

**Knik Arm Bridge and Toll Authority**  
**TIFIA Letter of Interest**  
**March 1, 2010**

**Exhibit D**  
**Knik Arm Crossing Pro Forma Plan of Finance**

**Knik Arm Bridge and Toll Authority  
Federalization of Sections 2-5, with TIFIA Optimization  
Private Model - Availability Payment Structure**

**SOURCES AND USES**

<b>SOURCES</b>	<b>TAX-EXEMPT</b>	<b>TAXABLE</b>	<b>TIFIA</b>	<b>EQUITY</b>	<b>PUBLIC FUNDS</b>	<b>TOTAL</b>
Current Interest Bonds	328,530,000	-	-	-	-	328,530,000
Capital Accretion Bonds	27,383,646	-	-	-	-	27,383,646
TIFIA	-	-	279,274,733	-	-	279,274,733
Equity	-	-	-	83,168,852	-	83,168,852
Premium / Original Issue Discount	-	-	-	-	-	-
Public Funds Available						
1) Federal	-	-	-	-	59,130,500	59,130,500
2) State Match	-	-	-	-	5,869,500	5,869,500
<b>Total</b>	<b>355,913,646</b>	<b>-</b>	<b>279,274,733</b>	<b>83,168,852</b>	<b>65,000,000</b>	<b>783,357,231</b>

**USES**

Deposit to Construction Fund	259,584,433	-	278,524,733	78,527,065	65,000,000	681,636,232
Deposit to Capitalized Interest Fund	50,416,353	-	-	-	-	50,416,353
Deposit to Prepaid Interest Fund	-	-	-	3,192,012	-	3,192,012
Debt Service Reserve Fund	35,591,365	-	-	-	-	35,591,365
Bond Insurance Premium	-	-	-	-	-	-
Cost of Issuance	7,118,273	-	750,000	-	-	7,868,273
Underwriter's Discount	1,779,568	-	-	-	-	1,779,568
Upfront Payment to KABATA (1)	1,423,655	-	-	1,449,774	-	2,873,429
Concession (Shortfall)/Surplus	-	-	-	-	-	-
<b>Total</b>	<b>355,913,646</b>	<b>-</b>	<b>279,274,733</b>	<b>83,168,852</b>	<b>65,000,000</b>	<b>783,357,231</b>

Equity Contribution (11% IRR)	83,168,852
Construction Fund Surplus / (Shortfall)	131,887
Equity as % of Financing, Including Public Funds	18.915%
Equity as % of Financing, Excluding Public Funds	11.578%

Delivery Date	12/1/11
Rates as of	8/24/09

Cap I Date	12/1/2014	-
Cap I Earnings Rate	1.50%	-

Bond Yield	5.790%	-	
Arbitrage Yield	5.912%	-	4.059%
True Interest Cost	5.827%	-	4.059%
			4.669%
			4.919%

Minimum Coverage	1.51x	1.15x
Average Coverage	1.81x	1.24x
Final Maturity	12/1/2041	12/1/2046

Total Qualified Project Costs	846,287,070
TIFIA 33% Limitation	279,274,733

(1) Includes stipend, success fee, and upfront administrative costs to KABATA

**Knik Arm Bridge and Toll Authority  
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Private Model - Availability Payment Structure**

**ASSUMPTIONS**

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**Derivation of DSRF Requirement**

Tax-Exempt	
10% of Par	35,591,365
Maximum Annual Debt Service	49,331,058
125% of Average Annual Debt Service	<u>37,616,702</u>
<b>Minimum of 3 tests</b>	35,591,365

Taxable Bonds	
Maximum Annual Debt Service	-
50% of Average Annual Debt Service	<u>-</u>
<b>Deposit</b>	-

**TIFIA Eligible Costs**

Project Costs	687,758,083
KABATA Debt Service Reserve Fund Deposit	35,591,365
KABATA Capitalized Interest Deposit	50,416,353
Bond Insurance	-
Cost of Issuance	7,868,273
Development Phase Activities	60,000,000
Underwriter's Discount	1,779,568
Upfront Payment	<u>2,873,429</u>
<b>Total Eligible TIFIA Costs</b>	846,287,070

33% Maximum Capacity Constraint	279,274,733
Actual TIFIA Loan Amount Used	279,274,733

<b>2012 Initial Toll Rate</b>	\$5.00
<b>2008 Initial Toll Rate (PV @ 2.50%)</b>	\$4.42
<b>Annual Toll Rate Increase After 2012</b>	2.500%

<b>Costs of Issuance</b>	
Bonds	2.000%
TIFIA	750,000

<b>Underwriter's Discount</b>	
Bonds	0.500%

<b>Insurance (% of Total DS)</b>	0.000%
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**Knik Arm Bridge and Toll Authority  
Federalization of Sections 2-5, with TIFIA Optimization  
Private Model - Availability Payment Structure**

**EBITDA**

Date	Toll Revenue	Availability Payment (1)	Interest Income Earnings	2.50% KABATA Administrative Costs	2.50% O&M	2.50% Tolling Operations	2.50% Renewal CapEx	Cash Available for Debt Service
Total	-	6,331,849,966	69,225,204	(369,129,138)	(500,620,308)	(274,750,674)	(544,616,214)	4,711,958,836
2012	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-
2015	-	41,737,500	1,245,698	-	(4,191,406)	(922,764)	(3,065,758)	34,803,269
2016	-	43,407,000	1,245,698	-	(4,296,192)	(1,306,475)	(2,839,774)	36,210,257
2017	-	45,143,280	1,245,698	(3,302,962)	(4,403,596)	(1,662,463)	(3,087,918)	33,932,038
2018	-	46,949,011	1,245,698	(3,385,536)	(4,513,686)	(1,944,375)	(3,112,888)	35,238,223
2019	-	48,826,972	1,245,698	(3,470,175)	(4,626,528)	(2,040,962)	(3,111,307)	36,823,697
2020	-	50,780,051	1,245,698	(3,556,929)	(4,742,192)	(2,146,917)	(3,984,778)	37,594,933
2021	-	52,811,253	1,245,698	(3,645,852)	(4,860,746)	(2,252,971)	(4,021,061)	39,276,319
2022	-	54,923,703	1,245,698	(3,736,999)	(4,982,265)	(2,368,398)	(3,759,167)	41,322,572
2023	-	57,120,651	1,245,698	(3,830,424)	(5,106,822)	(2,493,200)	(3,997,956)	42,937,947
2024	-	59,405,477	1,245,698	(3,926,184)	(5,234,492)	(2,608,838)	(3,772,030)	45,109,630
2025	-	61,781,696	1,245,698	(4,024,339)	(5,365,355)	(2,724,586)	(4,230,376)	46,682,738
2026	-	64,252,964	1,245,698	(4,124,947)	(5,499,489)	(2,849,717)	(4,217,127)	48,807,381
2027	-	66,823,082	1,245,698	(4,228,071)	(5,636,976)	(2,974,964)	(4,297,089)	50,931,681
2028	-	69,496,006	1,245,698	(4,333,773)	(5,777,900)	(3,109,600)	(4,303,707)	53,216,724
2029	-	72,275,846	1,245,698	(4,442,117)	(5,922,348)	(3,244,356)	(5,224,686)	54,688,037
2030	-	75,166,880	1,245,698	(4,553,170)	(6,070,406)	(3,379,237)	(5,834,370)	56,575,394
2031	-	78,173,555	1,245,698	(4,666,999)	(6,222,166)	(3,523,516)	(6,254,766)	58,751,805
2032	-	81,300,497	1,245,698	(4,783,674)	(6,377,721)	(3,677,196)	(6,226,535)	61,481,069
2033	-	84,552,517	1,245,698	(4,903,266)	(6,537,164)	(3,831,010)	(6,244,923)	64,281,852
2034	-	86,666,330	1,245,698	(5,025,848)	(6,700,593)	(3,938,606)	(7,553,274)	64,693,708
2035	-	88,832,988	1,245,698	(5,151,494)	(6,868,108)	(4,037,071)	(8,168,681)	65,853,332
2036	-	91,053,813	1,245,698	(5,280,281)	(7,039,810)	(4,117,138)	(7,833,899)	68,028,382
2037	-	93,330,158	1,245,698	(5,412,288)	(7,215,805)	(4,197,352)	(8,372,612)	69,377,797
2038	-	95,663,412	1,245,698	(5,547,595)	(7,396,201)	(4,277,718)	(8,448,430)	71,239,166
2039	-	98,054,997	1,245,698	(5,686,285)	(7,581,106)	(4,358,239)	(8,588,741)	73,086,325
2040	-	100,506,372	1,245,698	(5,828,442)	(7,770,633)	(4,448,189)	(9,064,292)	74,640,513
2041	-	103,019,031	36,837,062	(5,974,153)	(7,964,899)	(4,519,760)	(9,660,938)	111,736,343
2042	-	105,594,507	-	(6,123,507)	(8,164,022)	(4,582,227)	(9,275,781)	77,448,970
2043	-	108,234,370	-	(6,276,595)	(8,368,122)	(4,696,783)	(9,591,568)	79,301,302
2044	-	110,940,229	-	(6,433,510)	(8,577,325)	(4,814,202)	(9,930,148)	81,185,044
2045	-	113,713,735	-	(6,594,348)	(8,791,758)	(4,934,558)	(10,178,402)	83,214,670
2046	-	116,556,578	-	(6,759,206)	(9,011,552)	(5,057,921)	(10,432,862)	85,295,036
2047	-	119,470,493	-	(6,928,186)	(9,236,841)	(5,184,369)	(10,693,683)	87,427,412
2048	-	122,457,255	-	(7,101,391)	(9,467,762)	(5,313,979)	(10,961,025)	89,613,098
2049	-	125,518,686	-	(7,278,926)	(9,704,456)	(5,446,828)	(11,235,051)	91,853,425
2050	-	128,656,654	-	(7,460,899)	(9,947,068)	(5,582,999)	(11,515,927)	94,149,761
2051	-	131,873,070	-	(7,647,422)	(10,195,744)	(5,722,574)	(11,803,826)	96,503,505
2052	-	135,169,897	-	(7,838,607)	(10,450,638)	(5,865,638)	(12,098,921)	98,916,092
2053	-	138,549,144	-	(8,034,572)	(10,711,904)	(6,012,279)	(12,401,394)	101,388,995
2054	-	142,012,873	-	(8,235,437)	(10,979,701)	(6,162,586)	(12,711,429)	103,923,720
2055	-	145,563,195	-	(8,441,322)	(11,254,194)	(6,316,651)	(13,029,215)	106,521,813
2056	-	149,202,274	-	(8,652,356)	(11,535,549)	(6,474,567)	(13,354,945)	109,184,858
2057	-	152,932,331	-	(8,868,664)	(11,823,938)	(6,636,431)	(13,688,819)	111,914,479
2058	-	156,755,640	-	(9,090,381)	(12,119,536)	(6,802,342)	(14,031,039)	114,712,341
2059	-	160,674,531	-	(9,317,641)	(12,422,524)	(6,972,401)	(14,381,815)	117,580,150
2060	-	164,691,394	-	(9,550,582)	(12,733,087)	(7,146,711)	(14,741,361)	120,519,654
2061	-	168,808,679	-	(9,789,346)	(13,051,415)	(7,325,378)	(15,109,895)	123,532,645
2062	-	173,028,896	-	(10,034,080)	(13,377,700)	(7,508,513)	(15,487,642)	126,620,961
2063	-	177,354,618	-	(10,284,932)	(13,712,143)	(7,696,226)	(15,874,833)	129,786,485
2064	-	181,788,483	-	(10,542,055)	(14,054,946)	(7,888,631)	(16,271,704)	133,031,147
2065	-	186,333,196	-	(10,805,606)	(14,406,320)	(8,085,847)	(16,678,496)	136,356,926
2066	-	190,991,525	-	(11,075,747)	(14,766,478)	(8,287,993)	(17,095,459)	139,765,849
2067	-	195,766,314	-	(11,352,640)	(15,135,640)	(8,495,193)	(17,522,845)	143,259,995
2068	-	200,660,471	-	(11,636,456)	(15,514,031)	(8,707,573)	(17,960,916)	146,841,495
2069	-	205,676,983	-	(11,927,368)	(15,901,881)	(8,925,262)	(18,409,939)	150,512,532
2070	-	210,818,908	-	(12,225,552)	(16,299,428)	(9,148,394)	(18,870,188)	154,275,346
2071	-	-	-	-	-	-	-	-

(1) Escalates at 4.0% through 20 years, 2.5% thereafter.

**Knik Arm Bridge and Toll Authority  
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Private Model - Availability Payment Structure**

COVERAGE												
Date	Cash Available for Debt Service	Senior Debt Service	Senior Lien Coverage	Senior LLCR	Senior PLCR	TIFIA DS	Total Coverage	Total LLCR	Total PLCR	Subordinated O&M	Total Coverage (inc. O&M)	Equity Dividends
Total	4,711,958,836	(843,707,434)				(746,340,271)				-		3,121,911,131
2012	-	-				-				-		-
2013	-	-				-				-		-
2014	-	-				-				-		-
2015	34,803,269	(18,495,039)	1.88x	2.43x	3.47x	-	1.88x	1.34x	1.91x	-	1.88x	16,308,231
2016	36,210,257	(18,495,039)	1.96x	2.43x	3.51x	-	1.96x	1.32x	1.90x	-	1.96x	17,715,218
2017	33,932,038	(18,495,039)	1.83x	2.42x	3.54x	-	1.83x	1.29x	1.89x	-	1.83x	15,437,000
2018	35,238,223	(18,495,039)	1.91x	2.42x	3.59x	-	1.91x	1.27x	1.88x	-	1.91x	16,743,184
2019	36,823,697	(16,353,323)	2.25x	2.42x	3.63x	(15,665,342)	1.15x	1.26x	1.89x	-	1.15x	4,805,031
2020	37,594,933	(17,028,463)	2.21x	2.41x	3.66x	(15,660,842)	1.15x	1.26x	1.92x	-	1.15x	4,905,627
2021	39,276,319	(18,495,039)	2.12x	2.39x	3.70x	(15,656,342)	1.15x	1.26x	1.94x	-	1.15x	5,124,939
2022	41,322,572	(20,275,039)	2.04x	2.37x	3.73x	(15,651,842)	1.15x	1.25x	1.97x	-	1.15x	5,395,691
2023	42,937,947	(21,685,039)	1.98x	2.36x	3.77x	(15,647,342)	1.15x	1.25x	2.00x	-	1.15x	5,605,566
2024	45,109,630	(23,580,039)	1.91x	2.35x	3.82x	(15,642,842)	1.15x	1.25x	2.03x	-	1.15x	5,886,749
2025	46,682,738	(24,950,039)	1.87x	2.35x	3.89x	(15,638,342)	1.15x	1.24x	2.06x	-	1.15x	6,094,357
2026	48,807,381	(26,805,039)	1.82x	2.35x	3.98x	(15,633,842)	1.15x	1.24x	2.10x	-	1.15x	6,368,500
2027	50,931,681	(28,651,271)	1.78x	2.35x	4.08x	(15,629,342)	1.15x	1.24x	2.14x	-	1.15x	6,651,068
2028	53,216,724	(30,646,995)	1.74x	2.37x	4.21x	(15,624,842)	1.15x	1.23x	2.19x	-	1.15x	6,944,887
2029	54,688,037	(31,931,995)	1.71x	2.39x	4.37x	(15,620,342)	1.15x	1.23x	2.25x	-	1.15x	7,135,700
2030	56,575,394	(33,576,995)	1.68x	2.42x	4.56x	(15,615,842)	1.15x	1.23x	2.31x	-	1.15x	7,382,557
2031	58,751,805	(35,471,995)	1.66x	2.47x	4.80x	(15,611,342)	1.15x	1.23x	2.38x	-	1.15x	7,668,469
2032	61,481,069	(37,850,241)	1.62x	2.52x	5.09x	(15,606,842)	1.15x	1.22x	2.46x	-	1.15x	8,023,986
2033	64,281,852	(40,289,647)	1.60x	2.60x	5.45x	(15,602,342)	1.15x	1.22x	2.56x	-	1.15x	8,389,863
2034	64,693,708	(40,653,903)	1.59x	2.70x	5.93x	(15,597,842)	1.15x	1.22x	2.67x	-	1.15x	8,441,962
2035	65,853,332	(41,665,399)	1.58x	2.83x	6.52x	(15,593,342)	1.15x	1.21x	2.79x	-	1.15x	8,594,592
2036	68,028,382	(43,564,988)	1.56x	3.00x	7.32x	(15,588,842)	1.15x	1.21x	2.94x	-	1.15x	8,874,552
2037	69,377,797	(44,739,449)	1.55x	3.26x	8.44x	(15,584,342)	1.15x	1.20x	3.12x	-	1.15x	9,054,007
2038	71,239,166	(46,358,845)	1.54x	3.64x	10.12x	(15,579,842)	1.15x	1.20x	3.33x	-	1.15x	9,300,479
2039	73,086,325	(47,974,374)	1.52x	4.38x	13.19x	(15,575,342)	1.15x	1.20x	3.62x	-	1.15x	9,536,609
2040	74,640,513	(49,331,058)	1.51x	5.80x	19.22x	(15,570,842)	1.15x	1.20x	3.97x	-	1.15x	9,738,613
2041	111,736,343	(47,848,112)	2.34x	10.29x	38.05x	(49,325,179)	1.15x	1.20x	4.43x	-	1.15x	14,563,052
2042	77,448,970	-				(67,346,439)	1.15x	1.20x	5.45x	-	1.15x	10,102,532
2043	79,301,302	-				(68,957,162)	1.15x	1.20x	6.58x	-	1.15x	10,344,140
2044	81,185,044	-				(70,595,198)	1.15x	1.20x	8.46x	-	1.15x	10,589,845
2045	83,214,670	-				(72,360,090)	1.15x	1.20x	12.22x	-	1.15x	10,854,579
2046	85,295,036	-				(74,158,174)	1.15x	1.20x	23.51x	-	1.15x	11,136,862
2047	87,427,412	-				-				-		87,427,412
2048	89,613,098	-				-				-		89,613,098
2049	91,853,425	-				-				-		91,853,425
2050	94,149,761	-				-				-		94,149,761
2051	96,503,505	-				-				-		96,503,505
2052	98,916,092	-				-				-		98,916,092
2053	101,388,995	-				-				-		101,388,995
2054	103,923,720	-				-				-		103,923,720
2055	106,521,813	-				-				-		106,521,813
2056	109,184,858	-				-				-		109,184,858
2057	111,914,479	-				-				-		111,914,479
2058	114,712,341	-				-				-		114,712,341
2059	117,580,150	-				-				-		117,580,150
2060	120,519,654	-				-				-		120,519,654
2061	123,532,645	-				-				-		123,532,645
2062	126,620,961	-				-				-		126,620,961
2063	129,786,485	-				-				-		129,786,485
2064	133,031,147	-				-				-		133,031,147
2065	136,356,926	-				-				-		136,356,926
2066	139,765,849	-				-				-		139,765,849
2067	143,259,995	-				-				-		143,259,995
2068	146,841,495	-				-				-		146,841,495
2069	150,512,532	-				-				-		150,512,532
2070	154,275,346	-				-				-		154,275,346
2071	-	-				-				-		-

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Federalization of Sections 2-5, with TIFIA Optimization  
Private Model - Availability Payment Structure**

**ANNUAL DEBT SERVICE**

Date	Tax-Exempt CIB Annual DS	Tax-Exempt CAB Annual DS	Taxable CIB Annual DS	Total Senior Annual DS	Capl Interest Draws	Prepaid Interest Draws	Net Senior Annual DS	TIFIA Annual DS	Net Annual DS
Total	799,620,840	103,180,000	-	902,800,840	(55,485,116)	(3,608,290)	843,707,434	746,340,271	1,590,047,705
2012	18,495,039	-	-	18,495,039	(18,495,039)	-	-	-	-
2013	18,495,039	-	-	18,495,039	(18,495,039)	-	-	-	-
2014	18,495,039	-	-	18,495,039	(18,495,039)	-	-	-	-
2015	18,495,039	-	-	18,495,039	-	-	18,495,039	-	18,495,039
2016	18,495,039	-	-	18,495,039	-	-	18,495,039	-	18,495,039
2017	18,495,039	-	-	18,495,039	-	-	18,495,039	-	18,495,039
2018	18,495,039	-	-	18,495,039	-	-	18,495,039	-	18,495,039
2019	18,495,039	-	-	18,495,039	-	(2,141,715)	16,353,323	15,665,342	32,018,666
2020	18,495,039	-	-	18,495,039	-	(1,466,575)	17,028,463	15,660,842	32,689,306
2021	18,495,039	-	-	18,495,039	-	-	18,495,039	15,656,342	34,151,381
2022	18,495,039	1,780,000	-	20,275,039	-	-	20,275,039	15,651,842	35,926,881
2023	18,495,039	3,190,000	-	21,685,039	-	-	21,685,039	15,647,342	37,332,381
2024	18,495,039	5,085,000	-	23,580,039	-	-	23,580,039	15,642,842	39,222,881
2025	18,495,039	6,455,000	-	24,950,039	-	-	24,950,039	15,638,342	40,588,381
2026	26,805,039	-	-	26,805,039	-	-	26,805,039	15,633,842	42,438,881
2027	20,841,271	7,810,000	-	28,651,271	-	-	28,651,271	15,629,342	44,280,613
2028	17,906,995	12,740,000	-	30,646,995	-	-	30,646,995	15,624,842	46,271,837
2029	17,906,995	14,025,000	-	31,931,995	-	-	31,931,995	15,620,342	47,552,337
2030	17,906,995	15,670,000	-	33,576,995	-	-	33,576,995	15,615,842	49,192,837
2031	35,471,995	-	-	35,471,995	-	-	35,471,995	15,611,342	51,083,337
2032	37,850,241	-	-	37,850,241	-	-	37,850,241	15,606,842	53,457,083
2033	40,289,647	-	-	40,289,647	-	-	40,289,647	15,602,342	55,891,989
2034	40,653,903	-	-	40,653,903	-	-	40,653,903	15,597,842	56,251,745
2035	41,665,399	-	-	41,665,399	-	-	41,665,399	15,593,342	57,258,741
2036	43,564,988	-	-	43,564,988	-	-	43,564,988	15,588,842	59,153,830
2037	44,739,449	-	-	44,739,449	-	-	44,739,449	15,584,342	60,323,791
2038	9,933,845	36,425,000	-	46,358,845	-	-	46,358,845	15,579,842	61,938,687
2039	47,974,374	-	-	47,974,374	-	-	47,974,374	15,575,342	63,549,716
2040	49,331,058	-	-	49,331,058	-	-	49,331,058	15,570,842	64,901,900
2041	47,848,112	-	-	47,848,112	-	-	47,848,112	49,325,179	97,173,290
2042	-	-	-	-	-	-	-	67,346,439	67,346,439
2043	-	-	-	-	-	-	-	68,957,162	68,957,162
2044	-	-	-	-	-	-	-	70,595,198	70,595,198
2045	-	-	-	-	-	-	-	72,360,090	72,360,090
2046	-	-	-	-	-	-	-	74,158,174	74,158,174
2047	-	-	-	-	-	-	-	-	-
2048	-	-	-	-	-	-	-	-	-
2049	-	-	-	-	-	-	-	-	-
2050	-	-	-	-	-	-	-	-	-
2051	-	-	-	-	-	-	-	-	-

**Knik Arm Bridge and Toll Authority  
Federalization of Sections 2-5, with TIFIA Optimization  
Private Model - Availability Payment Structure**

**AVAILABILITY PAYMENT LIABILITY**

Date	Availability Payment	Toll Revenue	Net State Liability	PV @ 5.000%
<b>Total</b>	<b>6,331,849,966</b>	<b>12,056,900,150</b>	<b>5,725,050,184</b>	<b>840,030,959</b>
2012	-	-	-	-
2013	-	-	-	-
2014	-	-	-	-
2015	41,737,500	20,075,000	(21,662,500)	(17,779,423)
2016	43,407,000	30,678,250	(12,728,750)	(9,943,679)
2017	45,143,280	41,223,898	(3,919,382)	(2,914,279)
2018	46,949,011	49,683,426	2,734,415	1,935,220
2019	48,826,972	53,463,729	4,636,758	3,123,436
2020	50,780,051	58,145,331	7,365,280	4,722,367
2021	52,811,253	62,477,323	9,666,071	5,898,922
2022	54,923,703	67,206,509	12,282,807	7,134,649
2023	57,120,651	72,933,597	15,812,947	8,742,589
2024	59,405,477	78,084,533	18,679,056	9,829,568
2025	61,781,696	84,054,831	22,273,136	11,156,119
2026	64,252,964	89,891,713	25,638,749	12,223,086
2027	66,823,082	96,606,054	29,782,972	13,514,636
2028	69,496,006	103,851,508	34,355,503	14,838,325
2029	72,275,846	110,728,400	38,452,554	15,807,604
2030	75,166,880	118,571,447	43,404,567	16,983,553
2031	78,173,555	127,008,363	48,834,808	18,187,578
2032	81,300,497	136,070,713	54,770,216	19,415,211
2033	84,552,517	145,506,800	60,954,284	20,566,205
2034	86,666,330	153,112,320	66,445,990	21,338,848
2035	88,832,988	160,708,127	71,875,139	21,970,157
2036	91,053,813	167,974,981	76,921,168	22,379,615
2037	93,330,158	175,504,735	82,174,577	22,756,029
2038	95,663,412	183,305,993	87,642,581	23,100,769
2039	98,054,997	191,387,623	93,332,626	23,415,154
2040	100,506,372	200,097,114	99,590,741	23,781,255
2041	103,019,031	208,428,854	105,409,823	23,957,923
2042	105,594,507	216,696,648	111,102,140	24,034,925
2043	108,234,370	222,114,064	113,879,694	23,448,707
2044	110,940,229	227,666,915	116,726,686	22,876,788
2045	113,713,735	233,358,588	119,644,853	22,318,817
2046	116,556,578	239,192,553	122,635,975	21,774,456
2047	119,470,493	245,172,367	125,701,874	21,243,372
2048	122,457,255	251,301,676	128,844,421	20,725,241
2049	125,518,686	257,584,218	132,065,531	20,219,747
2050	128,656,654	264,023,823	135,367,170	19,726,582
2051	131,873,070	270,624,419	138,751,349	19,245,446
2052	135,169,897	277,390,029	142,220,133	18,776,045
2053	138,549,144	284,324,780	145,775,636	18,318,093
2054	142,012,873	291,432,900	149,420,027	17,871,310
2055	145,563,195	298,718,722	153,155,528	17,435,424
2056	149,202,274	306,186,690	156,984,416	17,010,170
2057	152,932,331	313,841,357	160,909,026	16,595,288
2058	156,755,640	321,687,391	164,931,752	16,190,525
2059	160,674,531	329,729,576	169,055,046	15,795,634
2060	164,691,394	337,972,816	173,281,422	15,410,375
2061	168,808,679	346,422,136	177,613,457	15,034,512
2062	173,028,896	355,082,689	182,053,794	14,667,816
2063	177,354,618	363,959,757	186,605,139	14,310,065
2064	181,788,483	373,058,751	191,270,267	13,961,039
2065	186,333,196	382,385,219	196,052,024	13,620,526
2066	190,991,525	391,944,850	200,953,324	13,288,318
2067	195,766,314	401,743,471	205,977,157	12,964,212
2068	200,660,471	411,787,058	211,126,586	12,648,012
2069	205,676,983	422,081,734	216,404,751	12,339,524
2070	210,818,908	432,633,778	221,814,870	12,038,560
2071	-	-	-	-

**Knik Arm Bridge and Toll Authority  
Federalization of Sections 2-5, with TIFIA Optimization  
Private Model - Availability Payment Structure**

**CONSTRUCTION FUND**

Date	Days (30/360)	Beginning Balance	Bond Proceeds Initial Deposit	Federal Monies Initial Deposit	Equity Deposit	TIFIA Deposit	Shortfall	Total Deposits	Interest Earnings 1.50%	Draws	Ending Balance
<b>Total</b>			259,584,433	65,000,000	78,526,989	279,274,733	-	682,386,155	5,506,477	687,758,083	
12/1/11		-	259,584,433	65,000,000	-	-		324,584,433	-	-	324,584,433
1/1/12	30	324,584,433	-	-	-	-	-	-	405,731	8,839,789	316,150,375
2/1/12	30	316,150,375	-	-	-	-	-	-	395,188	8,839,789	307,705,775
3/1/12	30	307,705,775	-	-	-	-	-	-	384,632	8,839,789	299,250,618
4/1/12	30	299,250,618	-	-	-	-	-	-	374,063	8,839,789	290,784,893
5/1/12	30	290,784,893	-	-	-	-	-	-	363,481	8,839,789	282,308,585
6/1/12	30	282,308,585	-	-	-	-	-	-	352,886	8,839,789	273,821,682
7/1/12	30	273,821,682	-	-	-	-	-	-	342,277	8,839,789	265,324,171
8/1/12	30	265,324,171	-	-	-	-	-	-	331,655	8,839,789	256,816,037
9/1/12	30	256,816,037	-	-	-	-	-	-	321,020	8,839,789	248,297,268
10/1/12	30	248,297,268	-	-	-	-	-	-	310,372	8,839,789	239,767,851
11/1/12	30	239,767,851	-	-	-	-	-	-	299,710	8,839,789	231,227,772
12/1/12	30	231,227,772	-	-	-	-	-	-	289,035	8,839,789	222,677,018
1/1/13	30	222,677,018	-	-	-	-	-	-	278,346	26,286,775	196,668,590
2/1/13	30	196,668,590	-	-	-	-	-	-	245,836	26,286,775	170,627,651
3/1/13	30	170,627,651	-	-	-	-	-	-	213,285	26,286,775	144,554,161
4/1/13	30	144,554,161	-	-	-	-	-	-	180,693	26,286,775	118,448,079
5/1/13	30	118,448,079	-	-	-	-	-	-	148,060	26,286,775	92,309,364
6/1/13	30	92,309,364	-	-	-	-	-	-	115,387	26,286,775	66,137,976
7/1/13	30	66,137,976	-	-	-	-	-	-	82,672	26,286,775	39,933,874
8/1/13	30	39,933,874	-	-	-	-	-	-	49,917	26,286,775	13,697,017
9/1/13	30	13,697,017	-	-	12,702,076	-	-	12,702,076	17,121	26,286,775	129,439
10/1/13	30	129,439	-	-	26,286,775	-	-	26,286,775	162	26,286,775	129,601
11/1/13	30	129,601	-	-	26,286,775	-	-	26,286,775	162	26,286,775	129,763
12/1/13	30	129,763	-	-	13,251,364	13,035,411	-	26,286,775	162	26,286,775	129,925
1/1/14	30	129,925	-	-	-	22,186,610	-	22,186,610	162	22,186,610	130,088
2/1/14	30	130,088	-	-	-	22,186,610	-	22,186,610	163	22,186,610	130,250
3/1/14	30	130,250	-	-	-	22,186,610	-	22,186,610	163	22,186,610	130,413
4/1/14	30	130,413	-	-	-	22,186,610	-	22,186,610	163	22,186,610	130,576
5/1/14	30	130,576	-	-	-	22,186,610	-	22,186,610	163	22,186,610	130,739
6/1/14	30	130,739	-	-	-	22,186,610	-	22,186,610	163	22,186,610	130,903
7/1/14	30	130,903	-	-	-	22,186,610	-	22,186,610	164	22,186,610	131,066
8/1/14	30	131,066	-	-	-	22,186,610	-	22,186,610	164	22,186,610	131,230
9/1/14	30	131,230	-	-	-	22,186,610	-	22,186,610	164	22,186,610	131,394
10/1/14	30	131,394	-	-	-	22,186,610	-	22,186,610	164	22,186,610	131,558
11/1/14	30	131,558	-	-	-	22,186,610	-	22,186,610	164	22,186,610	131,723
12/1/14	30	131,723	-	-	-	22,186,610	-	22,186,610	165	22,186,610	131,887
1/1/15	30	131,887	-	-	-	-	-	-	165	-	132,052
2/1/15	30	132,052	-	-	-	-	-	-	165	-	132,217
3/1/15	30	132,217	-	-	-	-	-	-	165	-	132,383
4/1/15	30	132,383	-	-	-	-	-	-	165	-	132,548
5/1/15	30	132,548	-	-	-	-	-	-	166	-	132,714
6/1/15	30	132,714	-	-	-	-	-	-	166	-	132,880
7/1/15	30	132,880	-	-	-	-	-	-	166	-	133,046
8/1/15	30	133,046	-	-	-	-	-	-	166	-	133,212
9/1/15	30	133,212	-	-	-	-	-	-	167	-	133,379
10/1/15	30	133,379	-	-	-	-	-	-	167	-	133,545
11/1/15	30	133,545	-	-	-	-	-	-	167	-	133,712
12/1/15	30	133,712	-	-	-	-	-	-	167	-	133,879
1/1/16	30	133,879	-	-	-	-	-	-	167	-	134,047
2/1/16	30	134,047	-	-	-	-	-	-	168	-	134,214
3/1/16	30	134,214	-	-	-	-	-	-	168	-	134,382
4/1/16	30	134,382	-	-	-	-	-	-	168	-	134,550

**Knik Arm Bridge and Toll Authority  
Federalization of Sections 2-5, with TIFIA Optimization  
Private Model - Availability Payment Structure**

**CONSTRUCTION FUND SECTIONS 6-9**

Date	Days (30/360)	Beginning Balance	Maximum Total TE Deposits	Federal Monies Deposits	Interest Earnings 1.50%	Draws	Ending Balance
Total			156,450,069	-	3,460,794	159,910,863	
12/1/11			156,450,069	-		-	156,450,069
1/1/12	30	156,450,069		-	195,563	2,477,494	154,168,137
2/1/12	30	154,168,137		-	192,710	2,477,494	151,883,353
3/1/12	30	151,883,353		-	189,854	2,477,494	149,595,713
4/1/12	30	149,595,713		-	186,995	2,477,494	147,305,213
5/1/12	30	147,305,213		-	184,132	2,477,494	145,011,850
6/1/12	30	145,011,850		-	181,265	2,477,494	142,715,620
7/1/12	30	142,715,620		-	178,395	2,477,494	140,416,520
8/1/12	30	140,416,520		-	175,521	2,477,494	138,114,547
9/1/12	30	138,114,547		-	172,643	2,477,494	135,809,695
10/1/12	30	135,809,695		-	169,762	2,477,494	133,501,963
11/1/12	30	133,501,963		-	166,877	2,477,494	131,191,346
12/1/12	30	131,191,346		-	163,989	2,477,494	128,877,841
1/1/13	30	128,877,841		-	161,097	9,428,283	119,610,656
2/1/13	30	119,610,656		-	149,513	9,428,283	110,331,886
3/1/13	30	110,331,886		-	137,915	9,428,283	101,041,518
4/1/13	30	101,041,518		-	126,302	9,428,283	91,739,538
5/1/13	30	91,739,538		-	114,674	9,428,283	82,425,929
6/1/13	30	82,425,929		-	103,032	9,428,283	73,100,679
7/1/13	30	73,100,679		-	91,376	9,428,283	63,763,772
8/1/13	30	63,763,772		-	79,705	9,428,283	54,415,194
9/1/13	30	54,415,194		-	68,019	9,428,283	45,054,931
10/1/13	30	45,054,931		-	56,319	9,428,283	35,682,967
11/1/13	30	35,682,967		-	44,604	9,428,283	26,299,288
12/1/13	30	26,299,288		-	32,874	9,428,283	16,903,879
1/1/14	30	16,903,879		-	21,130	1,420,128	15,504,881
2/1/14	30	15,504,881		-	19,381	1,420,128	14,104,134
3/1/14	30	14,104,134		-	17,630	1,420,128	12,701,636
4/1/14	30	12,701,636		-	15,877	1,420,128	11,297,385
5/1/14	30	11,297,385		-	14,122	1,420,128	9,891,378
6/1/14	30	9,891,378		-	12,364	1,420,128	8,483,614
7/1/14	30	8,483,614		-	10,605	1,420,128	7,074,091
8/1/14	30	7,074,091		-	8,843	1,420,128	5,662,805
9/1/14	30	5,662,805		-	7,079	1,420,128	4,249,756
10/1/14	30	4,249,756		-	5,312	1,420,128	2,834,940
11/1/14	30	2,834,940		-	3,544	1,420,128	1,418,355
12/1/14	30	1,418,355		-	1,773	1,420,128	0
1/1/15	30	0		-	0	-	0
2/1/15	30	0		-	0	-	0
3/1/15	30	0		-	0	-	0
4/1/15	30	0		-	0	-	0
5/1/15	30	0		-	0	-	0
6/1/15	30	0		-	0	-	0
7/1/15	30	0		-	0	-	0
8/1/15	30	0		-	0	-	0
9/1/15	30	0		-	0	-	0
10/1/15	30	0		-	0	-	0
11/1/15	30	0		-	0	-	0
12/1/15	30	0		-	0	-	0
1/1/16	30	0		-	0	-	0
2/1/16	30	0		-	0	-	0
3/1/16	30	0		-	0	-	0
4/1/16	30	0		-	0	-	0

