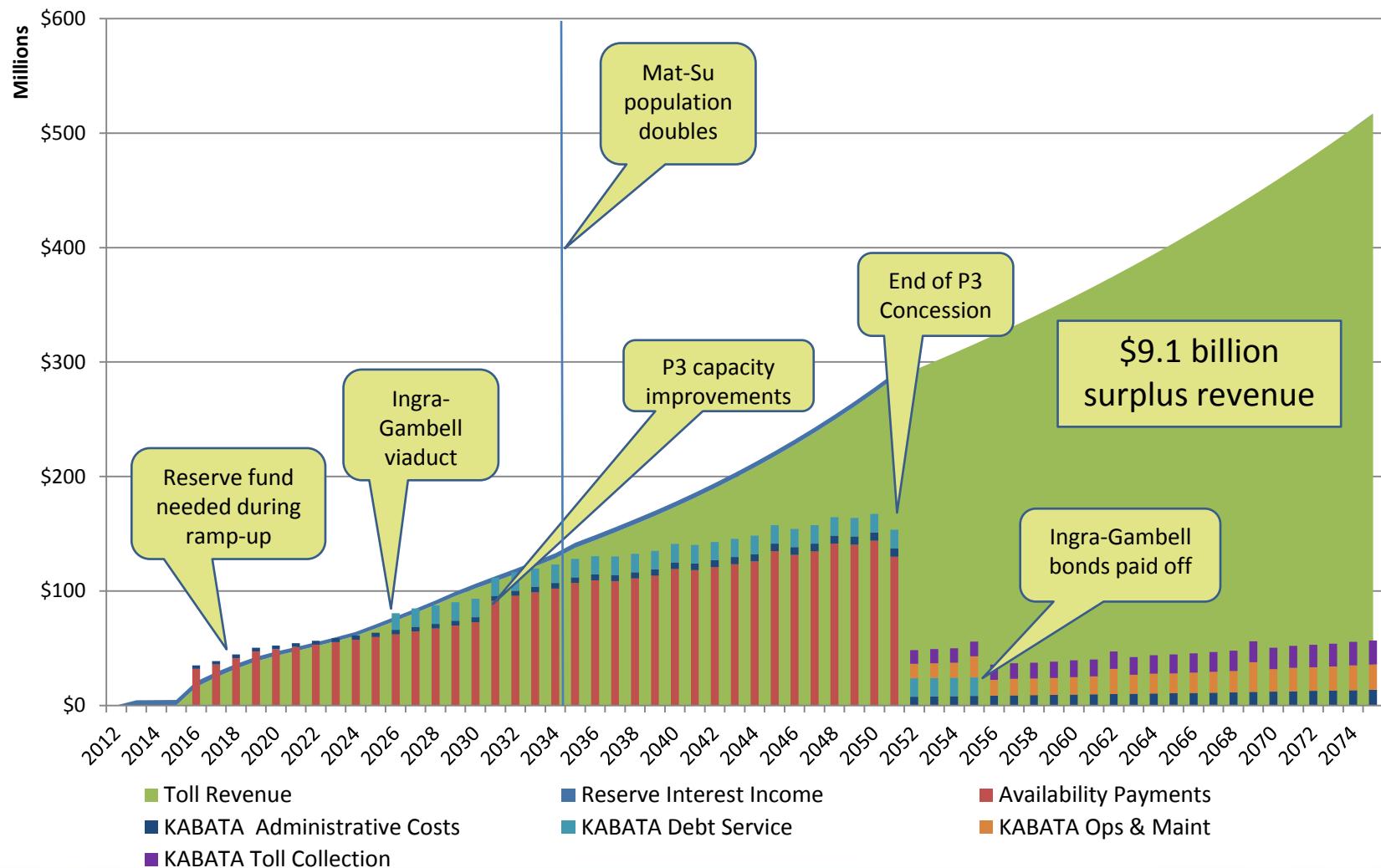


Overall, when everything is considered, would you say now is a good time to build the Knik Arm Bridge, should we wait until later, or should it never be built?



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