**Knik Arm Bridge and Toll Authority  
Federalization of Sections 2-5, with TIFIA Optimization  
Private Model - Availability Payment Structure**

**ANNUAL COSTS**

	2011	2012	2013	2014	2015	Total
Construction Summary						
Section:						
2. Port MacKenzie Northern Route	-	4,567,855	3,853,179	3,654,007	-	12,075,040
3. West Approach	-	9,826,175	20,534,852	1,241,362	-	31,602,389
4. Bridge	-	35,885,419	143,935,044	152,076,271	-	331,896,733
5. East Approach	-	-	18,767,662	74,473,280	-	93,240,941
6. MOA Future Port Expansion	-	4,566,217	1,274,185	1,353,909	-	7,194,311
7. Retaining Wall	-	15,012,735	-	-	-	15,012,735
8. Cherry Hill	-	-	26,807,338	8,225,906	-	35,033,244
9. Government Hill	-	-	76,550,869	6,247,683	-	82,798,552
Constuction Summary	-	69,858,400	291,723,128	247,272,417	-	608,853,945
Toll Technology	-	-	-	4,266,905	-	4,266,905
Engineering	-	18,750,000	9,750,000	6,000,000	-	34,500,000
Project Management	-	7,000,000	8,700,000	8,700,000	-	24,400,000
ICAP	-	3,500,000	-	-	-	3,500,000
Toll Facility/Building	-	-	-	-	-	-
ROW (primarily Government Hill)	-	6,969,064	5,268,168	-	-	12,237,233
	-	106,077,464	315,441,296	266,239,322	-	687,758,083
Total costs attributable to Sections 2-5:	-	76,347,531	202,301,905	249,197,784	-	527,847,220
Total costs attributable to Sections 6-9:	-	29,729,933	113,139,392	17,041,538	-	159,910,863
	-	106,077,464	315,441,296	266,239,322	-	687,758,083

**Knik Arm Bridge and Toll Authority  
Federalization of Sections 2-5, with TIFIA Optimization  
Private Model - Availability Payment Structure**

**TAX-EXEMPT CURRENT INTEREST BONDS**

Date	Notional	Principal	Proceeds	Coupon	Yield	Price	Interest	Total Debt Service	Annual Debt Service
<b>Total</b>		<b>328,530,000</b>	<b>328,530,000</b>				<b>471,090,840</b>	<b>799,620,840</b>	<b>799,620,840</b>
12/1/11									
6/1/12	328,530,000						9,247,519	9,247,519	
12/1/12	328,530,000	-	-	2.36%	2.360%	100.00	9,247,519	9,247,519	18,495,039
6/1/13	328,530,000						9,247,519	9,247,519	
12/1/13	328,530,000	-	-	2.62%	2.620%	100.00	9,247,519	9,247,519	18,495,039
6/1/14	328,530,000						9,247,519	9,247,519	
12/1/14	328,530,000	-	-	2.96%	2.960%	100.00	9,247,519	9,247,519	18,495,039
6/1/15	328,530,000						9,247,519	9,247,519	
12/1/15	328,530,000	-	-	3.38%	3.380%	100.00	9,247,519	9,247,519	18,495,039
6/1/16	328,530,000						9,247,519	9,247,519	
12/1/16	328,530,000	-	-	3.80%	3.800%	100.00	9,247,519	9,247,519	18,495,039
6/1/17	328,530,000						9,247,519	9,247,519	
12/1/17	328,530,000	-	-	4.11%	4.110%	100.00	9,247,519	9,247,519	18,495,039
6/1/18	328,530,000						9,247,519	9,247,519	
12/1/18	328,530,000	-	-	4.39%	4.390%	100.00	9,247,519	9,247,519	18,495,039
6/1/19	328,530,000						9,247,519	9,247,519	
12/1/19	328,530,000	-	-	4.60%	4.600%	100.00	9,247,519	9,247,519	18,495,039
6/1/20	328,530,000						9,247,519	9,247,519	
12/1/20	328,530,000	-	-	4.74%	4.740%	100.00	9,247,519	9,247,519	18,495,039
6/1/21	328,530,000						9,247,519	9,247,519	
12/1/21	328,530,000	-	-	4.85%	4.850%	100.00	9,247,519	9,247,519	18,495,039
6/1/22	328,530,000						9,247,519	9,247,519	
12/1/22	328,530,000	-	-	4.94%	4.940%	100.00	9,247,519	9,247,519	18,495,039
6/1/23	328,530,000						9,247,519	9,247,519	
12/1/23	328,530,000	-	-	5.03%	5.030%	100.00	9,247,519	9,247,519	18,495,039
6/1/24	328,530,000						9,247,519	9,247,519	
12/1/24	328,530,000	-	-	5.11%	5.110%	100.00	9,247,519	9,247,519	18,495,039
6/1/25	328,530,000						9,247,519	9,247,519	
12/1/25	328,530,000	-	-	5.20%	5.200%	100.00	9,247,519	9,247,519	18,495,039
6/1/26	328,530,000						9,247,519	9,247,519	
12/1/26	328,530,000	8,310,000	8,310,000	5.28%	5.280%	100.00	9,247,519	17,557,519	26,805,039
6/1/27	320,220,000						9,028,135	9,028,135	
12/1/27	320,220,000	2,785,000	2,785,000	5.36%	5.360%	100.00	9,028,135	11,813,135	20,841,271
6/1/28	317,435,000						8,953,497	8,953,497	
12/1/28	317,435,000	-	-	5.44%	5.440%	100.00	8,953,497	8,953,497	17,906,995
6/1/29	317,435,000						8,953,497	8,953,497	
12/1/29	317,435,000	-	-	5.51%	5.510%	100.00	8,953,497	8,953,497	17,906,995
6/1/30	317,435,000						8,953,497	8,953,497	
12/1/30	317,435,000	-	-	5.57%	5.570%	100.00	8,953,497	8,953,497	17,906,995
6/1/31	317,435,000						8,953,497	8,953,497	
12/1/31	317,435,000	17,565,000	17,565,000	5.39%	5.390%	100.00	8,953,497	26,518,497	35,471,995
6/1/32	299,870,000						8,480,121	8,480,121	
12/1/32	299,870,000	20,890,000	20,890,000	5.46%	5.460%	100.00	8,480,121	29,370,121	37,850,241
6/1/33	278,980,000						7,909,824	7,909,824	
12/1/33	278,980,000	24,470,000	24,470,000	5.52%	5.520%	100.00	7,909,824	32,379,824	40,289,647
6/1/34	254,510,000						7,234,452	7,234,452	
12/1/34	254,510,000	26,185,000	26,185,000	5.57%	5.570%	100.00	7,234,452	33,419,452	40,653,903
6/1/35	228,325,000						6,505,199	6,505,199	
12/1/35	228,325,000	28,655,000	28,655,000	5.62%	5.620%	100.00	6,505,199	35,160,199	41,665,399
6/1/36	199,670,000						5,699,994	5,699,994	
12/1/36	199,670,000	32,165,000	32,165,000	5.66%	5.660%	100.00	5,699,994	37,864,994	43,564,988
6/1/37	167,505,000						4,789,724	4,789,724	
12/1/37	167,505,000	35,160,000	35,160,000	5.69%	5.690%	100.00	4,789,724	39,949,724	44,739,449
6/1/38	132,345,000						3,789,422	3,789,422	
12/1/38	132,345,000	2,355,000	2,355,000	5.71%	5.710%	100.00	3,789,422	6,144,422	9,933,845
6/1/39	129,990,000						3,722,187	3,722,187	
12/1/39	129,990,000	40,530,000	40,530,000	5.72%	5.720%	100.00	3,722,187	44,252,187	47,974,374
6/1/40	89,460,000						2,563,029	2,563,029	
12/1/40	89,460,000	44,205,000	44,205,000	5.73%	5.730%	100.00	2,563,029	46,768,029	49,331,058
6/1/41	45,255,000						1,296,556	1,296,556	
12/1/41	45,255,000	45,255,000	45,255,000	5.73%	5.730%	100.00	1,296,556	46,551,556	47,848,112
6/1/42	-						-	-	
12/1/42	-	-	-	5.73%	5.730%	100.00	-	-	-
6/1/43	-						-	-	
12/1/43	-	-	-	5.73%	5.730%	100.00	-	-	-
6/1/44	-						-	-	
12/1/44	-	-	-	5.73%	5.730%	100.00	-	-	-
6/1/45	-						-	-	
12/1/45	-	-	-	5.73%	5.730%	100.00	-	-	-
6/1/46	-						-	-	
12/1/46	-	-	-	5.73%	5.730%	100.00	-	-	-
6/1/47	-						-	-	
12/1/47	-	-	-	5.73%	5.730%	100.00	-	-	-
6/1/48	-						-	-	
12/1/48	-	-	-	5.73%	5.730%	100.00	-	-	-
6/1/49	-						-	-	
12/1/49	-	-	-	5.73%	5.730%	100.00	-	-	-

**Knik Arm Bridge and Toll Authority  
Federalization of Sections 2-5, with TIFIA Optimization  
Private Model - Availability Payment Structure**

**TAX-EXEMPT CAPITAL APPRECIATION BONDS**

Date	Notional	Initial Proceeds	Yield	Price	Accreted Interest	Maturity Value
<b>Total</b>		<b>27,383,646</b>			<b>75,796,354</b>	<b>103,180,000</b>
12/1/11	27,383,646					
6/1/12	28,332,313					
12/1/12	29,313,669	-	3.860%	96.25	-	-
6/1/13	30,329,134					
12/1/13	31,380,244	-	4.120%	92.17	-	-
6/1/14	32,467,311					
12/1/14	33,592,497	-	4.460%	87.61	-	-
6/1/15	34,756,539					
12/1/15	35,960,662	-	4.880%	82.46	-	-
6/1/16	37,206,835					
12/1/16	38,495,969	-	5.300%	76.99	-	-
6/1/17	39,830,095					
12/1/17	41,210,297	-	5.610%	71.75	-	-
6/1/18	42,638,784					
12/1/18	44,116,566	-	5.890%	66.61	-	-
6/1/19	45,645,433					
12/1/19	47,227,785	-	6.100%	61.83	-	-
6/1/20	48,864,808					
12/1/20	50,558,510	-	6.240%	57.52	-	-
6/1/21	52,311,019					
12/1/21	54,124,503	-	6.350%	53.52	-	-
6/1/22	56,000,623					
12/1/22	57,942,322	886,369	6.440%	49.80	893,631	1,780,000
6/1/23	58,113,628					
12/1/23	60,132,928	1,475,407	6.530%	46.25	1,714,593	3,190,000
6/1/24	58,928,373					
12/1/24	60,983,187	2,183,397	6.610%	42.94	2,901,603	5,085,000
6/1/25	57,856,410					
12/1/25	59,883,453	2,565,669	6.700%	39.75	3,889,331	6,455,000
6/1/26	55,310,146					
12/1/26	57,258,143	-	6.780%	36.78	-	-
6/1/27	59,274,679					
12/1/27	61,362,838	2,654,307	6.860%	33.99	5,155,693	7,810,000
6/1/28	55,446,264					
12/1/28	57,406,409	3,994,627	6.940%	31.36	8,745,373	12,740,000
6/1/29	46,254,084					
12/1/29	47,898,056	4,057,713	7.010%	28.93	9,967,287	14,025,000
6/1/30	35,084,114					
12/1/30	36,338,274	4,185,457	7.070%	26.71	11,484,543	15,670,000
6/1/31	21,413,529					
12/1/31	22,185,375	-	6.890%	25.80	-	-
6/1/32	22,985,268					
12/1/32	23,813,572	-	6.960%	23.77	-	-
6/1/33	24,672,110					
12/1/33	25,561,608	-	7.020%	21.92	-	-
6/1/34	26,483,161					
12/1/34	27,437,860	-	7.070%	20.23	-	-
6/1/35	28,427,163					
12/1/35	29,451,798	-	7.120%	18.65	-	-
6/1/36	30,513,587					
12/1/36	31,613,622	-	7.160%	17.23	-	-
6/1/37	32,753,360					
12/1/37	33,933,894	-	7.190%	15.94	-	-
6/1/38	35,157,410					
12/1/38	36,425,000	5,380,701	7.210%	14.77	31,044,299	36,425,000
6/1/39	-					
12/1/39	-	-	7.220%	13.72	-	-
6/1/40	-					
12/1/40	-	-	7.230%	12.75	-	-
6/1/41	-					
12/1/41	-	-	0.000%	-	-	-
6/1/42	-					
12/1/42	-	-	0.000%	-	-	-
6/1/43	-					
12/1/43	-	-	0.000%	-	-	-
6/1/44	-					
12/1/44	-	-	0.000%	-	-	-
6/1/45	-					
12/1/45	-	-	0.000%	-	-	-
6/1/46	-					
12/1/46	-	-	0.000%	-	-	-
6/1/47	-					
12/1/47	-	-	0.000%	-	-	-
6/1/48	-					
12/1/48	-	-	0.000%	-	-	-
6/1/49	-					
12/1/49	-	-	0.000%	-	-	-

**Knik Arm Bridge and Toll Authority  
Federalization of Sections 2-5, with TIFIA Optimization  
Private Model - Availability Payment Structure**

**TAX-EXEMPT CAPITALIZED INTEREST FUND**

Date	Beginning Balance	Deposits	Interest 1.50%	Import From DSRF Fund	Interest Draws	Ending Balance
<b>Total</b>		<b>50,416,353</b>	<b>1,331,670</b>	<b>3,737,093</b>	<b>55,485,116</b>	
12/1/11		50,416,353				50,416,353
6/1/12	50,416,353		378,123	622,849	9,247,519	42,169,805
12/1/12	42,169,805		316,274	622,849	9,247,519	33,861,408
6/1/13	33,861,408		253,961	622,849	9,247,519	25,490,698
12/1/13	25,490,698		191,180	622,849	9,247,519	17,057,208
6/1/14	17,057,208		127,929	622,849	9,247,519	8,560,467
12/1/14	8,560,467		64,204	622,849	9,247,519	-
6/1/15	-		-	-	-	-
12/1/15	-		-	-	-	-
6/1/16	-		-	-	-	-
12/1/16	-		-	-	-	-
6/1/17	-		-	-	-	-
12/1/17	-		-	-	-	-
6/1/18	-		-	-	-	-
12/1/18	-		-	-	-	-
6/1/19	-		-	-	-	-
12/1/19	-		-	-	-	-
6/1/20	-		-	-	-	-
12/1/20	-		-	-	-	-
6/1/21	-		-	-	-	-
12/1/21	-		-	-	-	-
6/1/22	-		-	-	-	-
12/1/22	-		-	-	-	-
6/1/23	-		-	-	-	-
12/1/23	-		-	-	-	-
6/1/24	-		-	-	-	-
12/1/24	-		-	-	-	-
6/1/25	-		-	-	-	-
12/1/25	-		-	-	-	-
6/1/26	-		-	-	-	-
12/1/26	-		-	-	-	-
6/1/27	-		-	-	-	-
12/1/27	-		-	-	-	-
6/1/28	-		-	-	-	-
12/1/28	-		-	-	-	-
6/1/29	-		-	-	-	-
12/1/29	-		-	-	-	-
6/1/30	-		-	-	-	-
12/1/30	-		-	-	-	-
6/1/31	-		-	-	-	-
12/1/31	-		-	-	-	-
6/1/32	-		-	-	-	-
12/1/32	-		-	-	-	-
6/1/33	-		-	-	-	-
12/1/33	-		-	-	-	-
6/1/34	-		-	-	-	-
12/1/34	-		-	-	-	-
6/1/35	-		-	-	-	-
12/1/35	-		-	-	-	-
6/1/36	-		-	-	-	-
12/1/36	-		-	-	-	-
6/1/37	-		-	-	-	-
12/1/37	-		-	-	-	-
6/1/38	-		-	-	-	-
12/1/38	-		-	-	-	-
6/1/39	-		-	-	-	-
12/1/39	-		-	-	-	-
6/1/40	-		-	-	-	-
12/1/40	-		-	-	-	-
6/1/41	-		-	-	-	-
12/1/41	-		-	-	-	-
6/1/42	-		-	-	-	-
12/1/42	-		-	-	-	-
6/1/43	-		-	-	-	-
12/1/43	-		-	-	-	-
6/1/44	-		-	-	-	-
12/1/44	-		-	-	-	-
6/1/45	-		-	-	-	-
12/1/45	-		-	-	-	-
6/1/46	-		-	-	-	-
12/1/46	-		-	-	-	-
6/1/47	-		-	-	-	-
12/1/47	-		-	-	-	-
6/1/48	-		-	-	-	-
12/1/48	-		-	-	-	-
6/1/49	-		-	-	-	-
12/1/49	-		-	-	-	-

**Knik Arm Bridge and Toll Authority  
Federalization of Sections 2-5, with TIFIA Optimization  
Private Model - Availability Payment Structure**

**TAX-EXEMPT DEBT SERVICE RESERVE FUND**

Date	Beginning Balance	Deposits	Interest 3.500%	Export to Capint Fund	Export to Revenue Fund	Ann. Export to Revenue Fund	Ending Balance
<b>Total</b>		<b>35,591,365</b>	<b>37,370,933</b>	<b>(3,737,093)</b>	<b>(69,225,204)</b>	<b>(69,225,204)</b>	
12/1/11		35,591,365				-	35,591,365
6/1/12	35,591,365		622,849	(622,849)	-		35,591,365
12/1/12	35,591,365		622,849	(622,849)	-		35,591,365
6/1/13	35,591,365		622,849	(622,849)	-		35,591,365
12/1/13	35,591,365		622,849	(622,849)	-		35,591,365
6/1/14	35,591,365		622,849	(622,849)	-		35,591,365
12/1/14	35,591,365		622,849	(622,849)	-		35,591,365
6/1/15	35,591,365		622,849	-	(622,849)		35,591,365
12/1/15	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/16	35,591,365		622,849	-	(622,849)		35,591,365
12/1/16	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/17	35,591,365		622,849	-	(622,849)		35,591,365
12/1/17	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/18	35,591,365		622,849	-	(622,849)		35,591,365
12/1/18	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/19	35,591,365		622,849	-	(622,849)		35,591,365
12/1/19	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/20	35,591,365		622,849	-	(622,849)		35,591,365
12/1/20	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/21	35,591,365		622,849	-	(622,849)		35,591,365
12/1/21	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/22	35,591,365		622,849	-	(622,849)		35,591,365
12/1/22	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/23	35,591,365		622,849	-	(622,849)		35,591,365
12/1/23	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/24	35,591,365		622,849	-	(622,849)		35,591,365
12/1/24	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/25	35,591,365		622,849	-	(622,849)		35,591,365
12/1/25	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/26	35,591,365		622,849	-	(622,849)		35,591,365
12/1/26	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/27	35,591,365		622,849	-	(622,849)		35,591,365
12/1/27	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/28	35,591,365		622,849	-	(622,849)		35,591,365
12/1/28	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/29	35,591,365		622,849	-	(622,849)		35,591,365
12/1/29	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/30	35,591,365		622,849	-	(622,849)		35,591,365
12/1/30	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/31	35,591,365		622,849	-	(622,849)		35,591,365
12/1/31	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/32	35,591,365		622,849	-	(622,849)		35,591,365
12/1/32	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/33	35,591,365		622,849	-	(622,849)		35,591,365
12/1/33	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/34	35,591,365		622,849	-	(622,849)		35,591,365
12/1/34	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/35	35,591,365		622,849	-	(622,849)		35,591,365
12/1/35	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/36	35,591,365		622,849	-	(622,849)		35,591,365
12/1/36	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/37	35,591,365		622,849	-	(622,849)		35,591,365
12/1/37	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/38	35,591,365		622,849	-	(622,849)		35,591,365
12/1/38	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/39	35,591,365		622,849	-	(622,849)		35,591,365
12/1/39	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/40	35,591,365		622,849	-	(622,849)		35,591,365
12/1/40	35,591,365		622,849	-	(622,849)	(1,245,698)	35,591,365
6/1/41	35,591,365		622,849	-	(622,849)		35,591,365
12/1/41	35,591,365		622,849	-	(36,214,214)	(36,837,062)	-
6/1/42	-		-	-	-		-
12/1/42	-		-	-	-		-
6/1/43	-		-	-	-		-
12/1/43	-		-	-	-		-
6/1/44	-		-	-	-		-
12/1/44	-		-	-	-		-
6/1/45	-		-	-	-		-
12/1/45	-		-	-	-		-
6/1/46	-		-	-	-		-
12/1/46	-		-	-	-		-
6/1/47	-		-	-	-		-
12/1/47	-		-	-	-		-
6/1/48	-		-	-	-		-
12/1/48	-		-	-	-		-
6/1/49	-		-	-	-		-
12/1/49	-		-	-	-		-

**Knik Arm Bridge and Toll Authority  
Federalization of Sections 2-5, with TIFIA Optimization  
Private Model - Availability Payment Structure**

**PREPAID INTEREST FUND (PAID FROM EQUITY)**

Date	Beginning Balance	Deposits	Interest 1.50%	Import From DSRF Fund	Tax-Exempt Interest Draws	Taxable Interest Draws	Ending Balance
<b>Total</b>		<b>3,192,012</b>	<b>416,278</b>	<b>-</b>	<b>3,608,290</b>	<b>-</b>	
12/1/11		3,192,012					3,192,012
6/1/12	3,192,012		23,940	-	-	-	3,215,953
12/1/12	3,215,953		24,120	-	-	-	3,240,072
6/1/13	3,240,072		24,301	-	-	-	3,264,373
12/1/13	3,264,373		24,483	-	-	-	3,288,856
6/1/14	3,288,856		24,666	-	-	-	3,313,522
12/1/14	3,313,522		24,851	-	-	-	3,338,373
6/1/15	3,338,373		25,038	-	-	-	3,363,411
12/1/15	3,363,411		25,226	-	-	-	3,388,637
6/1/16	3,388,637		25,415	-	-	-	3,414,052
12/1/16	3,414,052		25,605	-	-	-	3,439,657
6/1/17	3,439,657		25,797	-	-	-	3,465,454
12/1/17	3,465,454		25,991	-	-	-	3,491,445
6/1/18	3,491,445		26,186	-	-	-	3,517,631
12/1/18	3,517,631		26,382	-	-	-	3,544,013
6/1/19	3,544,013		26,580	-	-	-	3,570,593
12/1/19	3,570,593		26,779	-	2,141,715	-	1,455,658
6/1/20	1,455,658		10,917	-	1,466,575	-	-
12/1/20	-		-	-	-	-	-
6/1/21	-		-	-	-	-	-
12/1/21	-		-	-	-	-	-
6/1/22	-		-	-	-	-	-
12/1/22	-		-	-	-	-	-
6/1/23	-		-	-	-	-	-
12/1/23	-		-	-	-	-	-
6/1/24	-		-	-	-	-	-
12/1/24	-		-	-	-	-	-
6/1/25	-		-	-	-	-	-
12/1/25	-		-	-	-	-	-
6/1/26	-		-	-	-	-	-
12/1/26	-		-	-	-	-	-
6/1/27	-		-	-	-	-	-
12/1/27	-		-	-	-	-	-
6/1/28	-		-	-	-	-	-
12/1/28	-		-	-	-	-	-
6/1/29	-		-	-	-	-	-
12/1/29	-		-	-	-	-	-
6/1/30	-		-	-	-	-	-
12/1/30	-		-	-	-	-	-
6/1/31	-		-	-	-	-	-
12/1/31	-		-	-	-	-	-
6/1/32	-		-	-	-	-	-
12/1/32	-		-	-	-	-	-
6/1/33	-		-	-	-	-	-
12/1/33	-		-	-	-	-	-
6/1/34	-		-	-	-	-	-
12/1/34	-		-	-	-	-	-
6/1/35	-		-	-	-	-	-
12/1/35	-		-	-	-	-	-
6/1/36	-		-	-	-	-	-
12/1/36	-		-	-	-	-	-
6/1/37	-		-	-	-	-	-
12/1/37	-		-	-	-	-	-
6/1/38	-		-	-	-	-	-
12/1/38	-		-	-	-	-	-
6/1/39	-		-	-	-	-	-
12/1/39	-		-	-	-	-	-
6/1/40	-		-	-	-	-	-
12/1/40	-		-	-	-	-	-
6/1/41	-		-	-	-	-	-
12/1/41	-		-	-	-	-	-
6/1/42	-		-	-	-	-	-
12/1/42	-		-	-	-	-	-
6/1/43	-		-	-	-	-	-
12/1/43	-		-	-	-	-	-
6/1/44	-		-	-	-	-	-
12/1/44	-		-	-	-	-	-
6/1/45	-		-	-	-	-	-
12/1/45	-		-	-	-	-	-
6/1/46	-		-	-	-	-	-
12/1/46	-		-	-	-	-	-
6/1/47	-		-	-	-	-	-
12/1/47	-		-	-	-	-	-

**Knik Arm Bridge and Toll Authority  
Federalization of Sections 2-5, with TIFIA Optimization  
Private Model - Availability Payment Structure**

**TIFIA DEBT SCHEDULE**

Date	TIFIA Draws	Notional Value	Principal/ Maturity Value	Yield	Interest	Accreted Interest	Interest Paid	TIFIA Payments	Ongoing TIFIA Servicing Fee	Accreted Servicing Cost	Total TIFIA DS	Annual Total TIFIA Payments	Ending Balance
Total	279,274,733		345,652,050		466,691,538	66,311,317	400,380,222	746,032,271	374,000	66,000	746,340,271	746,340,271	
12/1/11	-	-	-	-	-	-	-	-	-	-	-	-	-
6/1/12	-	-	-	4.500%	-	-	-	-	-	-	-	-	-
12/1/12	-	-	-	4.500%	-	-	-	-	-	-	-	-	-
6/1/13	-	-	-	4.500%	-	-	-	-	-	-	-	-	-
12/1/13	13,035,411	13,035,411	-	4.500%	293,297	293,297	-	-	11,000	11,000	-	-	13,339,708
6/1/14	133,119,661	146,459,369	-	4.500%	3,295,336	3,295,336	-	-	-	-	-	-	149,754,705
12/1/14	133,119,661	282,874,366	-	4.500%	6,364,673	6,364,673	-	-	11,000	11,000	-	-	289,250,039
6/1/15	-	289,250,039	-	4.500%	6,508,126	6,508,126	-	-	-	-	-	-	295,758,165
12/1/15	-	295,758,165	-	4.500%	6,654,559	6,654,559	-	-	11,000	11,000	-	-	302,423,723
6/1/16	-	330,596,828	-	4.500%	6,804,534	6,804,534	-	-	-	-	-	-	309,228,257
12/1/16	-	309,228,257	-	4.500%	6,957,636	6,957,636	-	-	11,000	11,000	-	-	316,196,893
6/1/17	-	316,196,893	-	4.500%	7,114,430	7,114,430	-	-	-	-	-	-	323,311,323
12/1/17	-	323,311,323	-	4.500%	7,274,505	7,274,505	-	-	11,000	11,000	-	-	330,596,828
6/1/18	-	330,596,828	-	4.500%	7,438,429	7,438,429	-	-	-	-	-	-	338,035,256
12/1/18	-	338,035,256	-	4.500%	7,605,793	7,605,793	-	-	11,000	11,000	-	-	345,652,050
6/1/19	-	345,652,050	-	4.500%	7,777,171	-	7,777,171	7,777,171	-	-	7,777,171	-	345,652,050
12/1/19	-	345,652,050	100,000	4.500%	7,777,171	-	7,777,171	7,877,171	11,000	-	7,888,171	15,665,342	345,552,050
6/1/20	-	345,552,050	-	4.500%	7,774,921	-	7,774,921	7,774,921	-	-	7,774,921	-	345,552,050
12/1/20	-	345,552,050	100,000	4.500%	7,774,921	-	7,774,921	7,874,921	11,000	-	7,885,921	15,660,842	345,452,050
6/1/21	-	345,452,050	-	4.500%	7,772,671	-	7,772,671	7,772,671	-	-	7,772,671	-	345,452,050
12/1/21	-	345,452,050	100,000	4.500%	7,772,671	-	7,772,671	7,872,671	11,000	-	7,883,671	15,656,342	345,352,050
6/1/22	-	345,352,050	-	4.500%	7,770,421	-	7,770,421	7,770,421	-	-	7,770,421	-	345,352,050
12/1/22	-	345,352,050	100,000	4.500%	7,770,421	-	7,770,421	7,870,421	11,000	-	7,881,421	15,651,842	345,252,050
6/1/23	-	345,252,050	-	4.500%	7,768,171	-	7,768,171	7,768,171	-	-	7,768,171	-	345,252,050
12/1/23	-	345,252,050	100,000	4.500%	7,768,171	-	7,768,171	7,868,171	11,000	-	7,879,171	15,647,342	345,152,050
6/1/24	-	345,152,050	-	4.500%	7,765,921	-	7,765,921	7,765,921	-	-	7,765,921	-	345,152,050
12/1/24	-	345,152,050	100,000	4.500%	7,765,921	-	7,765,921	7,865,921	11,000	-	7,876,921	15,642,842	345,052,050
6/1/25	-	345,052,050	-	4.500%	7,763,671	-	7,763,671	7,763,671	-	-	7,763,671	-	345,052,050
12/1/25	-	345,052,050	100,000	4.500%	7,763,671	-	7,763,671	7,863,671	11,000	-	7,874,671	15,638,342	344,952,050
6/1/26	-	344,952,050	-	4.500%	7,761,421	-	7,761,421	7,761,421	-	-	7,761,421	-	344,952,050
12/1/26	-	344,952,050	100,000	4.500%	7,761,421	-	7,761,421	7,861,421	11,000	-	7,872,421	15,633,842	344,852,050
6/1/27	-	344,852,050	-	4.500%	7,759,171	-	7,759,171	7,759,171	-	-	7,759,171	-	344,852,050
12/1/27	-	344,852,050	100,000	4.500%	7,759,171	-	7,759,171	7,859,171	11,000	-	7,870,171	15,629,342	344,752,050
6/1/28	-	344,752,050	-	4.500%	7,756,921	-	7,756,921	7,756,921	-	-	7,756,921	-	344,752,050
12/1/28	-	344,752,050	100,000	4.500%	7,756,921	-	7,756,921	7,856,921	11,000	-	7,867,921	15,624,842	344,652,050
6/1/29	-	344,652,050	-	4.500%	7,754,671	-	7,754,671	7,754,671	-	-	7,754,671	-	344,652,050
12/1/29	-	344,652,050	100,000	4.500%	7,754,671	-	7,754,671	7,854,671	11,000	-	7,865,671	15,620,342	344,552,050
6/1/30	-	344,552,050	-	4.500%	7,752,421	-	7,752,421	7,752,421	-	-	7,752,421	-	344,552,050
12/1/30	-	344,552,050	100,000	4.500%	7,752,421	-	7,752,421	7,852,421	11,000	-	7,863,421	15,615,842	344,452,050
6/1/31	-	344,452,050	-	4.500%	7,750,171	-	7,750,171	7,750,171	-	-	7,750,171	-	344,452,050
12/1/31	-	344,452,050	100,000	4.500%	7,750,171	-	7,750,171	7,850,171	11,000	-	7,861,171	15,611,342	344,352,050
6/1/32	-	344,352,050	-	4.500%	7,747,921	-	7,747,921	7,747,921	-	-	7,747,921	-	344,352,050
12/1/32	-	344,352,050	100,000	4.500%	7,747,921	-	7,747,921	7,847,921	11,000	-	7,858,921	15,606,842	344,252,050
6/1/33	-	344,252,050	-	4.500%	7,745,671	-	7,745,671	7,745,671	-	-	7,745,671	-	344,252,050
12/1/33	-	344,252,050	100,000	4.500%	7,745,671	-	7,745,671	7,845,671	11,000	-	7,856,671	15,602,342	344,152,050
6/1/34	-	344,152,050	-	4.500%	7,743,421	-	7,743,421	7,743,421	-	-	7,743,421	-	344,152,050
12/1/34	-	344,152,050	100,000	4.500%	7,743,421	-	7,743,421	7,843,421	11,000	-	7,854,421	15,597,842	344,052,050

**Knik Arm Bridge and Toll Authority  
Federalization of Sections 2-5, with TIFIA Optimization  
Private Model - Availability Payment Structure**

**TIFIA DEBT SCHEDULE**

Date	TIFIA Draws	Notional Value	Principal/ Maturity Value	Yield	Interest	Accreted Interest	Interest Paid	TIFIA Payments	Ongoing TIFIA Servicing Fee	Accreted Servicing Cost	Total TIFIA DS	Annual Total TIFIA Payments	Ending Balance
6/1/35	-	344,052,050	-	4.500%	7,741,171	-	7,741,171	7,741,171	-	-	7,741,171	-	344,052,050
12/1/35	-	344,052,050	100,000	4.500%	7,741,171	-	7,741,171	7,841,171	11,000	-	7,852,171	15,593,342	343,952,050
6/1/36	-	343,952,050	-	4.500%	7,738,921	-	7,738,921	7,738,921	-	-	7,738,921	-	343,952,050
12/1/36	-	343,952,050	100,000	4.500%	7,738,921	-	7,738,921	7,838,921	11,000	-	7,849,921	15,588,842	343,852,050
6/1/37	-	343,852,050	-	4.500%	7,736,671	-	7,736,671	7,736,671	-	-	7,736,671	-	343,852,050
12/1/37	-	343,852,050	100,000	4.500%	7,736,671	-	7,736,671	7,836,671	11,000	-	7,847,671	15,584,342	343,752,050
6/1/38	-	343,752,050	-	4.500%	7,734,421	-	7,734,421	7,734,421	-	-	7,734,421	-	343,752,050
12/1/38	-	343,752,050	100,000	4.500%	7,734,421	-	7,734,421	7,834,421	11,000	-	7,845,421	15,579,842	343,652,050
6/1/39	-	343,652,050	-	4.500%	7,732,171	-	7,732,171	7,732,171	-	-	7,732,171	-	343,652,050
12/1/39	-	343,652,050	100,000	4.500%	7,732,171	-	7,732,171	7,832,171	11,000	-	7,843,171	15,575,342	343,552,050
6/1/40	-	343,552,050	-	4.500%	7,729,921	-	7,729,921	7,729,921	-	-	7,729,921	-	343,552,050
12/1/40	-	343,552,050	100,000	4.500%	7,729,921	-	7,729,921	7,829,921	11,000	-	7,840,921	15,570,842	343,452,050
6/1/41	-	343,452,050	-	4.500%	7,727,671	-	7,727,671	7,727,671	-	-	7,727,671	-	343,452,050
12/1/41	-	343,452,050	33,858,837	4.500%	7,727,671	-	7,727,671	41,586,508	11,000	-	41,597,508	49,325,179	309,593,213
6/1/42	-	309,593,213	-	4.500%	6,965,847	-	6,965,847	6,965,847	-	-	6,965,847	-	309,593,213
12/1/42	-	309,593,213	53,403,744	4.500%	6,965,847	-	6,965,847	60,369,592	11,000	-	60,380,592	67,346,439	256,189,469
6/1/43	-	256,189,469	-	4.500%	5,764,263	-	5,764,263	5,764,263	-	-	5,764,263	-	256,189,469
12/1/43	-	256,189,469	57,417,636	4.500%	5,764,263	-	5,764,263	63,181,899	11,000	-	63,192,899	68,957,162	198,771,833
6/1/44	-	198,771,833	-	4.500%	4,472,366	-	4,472,366	4,472,366	-	-	4,472,366	-	198,771,833
12/1/44	-	198,771,833	61,639,466	4.500%	4,472,366	-	4,472,366	66,111,832	11,000	-	66,122,832	70,595,198	137,132,367
6/1/45	-	137,132,367	-	4.500%	3,085,478	-	3,085,478	3,085,478	-	-	3,085,478	-	137,132,367
12/1/45	-	137,132,367	66,178,134	4.500%	3,085,478	-	3,085,478	69,263,612	11,000	-	69,274,612	72,360,090	70,954,233
6/1/46	-	70,954,233	-	4.500%	1,596,470	-	1,596,470	1,596,470	-	-	1,596,470	-	70,954,233
12/1/46	-	70,954,233	70,954,233	4.500%	1,596,470	-	1,596,470	72,550,704	11,000	-	72,561,704	74,158,174	-
6/1/47	-	-	-	4.500%	-	-	-	-	-	-	-	-	-
12/1/47	-	-	-	4.500%	-	-	-	-	-	-	-	-	-
6/1/48	-	-	-	4.500%	-	-	-	-	-	-	-	-	-
12/1/48	-	-	-	4.500%	-	-	-	-	-	-	-	-	-
6/1/49	-	-	-	4.500%	-	-	-	-	-	-	-	-	-
12/1/49	-	-	-	4.500%	-	-	-	-	-	-	-	-	-
6/1/50	-	-	-	4.500%	-	-	-	-	-	-	-	-	-
12/1/50	-	-	-	4.500%	-	-	-	-	-	-	-	-	-

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**Knik Arm Bridge and Toll Authority**  
**TIFIA Letter of Interest**  
**March 1, 2010**

**Exhibit E**  
**Knik Arm Toll Bridge Independent Economic Overview**  
**and Development Forecast – Insight Research**  
**Corporation**

**Knik Arm Toll Bridge  
Anchorage Alaska MSA  
Traffic and Toll Revenue  
Investment Grade Study**

***Independent Economic Overview  
and Development Forecast***

*May 2007*

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**INSIGHT RESEARCH  
CORPORATION**

**Knik Arm Toll Bridge  
Anchorage Alaska MSA  
Traffic and Toll Revenue  
Investment Grade Study**

***Independent Economic Overview  
and Development Forecast***

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# **Knik Arm Toll Bridge Anchorage Alaska MSA Traffic and Toll Revenue Investment Grade Study**

## **Independent Economic Overview and Development Forecast**

### **1. PURPOSE AND SCOPE**

For many decades, Alaska's residents have considered constructing a bridge to join the City of Anchorage to its neighbor, the Matanuska-Susitna Borough (Mat-Su) via the narrow stretch of water separating the two land areas by less than two miles. The proposed Knik Arm Toll Bridge project has long demanded public and private attention because of its obvious potential. While the logic of a bridge has seemed apparent, both the depth of the water and the climate extremes have presented expensive and persistent engineering challenges to the construction of a fully functioning, weather-hardy bridge capable of carrying commercial traffic year-round.

The transportation link created by the Knik Arm Toll Bridge is expected to offer a vital opportunity to accommodate the future growth and vitality of the City of Anchorage and the entire Anchorage Metropolitan Statistical Area (Anchorage AK MSA). The bridge is also expected to provide a new economic artery to the Mat-Su Borough, now experiencing the fastest population growth in the State, by stimulating access to available commercial property as well as convenience to its residential growth. Offering a more convenient link than ferry service between the region's commercial center in the City of Anchorage, which is currently land-locked, and the Mat-Su Borough side of Knik Arm, the bridge would open the Anchorage AK MSA marketplace to new development potential.

On the Mat-Su side, the proposed Knik Arm Toll Bridge offers opportunities to expand the deep-draft port facilities of publicly owned Port MacKenzie and its 8,000 acres of land. It would also provide faster access to natural resources, improving rail facilities, newly planned road improvements, and both new

development and tourism potential to support the regional economy of the Anchorage AK MSA and enhance the commercial core of the City of Anchorage.

The implementation of this bridge connection has been the focus of the Knik Arm Bridge and Toll Authority (KABATA), which has compiled extensive background on the geographic and design issues and considered various implementation strategies. KABATA has retained the transportation engineering specialists Wilbur Smith Associates (WSA) to determine the traffic volume and toll expectations underlying the financial instruments that could make this connection a reality as a toll bridge.

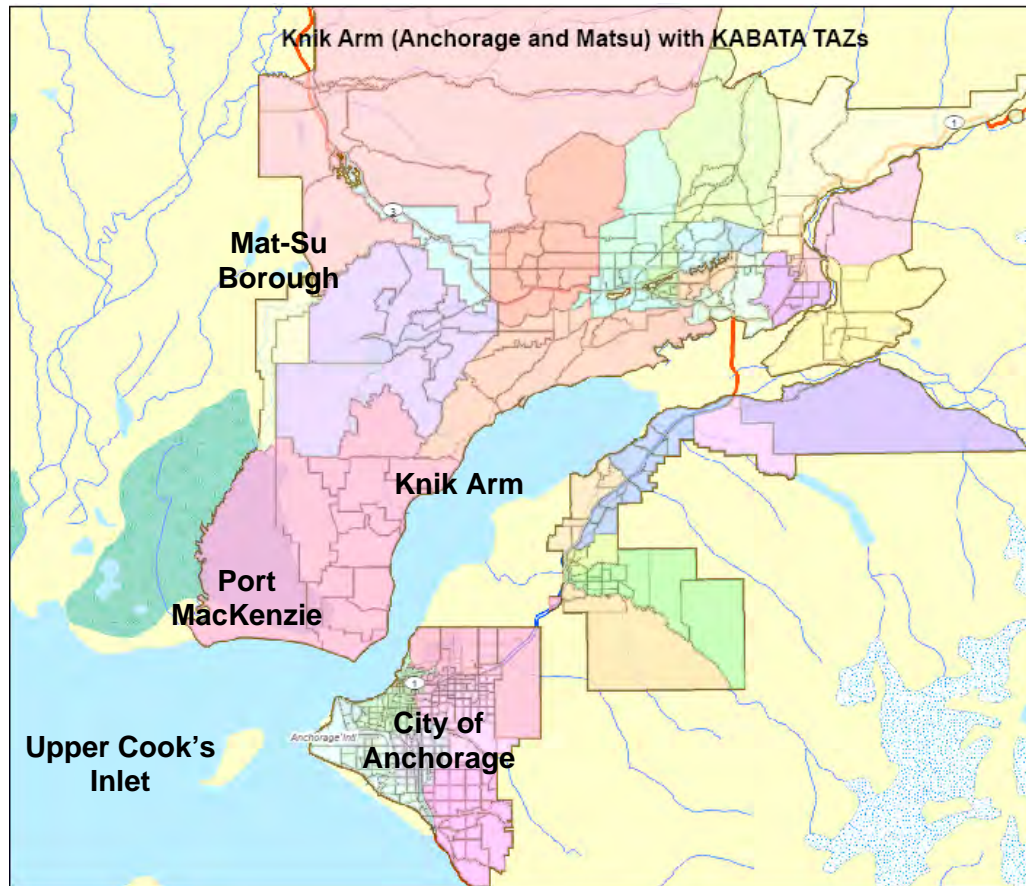
Insight Research Corporation (Insight), an applied economics research firm specializing in transportation economics, was engaged by WSA in February of 2007 to prepare an independent economic analysis from outside the region to examine and forecast the expected population, employment and economic impacts in the Anchorage AK MSA, including the City of Anchorage and the Mat-Su Borough under two development options:

- (1) **With the Knik Arm Toll Bridge**, using preliminary construction costs and timing consistent with the current environmental impact analysis work, and
- (2) **Without the Knik Arm Toll Bridge**, with assumptions of future land use made with no construction of the bridge, also referred to in this text as the “no build” alternative.

This analysis provides a forecast of land use and resulting population and employment estimates by specific traffic analysis zones under low, mid-range and high economic performance scenarios, providing an independent economic and demographic analysis as a supplement to the previous studies. The analysis also quantifies the economic, employment and tax revenue impact results of these two scenarios to boroughs, cities and to the State of Alaska. These impacts are based on the potential for land use which can be associated with the construction of the Knik Arm Toll Bridge versus the “no build” alternative.

## 2. DEFINITION OF THE STUDY AREA

The Knik Arm Bridge and Toll Authority (KABATA) serves a region that encompasses the Mat-Su Borough and the City of Anchorage including the Chugiak-Eagle River area. This area is geographically concurrent with the Bureau of Economic Analysis definition of the Anchorage Metropolitan Statistical Area (Anchorage AK MSA). The general area shaded with color in Figure 1 reflects the entire Knik Arm Crossing Study Area.



**Figure 1: Knik Arm Crossing Study Area**

### 3. SOCIOECONOMIC UPDATE METHODOLOGY

The two options that are the subject of this analysis have been extensively studied. “With Bridge” and “Without Bridge” population and employment forecasts have been prepared by at least two other professional sources, Northern Economics and the Institute of Social and Economic Research of the University of Alaska at Anchorage (ISER). Population and employment forecasts subsequent to those prepared by ISER and Northern Economics were studied from additional sources for updates including the State of Alaska, the Mat-Su Borough, the City of Anchorage, and the U.S. Bureau of Labor Statistics and the U.S. Bureau of the Census. This information was supplemented and expanded with personal and telephone interviews with identified contact persons in the community.

As in other parts of the country, independent economic and demographic studies such as this report are prepared to provide a corroborating examination of the assumptions on which forecast trends are based, offering a cross check on local forecasting methodologies and strengthening the reliability of the forecast of traffic volumes. The following steps were taken by Insight Research Corporation to provide an independent review of population and employment forecasts, described as follows:

- ***Establishing Factors Driving Potential Population or Employment Forecasts to 2030:*** Insight identified potential industrial activity, port expansion, office and retail potential, and residential expansion by TAZ within the designated study area that could clearly affect population or employment forecasts -- either positively or negatively -- thus potentially affecting projections of future traffic volumes, and ultimately, the revenue forecasts underlying the financing options. This step included review of prior studies to determine if circumstances dictating previous forecasts had changed, or were subject to varying interpretations of the data.

The categories of activity for inclusion were defined as any development, project, employer or regional activity that might:

- A. Vary in size or timing from the TAZ-level assumptions of underlying area development currently in use in the updated HDR traffic forecast model,
- B. Contribute to either a gain or loss from the study’s base employment and population estimates, or

C. Affect the regional economic assumptions in any other statistically significant way.

- **Obtaining and Reviewing TAZ Base Data:** Insight was provided with the most recent data set now being used for TAZ population and employment from the updated HDR traffic forecast model for the study area along with accompanying maps. This data is consistent with KABATA's other analyses. Although the traffic study area includes 600 traffic area zones (TAZ's) in both the City of Anchorage and the Mat-Su Borough, only development in selected TAZ's which could clearly be attributed to the presence of the proposed projects was included in the "With Bridge" examination, resulting in a very conservative approach to employment projections.
- **Conducting Interviews:** Key contacts in the affected jurisdictions were identified and contacted in person, by telephone, or by e-mail, to acquaint them with the needed information and solicit their cooperation for project details. Insight interviewed these key contacts and discussed the development patterns and trends being experienced with city planners, economic development officials, tax assessors, real estate development and other professionals, and used project announcements, project web sites and other local news sources to augment the assumptions. A list of projects identified, persons interviewed and sources consulted is part of the appendix of this document. Also incorporated as deliverables in this analysis are electronic files updating records by TAZ, transmitted under separate cover for WSA's further use.
- **Preparing the Project List:** Insight prepared lists of probable development projects and reviewed these with the various source contact persons. A conservative approach was used in identifying projects. Only those projects which were wholly or significantly dependent on the bridge construction, or which were significantly changed in scale, scope or timing by the proposed project were included in the economic models. The variance from the expected result was developed for both options studied: (a) With Bridge or (b) Without Bridge.
- **Defining Other Study Area Influences:** Some projects were profiled and are referenced in this text which are located in the study area, but are not significantly influenced by the proposed bridge project. These projects add to an understanding of the development dynamics of the study area, but are not dependent on the bridge construction. Included are project such as the proposed prison facilities, the fuel farm development, future use of property

controlled by the University of Anchorage, future improvements to the Alaska Rail Road, planned highway improvements in both the City of Anchorage and on the Mat-Su Peninsula, and planned expansions to both Port MacKenzie and the Port of Anchorage.

- **Ferry Improvements:** Interviews and research were conducted into the expansion of the ferry system serving the Anchorage/Mat-Su area, including its business plan forecast for growth with and without the bridge, as a supplement to KABATA information about potential competitive service which might affect traffic volume forecasts for the Knik Arm Toll Bridge.
- **Calculating High and Low Forecast Alternatives:** Insight employed a microeconomic approach to land use by TAZ site to supplement the macroeconomic approach of industry-level demand projections used in prior studies to reinforce findings of employment impact.

In order to bracket the risk inherent in any forecast, the area population and employment growth trends and economic cycles were studied and forecast through 2030. Historic regional business cycle information was compared to that of the State of Alaska and the United States to confirm regionally affected high and low cycle swings as a percentage delta from the average. Further definition of these business cycles is detailed and illustrated in Section 4.c as well as in the appendices of this report.

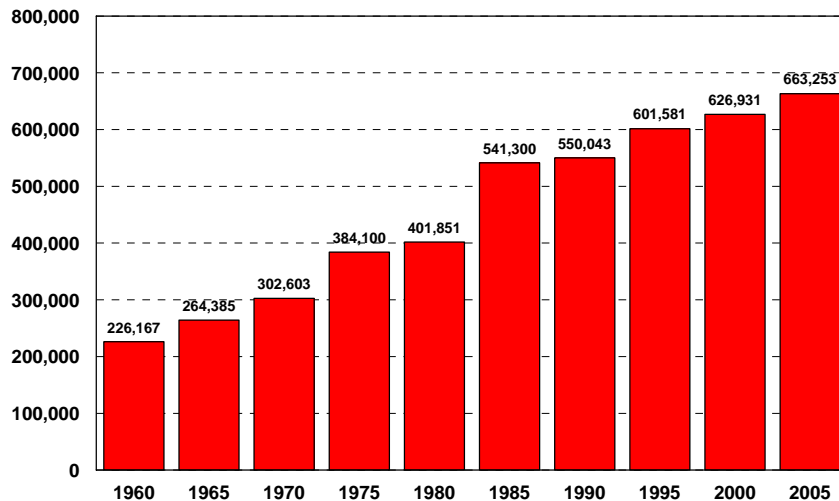
Within the limitations of the required five-year reporting intervals, the probable trend was calculated to incorporate potential cyclical fluctuations in the regional economy which might influence population and employment forecasts. The high and low percentage delta defined the resulting variance possibilities, thus bracketing the probable forecast scenario with an economy-related levels of risk of the projections. The probable case, along with both high and low projections, was provided to WSA in prescribed electronic formats for use in refining traffic forecasts and revenue projections.

#### 4. DEMOGRAPHIC AND ECONOMIC BACKGROUND

Section 4 provides an overview of historic population, employment and the historic economic performance of the Anchorage AK MSA, including background and trends as these affect the socioeconomic conditions in which the Knik Arm Toll Bridge is being proposed.

##### A. Population Overview: State of Alaska, City of Anchorage and Mat-Su Borough

**State of Alaska:** Alaska is the largest State in the United States in land area and is also the least densely populated state at about 1.09 persons per square mile according to the U.S. Bureau of the Census and Alaska Department of Labor, and as noted in Figure 2.

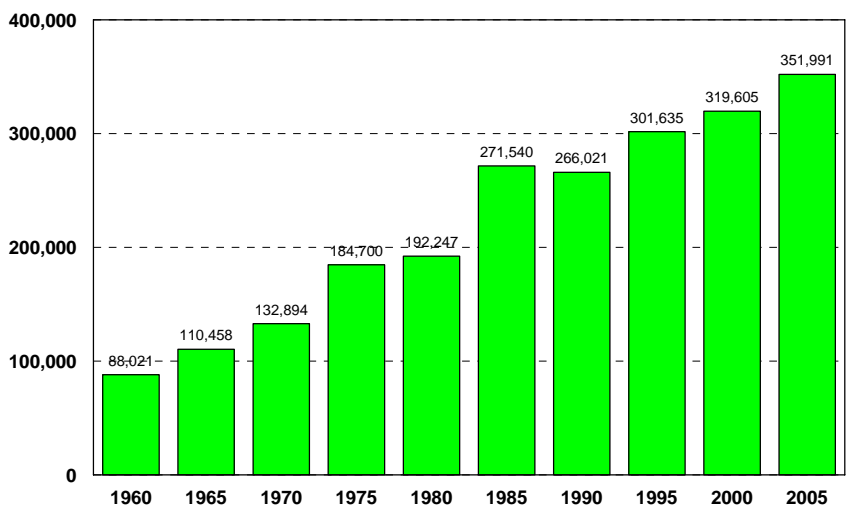


Source: U.S. Census Bureau, Alaska Department of Labor

**Figure 2: Population Growth, State of Alaska  
1960 to 2005**

**The City of Anchorage and the Mat-Su Borough (Anchorage AK MSA):** The City of Anchorage and Mat-Su Borough accounted for over 50 percent of the population of the entire State of Alaska in the U.S. Bureau of the Census reports for 2000. Over the period from 1990 to 2000, the Anchorage AK MSA added about 53,600 people to its

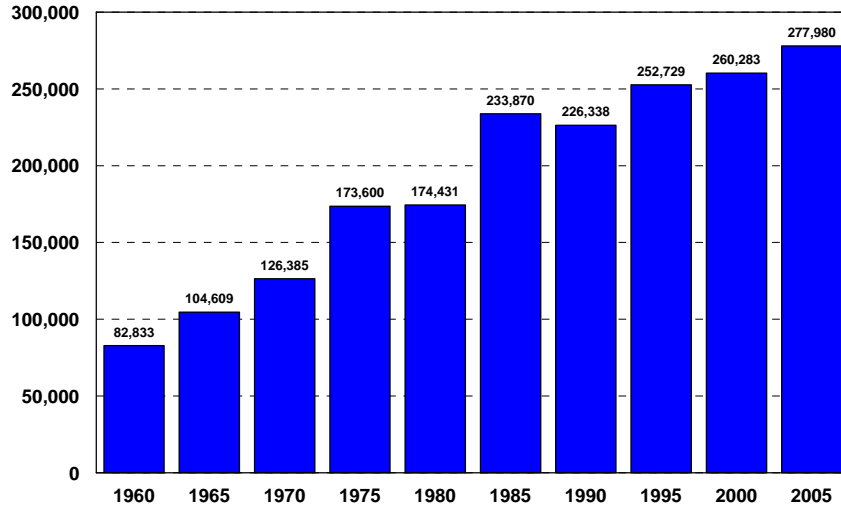
population, accounting for nearly 70 percent of the increase in population for the entire state. This growth has continued to the date of this study, and this analysis finds no overt hindrance to the continuation of the identified trends in public policy, economic conditions and market demand. Population growth for the entire Anchorage AK MSA from 1960 to 2005 is shown in Figure 3.



Source: U.S. Census Bureau, Alaska Department of Labor

**Figure 3: Population Growth, Anchorage AK MSA  
1960 to 2005**

**City of Anchorage:** From 1960 to 2005, Anchorage population increased by 236%, an annual average of 2.8%, although the annual percent of increase has slowed to just over 1% per year due to two factors: first, the increased size of the base against which the percent is calculated; and second, the reduced land area available for new and redeveloping residential and commercial development within the City. Referred to as the Anchorage Bowl because of the limitations of its topography, the City of Anchorage is heavily involved in redevelopment planning, discussions on allowable densities and public transportation issues. Figure 4 illustrates this historic growth.

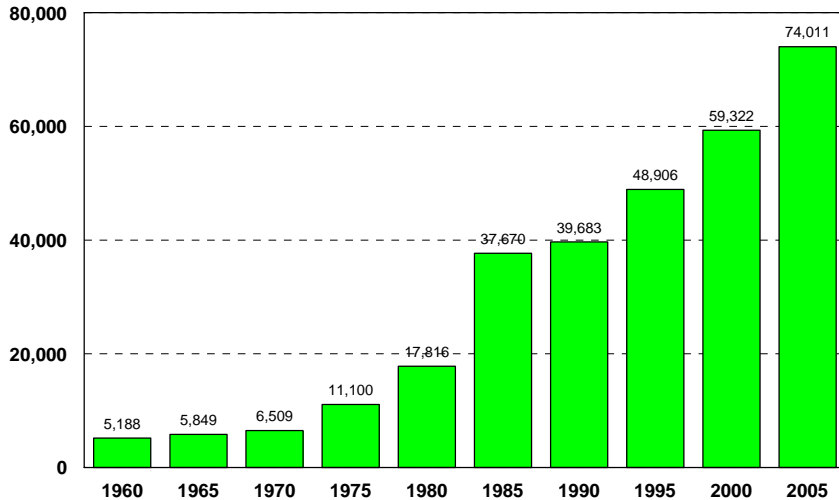


Source: U.S. Census Bureau, Alaska Department of Labor

**Figure 4: Population Growth, City of Anchorage  
1960 to 2005**

**Mat-Su Borough:** The Mat-Su Borough encompasses approximately 24,600 square miles and is roughly the same size as the State of West Virginia. In the Mat-Su Borough, population increased by 1,326% from 1960 to 2005, an annual average of 6.2%, from 5,188 persons to more than 74,000. This population percentage has steadily increased as more development has occurred in Mat-Su.

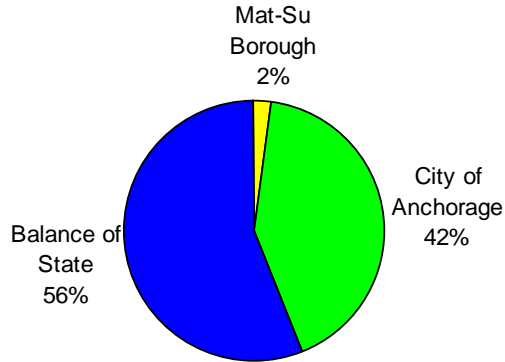
At this time, there are three incorporated cities in the Borough: Wasilla, Palmer and Houston, with many smaller, unincorporated communities throughout the Borough to account for its population total. Now located a distance of one to two hours in driving time from the central city of Anchorage, Mat-Su Borough is expected to become much more attractive for both recreational homes and year-round residential development when the Knik Arm Toll Bridge reduces that commute dramatically by a minimum of 30 to 60 minutes, dependent on the chosen test location within this very large borough. Mat-Su Borough's historic growth is depicted in Figure 5.



Source: U.S. Census Bureau, Alaska Department of Labor

**Figure 5: Population Growth, Mat-Su Borough  
1960 to 2005**

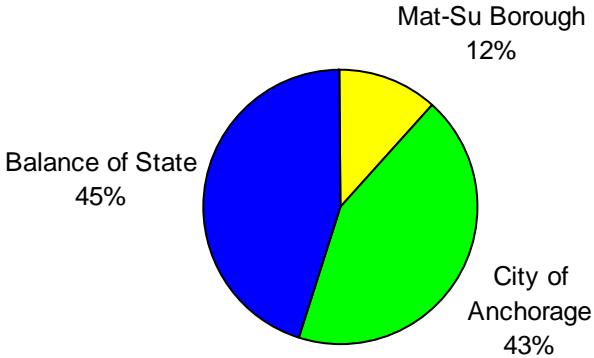
The growing populations of the City of Anchorage and in the Mat-Su Borough are an increasing percentage of Alaska’s total population, illustrated for the years 1970 and 2007 in Figures 6 and 7.



**Figure 6: City of Anchorage,  
Mat-Su Borough and State of Alaska  
Population Distribution  
1970**

In 1970, Mat-Su represented 2% of the State of Alaska’s total population, with the City of Anchorage being home to just over 42% of Alaska’s residents. By 2007, that population had grown to 12% in Mat-Su and

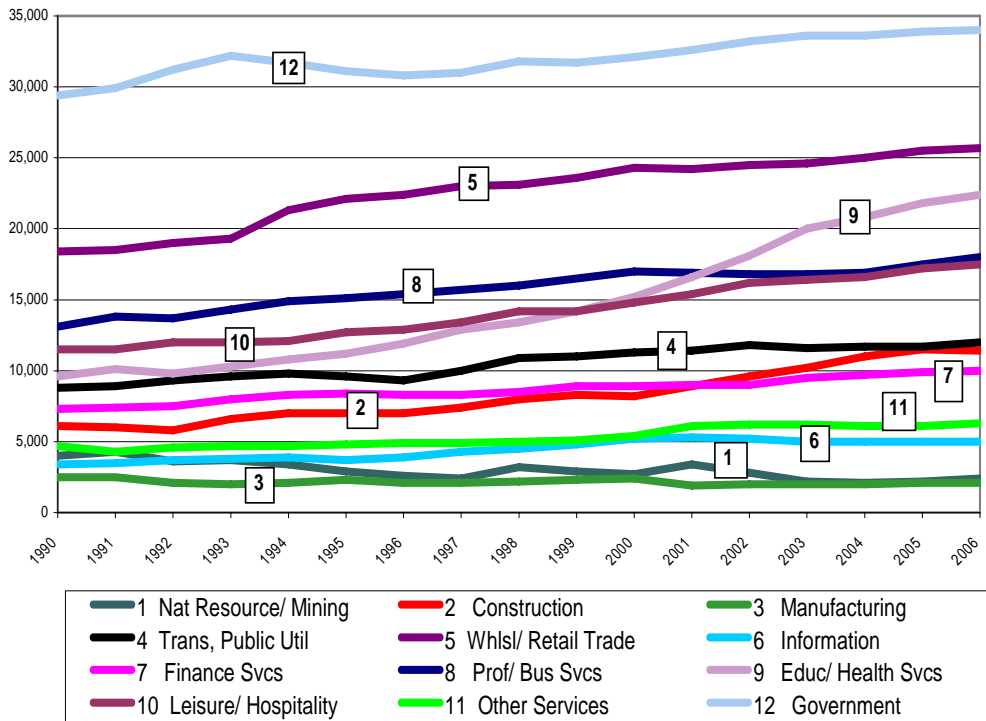
43% in the City of Anchorage, trends which are expected to continue at the same rate of growth under a “no-bridge” scenario.



**Figure 7: City of Anchorage, Mat-Su Borough  
and State of Alaska  
Population Distribution  
2007**

**B. Employment Overview – State of Alaska, Anchorage AK MSA**

As previously noted, the Anchorage AK MSA (U.S. BEA 11260) includes the City of Anchorage and the Mat-Su Borough. This analysis uses the latest U.S. Bureau of Labor Statistics (BLS) employment classifications under the North American Industrial Classification Standards (NAICS) to indicate the segmentation of Anchorage AK MSA employment sectors and the relative size of the wage and salary employment reported by Anchorage employers in each of the last seventeen years. Annual employment data totals vary slightly dependent on the annual file summary closing dates established by each reporting source. In Figure 8, lines illustrating consistent employment performance of an industry sector are shown in the graph as nearly straight, while industry sectors with more significant employment volatility show as wavy lines. Data tables supporting this graph are found in Table 1.



Source: NAICS 1990 through 2006

**Figure 8: Anchorage AK MSA  
Non-Agricultural Wage and Salary Employment  
1990 to 2006**

As shown in Figure 8 and the supporting data as Table 1, government employment, making up just over 20% of the MSA labor force, includes two U.S. military bases, Elmendorf Air Force Base and Fort Richardson, which had a combined military presence in 2005 of more than 10,700 military personnel, plus civilian employment of some 2,600 additional positions, added to a substantial federal, state and local government presence in the Anchorage AK MSA. Military personnel are not included in wage and salary counts, and add to the effective total of employed persons within the MSA.

Major industries include petroleum-based mining, construction and professional support services, and a very active tourist and hospitality component.

	Net Resources/ Mining	Construction	Manufacturing	Trans. Public Util	Trade	Information	Financial Activities	Professional/B us Services	Edu/Health Services	Leisure/ Hospitality	Other Services	Government	Total
1990	4,000	6,100	2,500	8,800	18,400	3,400	7,300	13,100	9,600	11,500	4,700	29,400	118,700
1991	4,300	6,000	2,500	8,900	18,500	3,500	7,400	13,800	10,100	11,500	4,300	29,900	120,600
1992	3,600	5,800	2,100	9,300	19,000	3,700	7,500	13,700	9,800	12,000	4,600	31,200	122,300
1993	3,700	6,600	2,000	9,600	19,300	3,800	8,000	14,300	10,300	12,000	4,700	32,200	126,400
1994	3,400	7,000	2,100	9,800	21,300	3,900	8,300	14,900	10,800	12,100	4,700	31,700	130,100
1995	2,900	7,000	2,300	9,600	22,100	3,700	8,400	15,100	11,200	12,700	4,800	31,100	130,700
1996	2,600	7,000	2,100	9,300	22,400	3,900	8,300	15,400	11,900	12,900	4,900	30,800	131,500
1997	2,400	7,400	2,100	10,000	23,000	4,300	8,300	15,700	12,900	13,400	4,900	31,000	135,400
1998	3,200	8,000	2,200	10,900	23,100	4,500	8,500	16,000	13,400	14,200	5,000	31,800	140,800
1999	2,900	8,300	2,300	11,000	23,600	4,800	8,900	16,500	14,200	14,200	5,100	31,700	143,500
2000	2,700	8,200	2,400	11,300	24,300	5,200	8,900	17,000	15,200	14,800	5,400	32,100	147,300
2001	3,400	8,900	1,900	11,400	24,200	5,300	9,000	16,900	16,600	15,400	6,100	32,600	151,600
2002	2,800	9,600	2,000	11,800	24,500	5,200	9,000	16,800	18,100	16,200	6,200	33,200	155,300
2003	2,200	10,200	2,000	11,600	24,600	5,000	9,500	16,800	20,000	16,400	6,200	33,600	158,000
2004	2,100	11,000	2,000	11,700	25,000	5,000	9,700	16,900	20,800	16,600	6,100	33,600	160,600
2005	2,200	11,500	2,100	11,700	25,500	5,000	9,900	17,500	21,800	17,200	6,100	33,900	164,200
2006	2,400	11,400	2,100	12,000	25,700	5,000	10,000	18,000	22,400	17,500	6,300	34,000	166,800

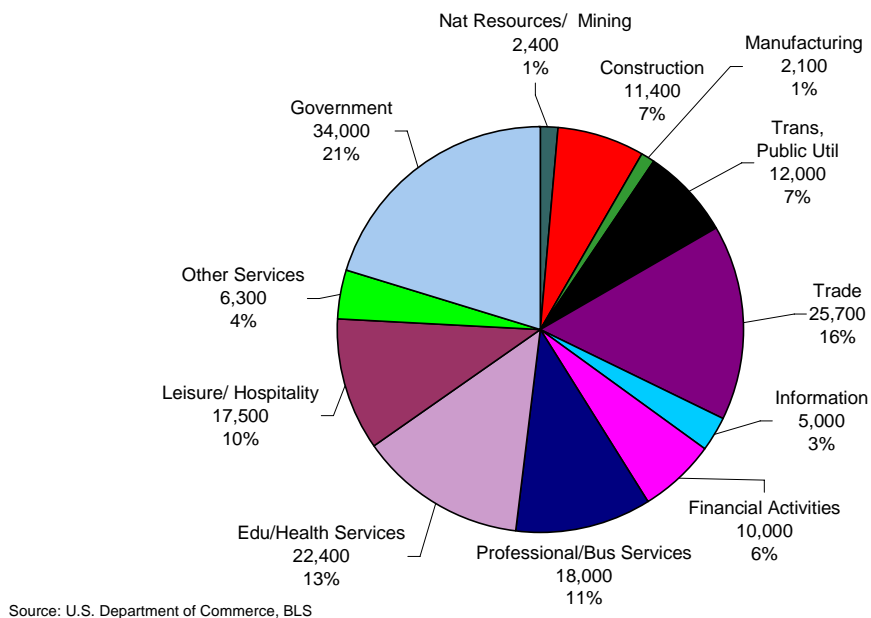
Source: U. S. Bureau of Labor Statistics

**Table 1: Anchorage AK MSA  
Non-Agricultural Wage and Salary Employment 1990 to 2006**

**Activity and Expansion at the Port of Anchorage and Port MacKenzie:** The Port of Anchorage is a major port of call for both freight and recreational cruise passenger traffic, and is expected to continue to serve as the major service port for more than 80% of Alaska's populated area, military installations and consumer goods. Now receiving more than 80% of all shipping traffic entering the State, the Port of Anchorage also serves as freight hub for the Alaska Rail Road (ARR). The Port of Anchorage expansion plan, which is steadily being implemented over the

decade from 2004 to 2012, will add another \$400 million in road, rail, terminal and dock expansion improvements to port facilities. Under this expansion plan, it is expected that additional inbound and outbound capacity will be available for the Port of Anchorage, while outbound shipping of Alaskan natural resources and products such as coal, gravel, wood and wood chips is expected to continue to grow at the deep-draft facilities of Port MacKenzie.

Recent funding commitments were announced by the State of Alaska for additional improvements to the Alaskan Rail Road line extending south in the Mat-Su Peninsula to Port MacKenzie. This will significantly improve the productivity of Port MacKenzie's transportation infrastructure improvements, which are expected to be dramatically enhanced by the opening of the proposed Knik Arm Toll Bridge.



**Figure 9: Anchorage AK MSA  
NAICS Total Non-Agricultural Wage and Salary Employment  
2006 Percentage by Industry Category**

**The Economy of the Anchorage AK MSA:** As shown in Figure 9 and referenced again in Table 1, the economy of the Anchorage AK MSA has a labor force diversity and balance that provides both a base of sustained employment stability through its government, education and health

services, and tourism employment plus an entrepreneurial component that fluctuates with the availability of industry-specific capital financing and market conditions, important in examining the region's reaction to economic cycle changes.

Employment volatility is most apparent in the classification of mining and natural resources, which includes gas, petroleum, coal and gravel mining operations, as well as the lumber industry. Their various professional and business service support providers make up a substantial part of the Anchorage AK MSA economy. The NAICS classifications reflecting these business activities that are most affected by market conditions in the Anchorage AK MSA include mining, manufacturing, professional, business services and other services, and a portion of both construction and financial services, for an MSA employment sector that is more likely to be subject to market volatility of from 20% to 26%.

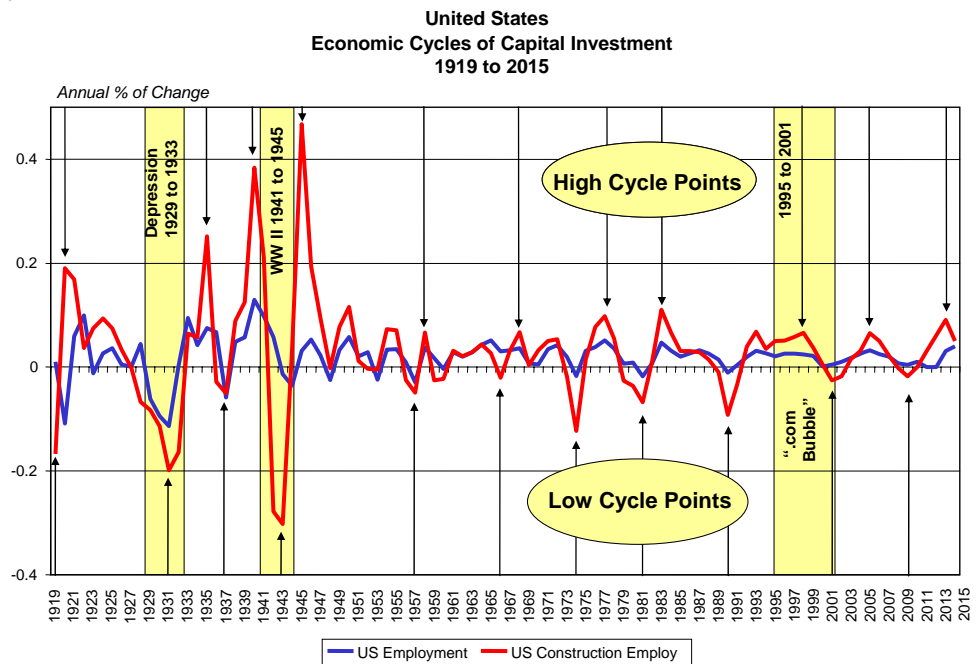
Classifications least affected by economic cycle pressures include government, education, transportation and public utilities, and in Anchorage's case, leisure and hospitality, which perform especially well in an economic downturn, a total of about 51% of the employment base. When Americans do not have the extra money to travel abroad, they prefer domestic travel, and the Alaskan destinations and cruises are high on many Americans' list of preferred places to visit.

The Anchorage AK MSA has a very stable government and educational component, exceptionally financed for a state government. The State of Alaska has insured its employment stability through the continued use of two reserve funds, the Constitutional Budget Reserve and the Alaska Permanent Fund, both of which serve to stabilize the State's annual revenues and assist in inflation-proofing Alaska's public sector employment.

### C. Historic Regional Economic Performance and Forecast

The potential risk for any required capital investment is influenced by the way in which a region's population and employment activity responds to national economic cycles.

The graph in Figure 10 illustrates a simple but powerful method of examining economic cycles in the United States. Beginning in 1919, when the BLS began keeping employment data by market segment, the chart illustrates the annual percent of change in total employment from the previous year, shown in blue, as compared to the annual percent of change in construction employment, shown in red. Each year that the line is above zero indicates that employment increased by that percentage over the preceding year. Likewise, a mark below zero indicates that year's percent of loss against the preceding year, while a posting at zero would mean no change in total jobs from the previous year.



**Figure 10: United States Economic Cycles of Capital Investment from 1919 to 2015**

While total employment reflects overall activity in the country, construction employment is particularly useful to track because it represents from 3.0 to 8.0 percent of total employment in typical Metropolitan Statistical Areas (MSAs) and in the country as a whole. In the Anchorage AK MSA, that percentage varies from 5.8 to 7.4 percent. Construction employment is the most sensitive to the availability of capital for expenditure in improvements, both public and private. In Figure 10, construction employment acts as the tip of a “whip of change” as the whip is snapped and construction projects are released or slowed when construction capital is withheld by lenders.

Three periods of particular volatility or unpredictability from the expected norm are shown in Figure 10, including the Great Depression in the United States from 1929 to 1933, World War II from 1941 to 1945, and the “dot.com bubble” from 1995 through 2001. In each of these periods, the economic cycle moved in a markedly aberrant manner, reflecting the availability or lack of capital formation for new public and private investment.

In addition, Figure 10 illustrates the high point and low point of each cycle with corresponding arrows. Through 1948, extreme swings in both construction employment and total employment were experienced, as the illustration shows. However, since 1953, cycles in the economy have become much less erratic due to improved federal regulations, money management techniques and the improving integration of the world economy. From 1953 forward, economic cycles at intervals of approximately six to eight years are apparent in the data, allowing a predictive mechanism to be employed in estimating capital formation and the regional reactions to such formation in the future. Detailed employment data from the U.S. Bureau of Labor Statistics is shown in the appendices of this report.

In the absence of a catastrophic economic event, it can be predicted that approximately every six to eight years the U.S. economy will experience a cycle of over-building followed by under-building, over-supply followed by under-supply, and available capital followed by restricted capital.

These economic cycles are documented at the regional level with equal clarity in most metropolitan statistical areas, certainly that of the Anchorage AK MSA, as reflected in Figure 11, and distinctly affect new

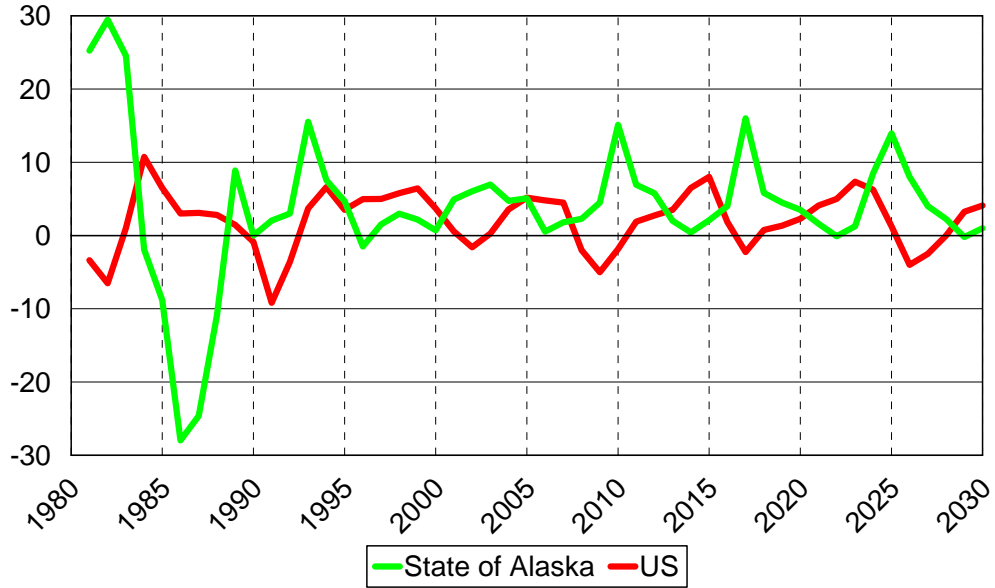
construction markets, with the accompanying “ripple effects” of changes in traffic patterns and volumes.

The energy industry exhibits a clear pattern that heavily influences regional economies where oil and gas production employment and support services play a large role in the financial health of the local economy. When the balance of the United States and many industries suffer as energy prices spike upward, especially those that are heavily transportation-related, the energy-heavy economies often flourish with added exploration activity. These economies benefit from the profitability of local energy-related production firms and support companies, which show in the Anchorage AK MSA as component parts of the categories of professional, business and other services, transportation and public utilities.

Like other MSAs that have these heavy energy-related components such as Houston and West Texas, the Anchorage AK MSA’s energy industry heavily influences the State of Alaska’s economy and produces the MSA’s counter cyclical trend as compared to the balance of the United States. These trends are illustrated in Figure 11, in which the United States’ pattern of construction employment shown in red, which is driven by available capital and market confidence, is compared that of the State of Alaska, shown in green.

Unlike many other larger MSAs, such as Chicago, New York and Los Angeles, which follow the national pattern of cyclical performance, the energy-heavy MSAs demonstrate a more counter-cyclical pattern that flourishes when other markets are under stress due to increasing costs. An additional advantage to these MSA’s is that opportunity for raising capital is improved when their business activities are in an upturn and the balance of the U.S. MSAs are in a decline.

An additional counter-cyclical advantage in the Anchorage AK MSA is that its vibrant tourism segment is also bolstered during periods of economic downturn when overseas travel is relatively more expensive and domestic travel for leisure and recreation is often preferred.



**Figure 11: Cycles of Capital Investment: State of Alaska and United States, Historic 1980 to 2006, Projected 2007 to 2030**

The expectations of growth cycles for the Anchorage MSA can also be forecast, as shown in Figure 11, with dynamic cycle changes occurring about every six to eight years. Continued in-migration to the State of Alaska and to the Anchorage AK MSA are reflected in increases in annual job growth, followed by pauses in growth during economic downturns.

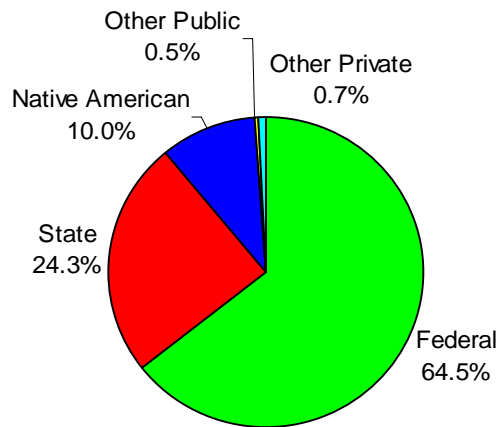
Alaska's employment continues to grow, and has not shown a loss in total employment for the past two decades despite two national recessions and declining oil production during part of the 90s. The State of Alaska forecasts continued growth in employment for the Anchorage AK MSA, but at a slightly slower rate in the next several years.

**D. Land Use and Demand Trends in the Anchorage AK MSA**

**Land Ownership:** The fact that a very small percentage of Alaska’s land mass is actually available for private sector development is important to understanding the population and employment demand issues and the resulting forecasts for land use in the State.

Based on a recent update from ISER in 2005, approximately 64.5% of the State’s land area is in Federal ownership or control such as the Alaskan Wildlife Refuge, another 24.3% is held by State Parks and other State agencies, while another 10% of Alaskan lands is held by Native American Indian tribal interests, and 0.5% is held by other public interests, such as universities and public trusts. Only 0.7% of the land mass of the State is in private hands, less than three-quarters of one percent.

These ownership patterns dramatically influence the availability and market price of land for private development purposes such as home and business ownership in the State of Alaska. The categories of control of Alaskan lands are illustrated in Figure 12.

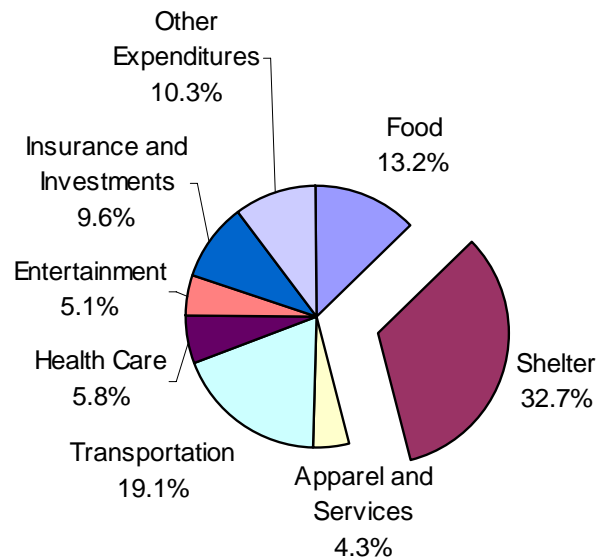


**Figure 12: Alaskan Land Ownership**

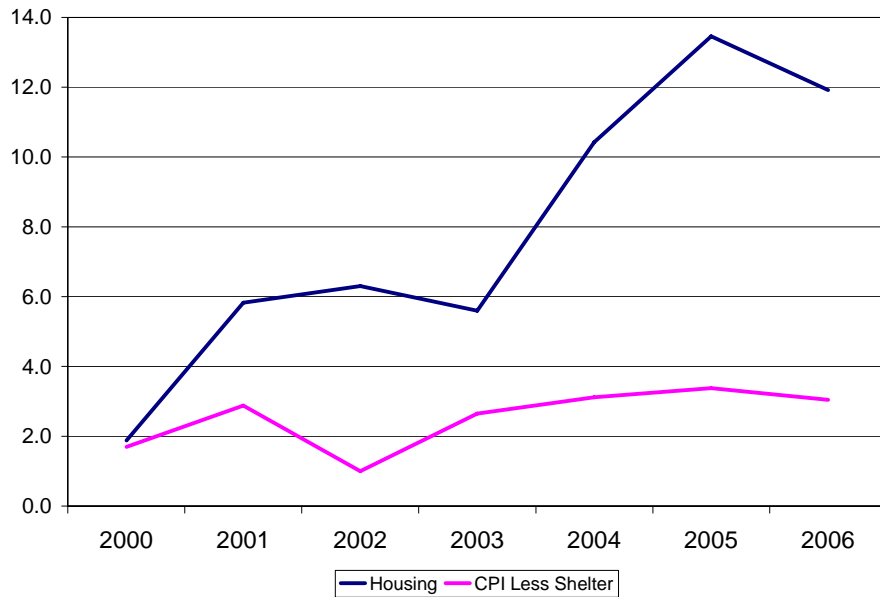
*Source: Institute of Social and Economic Research, University of Alaska at Anchorage*

**Land Price Pressures:** New home prices in Mat-Su vary greatly because of their intended use as second homes or recreational cottages versus full time residences, but according to the Mat-Su Borough tax appraisal district, new residential construction averages about \$240,000 per residence, just less than the appraised average of \$265,000 per residence as cited from the appraisal district serving the City of Anchorage.

In Figure 13, the component parts of the U.S. Bureau of Economic Analysis's Consumer Price Index for Alaska indicates the cost of shelter as approximately 32.7 percent of the consumer's expenditures. The Office of Federal Housing Enterprise Oversight produces a separate measurement of the rate of appreciation of housing by MSA. By deducting the shelter cost from the CPI and comparing the remaining components of the CPI to the isolated cost of housing, it is possible to demonstrate the value of housing appreciation as compared to the local cost of living increase. This comparison is provided in Figure 14.



**Figure 13: Components of the Consumer Price Index (CPI)**



Sources: U.S. Bureau of Economic Analysis; Office of Federal Housing Enterprise Oversight

**Figure 14: Housing Price Performance Compared to the Consumer Price Index**

As illustrated in Figure 14, the Anchorage AK MSA is experiencing multi-year upward pricing pressure on both new residential and commercial construction, with the market reaction resulting in a price spike for existing residential properties, and by nature of the competition for land use, for commercial property as well. Despite a current slowdown in home price increases in the U.S. housing market, housing in the Anchorage AK MSA has continued to be a valuable investment, with real estate values outpacing the regional inflation rate by from three to five times the increase in the cost of living due to demand for housing in the MSA.

As noted, these demand trends place a consistent upward price pressure on land values for commercial properties as well, particularly in a market such as the land-locked “Anchorage Bowl” where new land for development is scarce and redevelopment is costly relative to typical redevelopment opportunities in most of the balance of the U.S.

Continuing geographic limitations persist for meeting this demand for new housing, crippling the growth of the Anchorage AK MSA, because of the topographic configuration of the land mass on the right side of the Knik Arm where mountain ranges constrict available land for development to

the north of the Anchorage Bowl. The Knik Arm Toll Bridge will clearly provide faster, more convenient access to the scarce Alaskan resources of developable land for both residential and commercial purposes on the Mat-Su Peninsula.

**Current and Future Development Patterns in the Immediate Knik Arm Study Area:** Current development in the Mat-Su Borough is centered on the towns along the Glenn and Parks highways, from Palmer to Wasilla. In the future, however, residential development is anticipated to flourish north of the Port MacKenzie region to Wasilla with the stimulus of the Knik Arm Toll Bridge and newly developing road systems which provide greater access to the Mat-Su Peninsula.

In the Anchorage area near the proposed bridge connection, the Government Hill neighborhood has received much attention and planning due to the historic nature of some of the properties. A “cut and cover” entrance into the area has been designed into the cost structure for the bridge to protect the neighborhood, with the City of Anchorage expecting that new, neighborhood appropriate retail will be the result of the anticipated road and highway improvements.

The plans provided for analysis address an additional concern that the traffic generated by the proposed bridge be managed by means of a “freeway-to-freeway” couplet. This cost is also included in the estimates for the bridge’s ultimate development and integration into the transportation planning for the City of Anchorage.

As noted by ISER, much of the future growth for the City of Anchorage is expected to occur in and around the center of the City in the Anchorage Bowl, with increasing densities and transit supported development and redevelopment areas. Outside the Anchorage Bowl, the Chugiak-Eagle River area is expected to experience the highest growth in terms of projected household units. Insight expects that this growth will continue during the period of study through 2030 due to the desirability, economic vitality and commercial base of the City of Anchorage.

In the Mat-Su Borough, the areas most likely to be affected by household and population growth are those that have currently demonstrated residential growth patterns that are supported by access to consumer goods and services.

As noted, availability and cost of land for commercial use is another major factor influencing the expectations for development stimulated by the Knik Arm Toll Bridge. For these reasons, it is expected that the proposed land newly available for commercial development in the Port MacKenzie gateway will be very attractive. Terms currently under consideration could make properties in the Port available for modest lease rates. Port MacKenzie industrial and commercial development could also be favorably affected by the current discussions of potential reimbursement, through lease rate offsets, of any infrastructure development required to make the newly available properties usable for commercial development. It is likely that these incentives will be required to stimulate early development and build interest in these Port MacKenzie industrial and commercial areas to acquire the “critical mass” needed to achieve economic expectations.

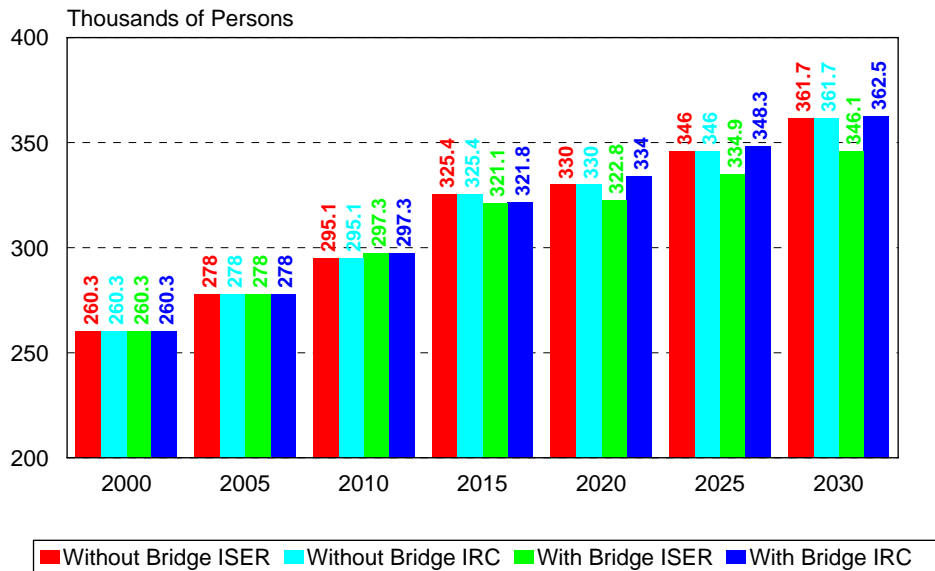
As development patterns for additional employment and commercial activity become more tangible, it is expected that additional residential development in the Mat-Su Borough will continue to increase, with a perceptible increase in activity within the decade after the bridge is operational, slowing to the current pre-bridge pattern of annual population increases thereafter.

While housing price differentials may continue to exist between the City of Anchorage and new housing on the Mat-Su Peninsula, no concern was found that would support the expectation that either housing markets in the City of Anchorage or on the Mat-Su Peninsula would be negatively affected since the draw of the central city and its economic opportunities continue to dominate the Alaskan economic profile.

## 5. FINDINGS OF NEW PROJECT IMPACT ON TAZ BASE DATA

Insight’s projections for new growth in the Anchorage AK MSA, the City of Anchorage and the Mat-Su Borough were prepared for both with and without the Knik Arm Toll Bridge project. Insight’s population and employment projections are compared to those of the ISER analysis, released in 2005 and based on actual data available to ISER through the year 2002, and relying on projections thereafter. This analysis incorporates actual population and performance through year end 2006.

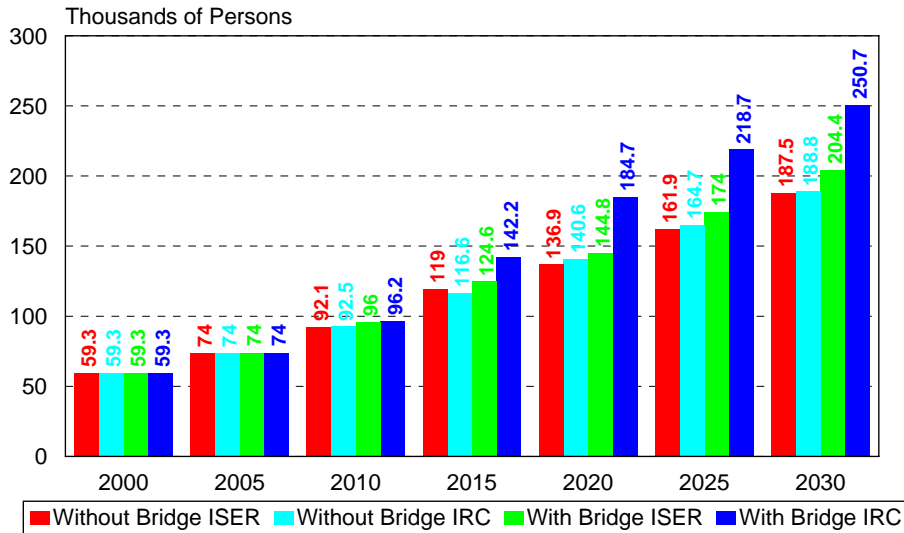
**Population:** Added study area population from the Project Development Forecast, with detail provided year-to-year showing percent of growth is included as a part of the appendices of this analysis. These projections are compared in Figures 15 and 16 for the City of Anchorage and the Mat-Su Borough respectively.



**Figure 15: City of Anchorage  
Population Forecast Comparison  
With and Without Bridge**

In Figure 15, the Insight Research forecast for the City of Anchorage with the bridge in 2030 is 362,500, and the prior ISER forecast with the bridge is 346,100, a difference of

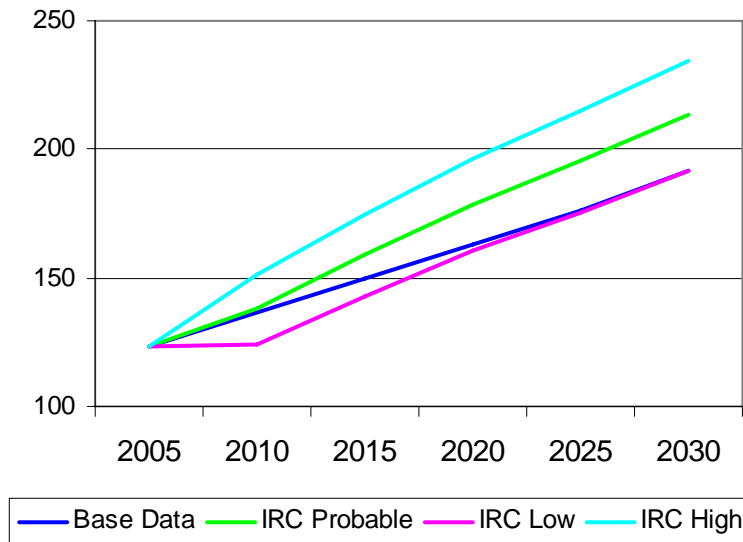
16,400 residents. Without the bridge, the forecasts produce virtually the same population expectations when adjusted for updated trends in actual population from 2002 to 2006, a difference in 2006 starting points for forecasts between ISER and Insight.



**Figure 16: Mat-Su Borough  
Population Forecast Comparison  
With and Without Bridge**

A greater difference is found when examining the population projections with the proposed bridge at 2030, as shown in Figure 16. With the bridge, the 2030 population for the Mat-Su Borough as projected by Insight is 250,700 residents as compared to the earlier ISER estimate of 204,400, a difference of 46,300 persons. Again, without the bridge, the population forecasts are very similar.

Figure 17 and its accompanying Table 2 attribute the forecast population growth to likely TAZs in the study area. The variance by year for each benchmark five-year increment is noted in Table 2, with risk factors of deviations that could be experienced due to economic cycles also shown as the high and low projections. The graph indicates the prior HDR traffic projection model in dark blue, with the Insight probable projection in green based on four years of additional data and updated land use plans.



**Figure 17: Knik Arm Toll Bridge Study Area Comparative Household Projections (In Thousands) Base Data, Probable, Low and High Scenarios**

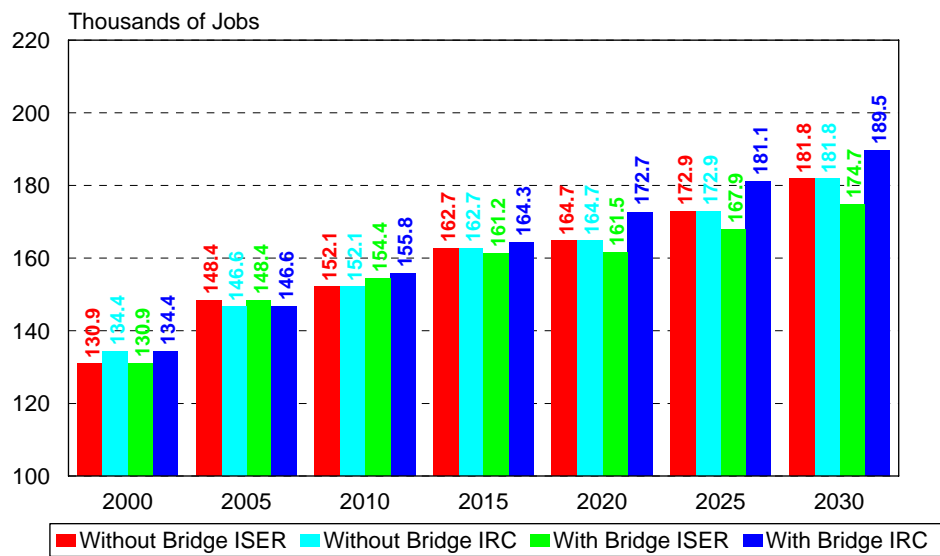
Changes to the population forecast by TAZ are captured in the TAZ update and projection spreadsheets. These forecast data are provided as a part of this analysis in electronic file formats under separate cover for further use by Wilbur Smith Associates.

Year	Base Data Trend	IRC Probable Trend	% Variance from Base Data Trend	IRC Low Trend	% Variance from Base Data Trend	IRC High Trend	% Variance from Base Data Trend
2005	123,423	123,423	0.0%	123,423	0.0%	123,423	0.0%
2010	136,590	137,887	0.9%	124,098	-9.1%	151,676	11.0%
2015	149,756	158,774	6.0%	142,897	-4.6%	174,651	16.6%
2020	162,923	178,429	9.5%	160,586	-1.4%	196,271	20.5%
2025	176,199	195,219	10.8%	175,697	-0.3%	214,741	21.9%
2030	191,600	213,400	11.4%	192,060	0.2%	234,740	22.5%

**Table 2: Knik Arm Toll Bridge Study Area Comparative Household Projections HDR Base Data, Probable, Low and High Scenarios**

**Employment:** Employment projections were prepared for the City of Anchorage and the Mat-Su Borough as described in the following section.

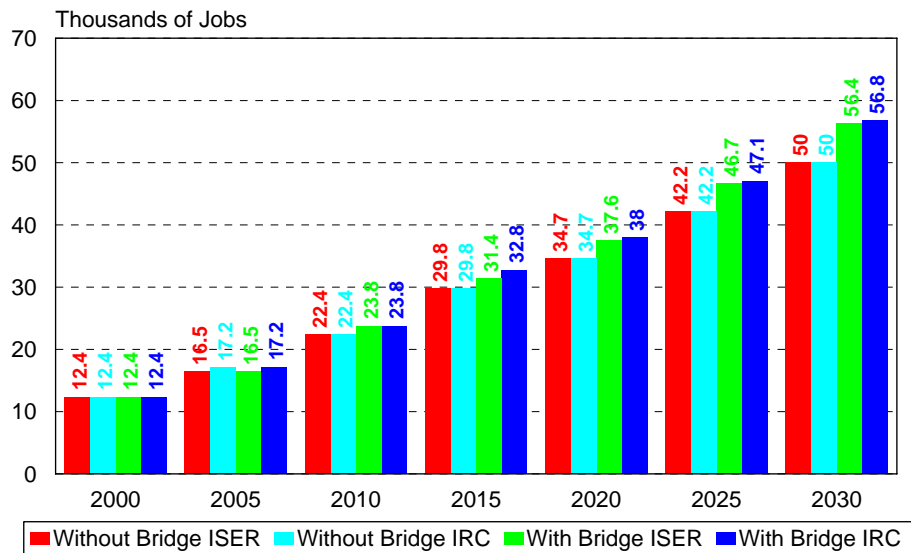
**City of Anchorage:** A marked difference was in the employment expectations for the City of Anchorage between the ISER and Insight projections. Insight’s review and interpretation of the industry data, supplemented by historic and projected economic and labor force trends, produced a more optimistic outlook for employment in the City of Anchorage, with ISER forecasting a 2030 wage and salaried employment of 174,700 to Insight’s 189,500 as shown in Figure 18. Insight does not envision a loss of employment in the City of Anchorage due to its strong economic position within the State, the City’s important business climate amenities and its inflation-resistant labor force and industry mix.



**Figure 18: City of Anchorage  
Employment Forecast Comparison  
With and Without Bridge**

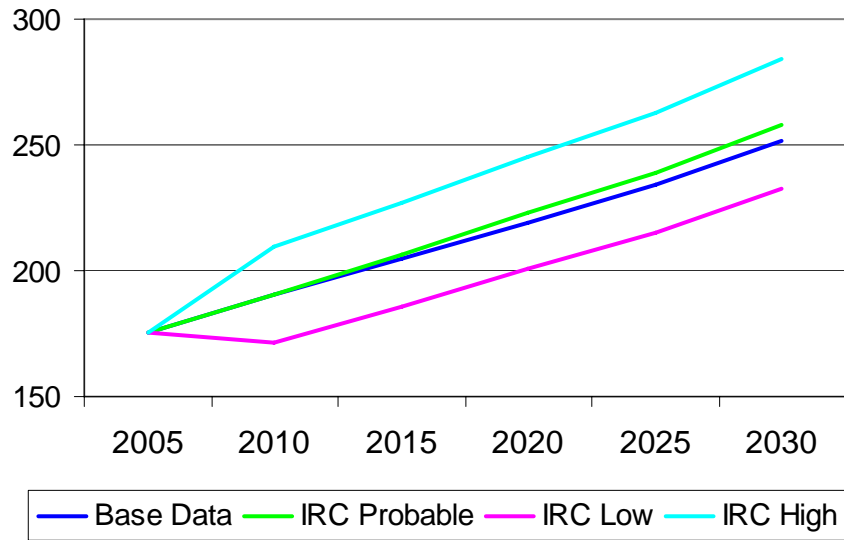
**Mat-Su Borough:** By using an entirely different forecasting method for employment, Insight arrived at very similar employment projections for employment impact in the Mat-Su Borough with the development of the proposed bridge in its probable scenario. While the ISER projection supplemented by Northern Economics industry analysis developed ratios for employment change

from industry trends, a macroeconomic approach. In contrast, Insight modeled probable land use and the associated employment based on plans defined by officials and contact persons in the Mat-Su Borough and City of Anchorage, using microeconomic analytical techniques. The resulting growth expected is attributed primarily to new business activity stimulated over the more than twenty years of potential development by the improvement in logistics capacity planned for the Port MacKenzie industrial and commercial districts, supported by the continuing population growth and new transportation patterns on the Mat-Su Peninsula, as shown in Figure 19.



**Figure 19: Mat-Su Borough  
Employment Forecast Comparison  
With and Without Bridge**

Figure 20 and its accompanying data in Table 3 illustrate the findings of Insight Research Corporation’s analysis of employment change from the prior HDR traffic projection model. These projections are also bracketed by low and high employment projection values in five year increments as calculated from the research, and further detailed in Appendix G, again showing the prior HDR projection in blue with the Insight probable projection in green.



**Figure 20: Knik Arm Toll Bridge Study Area  
Direct Employment Projections (In Thousands)  
Base Data, Probable, Low and High Scenarios**

Year	Base Data Trend	IRC Probable Trend	% Variance from Base Data Trend	IRC Low Trend	% Variance from Base Data Trend	IRC High Trend	% Variance from Base Data Trend
2005	175,717	175,717	0.0%	175,717	0.0%	175,717	0.0%
2010	190,239	190,239	0.0%	171,215	-10.0%	209,263	10.0%
2015	204,761	206,546	0.9%	185,892	-9.2%	227,201	11.0%
2020	219,284	222,754	1.6%	200,478	-8.6%	245,029	11.7%
2025	233,806	238,961	2.2%	215,065	-8.0%	262,857	12.4%
2030	251,306	258,146	2.7%	232,331	-7.6%	283,961	13.0%

**Table 3: Knik Arm Toll Bridge Study Area  
Direct Employment Projections  
HDR Base Data, Probable, Low and High Scenarios**

## 6. **ECONOMIC IMPACT ANALYSIS AND COMPARISON: WITH AND WITHOUT THE PROPOSED KNIK ARM TOLL BRIDGE**

As part of this report, an economic impact analysis was prepared which examines various impacts of the construction of the proposed Knik Arm Toll Bridge, as well as the residential and commercial developments which are likely to be encouraged and stimulated by the construction of this bridge. This section transmits findings of economic, employment and tax revenue impact of these developments, showing how their activities will benefit the City of Anchorage, Mat-Su Borough, the general Anchorage AK MSA, and the State of Alaska.

**A. Economic Impact Methodology:** Detailed assumptions used for these analyses are provided both in the Appendix of this document and in the descriptions which follow. The types of impact examined in this report are defined as follows:

**(1) Economic Impact.** Economic impact is the benefit to the general economy of the entire Anchorage AK MSA, shown as a multiplier and generally referred to as the "economic ripple effect." This calculation uses U.S. Bureau of Economic Analysis Regional Input-Output Modeling System (RIMS II) multipliers specific to the Anchorage MSA.

**(2) Direct and Indirect Employment Impact.** This economic impact analysis includes direct and indirect employment for both construction and operating phases of the developments stimulated by the Knik Arm Toll Bridge. Direct employment refers to persons on payrolls of these developments, while indirect employment is generated by the purchases of goods and services by the residents and employees.

**(3) Direct and Indirect Tax Revenue Impact.** Direct tax revenue impact refers to the taxes paid by the businesses, while indirect taxes are tax benefits to the state and local jurisdictions as a result of employment and other taxable spending. Direct tax revenue streams may be available to investment or financing commitments under certain agreements. Indirect revenue streams are not investment-grade, but reflect the "ripple effect" of potential taxes which can flow to each jurisdiction.

**B. Limitations of the Assumptions:**

- Total economic impact of the development extends beyond the Anchorage AK MSA area, as some purchases are made outside the region.
- Employment of any part-time workers has been reduced to "full time equivalent" positions (FTE) using a standard work week and benefits. Models use a "constant dollar" analysis, with no property value or tax increases, no depreciation, and no Consumer Price Index (CPI) or Cost of Living Adjustment (COLA) increases assumed.
- Analysis assumes local point of sale on taxable equipment and construction materials.
- Operating costs for the bridge as a toll facility are not included in this analysis at this time.
- Tax revenue impact does not include federal income tax on payroll or on the activities of the business, which are determined as a tax on annual net profits or book values.
- No tax deferrals, incentives or abatements are included in these calculations.
- The proposed lease rate structures and offsetting reimbursements for infrastructure investments under consideration in the Port MacKenzie industrial and commercial parks are excluded from the calculation of taxable values.

**C. Project Assumptions:** As described in the earlier portion of the socioeconomic analysis methodology description found in Section 3, Insight prepared lists of development and reviewed these with the source contact. A conservative approach was used in including potential projects, and only those projects which were wholly or significantly dependent on the bridge construction, or which were significantly changed in scale, scope or timing by the proposed project were included

in the economic models. A full set of project assumptions is included in the appendix of this document.

The variance of the expected result was developed for both options studied: (a) With Bridge or (b) Without Bridge. Descriptions of these projects are included in the Appendix of this analysis, and assumptions which were reflected in the economic impact models more fully described in the following paragraphs. In each case, the assumptions made for the construction of the Knik Arm Toll Bridge are included first, with the project scope or timing described immediately thereafter if the presence of the proposed bridge materially affected the project's development.

- **Bridge Construction:** Construction of the Knik Arm Toll Bridge itself was assumed to begin in 2008 and continue through 2011 with the bridge projected to be operational in 2012. Although several designs are still under consideration, the KABATA offices in Anchorage provided a potential cost estimate of \$563.9 million including some \$9.9 million for right-of-way acquisition for use in economic impact modeling. Further detail on the construction costs included in this total are found in Table 4.

Port MacKenzie Road Paving	\$15,350,802
Port MacKenzie Northern Route	\$11,222,345
West Approach	\$27,578,746
Bridge	\$280,129,768
East Approach	\$70,807,016
MOA Future Port Expansion Alignment	\$6,482,157
Retaining Wall	\$10,068,750
Cherry Hill	\$21,363,984
Government Hill	\$44,817,722
Toll Technology	\$4,698,523
Engineering	\$31,238,389
Project Management	\$26,031,991
AK DOT Overhead Charge	\$4,084,090
Right of Way	\$9,988,768
<b>Total</b>	<b>\$563,863,051</b>

**Table 4: Knik Arm Toll Bridge Construction Cost Estimates**

- **Residential:** If the Knik Arm Toll Bridge is constructed as planned, the gradual addition of approximately 21,803 single family homes from 2009 to 2030 is expected to occur throughout the Mat-Su Borough, primarily in City of Houston, the Big Lake

area, the Knik area, Willow and Point MacKenzie areas. These units are assumed to have an average assessed value of \$240,000 each in constant 2007 dollars, resulting in a total added assessed value of \$5.2 billion in new residential investment into the Mat-Su Borough over a 22 year period. This projection for residential growth represents about 1.25% annually over the growth trend for the “no build” scenario.

In the event that the Knik Arm Toll Bridge is not constructed, no new residential development is assumed beyond the existing trend as previously forecast by ISER correcting for actual data to year 2006.

- **Office:** With the construction of the bridge, an expected investment for construction of 653,000 sf of potential office space to support the activities and business growth in the Port MacKenzie area could be experienced. Construction values for the Anchorage AK MSA for this space is estimated at \$112.1 million, with an additional \$17.4 million to be invested in furniture, fixtures and equipment. These office uses, with phased construction assumed from 2010 to 2030, could provide employment for 2,177 persons as full-time equivalents (FTE's) with an average salary of \$33,600 and a total annual payroll at full development resulting in \$73.2 million in added area wages.

Without the bridge construction, only 150,000 sf of office uses are expected to develop from 2010 to 2030. The investment required for construction of this office space is \$25.7 million, with an additional \$4.0 million to be invested in furniture, fixtures and equipment. These anticipated office uses could provide employment for 500 FTE positions with the same annual salary assumptions of \$33,650 and the total annual payroll of \$16.8 million.

- **Tech Flex:** The presence of the Knik Arm Toll Bridge is expected to stimulate construction of some 1.3 million square feet (sf) of tech flex uses in Port MacKenzie from 2010 to 2030 to be used primarily by small businesses with activities related to new development and Port MacKenzie operations in the Mat-Su area, as well as related business interests in the City of Anchorage.

The expected investment for construction of this amount of space over 21 years is estimated to be \$154.4 million, with an additional \$4.2 million to be invested in furniture, fixtures and equipment. These anticipated tech flex uses could provide employment for approximately 520 FTE positions at an average salary of \$33,650, yielding a total annual payroll of \$17.5 million.

Without the bridge, Port MacKenzie may still anticipate the development of 200,000 sf of tech flex uses in the period from 2010 to 2030. The investment for construction of these uses is expected to be \$23.8 million, with an additional \$600,000 to be invested in furniture, fixtures and equipment. This anticipated tech flex development could provide employment for 80 FTE positions at an average salary of \$33,650, with the resulting annual payroll of \$2.7 million.

- **Retail:** A total of 1.79 million sf of retail uses are expected to develop from 2010 to 2030 if the Knik Arm Toll Bridge is constructed and the associated residential and commercial construction occurs. Some 1.74 million sf are assumed to develop in the vicinity of Port MacKenzie and its planned commercial park, with the balance of the development expected to occur in the City of Anchorage in association with the bridge design and integration into the Anchorage traffic patterns.

The investment anticipated for construction of these retail uses is \$284.1 million, with an additional \$44.8 million to be invested in furniture, fixtures and equipment. These retail uses could provide employment for approximately 3,580 FTE positions at an average salary of \$23,300, yielding a total annual payroll of \$83.4 million.

Without the bridge, 50,000 sf of retail uses are still likely to develop in Port MacKenzie from 2014 to 2030, while the Anchorage retail is not assumed to develop in this scenario as any other retail would not be dependent on the construction of the bridge. The expected investment for retail construction in Port MacKenzie is \$7.9 million, with an additional \$1.3 million to be invested in furniture, fixtures and equipment. This retail development could provide employment for 100 FTE positions at

an average salary of \$23,300, resulting in an annual payroll expected to be \$2.3 million.

- **Industrial/Distribution:** The largest volume of use to be stimulated by the proposed bridge is expected to be industrial and distribution space to house and process Alaskan mining, lumber industry and mineral interests in preparation for in and outbound shipping from the deep draft Port MacKenzie facilities, now undergoing development and expansion as are those of the Port of Anchorage.

Construction of the Knik Arm Toll Bridge plus related capital investment incentives may stimulate an estimated 4.5 million sf of industrial/distribution uses in Port MacKenzie from 2010 to 2030. The investment for construction of these industrial uses is expected to be \$237.6 million, with an additional \$234.0 million to be invested in personal property values as furniture, fixtures and equipment. This industrial/distribution complex on the Mat-Su Borough side of the Knik Arm Toll Bridge could provide employment for 563 FTE positions annually with an average salary of \$38,266, resulting in a total annual payroll of \$21.5 million.

Without the bridge, an estimated 450,000 sf of industrial/distribution space may be still expected in Port MacKenzie from 2010 to 2030. The required investment for construction of this industrial space is \$23.8 million, with an additional \$23.4 million to be invested in furniture, fixtures and equipment. These anticipated uses could provide employment for 117 FTE positions at the same average salary of \$38,266, and a total annual payroll of \$4.5 million.

**7. FINDINGS OF THE ECONOMIC IMPACT ANALYSIS WITH AND WITHOUT THE KNIK ARM TOLL BRIDGE**

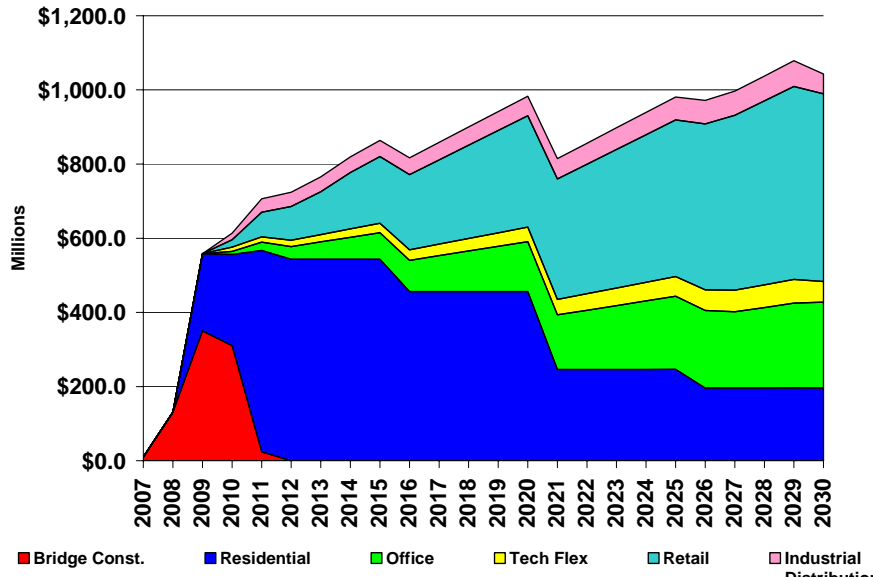
- A. Cumulative Economic Impact 2007 – 2030, \$19.307 Billion:** Economic impact is the benefit to the general economy of the entire Anchorage Metropolitan Statistical Area (MSA) and the Matanuska-Susitna Borough area, shown as a multiplier and generally referred to as the "economic ripple effect."

The economic impact of construction and operation of the Knik Arm Toll Bridge from 2007 through 2030 is expected to be **\$19.307 Billion**. This impact is widely experienced and driven by all areas of construction, payroll, maintenance and operating activities, exclusive of the toll operations of the bridge itself. These comparative economic impact results are cited by development component in Table 5, with figures given in millions of dollars cumulatively over the period of study, and further illustrated over time in Figures 21 and 22.

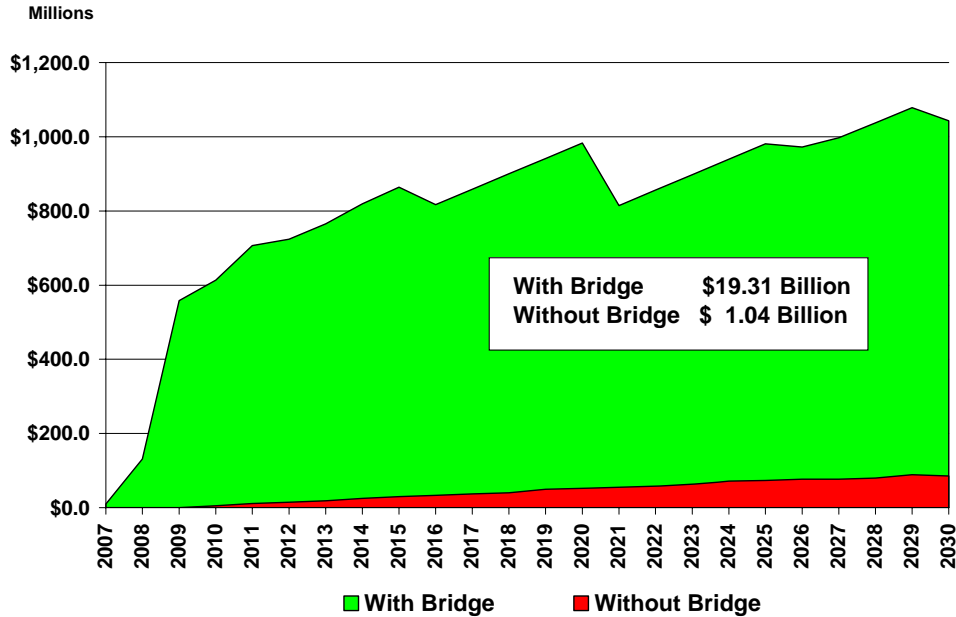
	<b>With Bridge</b>	<b>Without Bridge</b>
Bridge Construction	\$825.4	\$0.0
Residential	\$7,660.0	\$0.0
Office	\$2,745.7	\$630.7
Tech Flex	\$811.3	\$124.8
Retail	\$6,192.3	\$140.8
Industrial/Distribution	\$1,072.5	\$148.5
<b>TOTAL</b>	<b>\$19,307.3</b>	<b>\$1,044.9</b>

*\*Totals may vary due to rounding.*

**Table 5: Cumulative Economic Impact by Land Use Component, 2007 - 2030**



**Figure 21: Cumulative Economic Impact  
Public and Private Investments  
Knik Arm Toll Bridge, 2007 – 2030**



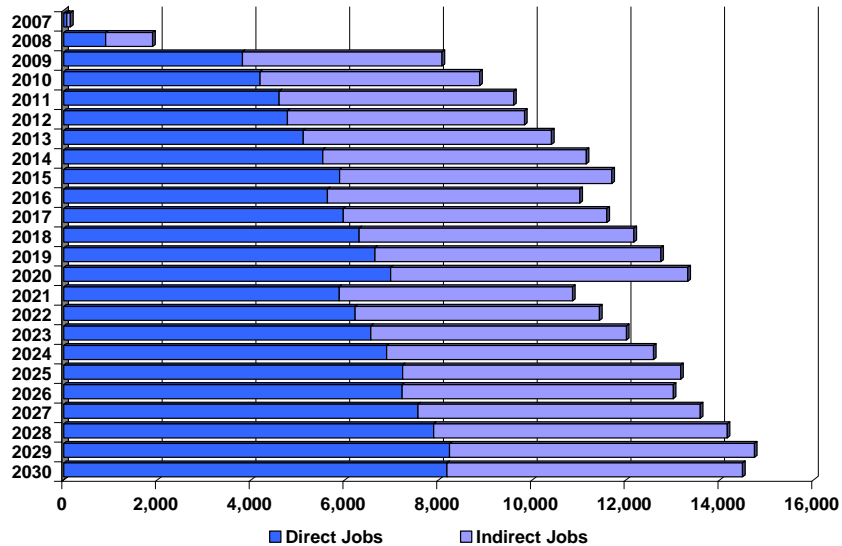
**Figure 22: Comparative Economic Impact  
With & Without the Knik Arm Toll Bridge  
2007 – 2030**

**B. Employment Impact, 6,839 new jobs annually at 2030, and 262,450 new years of work from 2007 to 2030:** The projects stimulated by the construction of the Knik Arm Toll Bridge may employ **6,839** persons at full development of the associated land examined in this analysis and provide **262,450** new years of work, or work years, from 2007 through 2030. One job for one year is one work year.

This economic impact analysis includes direct and indirect employment for construction and operating phases of these developments. Direct employment refers to persons on the payroll of the businesses, while indirect employment is generated by the purchases of goods and services by the businesses and their employees. Permanent new job totals are as shown in Table 6 are associated with each development component, with total direct and indirect employment shown in Table 7:

	<b>With Bridge</b>	<b>Without Bridge</b>
Office	2,177	500
Tech Flex	520	80
Retail	3,580	100
Industrial/Distribution	563	117
<b>Total</b>	<b>6,839</b>	<b>797</b>

**Table 6: Direct New Jobs at 2030**



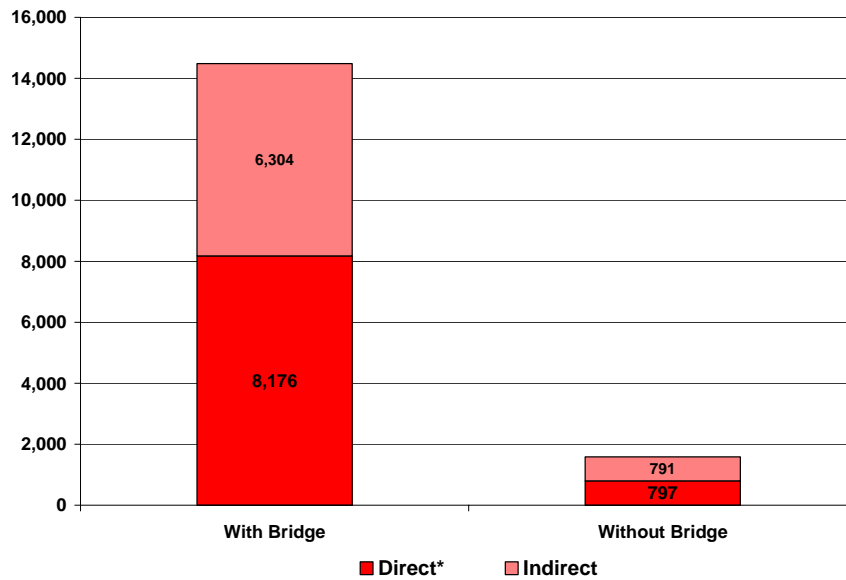
**Figure 23: Annual Employment Impact of Knik Arm Toll Bridge 2007 - 2030**

	<b>With Bridge</b>	<b>Without Bridge</b>
Direct*	8,176	797
Indirect	6,304	791
<b>Total</b>	<b>14,480</b>	<b>1,588</b>

*\*Direct employment includes construction jobs.*

**Table 7: Direct & Indirect Employment at 2030**

Figure 23 depicts annual direct and indirect employment resulting from these land uses and business activities, while Figure 24 compares the resulting employment for build-out at a single year, 2030, under the two scenarios, With and Without the Knik Arm Toll Bridge.



**Figure 24: Direct & Indirect Jobs With and Without the Knik Arm Toll Bridge at 2030**

**C. Cumulative Tax Revenue Impacts 2007 - 2030, \$1.174 Billion:** Direct tax revenue impact refers to the taxes paid by these new businesses and residences, while indirect taxes are tax benefits to the state and local jurisdictions as a result of employment and other “ripple effect” taxable spending stimulated by the commercial and residential development. Direct tax revenue streams may be available to investment or financing commitments under certain agreements. Indirect revenue streams are not investment-grade, but reflect the “ripple effect” of potential taxes which can flow to each jurisdiction.

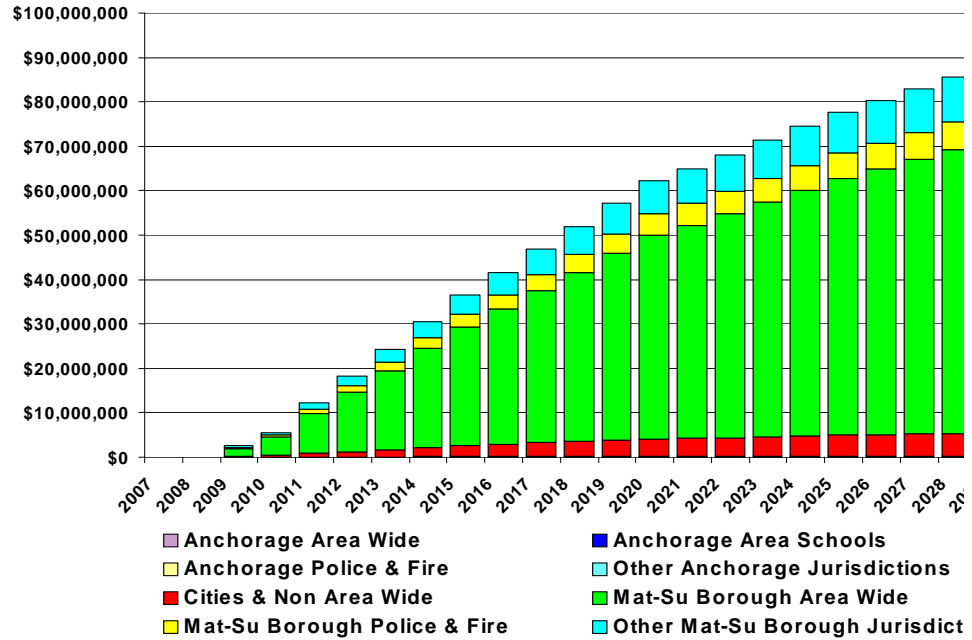
Tax advantages expected from the development activities stimulated by the bridge from 2007 to 2030 are as shown in Table 8 in millions of dollars, with direct and indirect taxes as generated by the facilities and staffing yielding **\$1.174 Billion** in cumulative tax revenues to the applicable jurisdictions from 2007 through 2030:

	<b>Direct</b>	<b>Indirect</b>	<b>Total Direct &amp; Indirect</b>
Anchorage Area Wide	\$0.07	\$0.06	\$0.13
Anchorage Area Schools	\$0.98	\$0.92	\$1.91
Anchorage Police & Fire	\$0.60	\$0.56	\$1.16
Other Anchorage Jurisdictions	\$0.46	\$0.44	\$0.90
Mat-Su Cities & Non Area Wide	\$51.53	\$21.20	\$72.73
Mat-Su Area Wide (Including Schools)	\$695.96	\$172.77	\$868.73
Mat-Su Police & Fire	\$80.28	\$8.08	\$88.37
Other Mat-Su Jurisdictions	\$127.00	\$12.79	\$139.79
<b>Totals</b>	<b>\$956.88</b>	<b>\$216.83</b>	<b>\$1,173.71</b>

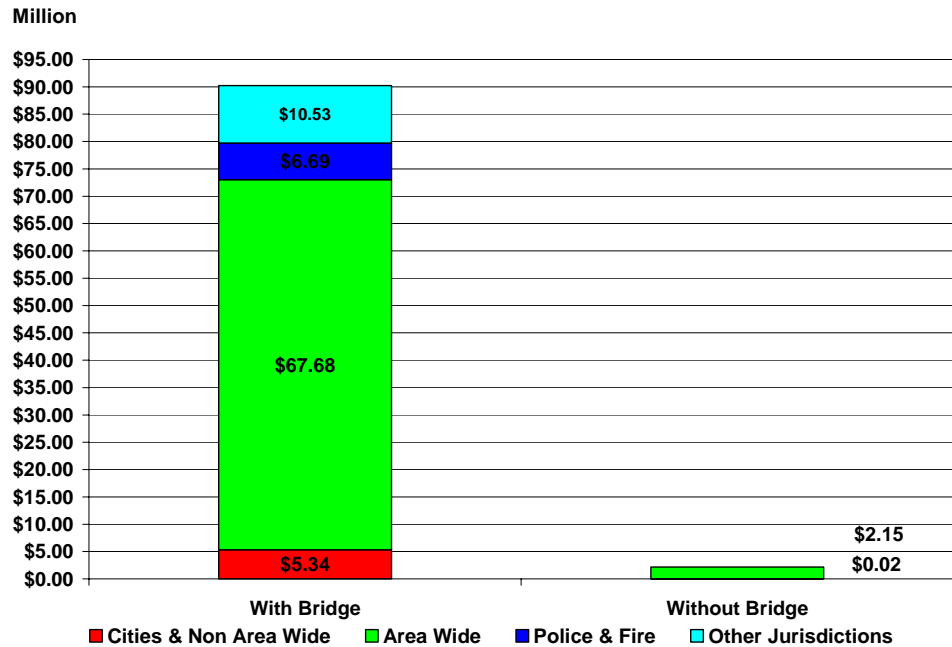
*\*Totals may vary due to rounding.*

**Table 8: Cumulative Direct and Indirect Taxes by Jurisdiction  
2007 – 2030 (In Millions)**

Figures 25 and 26 depict the tax revenue outcomes to the affected jurisdictions resulting from the construction of the bridge.



**Figure 25: Cumulative Direct and Indirect Taxes by Jurisdiction  
\$1.173 Billion from 2007 – 2030**



**Figure 26: Direct and Indirect Taxes by Jurisdiction at Year 2030  
With Bridge \$90.23 Million  
Without Bridge \$2.18 Million**

**D. Additional Detail:** Appendices A through G are a part of this analysis, providing additional detail of the research findings:

- **Appendix A:** Elected officials, city representatives, real estate, transportation and economic development professionals who were contacted to provide information for this development update.
- **Appendix B:** U.S. Bureau of Labor Statistics (US BLS) historic employment data, plus Insight Research Corporation's forecast.
- **Appendix C:** The Project Development Forecast, providing five-year increment estimates of direct population and employment additions by city, TAZ and project size for the Knik Arm Toll Bridge study area.
- **Appendix D:** Comparative Population Forecasts, 2000 to 2006 Historic, 2007 to 2030 Forecast, With and Without the Knik Arm Toll Bridge, ISER to Insight Research Corporation.
- **Appendix E:** Comparative Employment Forecasts, 2000 to 2006 Historic, 2007 to 2030 Forecast, With and Without the Knik Arm Toll Bridge, ISER to Insight Research Corporation.
- **Appendix F:** Development assumptions with and without the Knik Arm Toll Bridge used in Insight Research Corporation's economic impact analysis model.
- **Appendix G:** Tax rate and jurisdictional assumptions used for the economic impact model.

**Knik Arm Toll Bridge  
Anchorage Alaska MSA  
Traffic and Toll Revenue  
Investment Grade Study**

***Independent Economic Overview  
and Development Updates***

**Appendix**

- A. Contact List for This Analysis
- B. United States Economic Cycle Data
- C. Project Development Forecast
- D. Comparative Population Forecasts, 2000 to 2006 Historic, 2007 to 2030 Forecast, With and Without the Knik Arm Toll Bridge, ISER to Insight Research Corporation
- E. Comparative Employment Forecasts, 2000 to 2006 Historic, 2007 to 2030 Forecast, With and Without the Knik Arm Toll Bridge, ISER to Insight Research Corporation
- F. Economic Impact Development Assumptions With and Without Bridge Construction
- G. Applicable Tax Rates for Economic Impact Analysis

## **Appendix A**

### **Knik Arm Toll Bridge Contact List**

**Knik Arm Toll Bridge  
Contact List**

<b>Name</b>	<b>Title</b>	<b>Address</b>	<b>Phone</b>	<b>Email</b>
<b>Henry Springer</b>	Executive Director	<b>KABATA</b> 550 7th Avenue, Suite 1850 Anchorage, AK 99501	907-269-6698	
<b>Kevin Hemenway</b>	Chief Financial Officer	<b>KABATA</b> 550 7th Avenue, Suite 1850 Anchorage, AK 99501	907-269-6510 (o) 907-269-6697 (fax)	www.knickarmbridge.com kevin.hemenway@ dot.state.ak.us
<b>Darryl Jordan</b>	Deputy Executive Director	<b>KABATA</b> 550 7th Avenue, Suite 1850 Anchorage, AK 99501	907-269-6496 (o) 907-269-6697 (fax)	darryl.jordan@dot.state.ak.us
<b>John Duffy</b>	Borough Manager	<b>Matanuska-Susitna Borough</b> 350 Dahlia Avenue Palmer, AK 99645	907-745-9689	jduffy@matsugov.us
<b>Murph O'Brien</b>	Director of Planning	<b>Matanuska-Susitna Borough</b> 350 Dahlia Avenue Palmer, AK 99645	907-745-9851	murph.o'brien@mastugov.us
<b>Dave Hanson</b>	Economic Development Director	<b>Matanuska-Susitna Borough</b> 350 Dahlia Avenue Palmer, AK 99645	907-745-9508	dave.hanson@matsugov.us
<b>Mark Van Dongen</b>	Director	<b>Port MacKenzie</b> 350 Dahlia Avenue Palmer, AK 99645	907-745-4801	
<b>Tom Nelson</b>	Planning Director	<b>Municipality of Anchorage</b> 4700 S. Bragaw Street Anchorage, AK 99507	907-343-7909	tnelson@ci.anchorage.ak.us
<b>Lance Wilber</b>	Traffic Department Director	<b>Municipality of Anchorage</b> 4700 S. Bragaw Street Anchorage, AK 99507	907-343-8411	wilberlr@ci.anchorage.ak.us
<b>Howard Holtan</b>	Municipal Engineer	<b>Municipality of Anchorage</b> 4700 S. Bragaw Street Anchorage, AK 99507	907-343-8109	holtanhc@ci.anchorage.ak.us

**Knik Arm Toll Bridge  
Contact List**

<b>Name</b>	<b>Title</b>	<b>Address</b>	<b>Phone</b>	<b>Email</b>
<b>Dennis LeBlanc (secretary Joy)</b>	Municipal Manager	<b>Anchorage City Hall</b> 632 W. 6th Avenue Anchorage, AK 99501	907-343-7110	leblancdc@muni.org
<b>Mike Abbott</b>	Asst. Municipal Manager	<b>Anchorage City Hall</b> 632 W. 6th Avenue Anchorage, AK 99501	907-343-7107	abbottmk@muni.org
<b>Mary Jane Michael</b>	Director, Economic and Community Development	<b>Anchorage City Hall</b> 632 W. 6th Avenue Anchorage, AK 99501	907-343-4365 (Lisa)	michaelmj@muni.org
<b>Major General Charles H. Jacoby, Jr.,</b>	Commanding General	<b>Fort Richardson (Army)</b>	907-384-1110	
<b>Carl Tinsley</b>	Base Commander	<b>Elmendorf Air Force Base</b>	907-552-0300	
<b>Donna Baltz</b>	Deputy Port Director	<b>Port of Anchorage</b> 2000 Anchorage Port Road Anchorage, AK 99501	907-343-6203	
<b>Kevin Bruce</b>	Dir. of Facilities Development	<b>Port of Anchorage</b> 2000 Anchorage Port Road Anchorage, AK 99501	907-343-6219	
<b>Jim Holycross</b>	Director of Planning	<b>City of Wasilla</b> 290 E. Herning Ave. Wasilla, AK 99654	907-373-9010	
<b>Sandra Garley</b>	Director of Economic Developr	<b>City of Wasilla</b> 290 E. Herning Ave. Wasilla, AK 99654	907-373-9030	
<b>Dr. Paul Metz</b>		<b>University of Alaska at Fairbanks</b>	907-474-6749	

**Knik Arm Toll Bridge  
Contact List**

<b>Name</b>	<b>Title</b>	<b>Address</b>	<b>Phone</b>	<b>Email</b>
<b>Scott Hattenburg</b>		<b>Hattenburg Dilley &amp; Linnell</b> 3335 Arctic Blvd., Ste. 100 Anchorage, AK 99503	907-564-2120	
<b>Mike Williams</b>		<b>Alaska Department of Revenue</b> 550 W. 7th Avenue, Ste. 500 Anchorage, AK 99501	907-269-6620	
<b>Chris Mekins</b>	BPP Tax Division	<b>Municipality of Anchorage</b> 632 W. 6th Avenue Anchorage, AK 99501	907-343-6695	
<b>Michelle Wheeler</b>	Real Property Department	<b>Matanuska-Susitna Borough</b> Division of Assessment 350 E. Dahlia Avenue Palmer, AK 99645	907-745-9642	
<b>Kathi Johns</b>	Personal Property Department	<b>Matanuska-Susitna Borough</b> Division of Assessment 350 E. Dahlia Avenue Palmer, AK 99645	907-745-9637	
<b>Jennifer Dallinger</b>	Finance Department	<b>Matanuska-Susitna Borough</b> 350 E. Dahlia Avenue Palmer, AK 99645	907-745-9568	

## **Appendix B**

### **United States Economic Cycle Data**

**Appendix B**  
**United States Economic Cycle Data**  
**Total Employment and Construction Employment**  
**1919 – 2015**

Year	Total Employment	Annual % Change	Total Construction	Annual % Change
1919	27,078,000		1,036,000	
1920	27,340,000	0.97%	863,000	-16.70%
1921	24,372,000	-10.86%	1,027,000	19.00%
1922	25,816,000	5.92%	1,200,000	16.85%
1923	28,382,000	9.94%	1,244,000	3.67%
1924	28,028,000	-1.25%	1,336,000	7.40%
1925	28,766,000	2.63%	1,461,000	9.36%
1926	29,806,000	3.62%	1,570,000	7.46%
1927	29,962,000	0.52%	1,623,000	3.38%
1928	29,986,000	0.08%	1,621,000	-0.12%
1929	31,324,000	4.46%	1,512,000	-6.72%
1930	29,409,000	-6.11%	1,387,000	-8.27%
1931	26,635,000	-9.43%	1,229,000	-11.39%
1932	23,615,000	-11.34%	985,000	-19.85%
1933	23,699,000	0.36%	824,000	-16.35%
1934	25,940,000	9.46%	877,000	6.43%
1935	27,039,000	4.24%	927,000	5.70%
1936	29,068,000	7.50%	1,160,000	25.13%
1937	31,011,000	6.68%	1,127,000	-2.84%
1938	29,194,000	-5.86%	1,070,000	-5.06%
1939	30,645,000	4.97%	1,205,000	12.62%
1940	32,407,000	5.75%	1,352,000	12.20%
1941	36,600,000	12.94%	1,852,000	36.98%
1942	40,213,000	9.87%	2,234,000	20.63%
1943	42,574,000	5.87%	1,627,000	-27.17%
1944	42,006,000	-1.33%	1,152,000	-29.19%
1945	40,510,000	-3.56%	1,190,000	3.30%
1946	41,759,000	3.08%	1,724,000	44.87%
1947	43,945,000	5.23%	2,051,000	18.97%
1948	44,954,000	2.30%	2,241,000	9.26%
1949	43,843,000	-2.47%	2,236,000	-0.22%
1950	45,287,000	3.29%	2,405,000	7.56%
1951	47,930,000	5.84%	2,678,000	11.35%
1952	48,909,000	2.04%	2,709,000	1.16%
1953	50,310,000	2.86%	2,700,000	-0.33%
1954	49,093,000	-2.42%	2,688,000	-0.44%

*Source: U.S. Bureau of Labor Statistics*

### Appendix B (Continued)

Year	Total Employment	Annual % Change	Total Construction	Annual % Change
1955	50,744,000	3.36%	2,881,000	7.18%
1956	52,473,000	3.41%	3,082,000	6.98%
1957	52,959,000	0.93%	3,007,000	-2.43%
1958	51,426,000	-2.89%	2,862,000	-4.82%
1959	53,374,000	3.79%	3,050,000	6.57%
1960	54,296,000	1.73%	2,973,000	-2.52%
1961	54,105,000	-0.35%	2,908,000	-2.19%
1962	55,659,000	2.87%	2,997,000	3.06%
1963	56,764,000	1.99%	3,060,000	2.10%
1964	58,391,000	2.87%	3,148,000	2.88%
1965	60,874,000	4.25%	3,284,000	4.32%
1966	64,020,000	5.17%	3,371,000	2.65%
1967	65,931,000	2.99%	3,305,000	-1.96%
1968	68,023,000	3.17%	3,410,000	3.18%
1969	70,512,000	3.66%	3,637,000	6.66%
1970	71,006,000	0.70%	3,654,000	0.47%
1971	71,335,000	0.46%	3,770,000	3.17%
1972	73,798,000	3.45%	3,957,000	4.96%
1973	76,912,000	4.22%	4,167,000	5.31%
1974	78,389,000	1.92%	4,095,000	-1.73%
1975	77,069,000	-1.68%	3,608,000	-11.89%
1976	79,502,000	3.16%	3,662,000	1.50%
1977	82,593,000	3.89%	3,940,000	7.59%
1978	86,826,000	5.13%	4,322,000	9.70%
1979	89,932,000	3.58%	4,562,000	5.55%
1980	90,528,000	0.66%	4,454,000	-2.37%
1981	91,289,000	0.84%	4,304,000	-3.37%
1982	89,677,000	-1.77%	4,024,000	-6.51%
1983	90,280,000	0.67%	4,065,000	1.02%
1984	94,530,000	4.71%	4,501,000	10.73%
1985	97,511,000	3.15%	4,793,000	6.49%
1986	99,474,000	2.01%	4,937,000	3.00%
1987	102,088,000	2.63%	5,090,000	3.10%
1988	105,345,000	3.19%	5,233,000	2.81%
1989	108,014,000	2.53%	5,309,000	1.45%

*Source: U.S. Bureau of Labor Statistics*

## Appendix B (Continued)

Year	Total Employment	Annual % Change	Total Construction	Annual % Change
1990	109,487,000	1.36%	5,263,000	-0.87%
1991	108,374,000	-1.02%	4,780,000	-9.18%
1992	108,726,000	0.32%	4,608,000	-3.60%
1993	110,844,000	1.95%	4,779,000	3.71%
1994	114,291,000	3.11%	5,095,000	6.61%
1995	117,298,000	2.63%	5,274,000	3.51%
1996	119,708,000	2.05%	5,536,000	4.97%
1997	122,776,000	2.56%	5,813,000	5.00%
1998	125,930,000	2.57%	6,149,000	5.78%
1999	128,993,000	2.43%	6,545,000	6.44%
2000	131,785,000	2.16%	6,787,000	3.70%
2001	131,826,000	0.03%	6,826,000	0.57%
2002	130,341,000	-1.13%	6,716,000	-1.61%
2003	129,999,000	-0.26%	6,735,000	0.28%
2004	131,435,000	1.10%	6,976,000	3.58%
2005	133,703,000	1.73%	7,336,000	5.16%
2006	136,174,000	1.85%	7,689,000	4.81%
2007	141,280,525	3.75%	8,035,005	4.50%
2008	144,600,617	2.35%	7,874,305	-2.00%
2009	141,853,206	-1.90%	7,480,590	-5.00%
2010	140,647,453	-0.85%	7,342,199	-1.85%
2011	140,647,453	0.00%	7,481,701	1.90%
2012	142,405,547	1.25%	7,687,447	2.75%
2013	145,965,685	2.50%	7,956,508	3.50%
2014	150,782,553	3.30%	8,473,681	6.50%
2015	154,175,160	2.25%	9,151,575	8.00%

*Source: U.S. Bureau of Labor Statistics*

## **Appendix C**

### **Project Development Forecast**

**Employment and Household Additions  
Project Development Forecast  
Knik Arm Toll Bridge Study Area**

	City/County	Description/Use Type	Bridge Impact	Year	Square Feet			Employment			Households			TAZ
					Low	Mid	High	Low	Mid	High	Low	Mid	High	
1	Port MacKenzie	Industrial - 800 Acres	Bridge	2015	1,012,500	1,125,000	1,237,500	127	141	155				593
				2020	1,012,500	1,125,000	1,237,500	127	141	155				
				2025	1,012,500	1,125,000	1,237,500	127	141	155				
				2030	1,012,500	1,125,000	1,237,500	127	141	155				
				<b>Total</b>	<b>4,050,000</b>	<b>4,500,000</b>	<b>4,950,000</b>	<b>506</b>	<b>563</b>	<b>619</b>				
2	Port MacKenzie	Office - 180 Acres 4 Buildings	Bridge	2015	146,925	163,250	179,575	490	544	599				136
				2020	146,925	163,250	179,575	490	544	599				
				2025	146,925	163,250	179,575	490	544	599				
				2030	146,925	163,250	179,575	490	544	599				
				<b>Total</b>	<b>587,700</b>	<b>653,000</b>	<b>718,300</b>	<b>1,959</b>	<b>2,177</b>	<b>2,394</b>				
3	Port MacKenzie	Retail - 160 Acres	Bridge	2015	391,500	435,000	478,500	783	870	957				136
				2020	391,500	435,000	478,500	783	870	957				
				2025	391,500	435,000	478,500	783	870	957				
				2030	391,500	435,000	478,500	783	870	957				
				<b>Total</b>	<b>1,566,000</b>	<b>1,740,000</b>	<b>1,914,000</b>	<b>3,132</b>	<b>3,480</b>	<b>3,828</b>				
4	Port MacKenzie	Tech Flex - 180 Acres	Bridge	2015	163,250	325,000	490,000	65	130	196				136
				2020	163,250	325,000	490,000	65	130	196				
				2025	163,250	325,000	490,000	65	130	196				
				2030	163,250	325,000	490,000	65	130	196				
				<b>Total</b>	<b>653,000</b>	<b>1,300,000</b>	<b>1,960,000</b>	<b>261</b>	<b>520</b>	<b>784</b>				
5	Mat-Su Borough	Residential	Bridge	2010							245	272	299	59
				2015							1,481	1,646	1,811	
				2020							1,256	1,396	1,536	
				2025							684	760	836	
				2030							547	608	669	
				<b>Total</b>							<b>4,214</b>	<b>4,682</b>	<b>5,150</b>	
6	Mat-Su Borough	Residential	Bridge	2010							147	163	179	96
				2015							887	986	1,085	
				2020							752	836	920	
				2025							410	455	501	
				2030							328	364	400	
				<b>Total</b>							<b>2,524</b>	<b>2,804</b>	<b>3,084</b>	

**Employment and Household Additions  
Project Development Forecast  
Knik Arm Toll Bridge Study Area**

	City/County	Description/Use Type	Bridge Impact	Year	Square Feet			Employment			Households			TAZ
					Low	Mid	High	Low	Mid	High	Low	Mid	High	
7	Mat-Su Borough	Residential	Bridge	2010							61	68	75	97
				2015							374	416	458	
				2020							320	356	392	
				2025							176	195	215	
				2030							140	155	171	
				<b>Total</b>									<b>1,071</b>	
8	Mat-Su Borough	Residential	Bridge	2010							41	45	50	98
				2015							241	268	295	
				2020							204	227	250	
				2025							111	123	135	
				2030							88	98	108	
				<b>Total</b>									<b>685</b>	
9	Mat-Su Borough	Residential	Bridge	2010							14	16	18	99
				2015							91	101	111	
				2020							78	87	96	
				2025							43	48	53	
				2030							34	38	42	
				<b>Total</b>									<b>261</b>	
10	Mat-Su Borough	Residential	Bridge	2010							39	43	47	100
				2015							221	245	270	
				2020							182	202	222	
				2025							97	108	119	
				2030							75	83	91	
				<b>Total</b>									<b>613</b>	
11	Mat-Su Borough	Residential	Bridge	2010							46	51	56	102
				2015							266	295	325	
				2020							219	243	267	
				2025							117	130	143	
				2030							90	100	110	
				<b>Total</b>									<b>737</b>	

**Employment and Household Additions  
Project Development Forecast  
Knik Arm Toll Bridge Study Area**

	City/County	Description/Use Type	Bridge Impact	Year	Square Feet			Employment			Households			TAZ
					Low	Mid	High	Low	Mid	High	Low	Mid	High	
12	Mat-Su Borough	Residential	Bridge	2010							72	80	88	103
				2015							412	458	504	
				2020							339	377	415	
				2025							181	201	221	
				2030							140	155	171	
				<b>Total</b>									<b>1,144</b>	
13	Mat-Su Borough	Residential	Bridge	2010							18	20	22	104
				2015							101	112	123	
				2020							81	90	99	
				2025							42	47	52	
				2030							32	36	40	
				<b>Total</b>									<b>275</b>	
14	Mat-Su Borough	Residential	Bridge	2010							64	71	78	105
				2015							354	393	432	
				2020							285	317	349	
				2025							150	167	184	
				2030							115	128	141	
				<b>Total</b>									<b>968</b>	
15	Mat-Su Borough	Residential	Bridge	2010							34	38	42	106
				2015							180	200	220	
				2020							141	157	173	
				2025							73	81	89	
				2030							56	62	68	
				<b>Total</b>									<b>484</b>	
16	Mat-Su Borough	Residential	Bridge	2010							46	51	56	107
				2015							268	298	328	
				2020							222	247	272	
				2025							120	133	146	
				2030							95	105	116	
				<b>Total</b>									<b>751</b>	

**Employment and Household Additions  
Project Development Forecast  
Knik Arm Toll Bridge Study Area**

	City/County	Description/Use Type	Bridge Impact	Year	Square Feet			Employment			Households			TAZ
					Low	Mid	High	Low	Mid	High	Low	Mid	High	
17	Mat-Su Borough	Residential	Bridge	2010							67	74	81	111
				2015							346	384	422	
				2020							266	296	326	
				2025							136	151	166	
				2030							104	116	128	
				<b>Total</b>									<b>919</b>	
18	Mat-Su Borough	Residential	Bridge	2010							56	62	68	112
				2015							302	335	369	
				2020							240	267	294	
				2025							126	140	154	
				2030							97	108	119	
				<b>Total</b>									<b>821</b>	
19	Mat-Su Borough	Residential	Bridge	2010							12	13	14	113
				2015							59	66	73	
				2020							44	49	54	
				2025							22	24	26	
				2030							17	19	21	
				<b>Total</b>									<b>154</b>	
20	Mat-Su Borough	Residential	Bridge	2010							7	8	9	115
				2015							32	36	40	
				2020							23	26	29	
				2025							11	12	13	
				2030							9	10	11	
				<b>Total</b>									<b>83</b>	
21	Mat-Su Borough	Residential	Bridge	2010							123	137	151	130
				2015							755	839	923	
				2020							646	718	790	
				2025							354	393	432	
				2030							283	314	345	
				<b>Total</b>									<b>2,161</b>	

**Employment and Household Additions  
Project Development Forecast  
Knik Arm Toll Bridge Study Area**

	City/County	Description/Use Type	Bridge Impact	Year	Square Feet			Employment			Households			TAZ	
					Low	Mid	High	Low	Mid	High	Low	Mid	High		
22	Mat-Su Borough	Residential	Bridge	2010							36	40	44	131	
				2015							266	295	325		
				2020							247	274	301		
				2025							141	157	173		
				2030								116	129		142
				<b>Total</b>									<b>806</b>		<b>895</b>
23	Mat-Su Borough	Residential	Bridge	2010							36	40	44	132	
				2015							279	310	341		
				2020							266	295	325		
				2025							155	172	189		
				2030								127	141		155
				<b>Total</b>									<b>862</b>		<b>958</b>
24	Mat-Su Borough	Residential	Bridge	2010							4	4	4	133	
				2015							23	26	29		
				2020							22	24	26		
				2025							13	14	15		
				2030								10	11		12
				<b>Total</b>									<b>71</b>		<b>79</b>
25	Mat-Su Borough	Residential	Bridge	2010							2	2	2	134	
				2015							9	10	11		
				2020							5	6	7		
				2025							3	3	3		
				2030								2	2		2
				<b>Total</b>									<b>21</b>		<b>23</b>
26	Anchorage	Retail - Redevelopment	Bridge		22,500	25,000	27,500	45	50	55				203	
27	Anchorage	Retail - Redevelopment	Bridge		22,500	25,000	27,500	45	50	55				204	
28	Port MacKenzie	Industrial - 80 Acres	No Bridge	2015	101,250	112,500	123,750	13	14	15				593	
				2020	101,250	112,500	123,750	13	14	15					
				2025	101,250	112,500	123,750	13	14	15					
				2030	101,250	112,500	123,750	13	14	15					
				<b>Total</b>	<b>405,000</b>	<b>450,000</b>	<b>495,000</b>	<b>51</b>	<b>56</b>	<b>62</b>					

**Employment and Household Additions  
Project Development Forecast  
Knik Arm Toll Bridge Study Area**

	City/County	Description/Use Type	Bridge Impact	Year	Square Feet			Employment			Households			TAZ
					Low	Mid	High	Low	Mid	High	Low	Mid	High	
29	Port MacKenzie	Office - 1 Building	No Bridge	2015	33,750	37,500	41,250	113	125	138				136
				2020	33,750	37,500	41,250	113	125	138				
				2025	33,750	37,500	41,250	113	125	138				
				2030	33,750	37,500	41,250	113	125	138				
				<b>Total</b>	<b>135,000</b>	<b>150,000</b>	<b>165,000</b>	<b>450</b>	<b>500</b>	<b>550</b>				
30	Port MacKenzie	Retail - 5 Acres	No Bridge		11,250	12,500	13,750	23	25	28				136
					11,250	12,500	13,750	23	25	28				
					11,250	12,500	13,750	23	25	28				
					11,250	12,500	13,750	23	25	28				
					<b>45,000</b>	<b>50,000</b>	<b>55,000</b>	<b>90</b>	<b>100</b>	<b>110</b>				
31	Port MacKenzie	Tech Flex - 18 Acres	No Bridge	2015	45,000	50,000	55,000	18	20	22				136
				2020	45,000	50,000	55,000	18	20	22				
				2025	45,000	50,000	55,000	18	20	22				
				2030	45,000	50,000	55,000	18	20	22				
				<b>Total</b>	<b>180,000</b>	<b>200,000</b>	<b>220,000</b>	<b>72</b>	<b>80</b>	<b>88</b>				
32	Port MacKenzie	Fuel Farm - 150 Acres	Minimal											593
33	Port MacKenzie	Prison - 1250 Beds	Minimal	2010										

## **Appendix D**

### **Population Forecast Detail**

Anchorage AK MSA Population Without Bridge, 2000 - 2030	Page A13
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City of Anchorage Population Without Bridge, 2000 - 2030	Page A15
City of Anchorage Population With Bridge, 2000 – 2030	Page A16
Mat-Su Borough Population Without Bridge, 2000 - 2030	Page A17
Mat-Su Borough Population With Bridge, 2000 – 2030	Page A18

**Anchorage AK MSA  
Population Without Bridge  
2000 – 2030**

	ISER Projection			Insight Projection		
	Population	% Change	HH	Population	% Change	HH
2000	319,600		119,479	319,605		119,480
2001	325,900	1.97%	121,798	326,668	2.21%	122,090
2002	333,000	2.18%	124,421	332,175	1.69%	124,107
2003	341,100	2.43%	127,404	340,556	2.52%	127,197
2004	348,200	2.08%	130,019	348,028	2.19%	129,951
2005	358,400	2.93%	133,818	351,991	1.14%	131,356
2006	363,800	1.51%	135,800	359,987	2.27%	134,300
2007	370,100	1.73%	138,098	366,574	1.83%	136,702
2008	377,100	1.89%	140,635	373,574	1.91%	139,260
2009	381,500	1.17%	142,181	380,074	1.74%	141,629
2010	387,200	1.49%	144,210	387,589	1.98%	144,347
2011	395,700	2.20%	147,294	395,804	2.12%	147,330
2012	411,100	3.89%	152,937	408,919	3.31%	152,170
2013	429,800	4.55%	159,826	425,134	3.97%	158,183
2014	439,800	2.33%	163,494	435,449	2.43%	161,962
2015	444,400	1.05%	165,159	441,964	1.50%	164,301
2016	446,400	0.45%	165,855	446,479	1.02%	165,883
2017	449,900	0.78%	167,093	451,494	1.12%	167,654
2018	454,100	0.93%	168,588	456,909	1.20%	169,577
2019	460,100	1.32%	170,749	463,524	1.45%	171,954
2020	466,900	1.48%	173,204	470,639	1.53%	174,521
2021	473,900	1.50%	175,736	477,954	1.55%	177,163
2022	481,600	1.62%	178,524	485,669	1.61%	179,957
2023	490,000	1.74%	181,573	493,884	1.69%	182,940
2024	499,100	1.86%	184,876	502,399	1.72%	186,037
2025	507,900	1.76%	188,068	510,714	1.66%	189,058
2026	515,900	1.58%	190,967	518,629	1.55%	191,928
2027	523,600	1.49%	193,756	526,344	1.49%	194,722
2028	531,800	1.57%	196,726	534,259	1.50%	197,592
2029	540,400	1.62%	199,842	542,374	1.52%	200,537
2030	549,200	1.63%	203,029	550,489	1.50%	203,483

Source: Institute of Social and Economic Research, University of Alaska Anchorage, Alaska Dept. of Labor

**Anchorage AK MSA  
Population With Bridge  
2000 – 2030**

	ISER Projection			Insight Projection		
	Population	% Change	HH	Population	% Change	HH
2000	319,600		119,479	319,605		119,480
2001	325,900	1.97%	121,798	326,668	2.21%	122,090
2002	333,000	2.18%	124,421	332,175	1.69%	124,107
2003	341,100	2.43%	127,404	340,556	2.52%	127,197
2004	348,200	2.08%	130,019	348,028	2.19%	129,951
2005	358,400	2.93%	133,818	351,991	1.14%	131,356
2006	363,800	1.51%	135,800	359,987	2.27%	134,300
2007	370,200	1.76%	138,133	366,574	1.83%	136,702
2008	377,600	2.00%	140,816	373,574	1.91%	139,260
2009	385,100	1.99%	143,478	381,074	2.01%	142,007
2010	393,300	2.13%	146,416	393,474	3.25%	146,478
2011	403,400	2.57%	150,082	406,574	3.33%	151,200
2012	416,100	3.15%	154,759	423,774	4.23%	157,462
2013	431,500	3.70%	160,406	441,674	4.22%	163,988
2014	441,500	2.32%	164,034	454,674	2.94%	168,673
2015	445,700	0.95%	165,502	463,924	2.03%	171,936
2016	447,500	0.40%	166,085	473,274	2.02%	175,251
2017	450,800	0.74%	167,239	484,624	2.40%	179,324
2018	454,800	0.89%	168,666	495,974	2.34%	183,396
2019	460,700	1.30%	170,781	507,324	2.29%	187,469
2020	467,600	1.50%	173,259	518,674	2.24%	191,541
2021	474,600	1.50%	175,771	530,024	2.19%	195,614
2022	482,300	1.62%	178,539	539,268	1.74%	198,945
2023	490,900	1.78%	181,639	548,504	1.71%	202,273
2024	500,000	1.85%	184,918	557,739	1.68%	205,601
2025	508,900	1.78%	188,124	566,980	1.66%	208,931
2026	516,900	1.57%	190,999	576,217	1.63%	212,259
2027	524,600	1.49%	193,764	585,460	1.60%	215,590
2028	532,800	1.56%	196,710	594,700	1.58%	218,919
2029	541,600	1.65%	199,872	603,950	1.56%	222,252
2030	550,500	1.64%	203,070	613,200	1.53%	225,585

Source: Institute of Social and Economic Research, University of Alaska Anchorage, Alaska Dept. of Labor

**City of Anchorage  
Population Without Bridge  
2000 – 2030**

	ISER Projection			Insight Projection		
	Population	% Change	HH	Population	% Change	HH
2000	260,300		98,598	260,283		98,592
2001	264,100	1.46%	100,038	264,903	1.77%	100,342
2002	268,700	1.74%	101,780	267,824	1.10%	101,448
2003	273,600	1.82%	103,636	273,024	1.94%	103,418
2004	277,900	1.57%	105,265	277,627	1.69%	105,162
2005	285,700	2.81%	108,220	277,980	0.13%	105,295
2006	288,700	1.05%	109,356	282,813	1.74%	107,126
2007	291,700	1.04%	110,492	285,900	1.09%	108,295
2008	294,400	0.93%	111,515	289,400	1.22%	109,621
2009	294,300	-0.03%	111,477	292,400	1.04%	110,758
2010	295,100	0.27%	111,780	295,100	0.92%	111,780
2011	298,500	1.15%	113,068	298,500	1.15%	113,068
2012	306,800	2.78%	116,212	306,800	2.78%	116,212
2013	318,200	3.72%	120,530	318,200	3.72%	120,530
2014	323,700	1.73%	122,614	323,700	1.73%	122,614
2015	325,400	0.53%	123,258	325,400	0.53%	123,258
2016	325,100	-0.09%	123,144	325,100	-0.09%	123,144
2017	325,300	0.06%	123,220	325,300	0.06%	123,220
2018	325,900	0.18%	123,447	325,900	0.18%	123,447
2019	327,700	0.55%	124,129	327,700	0.55%	124,129
2020	330,000	0.70%	125,000	330,000	0.70%	125,000
2021	332,500	0.76%	125,947	332,500	0.76%	125,947
2022	335,400	0.87%	127,045	335,400	0.87%	127,045
2023	338,800	1.01%	128,333	338,800	1.01%	128,333
2024	342,500	1.09%	129,735	342,500	1.09%	129,735
2025	346,000	1.02%	131,061	346,000	1.02%	131,061
2026	349,100	0.90%	132,235	349,100	0.90%	132,235
2027	352,000	0.83%	133,333	352,000	0.83%	133,333
2028	355,100	0.88%	134,508	355,100	0.88%	134,508
2029	358,400	0.93%	135,758	358,400	0.93%	135,758
2030	361,700	0.92%	137,008	361,700	0.92%	137,008

Source: Institute of Social and Economic Research, University of Alaska Anchorage, Alaska Dept. of Labor

**City of Anchorage  
Population With Bridge  
2000 – 2030**

	ISER Projection			Insight Projection		
	Population	% Change	HH	Population	% Change	HH
2000	260,300		98,598	260,283		98,592
2001	264,100	1.46%	100,038	264,903	1.77%	100,342
2002	268,700	1.74%	101,780	267,824	1.10%	101,448
2003	273,600	1.82%	103,636	273,024	1.94%	103,418
2004	277,900	1.57%	105,265	277,627	1.69%	105,162
2005	285,700	2.81%	108,220	277,980	0.13%	105,295
2006	288,700	1.05%	109,356	282,813	1.74%	107,126
2007	291,700	1.04%	110,492	285,900	1.09%	108,295
2008	294,600	0.99%	111,591	289,400	1.22%	109,621
2009	295,400	0.27%	111,894	293,400	1.38%	111,136
2010	297,300	0.64%	112,614	297,300	1.33%	112,614
2011	301,400	1.38%	114,167	301,400	1.38%	114,167
2012	309,100	2.55%	117,083	309,100	2.55%	117,083
2013	317,500	2.72%	120,265	317,500	2.72%	120,265
2014	321,500	1.26%	121,780	321,500	1.26%	121,780
2015	321,100	-0.12%	121,629	321,750	0.08%	121,875
2016	319,200	-0.59%	120,909	322,600	0.26%	122,197
2017	318,900	-0.09%	120,795	325,450	0.88%	123,277
2018	319,600	0.22%	121,061	328,300	0.88%	124,356
2019	321,000	0.44%	121,591	331,150	0.87%	125,436
2020	322,800	0.56%	122,273	334,000	0.86%	126,515
2021	324,600	0.56%	122,955	336,850	0.85%	127,595
2022	326,700	0.65%	123,750	339,700	0.85%	128,674
2023	329,400	0.83%	124,773	342,550	0.84%	129,754
2024	332,200	0.85%	125,833	345,400	0.83%	130,833
2025	334,900	0.81%	126,856	348,250	0.83%	131,913
2026	337,100	0.66%	127,689	351,100	0.82%	132,992
2027	339,100	0.59%	128,447	353,950	0.81%	134,072
2028	341,300	0.65%	129,280	356,800	0.81%	135,152
2029	343,700	0.70%	130,189	359,650	0.80%	136,231
2030	346,100	0.70%	131,098	362,500	0.79%	137,311

Source: Institute of Social and Economic Research, University of Alaska Anchorage, Alaska Dept. of Labor

**Mat-Su Borough  
Population Without Bridge  
2000 – 2030**

	ISER Projection			Insight Projection		
	Population	% Change	HH	Population	% Change	HH
2000	59,300		20,880	59,322		20,888
2001	61,800	4.22%	21,761	61,765	4.12%	21,748
2002	64,300	4.05%	22,641	64,351	4.19%	22,659
2003	67,500	4.98%	23,768	67,532	4.94%	23,779
2004	70,300	4.15%	24,754	70,401	4.25%	24,789
2005	72,700	3.41%	25,599	74,011	5.13%	26,060
2006	75,100	3.30%	26,444	77,174	4.27%	27,174
2007	78,400	4.39%	27,606	80,674	4.54%	28,406
2008	82,700	5.48%	29,120	84,174	4.34%	29,639
2009	87,200	5.44%	30,704	87,674	4.16%	30,871
2010	92,100	5.62%	32,430	92,489	5.49%	32,567
2011	97,200	5.54%	34,225	97,304	5.21%	34,262
2012	104,300	7.30%	36,725	102,119	4.95%	35,957
2013	111,600	7.00%	39,296	106,934	4.72%	37,653
2014	116,100	4.03%	40,880	111,749	4.50%	39,348
2015	119,000	2.50%	41,901	116,564	4.31%	41,044
2016	121,300	1.93%	42,711	121,379	4.13%	42,739
2017	124,600	2.72%	43,873	126,194	3.97%	44,435
2018	128,200	2.89%	45,141	131,009	3.82%	46,130
2019	132,400	3.28%	46,620	135,824	3.68%	47,825
2020	136,900	3.40%	48,204	140,639	3.55%	49,521
2021	141,400	3.29%	49,789	145,454	3.42%	51,216
2022	146,200	3.39%	51,479	150,269	3.31%	52,912
2023	151,200	3.42%	53,239	155,084	3.20%	54,607
2024	156,600	3.57%	55,141	159,899	3.10%	56,302
2025	161,900	3.38%	57,007	164,714	3.01%	57,998
2026	166,800	3.03%	58,732	169,529	2.92%	59,693
2027	171,600	2.88%	60,423	174,344	2.84%	61,389
2028	176,700	2.97%	62,218	179,159	2.76%	63,084
2029	182,000	3.00%	64,085	183,974	2.69%	64,780
2030	187,500	3.02%	66,021	188,789	2.62%	66,475

Source: Institute of Social and Economic Research, University of Alaska Anchorage, Alaska Dept. of Labor

**Mat-Su Borough  
Population With Bridge  
2000 – 2030**

	ISER Projection			Insight Projection		
	Population	% Change	HH	Population	% Change	HH
2000	59,300		20,880	59,322		20,888
2001	61,800	4.22%	21,761	61,765	4.12%	21,748
2002	64,300	4.05%	22,641	64,351	4.19%	22,659
2003	67,500	4.98%	23,768	67,532	4.94%	23,779
2004	70,300	4.15%	24,754	70,401	4.25%	24,789
2005	72,700	3.41%	25,599	74,011	5.13%	26,060
2006	75,100	3.30%	26,444	77,174	4.27%	27,174
2007	78,500	4.53%	27,641	80,674	4.54%	28,406
2008	83,000	5.73%	29,225	84,174	4.34%	29,639
2009	89,700	8.07%	31,585	87,674	4.16%	30,871
2010	96,000	7.02%	33,803	96,174	9.70%	33,864
2011	102,000	6.25%	35,915	105,174	9.36%	37,033
2012	107,000	4.90%	37,676	114,674	9.03%	40,378
2013	114,000	6.54%	40,141	124,174	8.28%	43,723
2014	120,000	5.26%	42,254	133,174	7.25%	46,892
2015	124,600	3.83%	43,873	142,174	6.76%	50,061
2016	128,300	2.97%	45,176	150,674	5.98%	53,054
2017	131,900	2.81%	46,444	159,174	5.64%	56,047
2018	135,200	2.50%	47,606	167,674	5.34%	59,040
2019	139,700	3.33%	49,190	176,174	5.07%	62,033
2020	144,800	3.65%	50,986	184,674	4.82%	65,026
2021	150,000	3.59%	52,817	193,174	4.60%	68,019
2022	155,600	3.73%	54,789	199,568	3.31%	70,270
2023	161,500	3.79%	56,866	205,954	3.20%	72,519
2024	167,800	3.90%	59,085	212,339	3.10%	74,767
2025	174,000	3.69%	61,268	218,730	3.01%	77,018
2026	179,800	3.33%	63,310	225,117	2.92%	79,267
2027	185,500	3.17%	65,317	231,510	2.84%	81,518
2028	191,500	3.23%	67,430	237,900	2.76%	83,768
2029	197,900	3.34%	69,683	244,300	2.69%	86,021
2030	204,400	3.28%	71,972	250,700	2.62%	88,275

Source: Institute of Social and Economic Research, University of Alaska Anchorage, Alaska Dept. of Labor

## **Appendix E**

### **Employment Forecast Detail**

Anchorage AK MSA Employment Without Bridge, 2000 - 2030	Page A19
Anchorage AK MSA Employment With Bridge, 2000 - 2030	Page A20
City of Anchorage Employment Without Bridge, 2000 - 2030	Page A21
City of Anchorage Employment With Bridge, 2000 – 2030	Page A22
Mat-Su Borough Employment Without Bridge, 2000 - 2030	Page A23
Mat-Su Borough Employment With Bridge, 2000 – 2030	Page A24

**Anchorage AK MSA  
Employment Without Bridge  
2000 – 2030**

	ISER Projection		Insight Projection	
	Employment	% Change	Employment	% Change
2000	143,300		146,800	
2001	147,800	3.14%	151,100	2.93%
2002	151,800	2.71%	154,700	2.38%
2003	155,700	2.57%	157,300	1.68%
2004	160,800	3.28%	160,200	1.84%
2005	164,900	2.55%	163,800	2.25%
2006	168,600	2.24%	166,400	1.59%
2007	170,800	1.30%	170,800	2.64%
2008	172,200	0.82%	172,200	0.82%
2009	172,900	0.41%	172,900	0.41%
2010	174,500	0.93%	174,500	0.93%
2011	178,200	2.12%	178,200	2.12%
2012	185,100	3.87%	185,100	3.87%
2013	189,700	2.49%	189,700	2.49%
2014	192,900	1.69%	192,900	1.69%
2015	192,500	-0.21%	192,500	-0.21%
2016	193,100	0.31%	193,100	0.31%
2017	193,700	0.31%	193,700	0.31%
2018	194,700	0.52%	194,700	0.52%
2019	197,200	1.28%	197,200	1.28%
2020	199,400	1.12%	199,400	1.12%
2021	201,800	1.20%	201,800	1.20%
2022	204,700	1.44%	204,700	1.44%
2023	208,300	1.76%	208,300	1.76%
2024	211,700	1.63%	211,700	1.63%
2025	215,100	1.61%	215,100	1.61%
2026	218,100	1.39%	218,100	1.39%
2027	221,000	1.33%	221,000	1.33%
2028	224,500	1.58%	224,500	1.58%
2029	228,200	1.65%	228,200	1.65%
2030	231,800	1.58%	231,800	1.58%

Source: Institute of Social and Economic Research, University of Alaska Anchorage, Alaska Dept. of Labor

**Anchorage AK MSA  
Employment With Bridge  
2000 – 2030**

	ISER Projection		Insight Projection	
	Employment	% Change	Employment	% Change
2000	143,300		146,800	
2001	147,800	3.14%	151,100	2.93%
2002	151,800	2.71%	154,700	2.38%
2003	155,700	2.57%	157,300	1.68%
2004	160,800	3.28%	160,200	1.84%
2005	164,900	2.55%	163,800	2.25%
2006	168,600	2.24%	166,400	1.59%
2007	170,900	1.36%	168,800	1.44%
2008	172,500	0.94%	171,783	1.77%
2009	175,500	1.74%	175,666	2.26%
2010	178,200	1.54%	179,649	2.27%
2011	182,500	2.41%	184,332	2.61%
2012	186,900	2.41%	187,415	1.67%
2013	190,700	2.03%	190,498	1.65%
2014	193,300	1.36%	193,881	1.78%
2015	192,600	-0.36%	197,064	1.64%
2016	193,000	0.21%	199,047	1.01%
2017	193,500	0.26%	201,730	1.35%
2018	194,400	0.47%	204,413	1.33%
2019	196,900	1.29%	207,496	1.51%
2020	199,100	1.12%	210,679	1.53%
2021	201,400	1.16%	213,862	1.51%
2022	204,300	1.44%	217,245	1.58%
2023	207,800	1.71%	220,828	1.65%
2024	211,200	1.64%	224,511	1.67%
2025	214,600	1.61%	228,194	1.64%
2026	217,500	1.35%	231,577	1.48%
2027	220,400	1.33%	235,060	1.50%
2028	223,900	1.59%	238,743	1.57%
2029	227,400	1.56%	242,426	1.54%
2030	231,100	1.63%	246,300	1.60%

Source: Institute of Social and Economic Research, University of Alaska Anchorage, Alaska Dept. of Labor

**City of Anchorage  
Employment Without Bridge  
2000 – 2030**

	ISER Projection		Insight Projection	
	Employment	% Change	Employment	% Change
2000	130,900		134,400	
2001	134,900	3.06%	138,200	2.83%
2002	137,900	2.22%	140,800	1.88%
2003	140,700	2.03%	142,300	1.07%
2004	145,000	3.06%	144,100	1.26%
2005	148,400	2.34%	146,600	1.73%
2006	151,500	2.09%	148,800	1.50%
2007	152,800	0.86%	152,800	2.69%
2008	153,000	0.13%	153,000	0.13%
2009	152,200	-0.52%	152,200	-0.52%
2010	152,100	-0.07%	152,100	-0.07%
2011	154,200	1.38%	154,200	1.38%
2012	159,000	3.11%	159,000	3.11%
2013	161,900	1.82%	161,900	1.82%
2014	163,700	1.11%	163,700	1.11%
2015	162,700	-0.61%	162,700	-0.61%
2016	162,600	-0.06%	162,600	-0.06%
2017	162,600	0.00%	162,600	0.00%
2018	162,600	0.00%	162,600	0.00%
2019	163,700	0.68%	163,700	0.68%
2020	164,700	0.61%	164,700	0.61%
2021	165,800	0.67%	165,800	0.67%
2022	167,300	0.90%	167,300	0.90%
2023	169,300	1.20%	169,300	1.20%
2024	171,100	1.06%	171,100	1.06%
2025	172,900	1.05%	172,900	1.05%
2026	174,500	0.93%	174,500	0.93%
2027	176,000	0.86%	176,000	0.86%
2028	177,900	1.08%	177,900	1.08%
2029	179,900	1.12%	179,900	1.12%
2030	181,800	1.06%	181,800	1.06%

Source: Institute of Social and Economic Research, University of Alaska Anchorage, Alaska Dept. of Labor

**City of Anchorage  
Employment With Bridge  
2000 – 2030**

	ISER Projection		Insight Projection	
	Employment	% Change	Employment	% Change
2000	130,900		134,400	
2001	134,900	3.06%	138,200	2.83%
2002	137,900	2.22%	140,800	1.88%
2003	140,700	2.03%	142,300	1.07%
2004	145,000	3.06%	144,100	1.26%
2005	148,400	2.34%	146,600	1.73%
2006	151,500	2.09%	148,800	1.50%
2007	152,900	0.92%	150,800	1.34%
2008	153,200	0.20%	152,483	1.12%
2009	154,000	0.52%	154,166	1.10%
2010	154,400	0.26%	155,849	1.09%
2011	156,700	1.49%	157,532	1.08%
2012	159,700	1.91%	159,215	1.07%
2013	162,100	1.50%	160,898	1.06%
2014	163,000	0.56%	162,581	1.05%
2015	161,200	-1.10%	164,264	1.04%
2016	160,300	-0.56%	165,947	1.02%
2017	159,800	-0.31%	167,630	1.01%
2018	159,700	-0.06%	169,313	1.00%
2019	160,800	0.69%	170,996	0.99%
2020	161,500	0.44%	172,679	0.98%
2021	162,300	0.50%	174,362	0.97%
2022	163,500	0.74%	176,045	0.97%
2023	165,100	0.98%	177,728	0.96%
2024	166,500	0.85%	179,411	0.95%
2025	167,900	0.84%	181,094	0.94%
2026	169,100	0.71%	182,777	0.93%
2027	170,200	0.65%	184,460	0.92%
2028	171,700	0.88%	186,143	0.91%
2029	173,200	0.87%	187,826	0.90%
2030	174,700	0.87%	189,500	0.89%

Source: Institute of Social and Economic Research, University of Alaska Anchorage, Alaska Dept. of Labor

**Mat-Su Borough  
Employment Without Bridge  
2000 – 2030**

	ISER Projection		Insight Projection	
	Employment	% Change	Employment	% Change
2000	12,400		12,400	
2001	12,900	4.03%	12,900	4.03%
2002	13,900	7.75%	13,900	7.75%
2003	15,000	7.91%	15,000	7.91%
2004	15,800	5.33%	16,100	7.33%
2005	16,500	4.43%	17,200	6.83%
2006	17,100	3.64%	17,600	2.33%
2007	18,000	5.26%	18,000	2.27%
2008	19,200	6.67%	19,200	6.67%
2009	20,700	7.81%	20,700	7.81%
2010	22,400	8.21%	22,400	8.21%
2011	24,000	7.14%	24,000	7.14%
2012	26,100	8.75%	26,100	8.75%
2013	27,800	6.51%	27,800	6.51%
2014	29,200	5.04%	29,200	5.04%
2015	29,800	2.05%	29,800	2.05%
2016	30,500	2.35%	30,500	2.35%
2017	31,100	1.97%	31,100	1.97%
2018	32,100	3.22%	32,100	3.22%
2019	33,500	4.36%	33,500	4.36%
2020	34,700	3.58%	34,700	3.58%
2021	36,000	3.75%	36,000	3.75%
2022	37,400	3.89%	37,400	3.89%
2023	39,000	4.28%	39,000	4.28%
2024	40,600	4.10%	40,600	4.10%
2025	42,200	3.94%	42,200	3.94%
2026	43,600	3.32%	43,600	3.32%
2027	45,000	3.21%	45,000	3.21%
2028	46,600	3.56%	46,600	3.56%
2029	48,300	3.65%	48,300	3.65%
2030	50,000	3.52%	50,000	3.52%

Source: Institute of Social and Economic Research, University of Alaska Anchorage, Alaska Dept. of Labor

**Mat-Su Borough  
Employment With Bridge  
2000 – 2030**

	ISER Projection		Insight Projection	
	Employment	% Change	Employment	% Change
2000	12,400		12,400	
2001	12,900	4.03%	12,900	4.03%
2002	13,900	7.75%	13,900	7.75%
2003	15,000	7.91%	15,000	7.91%
2004	15,800	5.33%	16,100	7.33%
2005	16,500	4.43%	17,200	6.83%
2006	17,100	3.64%	18,300	6.40%
2007	18,000	5.26%	18,800	2.73%
2008	19,300	7.22%	19,300	2.66%
2009	21,500	11.40%	21,500	11.40%
2010	23,800	10.70%	23,800	10.70%
2011	25,800	8.40%	26,800	12.61%
2012	27,200	5.43%	28,200	5.22%
2013	28,600	5.15%	29,600	4.96%
2014	30,300	5.94%	31,300	5.74%
2015	31,400	3.63%	32,800	4.79%
2016	32,700	4.14%	33,100	0.91%
2017	33,700	3.06%	34,100	3.02%
2018	34,700	2.97%	35,100	2.93%
2019	36,100	4.03%	36,500	3.99%
2020	37,600	4.16%	38,000	4.11%
2021	39,100	3.99%	39,500	3.95%
2022	40,800	4.35%	41,200	4.30%
2023	42,700	4.66%	43,100	4.61%
2024	44,700	4.68%	45,100	4.64%
2025	46,700	4.47%	47,100	4.43%
2026	48,400	3.64%	48,800	3.61%
2027	50,200	3.72%	50,600	3.69%
2028	52,200	3.98%	52,600	3.95%
2029	54,200	3.83%	54,600	3.80%
2030	56,400	4.06%	56,800	4.03%

Source: Institute of Social and Economic Research, University of Alaska Anchorage, Alaska Dept. of Labor

## **Appendix F**

### **Economic Impact Development Assumptions With and Without Bridge Construction**

**Development with Knik Arm Bridge  
Assumptions Used for this Analysis**

**Knik Arm Bridge Construction  
State of Alaska  
Impact Analysis  
Preliminary Assumptions**

**Bridge Construction**

**Added Capital Investments**

Infrastructure Improvements		\$563,863,051
Port MacKenzie Road Paving	\$15,350,802	
Port MacKenzie Northern Route	\$11,222,345	
West Approach	\$27,578,746	
Bridge	\$280,129,768	
East Approach	\$70,807,016	
MOA Future Port Expansion Alignment	\$6,482,157	
Retaining Wall	\$10,068,750	
Cherry Hill	\$21,363,984	
Government Hill	\$44,817,722	
Toll Technology	\$4,698,523	
Engineering	\$31,238,389	
Project Management	\$26,031,991	
AK DOT Overhead Charge	\$4,084,090	
Right of Way	\$9,988,768	
Total		\$563,863,051
Construction Workers		5,639

**Anchorage Development With Knik Arm Bridge  
State of Alaska  
Impact Analysis  
Preliminary Assumptions**

**Retail**

**Added Capital Investments**

Land	4.59 Acres	\$600,000
Building Construction	50,000 Square Feet	\$7,920,000
Furniture, Fixtures & Equipment		<u>\$1,250,000</u>
Total		\$9,770,000

Construction Workers		79
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**Annual Operating Costs at Full Development**

Gross Retail Sales	\$12,500,000
Inventory	\$546,875
Wholesale Purchases	\$5,000,000

**Annual Employment**

Number of Employees as FTEs (Domestic Employment)	100
Average Wages Excluding Benefits	\$23,300
Annual Payroll	\$2,330,000

**Annual Purchases**

Taxable Purchases	\$500,000
Non Taxable Purchases	<u>\$625,000</u>
Total Purchases	\$1,125,000

**Anchorage Development With Knik Arm Bridge  
State of Alaska  
Impact Analysis  
Preliminary Assumptions**

**Employee Residence Assumptions**

State of Alaska	100%
Anchorage Area Wide	90%
Anchorage Area Schools	90%
Anchorage Police & Fire	90%
Other Anchorage Jurisdictions	90%

**Tax Assumptions**

<b>Property Taxes (per \$1000 of Value)</b>	<b>Residential</b>	<b>Business Real Estate</b>	<b>Business Personal Property</b>
Anchorage Area Wide	\$0.48000	\$0.48000	\$0.48000
Anchorage Area Schools	\$7.13000	\$7.13000	\$7.13000
Anchorage Police & Fire	\$4.33000	\$4.33000	\$4.33000
Other Anchorage Jurisdictions	<u>\$3.36000</u>	<u>\$3.36000</u>	<u>\$3.36000</u>
<b>Total</b>	<b>\$15.30000</b>	<b>\$15.30000</b>	<b>\$15.30000</b>
 <b>Income Taxes</b>		<b>Individual</b>	<b>Corporate</b>
State of Alaska		0.0%	1% to 9.4%

**Big Lake Development With Knik Arm Bridge  
State of Alaska  
Impact Analysis  
Preliminary Assumptions**

**Residential**

**Added Capital Investments**

New Home Construction	6,037 Homes	\$1,448,880,000
Construction Workers		14,489

**Employee Residence Assumptions**

State of Alaska	100%
Big Lake Area Wide	75%

**Tax Assumptions**

<b>Property Taxes (per \$1000 of Value)</b>	<b>Residential</b>	<b>Business Real Estate</b>	<b>Business Personal Property</b>
Big Lake Area Wide	\$9.64400	\$9.64400	\$0.00000
Big Lake Police & Fire	\$1.82000	\$1.82000	\$0.00000
Other Big Lake Jurisdictions	<u>\$2.41000</u>	<u>\$2.41000</u>	<u>\$0.00000</u>
Total	\$14.24400	\$14.24400	\$0.00000
 <b>Income Taxes</b>		<b>Individual</b>	<b>Corporate</b>
State of Alaska		0.0%	1% to 9.4%

# Houston Development With Knik Arm Bridge State of Alaska Impact Analysis Preliminary Assumptions

## Residential

### Added Capital Investments

New Home Construction	2,471 Homes	\$593,040,000
Construction Workers		5,930

## Employee Residence Assumptions

State of Alaska	100%
Houston Area Wide	75%

## Tax Assumptions

Property Taxes (per \$1000 of Value)	Residential	Business Real Estate	Business Personal Property
Houston Area Wide	\$9.64400	\$9.64400	\$0.00000
City of Houston	<u>\$3.00000</u>	<u>\$3.00000</u>	<u>\$0.00000</u>
Total	\$12.64400	\$12.64400	\$0.00000
<b>Sales Taxes</b>			
City of Houston			<u>2.00%</u>
Total			2.00%
<b>Income Taxes</b>		<b>Individual</b>	<b>Corporate</b>
State of Alaska		0.0%	1% to 9.4%

**Knik Area Development With Knik Arm Bridge  
State of Alaska  
Impact Analysis  
Preliminary Assumptions**

**Residential**

**Added Capital Investments**

New Home Construction	11,077 Homes	\$2,658,480,000
Construction Workers		26,585

**Employee Residence Assumptions**

State of Alaska	100%
Knik Area Wide	75%

**Tax Assumptions**

<b>Property Taxes (per \$1000 of Value)</b>	<b>Residential</b>	<b>Business Real Estate</b>	<b>Business Personal Property</b>
Knik Area Wide	\$9.64400	\$9.64400	\$0.00000
City & Non Area	\$0.37000	\$0.37000	\$0.00000
Knik Police & Fire	\$1.46000	\$1.46000	\$0.00000
Other Knik Jurisdictions	<u>\$2.54000</u>	<u>\$2.54000</u>	<u>\$0.00000</u>
Total	\$14.01400	\$14.01400	\$0.00000
<b>Income Taxes</b>		<b>Individual</b>	<b>Corporate</b>
State of Alaska		0.0%	1% to 9.4%

**Point MacKenzie Development With Knik Arm Bridge  
State of Alaska  
Impact Analysis  
Preliminary Assumptions**

**Residential**

**Added Capital Investments**

New Home Construction	1,955 Homes	\$469,200,000
Construction Workers		4,692

**Employee Residence Assumptions**

State of Alaska	100%
Point MacKenzie Area Wide	75%

**Tax Assumptions**

<b>Property Taxes (per \$1000 of Value)</b>	<b>Residential</b>	<b>Business Real Estate</b>	<b>Business Personal Property</b>
Point MacKenzie Area Wide	\$11.10400	\$11.10400	\$0.00000
City & Non Area	<u>\$0.37000</u>	<u>\$0.37000</u>	<u>\$0.00000</u>
Total	\$11.47400	\$11.47400	\$0.00000
<b>Income Taxes</b>		<b>Individual</b>	<b>Corporate</b>
State of Alaska		0.0%	1% to 9.4%

**Port MacKenzie Development With Knik Arm Bridge  
State of Alaska  
Impact Analysis  
Preliminary Assumptions**

**Office**

**Added Capital Investments**

Land	44.09 Acres	\$0
Building Construction	653,000 Square Feet	\$112,054,800
Furniture, Fixtures & Equipment		\$17,413,333
Corridor Law Assessment		\$0
Total		\$129,468,133
Construction Workers		1,121

**Annual Operating Costs at Full Development**

**Annual Employment**

Number of Employees as FTEs	2,177
Average Wages Excluding Benefits	\$33,650
Annual Payroll	\$73,244,833

**Annual Purchases**

Taxable Purchases & Services	\$11,318,667
Non Taxable Purchases	<u>\$23,943,333</u>
Total Purchases	\$35,262,000

**Port MacKenzie Development With Knik Arm Bridge  
State of Alaska  
Impact Analysis  
Preliminary Assumptions**

**Tech Flex**

**Added Capital Investments**

Land	85.27 Acres	\$0
Building Construction	1,300,000 Square Feet	\$154,440,000
Furniture, Fixtures & Equipment		<u>\$4,160,000</u>
Total		\$158,600,000

Construction Workers		1,544
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**Annual Operating Costs**

**Annual Employment**

Number of Employees as FTEs	520
Average Wages Excluding Benefits	\$33,650
Annual Payroll	\$17,498,000

**Annual Purchases**

Taxable Purchases	\$2,704,000
Non Taxable Purchases	<u>\$5,720,000</u>
Total Purchases	\$8,424,000

**Port MacKenzie Development With Knik Arm Bridge  
State of Alaska  
Impact Analysis  
Preliminary Assumptions**

**Retail**

**Added Capital Investments**

Land	159.78 Acres	\$0
Building Construction	1,740,000 Square Feet	\$275,616,000
Furniture, Fixtures & Equipment		<u>\$43,500,000</u>
Total		\$319,116,000

Construction Workers	2,756
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**Annual Operating Costs**

Gross Retail Sales	\$435,000,000
Wholesale Purchases	\$174,000,000

**Annual Employment**

Number of Employees as FTEs (Domestic Employment)	3,480
Average Wages Excluding Benefits	\$23,300
Annual Payroll	\$81,084,000

**Annual Purchases**

Taxable Purchases	\$17,400,000
Non Taxable Purchases	<u>\$21,750,000</u>
Total Purchases	\$39,150,000

**Port MacKenzie Development With Knik Arm Bridge  
State of Alaska  
Impact Analysis  
Preliminary Assumptions**

**Industrial/Distribution**

**Added Capital Investments**

Land	295.2 Acres	\$0
Building Construction	4,500,000 Square Feet	\$237,600,000
Furniture, Fixtures & Equipment		<u>\$234,000,000</u>
Total		\$471,600,000

Construction Workers		2,376
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**Annual Operating Costs**

**Annual Employment**

Number of Employees as FTEs (Domestic Employment)	563
Average Wages Excluding Benefits	\$38,266
Annual Payroll	\$21,524,625

**Annual Purchases**

Taxable Purchases	\$337,500
Non Taxable Purchases	<u>\$450,000</u>
Total Purchases	\$787,500

**Port MacKenzie Development With Knik Arm Bridge  
State of Alaska  
Impact Analysis  
Preliminary Assumptions**

**Employee Residence Assumptions**

State of Alaska	100%
Port MacKenzie Area Wide	90%
Port MacKenzie Area Schools	90%
Port MacKenzie Police & Fire	90%
Other Port MacKenzie Jurisdictions	90%

**Tax Assumptions**

<b>Property Taxes (per \$1000 of Value)</b>	<b>Residential</b>	<b>Business Real Estate</b>	<b>Business Personal Property</b>
Port MacKenzie Area Wide	\$11.10400	\$11.10400	\$0.00000
City & Non Area	<u>\$0.37000</u>	<u>\$0.37000</u>	<u>\$0.00000</u>
Total	\$11.47400	\$11.47400	\$0.00000
 <b>Income Taxes</b>		<b>Individual</b>	<b>Corporate</b>
State of Alaska		0.0%	1% to 9.4%

# Willow Development With Knik Arm Bridge State of Alaska Impact Analysis Preliminary Assumptions

## Residential

### Added Capital Investments

New Home Construction	263 Homes	\$63,024,000
Construction Workers		630

## Employee Residence Assumptions

State of Alaska	100%
Willow Area Wide	75%

## Tax Assumptions

Property Taxes (per \$1000 of Value)	Residential	Business Real Estate	Business Personal Property
Willow Area Wide	\$9.64400	\$9.64400	\$0.00000
City	\$0.37000	\$0.37000	\$0.00000
Willow Police & Fire	\$0.96000	\$0.96000	\$0.00000
Other Willow Jurisdictions	<u>\$2.66000</u>	<u>\$2.66000</u>	<u>\$0.00000</u>
Total	\$13.63400	\$13.63400	\$0.00000
<b>Income Taxes</b>		<b>Individual</b>	<b>Corporate</b>
State of Alaska		0.0%	1% to 9.4%

Assessed valuation is based on 100% of market value

Source: U S Department of Labor, Bureau of Labor Statistics, Occupational Employment Statistics online, [www.bls.gov](http://www.bls.gov).

Source: Alaska Department of Revenue, 907-269-6620.

Source: Municipality of Anchorage, BPP Tax Division, Chris Mekins, 907-343-6695.

Source: Matanuska-Sustina Borough Assessment Department website, [www.matsugov.us](http://www.matsugov.us)

Source: Matanuska-Sustina Borough Assessment Department, Michelle, 907-745-9642.

Source: Matanuska-Sustina Borough Assessment Department, Ms. Johns, 907-745-9637.

Source: Matanuska-Sustina Borough Division of Assessment, Personal Property 907-745-9637

Source: Matanuska-Sustina Borough Division of Assessment, Personal Property 907-745-9637

Source: Matanuska-Sustina Borough Division of Assessment, Real Property 907-745-9642

Source: Matanuska-Sustina Borough Finance Department, Jennifer, 907-745-9568 (ext 0)

Source: RSMMeans, Building Construction Cost Data, 2007.

**Development without Knik Arm Bridge  
Assumptions Used for this Analysis**

**Port MacKenzie Development Without Knik Arm Bridge  
State of Alaska  
Impact Analysis  
Preliminary Assumptions**

**Office**

**Added Capital Investments**

Land	10.13 Acres	\$0
Building Construction	150,000 Square Feet	\$25,740,000
Furniture, Fixtures & Equipment		\$4,000,000
Corridor Law Assessment		\$0
Total		\$29,740,000
Construction Workers		257

**Annual Operating Costs at Full Development**

**Annual Employment**

Number of Employees as FTEs	500
Average Wages Excluding Benefits	\$33,650
Annual Payroll	\$16,825,000

**Annual Purchases**

Taxable Purchases & Services	\$2,600,000
Non Taxable Purchases	<u>\$5,500,000</u>
Total Purchases	\$8,100,000

**Port MacKenzie Development Without Knik Arm Bridge  
State of Alaska  
Impact Analysis  
Preliminary Assumptions**

**Tech Flex**

**Added Capital Investments**

Land	13.12 Acres	\$0
Building Construction	200,000 Square Feet	\$23,760,000
Furniture, Fixtures & Equipment		<u>\$640,000</u>
Total		\$24,400,000

Construction Workers		238
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**Annual Operating Costs**

**Annual Employment**

Number of Employees as FTEs	80
Average Wages Excluding Benefits	\$33,650
Annual Payroll	\$2,692,000

**Annual Purchases**

Taxable Purchases	\$416,000
Non Taxable Purchases	<u>\$880,000</u>
Total Purchases	\$1,296,000

**Port MacKenzie Development Without Knik Arm Bridge  
State of Alaska  
Impact Analysis  
Preliminary Assumptions**

**Retail**

**Added Capital Investments**

Land	4.59 Acres	\$0
Building Construction	50,000 Square Feet	\$7,920,000
Furniture, Fixtures & Equipment		<u>\$1,250,000</u>
Total		\$9,170,000

Construction Workers		79
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**Annual Operating Costs**

Gross Retail Sales		\$12,500,000
Inventory		\$0
Wholesale Purchases		\$5,000,000

**Annual Employment**

Number of Employees as FTEs (Domestic Employment)		100
Average Wages Excluding Benefits		\$23,300
Annual Payroll		\$2,330,000

**Annual Purchases**

Taxable Purchases		\$500,000
Non Taxable Purchases		<u>\$625,000</u>
Total Purchases		\$1,125,000

**Port MacKenzie Development Without Knik Arm Bridge  
State of Alaska  
Impact Analysis  
Preliminary Assumptions**

**Industrial/Distribution**

**Added Capital Investments**

Land	29.5 Acres	\$0
Building Construction	450,000 Square Feet	\$23,760,000
Furniture, Fixtures & Equipment		<u>\$23,400,000</u>
Total		\$47,160,000

Construction Workers	238
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**Annual Operating Costs**

**Annual Employment**

Number of Employees as FTEs (Domestic Employment)	117
Average Wages Excluding Benefits	\$38,266
Annual Payroll	\$4,476,137

**Annual Purchases**

Taxable Purchases	\$70,185
Non Taxable Purchases	<u>\$93,579</u>
Total Purchases	\$163,764

**Port MacKenzie Development Without Knik Arm Bridge  
State of Alaska  
Impact Analysis  
Preliminary Assumptions**

**Employee Residence Assumptions**

State of Alaska	100%
Port MacKenzie Area Wide	90%
Port MacKenzie Area Schools	90%
Port MacKenzie Police & Fire	90%
Other Port MacKenzie Jurisdictions	90%

**Tax Assumptions**

<b>Property Taxes (per \$1000 of Value)</b>	<b>Residential</b>	<b>Business Real Estate</b>	<b>Business Personal Property</b>
Port MacKenzie Area Wide	\$11.10400	\$11.10400	\$0.00000
City	<u>\$0.37000</u>	<u>\$0.37000</u>	<u>\$0.00000</u>
Total	\$11.47400	\$11.47400	\$0.00000
 <b>Income Taxes</b>		<b>Individual</b>	<b>Corporate</b>
State of Alaska		0.0%	1% to 9.4%

*Assessed valuation is based on 100% of market value*

*Source: U S Department of Labor, Bureau of Labor Statistics, Occupational Employment Statistics online, [www.bls.gov](http://www.bls.gov).*

*Source: RSMMeans, Building Construction Cost Data, 2007.*

*Source: Matanuska-Sustina Borough Division of Assessment, Real Property 907-745-9642*

*Source: Matanuska-Sustina Borough Division of Assessment, Personal Property 907-745-9637*

*Source: Matanuska-Sustina Borough Division of Assessment, Personal Property 907-745-9637*

*Source: Matanuska-Sustina Borough Finance Department, Jennifer, 907-745-9568 (ext 0)*

*Source: Matanuska-Sustina Borough Assessment Department, Michelle, 907-745-9642.*

*Source: Matanuska-Sustina Borough Assessment Department, Kathy, 907-745-9637.*

*Source: Matanuska-Sustina Borough Assessment Department website, [www.matsugov.us](http://www.matsugov.us)*

## **Appendix G**

### **Applicable Tax Rates for the Economic Impact Analysis**

# Knik Arm Bridge

## State of Alaska

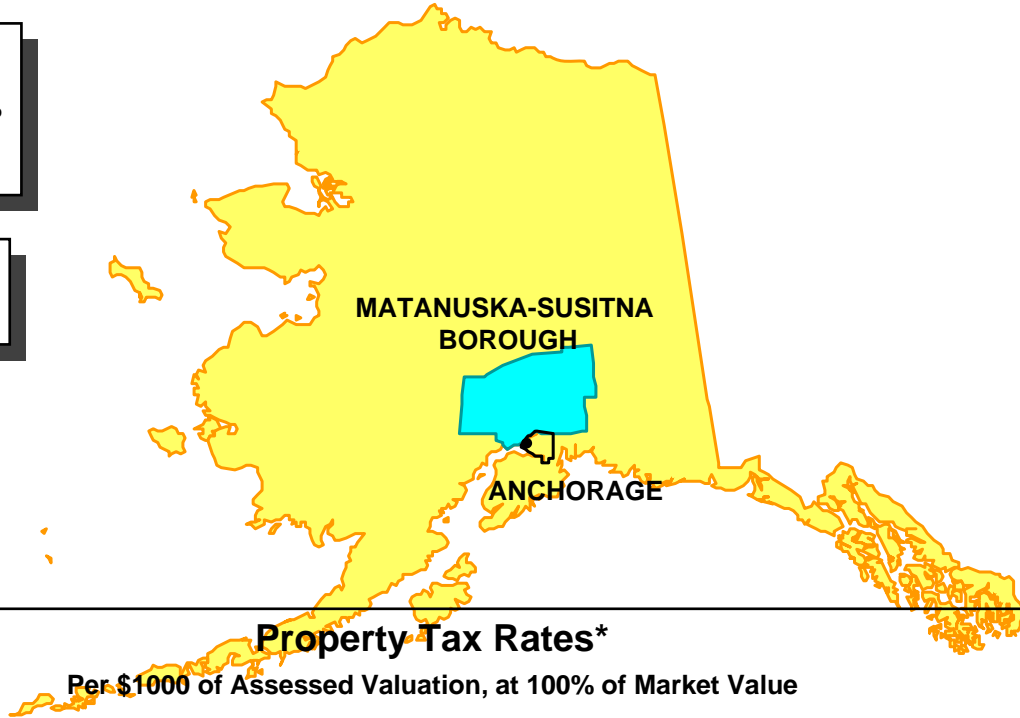
### Applicable Tax Structure

#### Income Tax Rate

Corporate Rate 1% to 9.4%  
 Individual Rate 0.0%

#### Sales Tax Rates

City of Houston 2.00%



	Anchorage City	Big Lake	Houston	Knik Area	Point MacKenzie	Port MacKenzie	Willow
City & Non Area Wide		\$00.370	\$03.000	\$00.370	\$00.370	\$00.370	\$00.370
Area Wide	\$00.480	\$09.644	\$09.644	\$09.644	\$11.104	\$11.104	\$09.644
Schools	\$07.130	**	**	**	**	**	**
Police/Fire	\$04.330	\$01.820	**	\$01.460	**	**	\$00.960
Other Jurisdictions	\$03.360	\$02.410	**	\$02.540	**	**	\$2.660
<b>Total</b>	<b>\$15.300</b>	<b>\$14.244</b>	<b>\$12.644</b>	<b>\$14.014</b>	<b>\$11.474</b>	<b>\$11.474</b>	<b>\$13.634</b>

\*Anchorage imposes a property tax on business personal property and inventory.

\*The Mat-Su Borough does not tax business personal property and allows a \$250,000 exemption on inventory.

\*\*Schools, police and fire funds not specifically identified are included in the area wide taxes.

**Knik Arm Bridge and Toll Authority**  
**TIFIA Letter of Interest**  
**March 1, 2010**

**Exhibit F**  
**Excerpts from STIP, LRTP, and TIP**

## Comment Analysis

The comment period for the Draft STIP ended October 16, 2009. The vast majority of comments we received, both pro and con, were in regards to two projects associated with the Knik Arm Crossing: The Knik Arm Crossing Toll Financed Bridge Facilities (Need ID 20256) and the Knik Arm Crossing Anchorage Access Connections (Need ID 20255). The Knik Arm Bridge and Toll Authority is a semi-independent authority as established in statute. These projects are a state priority. Since they have active environmental phases, and are utilizing federal transportation funds they are required to remain in the STIP.

All of the comments on the Eyak Transportation System Comprehensive Long Range Plan (Need ID 23135) were in opposition to the project, mostly due to concerns about an alleged trail along the Copper River, from the Edgerton Highway (Chitina) to Cordova. The Federal Transit Administration has funded this study directly with the Native Village of Eyak, the Alaska DOT&PF has no role in the project or funding decision. However, since this project is expending federal funds it is required to be in the STIP.

Shepard Point Road (Need ID 6617), also in Cordova, received approximately twice as many negative comments as positive ones. This is a Bureau of Indian Affairs (BIA) project to which the State has also agreed to provide some federal funding based on a commitment made nearly 10 years ago. Again, though this project has been managed by another Federal government agency, the contribution of federal surface transportation funds by the state requires it to be included in the STIP.

Juneau Access (Need ID 19214) received a total of nine comments, six in opposition to the project for various reasons, including funding and environmental concerns. There is currently a court challenge to this project based on concerns regarding fully considering a ferry option, and the state is unable to proceed until that has been resolved. The project will remain in the STIP pending the resolution of the legal issues.

The rest of the comments on various projects were either positive or neutral. Neutral comments usually involved issues such as project history, scope changes, and reminders of existing regulations on development.

Some comments were not specific to a particular existing project. Such comments included:

- Requests to include various projects in the STIP.
- Systemic concerns, such as the need, or lack of need, for redundant systems. Along these lines were concerns over emergency access for communities facing natural disasters such as coastal flooding during storms.
- General support for AMHS and/or road links.
- Railroad safety concerns, especially the need for grade-separated crossings.



# Original - 2010-2013 Alaska Statewide Transportation Improvement Program

**Need ID:** 20256      **Region:** Central

**Place Name:** ANCHORAGE

**Title:**

Knik Arm Crossing Toll Financed Bridge Facilities



**Project Description:**

Design and construct a bridge across Knik Arm between Anchorage and the Mat-Su Borough and a connecting roadway between the northern terminus of the planned Port of Anchorage expansion and the bridge, and a connecting roadway between the Point Mackenzie Road and the bridge. This is project 2 of 3 supporting the EIS known as the Knik Arm Crossing. See need ID 20254 (completed) and 20255.

PHASE	FUNDING	FFY10	FFY11	FFY12	FFY13	After FFY13
All amounts x1,000 dollars						
Design	EMFX	1,994.4	9,003.9	0	0	
Design	PPP	0	3,095.5	6,119.3	5,614.7	
Design	SM	198.0	893.8	0	0	
Right of Way	EMFX	651.1	757.9	0	0	
Right of Way	PPP	0	260.6	0	0	
Right of Way	SM	64.6	75.2	0	0	
Construction	EMFX	0	34,349.1	0	0	
Construction	PPP	0	21,713.5	200,147.7	254,542.1	
Construction	SM	0	3,409.6	0	0	
Utilities	EMFX	189.6	0	0	0	
Utilities	SM	18.8	0	0	0	
<b>Totals:</b>		3,116.5	73,559.1	206,267.0	260,156.8	0.0

<p>Program Type: NHS                  Primary Work: New Bridge Access                  Secondary Work:                  Special Financial:</p> <table border="1" style="width: 100%;"> <tr> <td>Project Status</td> <td>Year</td> </tr> <tr> <td>Project Start:</td> <td></td> </tr> <tr> <td>Environmental Clearance:</td> <td></td> </tr> <tr> <td>Construction Funded:</td> <td></td> </tr> <tr> <td>Right of Way Authorized:</td> <td></td> </tr> </table>	Project Status	Year	Project Start:		Environmental Clearance:		Construction Funded:		Right of Way Authorized:		<p><b>Election District(s):</b> 18</p> <p><b>PEB Score:</b>                      <b>Criteria:</b> N/A</p> <p><b>Borough/Census Area:</b> ANCHORAGE, MUNICIPALITY OF</p> <p><b>Municipal Planning Organization (MPO):</b> AMATS</p>
Project Status	Year										
Project Start:											
Environmental Clearance:											
Construction Funded:											
Right of Way Authorized:											

Average AADT:                                      Sponsor:                                      KABATA  
 Pavement Rating:                                      Predominant Functional Class:



# Original - 2010-2013 Alaska Statewide Transportation Improvement Program

**Need ID:** 20255      **Region:** Central

**Place Name:** ANCHORAGE

**Title:**

Knik Arm Crossing Anchorage Access Connections

**Project Description:**

Design and construct approximately 2.5 miles of roadway behind the Port of Anchorage from the northern terminus of the planned port expansion south through Government Hill and connecting to the A/C couplet to serve as an alternative access to the port and a primary access to the planned Knik Arm Crossing.



PHASE	FUNDING	FFY10	FFY11	FFY12	FFY13	After FFY13
All amounts x1,000 dollars						
Design	EMFX	2,935.7	4,018.8	0	0	
Design	PPP	0	1,897.2	3,630.7	385.3	
Design	SM	291.4	398.9	0	0	
Right of Way	EMFX	1,016.5	2,298.2	0	0	
Right of Way	PPP	0	1,085.0	6,631.6	0	
Right of Way	SM	100.9	228.1	0	0	
Construction	EMFX	0	12,475.7	0	0	
Construction	PPP	0	7,054.6	112,120.6	17,469.1	
Construction	SM	0	1,088.0	0	0	
Utilities	EMFX	474.0	914.8	0	0	
Utilities	PPP	0	494.3	0	0	
Utilities	SM	47.1	90.8	0	0	
<b>Totals:</b>		4,865.6	32,044.4	122,382.9	17,854.4	0.0

<p>Program Type: NHS                  Primary Work: New Construction                  Secondary Work:                  Special Financial: Earmark</p> <table border="1" style="width: 100%;"> <tr> <td>Project Status</td> <td>Year</td> </tr> <tr> <td>Project Start:</td> <td></td> </tr> <tr> <td>Environmental Clearance:</td> <td></td> </tr> <tr> <td>Construction Funded:</td> <td></td> </tr> <tr> <td>Right of Way Authorized:</td> <td></td> </tr> </table>	Project Status	Year	Project Start:		Environmental Clearance:		Construction Funded:		Right of Way Authorized:		<p><b>Election District(s):</b> 23</p> <p><b>PEB Score:</b>                      <b>Criteria:</b> N/A</p> <p><b>Borough/Census Area:</b> ANCHORAGE, MUNICIPALITY OF</p> <p><b>Municipal Planning Organization (MPO):</b> AMATS</p>
Project Status	Year										
Project Start:											
Environmental Clearance:											
Construction Funded:											
Right of Way Authorized:											

Average AADT:                                      Sponsor:                                      KABATA  
 Pavement Rating:                                      Predominant Functional Class:



## CHAPTER 12. The Knik Arm Crossing Project

### Introduction

This Long-Range Transportation Plan (LRTP) is amended to include an additional chapter on the Knik Arm Crossing project. As noted in the previous chapters, the 2025 Anchorage Bowl LRTP endorsed the completion of the Knik Arm Crossing environmental and engineering studies, but it stopped short of including the Knik Arm Crossing project as part of the planned roadway network, partly because transportation policy makers wanted to make their decision based on the environmental impact of the project.

Environmental impact information became available with the release of the *Knik Arm Crossing Draft Environmental Impact Statement and Draft Section 4(f) Evaluation* (DEIS, prepared by the Knik Arm Bridge and Toll Authority [KABATA]) in September 2006. A public review of the Knik Arm Crossing Amendment to the Long-Range Transportation Plan was initiated shortly thereafter. This amendment includes the following actions:

- Amend the LRTP to include the Knik Arm Crossing project as a regionally significant project
- Extend the planning horizon of the Anchorage Bowl LRTP to 2027

- Support the designation of the project alignment as part of the National Highway System (NHS) and update the Official Streets and Highways Plan to reflect such designation
- Adopt the regional air quality conformity determination on the project in accordance with the Clean Air Act

These steps are required by federal law (Title 23, Part 134, of U.S. Code) for all projects considered regionally significant.

### Background

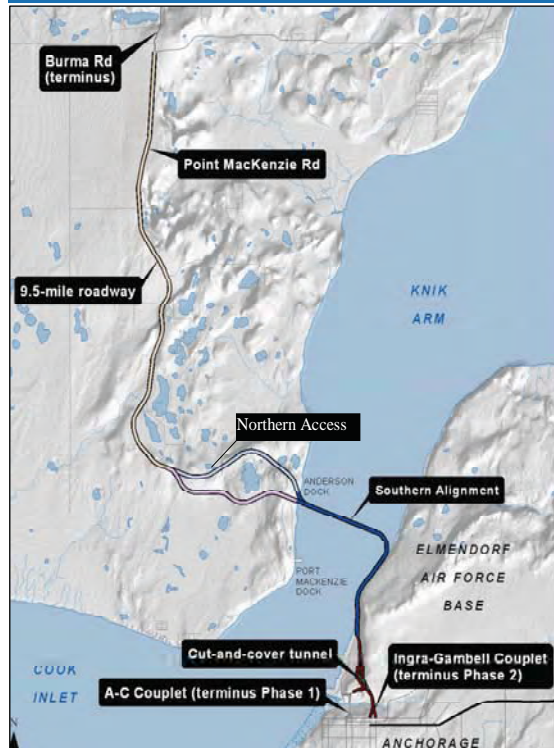
The Alaska Legislature established KABATA in 2003 as a public corporation and an instrumentality of the State of Alaska within the Alaska Department of Transportation and Public Facilities (DOT&PF). The specific mission of KABATA is to “develop, stimulate, and advance the economic welfare of the state and further the development of public transportation systems in the vicinity of the Upper Cook Inlet with construction of a bridge to span Knik Arm and connect the Municipality of Anchorage (MOA) and the Mat-Su Borough” (Alaska Statute 19.75.011).

### Project Description

The Knik Arm Crossing project is a roadway and bridge crossing of Knik Arm connecting the Municipality of Anchorage (MOA) and the Matanuska-Susitna Borough (Mat-Su), as shown in Figure 12-1. The total length of the project from the intersection of Point MacKenzie and Burma roads to the A-C Couplet and Ingra-Gambell Couplet is approximately 19 miles. The preferred alternative assumes construction of an 8,200-foot, pier-supported bridge with causeway approaches that extend 2,000 feet from the western shore and 3,300 feet from the eastern shore.

The project would be phase-constructed, with an initial minimum two-lane bridge and a connection to the A-C Couplet in Phase 1 and an expansion of the bridge to four lanes and connection to the Ingra-Gambell Couplet constructed in Phase 2. The project is classified as a rural principal arterial in the Mat-Su and across Knik Arm, transitioning to an urban principal arterial in Anchorage in the vicinity of the Port of Anchorage (POA). The following page describes in more detail the part of the project within the MOA and Anchorage Metropolitan Area Solutions (AMATS) LRTP boundary.

Figure 12-1. Knik Arm Crossing Project



Source: HDR Alaska, Inc.

In Anchorage, the project follows the Anchorage shoreline and western perimeter of Elmendorf Air Force Base at the bottom of the bluff to Cairn Point, and then continues south, closely following the natural curvature of the shoreline. The project includes a cut-and-cover tunnel under Government Hill, along either a Degan Street- or Erickson Street-area alignment. Initial construction would include a connection to the existing A-C Couplet. Because of the impact of the bridge traffic on downtown

streets, work on the design of the connection to a new viaduct (elevated bridge) across the Ship Creek rail yard to connect with the Ingra-Gambell Couplet should begin as soon as possible after the bridge is opened. Figures 12-2 and 12-3 depict the Knik Arm Crossing in more detail.

### Nighborhood Mitigation

The Government Hill Community Council as well as other neighborhood community councils, such as Downtown, South Addition, and Fairview, would be directly affected by the proposed Knik Arm Crossing, given the current alignment alternatives. The project currently is in the environmental phase of development. For purposes of the LRTP, it is appropriate to provide guidance about the character of the project and expectations of how the project would be integrated into neighborhoods. An example of this guidance appears in the language adopted for cut-and-cover segments of the Glenn-Seward Highway connection. (See pages 115 to 117 of the Anchorage Bowl 2025 LRTP.)

Because of the potentially adverse effects of Phase 1 traffic from the Knik Arm Crossing on the revitalization of affected neighborhoods, the design for the Anchorage side of the bridge must include adequate mitigation to facilitate the efficient, safe, and neighborhood-appropriate incorporation of bridge traffic through Downtown and onto roads that can handle the anticipated increase in traffic. Design considerations would include measures to reduce the impact of the Knik Arm Crossing traffic

from Government Hill to Downtown, and would provide improved pedestrian connectivity along the A-C Couplet up to 6th Avenue.

The connection of the Knik Arm Crossing to the A-C Couplet and ultimately the Ingra-Gambell extension in concept would include the use of existing topography to trench and cover an expressway-type roadway on an alignment designed to serve through trips and reduce traffic on neighborhood streets. These components would be accomplished while incorporating improved parks and pedestrian connections to benefit the Government Hill neighborhood, including trail connections joining Downtown, Ship Creek, and Government Hill. Unique and innovative community and streetscape enhancements would be required as part of the Knik Arm Crossing project as it travels through Government Hill. For example, a span over the depressed expressway could be used to reestablish neighborhood connectivity and minimize noise and air quality impacts to the neighborhood. The project would provide Government Hill with a balance of local road, trail, and pedestrian facilities, and would discourage the use of local roads by through traffic that might cut through the neighborhood.

The project would not result in a traditional freeway through a neighborhood that creates a barrier and separation of the neighborhood. The goal is for Government Hill and the project sponsors to use the opportunity to implement well-designed mitigation projects. Such mitigation projects would be developed in close cooperation

**Key features of the Degan Alternative** (Figure 12-2). Phase 1 includes a four-lane roadway (two-lanes in each direction), a cut-and-cover tunnel under Degan Street, and a connection to the A-C Couplet. Phase 2, which is basically the same for both alternatives, includes on and off ramps and an additional connection to the Ingra-Gambell Couplet through a new viaduct over the Ship Creek area.

**Key features of the Erickson Alternative** (Figure 12-3). Phase 1 includes a four-lane roadway (two-lanes in each direction), on and off ramps north of Government Hill, a tunnel under Erickson Street, and a connection to the A-C Couplet.

### Legend

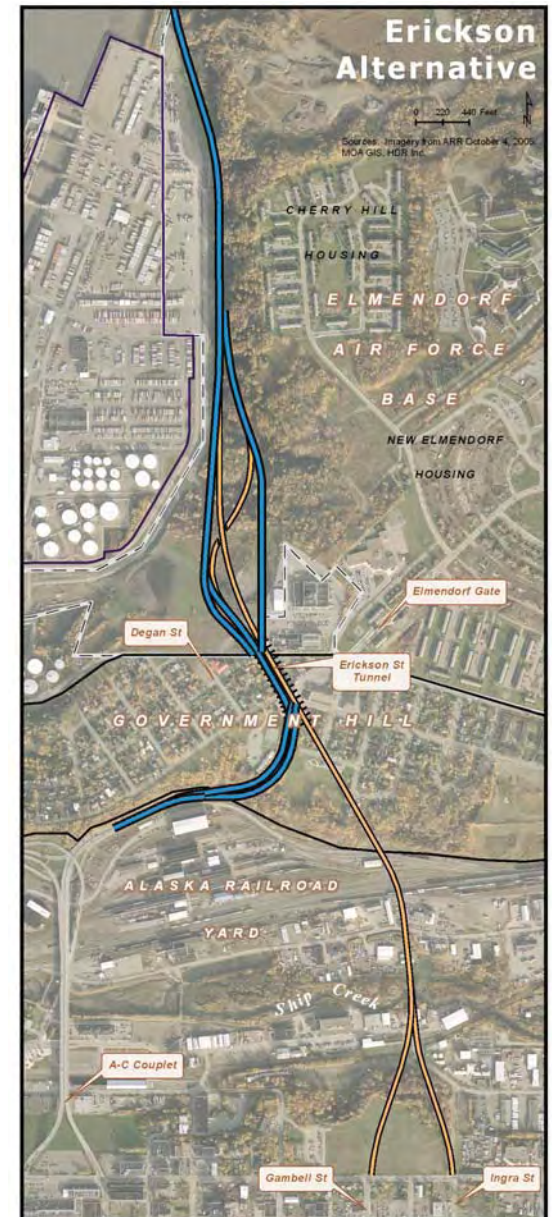
-  Degan Street Alternative
-  Erickson Street Alternative
-  Future Expansion
-  Cut-and-Cover Tunnel

Figure 12-2. Degan Alternative



Source: HDR Alaska, Inc.

Figure 12-3. Degan Alternative



Source: HDR Alaska, Inc.

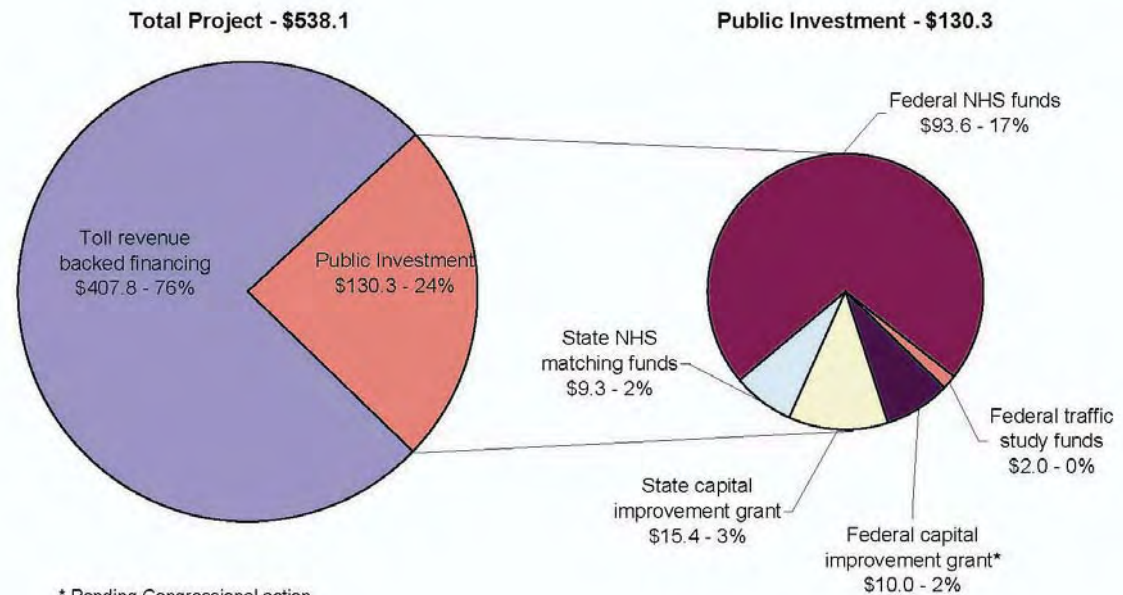
with the neighborhood. They would use a best practices and Context-Sensitive Design approach to enhance and revitalize the Government Hill community with a design that fits within the character of this unique and historic neighborhood.

## Funding

According to the conceptual financial plan prepared by KABATA, the Knik Arm Crossing project would have no effect on the ability to finance or implement the other LRTP projects discussed in the 2025 Anchorage Bowl LRTP. In other words, the project would not require any future federal or state funding for construction, operations and maintenance, or future capacity requirements, beyond what the Alaska Legislature has already appropriated. The Alaska Legislature appropriated \$93.6 million of the \$232 million of federal-aid highway funds originally earmarked by the Alaska Congressional delegation for the Knik Arm Crossing in the SAFETEA-LU (Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users) transportation bill. The Alaska Legislature also authorized state matching funds of \$9.3 million when it provided spending authority for the federal funds. (See Figure 12-4.)

KABATA was established by the Alaska Legislature as a toll authority, and the toll revenue generated by users is expected to pay for most of the construction cost and all of the operation and maintenance expense. Tolls provide ongoing revenue, and the potential for tolls means that

Figure 12-4. Initial Construction Funding Sources



\* Pending Congressional action.

Note:  
All dollars shown in millions.

Source: KABATA

KABATA can borrow funds for construction. Money from toll collection would be used to pay for operating and maintaining the crossing, the cost of collecting the tolls, and general and administrative expenses of KABATA. Toll revenue would then also be used to pay principal and interest on loans, provide returns to investors, and fund investment in future expansion. After initial construction, traffic levels are projected to provide adequate toll revenue to support the project based on work performed by Wilbur Smith Associates, KABATA's traffic and revenue consultant.

Federal planning requirements for metropolitan areas stipulate that a financial plan demonstrate the consistency of proposed transportation investments with available projected sources of revenue. The description of the Knik Arm Crossing project includes estimates of costs that would be required to implement the project as well as estimates of existing and planned sources of funds available to pay for the project. The sections that follow present this information.

### Cost Estimate for Initial Construction

Preliminary engineering estimates (independently confirmed by a Federal Highway Administration cost estimate review) indicate project costs for initial construction through opening of around \$530 million to \$540 million (in 2005 dollars). Initial construction includes improvements to existing roadways and development of connectors in the Mat-Su, the bridge and approaches, a road below the bluff around Cairn Point and behind the POA, and a tunnel under Government Hill, ultimately connecting to the A-C Couplet. A toll plaza and lanes are also included in the initial construction. Project cost information for the initial construction, including contingency costs, is included in Table 12-1. (Note: Cost estimates for Mat-Su road work are for illustrative purposes only and are not included as part of the Anchorage LRTP roadway project list.)

### Proposed Funding for Initial Construction

The funding package to complete the initial construction of the project is anticipated to consist of approximately \$408 million in toll revenue-backed financing and approximately \$130 million in public investment, representing 76 percent and 24 percent, respectively, of initial construction costs. The projected funding package for initial construction, including jurisdictional allocations between Anchorage and the Mat-Su, is included in Table 12-2. The previous financial analysis conducted for the 2005 Anchorage Bowl LRTP

showed that the amount of estimated future revenues was just barely sufficient to cover the cost of the roadway projects recommended in the LRTP.

Therefore, it is critical to implementation of the LRTP to separate the funding for the Knik Arm Crossing project from the rest of the funding. In

**Table 12-1. Initial Construction Costs**

Component	Costs (\$ millions) <sup>a</sup>		
	Anchorage	Mat-Su	Total
Mat-Su road work	–	30.0	30.0
Toll plaza and lanes	8.5	8.5	17.0
Toll bridge and abutments	181.7	181.6	363.3
Cairn Point/below the bluff road	62.5	–	62.5
Government Hill cut-and-cover tunnel	63.3	–	63.3
<b>Total</b>	<b>316.0</b>	<b>220.1</b>	<b>536.1</b>

<sup>a</sup> All costs are in 2005 dollars.

Source: KABATA

**Table 12-2. Initial Construction Funding**

Component	Costs (\$ millions) <sup>a</sup>		
	Anchorage	Mat-Su	Total
Federal NHS allocation	56.1	37.5	93.6
State NHS match	5.6	3.7	9.3
State Capital Improvement Grant	–	15.4	15.4
Ingra-Gambell Reconnaissance Study	2.0	–	2.0
Federal Capital Improvement Grant <sup>b</sup>	10.0	–	10.0
<b>Public Funding Subtotal</b>	<b>73.7</b>	<b>56.5</b>	<b>130.3</b>
Sources backed by toll revenue funding	244.3	163.5	407.8
<b>Total</b>	<b>318.0</b>	<b>220.1</b>	<b>538.1</b>

<sup>a</sup> All costs are in 2005 dollars.

<sup>b</sup> Grant is pending. Assumes that the grant will be authorized.

Source: KABATA

other words, no funds beyond the amount of federal and state money already allocated (Table 12-2) should be diverted to the Knik Arm Crossing.

### Cost Estimates for Future Expansion

Traffic forecast and capacity analysis (for which the results discussed below are in 2005 dollars) indicates the need for an Ingra-Gambell connection, the addition of a lane to the bridge superstructure, and Mat-Su road improvements at some point in the future. Total anticipated future expansion costs are projected at \$392 million based on preliminary engineering estimates. The Ingra-Gambell connection is estimated to cost \$219 million, and the bridge deck lane addition is estimated to cost \$130 million. The Mat-Su road upgrades are estimated at \$43 million, but are not expected to be required within the LRTP planning horizon of 2027. Nevertheless, the financial feasibility model used by KABATA demonstrates surplus toll revenues available would be sufficient to pay for the Mat-Su road improvements. Projected cost information for expected future expansion requirements is provided in Table 12-3.

### Proposed Funding for Future Expansion

The KABATA financial feasibility model shows that all potential future expansion requirements can be paid for from a combination of accumulated surplus toll revenues and toll revenue-backed financing if these additional improvements are completed in 2023. However, whether sufficient toll

**Table 12-3. Future Expansion Costs**

Component	Costs (\$ millions) <sup>a</sup>		
	Anchorage	Mat-Su	Total
Mat-Su road upgrades	–	43.2	43.2
Bridge deck lane addition	64.8	64.8	129.5
Ingra-Gambell connector	219.2	–	219.2
<b>Total</b>	<b>284.0</b>	<b>108.0</b>	<b>391.9</b>

<sup>a</sup> All costs are in 2005 dollars.

Source: KABATA

**Table 12-4. Future Expansion Funding**

Component	Costs (\$ millions) <sup>a</sup>		
	Anchorage	Mat-Su	Total
AMATS LRTP (pre-existing) <sup>b</sup>	26.0	–	26.0
Sources backed by toll revenue funding	257.9	108.0	365.9
<b>Total</b>	<b>283.9</b>	<b>108.0</b>	<b>391.9</b>

<sup>a</sup> All costs are in 2005 dollars.

<sup>b</sup> This funding is planned as part of the Glenn-Seward Highway connection.

Source: KABATA

funds would be available to finance the Ingra-Gambell connection if it was needed earlier has not been analyzed. Table 12-4 shows jurisdictional allocation of anticipated funding sources between Anchorage and the Mat-Su in 2005 dollars for all anticipated future expansion requirements, including the Mat-Su road upgrades, which are included for illustrative purposes only.

### Project Operations and Maintenance

In modeling the financial feasibility of the project, KABATA assumed that toll revenues would first be used to pay for operating and maintaining the crossing, the cost of collecting the tolls, and general and administrative expenses of KABATA. Any remaining revenues would then be used for debt service, returns to private equity, and investment in future expansion to serve growing

traffic demand. Therefore, the financial feasibility analysis for the operation and maintenance of the Knik Arm Crossing assumed that no state or federal funds would be used to maintain and operate the facilities owned by KABATA, including the bridge, the approaches, and the toll facilities.

KABATA has also entered into a Memorandum of Understanding with the Mat-Su and DOT&PF to assign the operations and maintenance of the roads on the Mat-Su side of the crossing to the DOT&PF under the NHS. Given the regional significance of the project, it is recommended that the landside connections linking the Knik Arm bridge to the existing Anchorage road network, including the future Ingra-Gambell connection be listed as part of the NHS. As a result of this designation, the DOT&PF would be responsible for the maintenance of these facilities.

## Conclusions

To incorporate financial constraint for the Knik Arm Crossing into the currently financially constrained LRTP, it is necessary to impose the

following condition: No additional state funds and no additional federal transportation funds beyond those currently authorized, as shown in Tables 12-2 and 12-4, would be used to finance the project, including both initial construction and future expansion costs, as identified in Tables 12-1 and 12-3. Under this financial constraint, the funding for the amendment would no longer be valid (available) if additional state or federal transportation money is needed for the Knik Arm Crossing and the following conditions occur: (1) funding reduces the SAFETEA-LU formula funds or other flexible funds assumed as part of project funding (shown in Tables 12-2 and 12-4) and (2) the needed funding is not available because it is planned for use on other LRTP projects. Federal funding sources, such as loan programs, grants, tolls, and concessions, which are outside the funding assumed for existing LRTP projects, would not require an amendment to the LRTP, but these funding sources would be processed through the appropriations process for the Statewide Transportation Improvement Program (STIP) and

the Transportation Improvement Program (TIP). If state or federal funds are proposed to be added to the Knik Arm Crossing project and those funds are also needed to show financial constraint for other LRTP projects, an amendment would be required to reassess and demonstrate financial constraint for all projects in the LRTP.

## Population and Employment Growth

As Table 12-5 reports, the Knik Arm Crossing project is expected to have little effect on the overall regional growth in terms of population and employment. By providing access to a large supply of vacant land in the Mat-Su, however, the Knik Arm Crossing would have an impact on the relative share of population, households, and jobs growth between the MOA and the Mat-Su. The impact of the bridge (on population and employment) would be slow at first, but would accelerate as the supporting infrastructure (roads, schools, and utilities) is developed. As a result of completion of the proposed bridge, the MOA is projected to lose

**Table 12-5. Projected 2027 Population, Households, and Employment**

Area	Without Knik Arm Crossing Project			With Knik Arm Crossing Project		
	Population	Households	Jobs	Population	Households	Jobs
Total Anchorage area	352,000	134,400	176,000	339,100	129,500	170,200
Total Mat-Su area	171,600	62,500	45,000	185,500	67,600	50,200
Total Region	523,600	196,900	221,000	524,600	197,100	220,400

Source: "Memorandum on the Economic and Demographic Impacts of a Knik Arm Bridge," University of Alaska Anchorage, Institute of Social and Economic Research, September 2005.

4,900 households (or 12,900 people) and 5,800 jobs to the Mat-Su that it would otherwise be expected to capture (by 2027).

In its “Memorandum on the Economic and Demographic Impacts of a Knik Arm Bridge” (September 2005), the University of Alaska Anchorage, Institute of Social and Economic Research, listed the following assumptions about the economic effects of the bridge that might influence transportation patterns in the region:

- A bridge results in a modest shift in basic sector activity from the MOA to the Point MacKenzie region of the Mat-Su. The sectors most likely to be affected are warehousing and other businesses that require large amounts of land. Contributing to the modest level of impact initially is the possibility that some workers at these jobs might commute from Anchorage.
- During the longer term, a modest shift in some other basic sector jobs to the Mat-Su, rather than the MOA, would be expected. Examples are jobs in tourism and recreation.
- Growth in the other basic industries in the Mat-Su, including mining and timber, would not be significantly affected by the bridge.
- The bridge would increase the attractiveness of commuting by workers living in the Mat-Su but working in the MOA. However, the increase would be limited by the number of MOA jobs that pay enough to support the cost of a commute.
- Most Anchorage workers in jobs with a wage high enough to consider commuting would

continue to choose not to commute. The largest source of new commuters would result from separations. In other words, newly hired workers who are new to the region would be the most likely to choose to commute. Already employed workers would be less likely to consider a move.

- The growth of support jobs in the Mat-Su does not significantly increase the number of trips from the Anchorage market. (Only a limited number of MOA residents would make shopping trips to the Mat-Su.)
- Population growth in the Mat-Su would be constrained by the number of jobs there and the number of residents who commute to jobs outside the Mat-Su (primarily Anchorage).
- Increased access to developable land in the Mat-Su would not result in an absolute reduction in population in Anchorage. Some of the projected increase in population in the Greater Anchorage-Mat-Su region would choose to live in Anchorage.

## Transportation Impacts of the Knik Arm Crossing on the Regional and Local Transportation System

The Knik Arm bridge would have a relatively modest impact on regional travel patterns and behavior. According to the information prepared by KABATA for this project, total vehicle miles traveled (VMT) and vehicle hours traveled (VHT) would increase with implementation of this project because of more travel occurring in the Mat-Su, reflecting longer trips necessitated by the more dispersed, rural development patterns. By the year 2030, the total VMT would increase by 480,513 vehicle miles or 4.8 percent, because of the bridge construction. A similar effect would be an increase in the amount of time spent in cars, from 250,000 vehicle hours without the bridge to 260,000 hours with the bridge, or 4 percent (Table 12-6).

The effect of the bridge on the development of other transportation options is probably negative

**Table 12-6. Projected 2030 Regional Travel Impacts**

Alternative	Vehicle Miles Traveled	Vehicle Hours Traveled	Total Fuel Use (gallons) <sup>a</sup>
No action alternative	9,987,629	250,000	514,826
Knik Arm Crossing Erickson Alternative <sup>b</sup>	10,468,142	260,000	539,595

<sup>a</sup> Fuel consumption estimates were based on 19.4 miles per gallon, the U.S. Environmental Protection Agency fleet average for 2005.

<sup>b</sup> Results for the Degan Alternative are virtually the same as the Erickson Alternative.

Source: HDR Alaska, Inc.

overall. Assuming that the land development pattern on the Mat-Su side of the bridge would be low density (the apparent assumption of the DEIS), establishment of a viable bus system would be unlikely. The effect on carpooling and vanpooling rates is less clear-cut. These types of ridesharing depend in part on the length of the trip and the ease of finding a sufficient number of persons who share the general origin and destination. Low-density development patterns that may occur in the newly opened areas of the Mat-Su would tend to discourage carpooling. On the other hand, the cost of bridge tolls would tend to encourage ridesharing.

The impact of the bridge on the Anchorage transportation system is more focused on particular MOA areas.

The regional model estimates prepared by HDR Alaska, Inc., predict that about 33,500 vehicles per day would cross the Knik Arm bridge by the year 2027. If this projection becomes reality, the vehicle volume would add a significant amount of traffic to the MOA roadway network. It is important to analyze the effect of this traffic on the existing and planned Anchorage transportation network in order to determine its impacts as well as the potential need and timing of roadway improvements required to accommodate the bridge traffic. According to the regional model results, the opening of the bridge does not seem to have a significant effect on the amount of traffic on the Glenn Highway coming into Anchorage, which would remain about the same with or without the

bridge. Because the primary impact of the bridge traffic is expected to be in downtown Anchorage, the analysis focused on this area.

The following three scenarios were developed and analyzed:

*Scenario 1* – The Knik Arm bridge with the Ingra-Gambell connection in Anchorage as well as all roadway improvements recommended in the adopted AMATS 2025 LRTP.

*Scenario 2* – The Knik Arm bridge with an A-C Couplet roadway connection but no Ingra-Gambell connection; all roadway improvements recommended in the adopted AMATS 2025 LRTP are included.

*Scenario 3* – The Knik Arm bridge with only an A-C Couplet roadway connection (no Ingra-Gambell connection) and all 2025 LRTP improvements, except the Glenn-Seward Highway connection.

### Scenario 1

According to the DEIS report prepared by KABATA, the Ingra-Gambell connection from Government Hill across Ship Creek to 3rd Avenue will be needed by the year 2023 to alleviate traffic congestion on the existing A-C Viaduct.

Figure 12-5 (included at the end of this chapter) shows the distribution of traffic that is projected to occur as a result of Scenario 1. Of the traffic coming over Ship Creek into Anchorage, 44 percent would be expected to travel over the A-C Viaduct and 56 percent over the new Ingra-Gambell connection.

As a result, the A-C Viaduct in 2027 would still be heavily used, carrying about 25,850 trips per day (compared to a little more than 16,000 in 2005). Given the relatively rapid drop in traffic south of 6th Avenue, most of the bridge traffic on the A-C Couplet would be expected to be traveling to Downtown. The Ingra-Gambell connection to the Glenn-Seward Highway project makes that routing more efficient for travelers coming from Port McKenzie with destinations to other parts of the Anchorage Bowl outside of Downtown. Therefore, it appears that the Ingra-Gambell connection is an essential improvement needed to relieve the traffic congestion in the downtown core (described in Scenario 2).

An analysis conducted by HDR for the DEIS (see Table 12-7) indicates that the level of service for intersections in the downtown area would be at an acceptable level through 2030 under Scenario 1 (Figure 12-6).

### Scenario 2

Scenario 2 explores the impact on the Anchorage roadway network of the Knik Arm bridge without the Ingra-Gambell connection over Ship Creek. In this scenario, the only route connecting the Knik Arm bridge to the Anchorage Bowl is the existing A-C Viaduct. Figure 12-7 shows an estimated 46,000 trips per day using the A-C Viaduct under this scenario. This traffic volume would nearly double the amount of traffic in the downtown area along the A-C Couplet between 3rd and 6th avenues. More traffic from the bridge would also pass through downtown streets through

**Table 12-7. 2030 Peak Hour Level of Service**

Intersection		Without Knik Arm Crossing		With Knik Arm Crossing	
		A.M. peak	P.M. peak	A.M. peak	P.M. peak
3rd Avenue	C Street	B	B	B	B
3rd Ave	A Street	B	B	B	B
Ocean Dock Road	Loop Road	B	B	B	B
5th Avenue	C Street	B	B	B	B
6th Avenue	A Street	B	B	B	B
5th Avenue	Gambell Street	B	B	B	B
6th Avenue	Ingra Street	B	B	C	C

Source: HDR Alaska, Inc.

the A-C Couplet to destinations in the midtown area. Higher traffic volumes would also occur in the downtown area between the A-C Couplet and the Glenn-Seward Highway corridor (formerly Ingra-Gambell Couplet) as Mat-Su travelers from the Port McKenzie area attempt to connect to the freeway system to travel to other parts of Anchorage. According to Figure 12 8, the eastern part of Downtown (between 3rd and 6th avenues) may experience an increase in congestion from the bridge opening.

### Scenario 3

Scenario 3 explores the impact of the Knik Arm bridge on the Anchorage transportation network without either the Ingra-Gambell connection over Ship Creek or the Glenn-Seward Highway connection. The intent of this scenario was to

examine the interdependencies between the Knik Arm bridge and the Glenn-Seward Highway connection. Figure 12-9 shows that without the Ingra-Gambell connection of the Knik Arm bridge project or the Glenn-Seward Highway improvements, the A-C Couplet would be among the highest volume arterials in the city, carrying more than 55,000 vehicles per day between 3rd Avenue (Downtown) and Northern Lights Boulevard (Midtown) by 2027. The A-C Couplet would carry about the same number of vehicles that the Ingra-Gambell Couplet carries today. Figure 12-10 shows an increase in congestion along the A-C Couplet, especially during the peak periods. Parts of eastern Downtown would also carry significant traffic volumes but less than would be projected under Scenario 2.

### Conclusion

The Glenn-Seward Highway connection project would have, by far, the most significant impact on the reduction of traffic congestion in the Anchorage Bowl of any project contained in the LRTP. Without it, large areas of northeastern and central Anchorage will experience unacceptable level of congestion. The Glenn-Seward Highway project also has a very strong linkage to the proposed Knik Arm bridge project. Although many vehicles crossing the Knik Arm bridge would be traveling to Downtown, most would be traveling to destinations scattered throughout the Anchorage Bowl. A direct connection from the Knik Arm bridge to the freeway system through a new Ingra-Gambell connection over Ship Creek would be needed for these bridge-related trips.

Without a Knik Arm Ingra-Gambell connection and the Glenn-Seward Highway improvements, the traffic volumes traversing Downtown along the A-C Couplet would double by 2027. Furthermore, HDR estimates that 12 percent of total trips would be truck trips, which would further affect Downtown.

The total 2027 traffic using the A-C Couplet under Scenarios 2 and 3 (without the Ingra-Gambell connection) is projected to be more than 46,000 trips per day, which would create a congestion problem in downtown Anchorage. The construction of the Ingra-Gambell connection is expected to substantially relieve this congestion. However, the Ingra-Gambell connection would only manage to shift the congestion to the Ingra-Gambell Couplet

without the construction of the Glenn-Seward Highway connection.

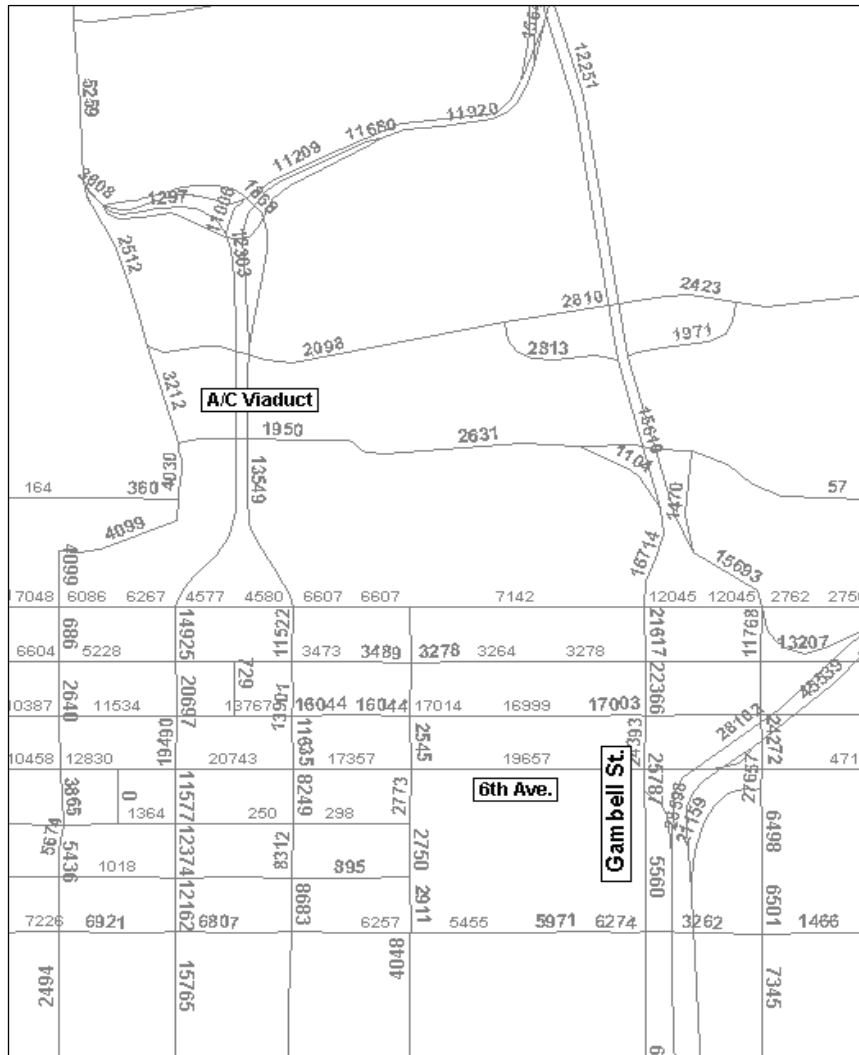
The question remains, when should the Ingra-Gambell connection be built? To answer this question, KABATA has committed funding to begin the reconnaissance effort to analyze this issue once funding for the bridge and Anchorage landside connection is imminent.

## Conditions

The Knik Arm Crossing is added to the Anchorage Bowl LRTP with the following conditions:

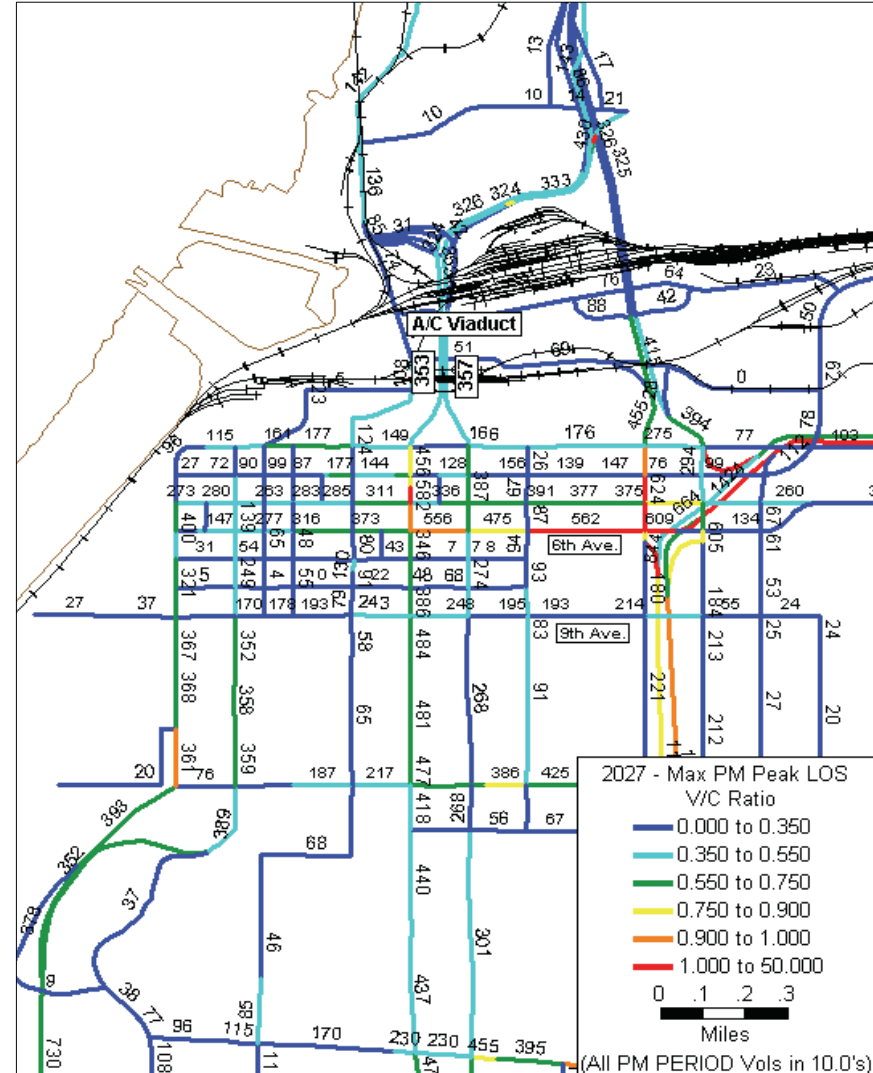
- A. (1) The required air quality conformity analysis is completed, (2) the financial details of the bridge are solidified, and (3) the final environmental impact statement is released and the comments from the MOA, Mat-Su, the Alaska Railroad Corporation, and the public have been addressed.
- B. No funding currently planned for implementation of the existing LRTP, beyond that currently authorized in Tables 12-2 and 12-4, will be used to support construction or maintenance of any element of the Knik Arm Crossing. In addition, no local funds will be used for construction or maintenance of any element of this project.
- C. A neighborhood mitigation program, as described in this chapter, will be adopted. This program will protect the integrity of the Government Hill and other affected neighborhoods (using the best Context Sensitive Design practices) with the objective of enhancing and revitalizing these unique and historic neighborhoods.
- D. No construction work will begin on the Anchorage landside bridge approaches until (1) the complete funding package is secured for the bridge and the Anchorage access connections and (2) the project design has been submitted for review through the established municipal design review process.
- E. Recognizing that the Glenn-Seward Highway connection project and the Ingra-Gambell connection across Ship Creek are critical complementary projects linked to the Knik Arm Crossing, it is understood that, as part of the Crossing project, KABATA will fund the design and construction of the Ingra-Gambell connection in a manner to permit its opening as early as 2018 if needed. This process would require the reconnaissance/environmental phase of the Ingra-Gambell connection to start in 2008.
- F. KABATA will fund the installation and operation of an air quality monitoring site to assess impacts in the vicinity of where the Knik Arm bridge traffic will combine with other A/C Couplet traffic in downtown Anchorage. The monitoring project will begin in advance of the bridge completion to assess before and after conditions for air pollutants of coarse and fine particulate matter and carbon monoxide. Monitoring will occur 1 year before and 1 year after construction.

Figure 12-5. Scenario 1 – 2027 Annual Average Daily Traffic



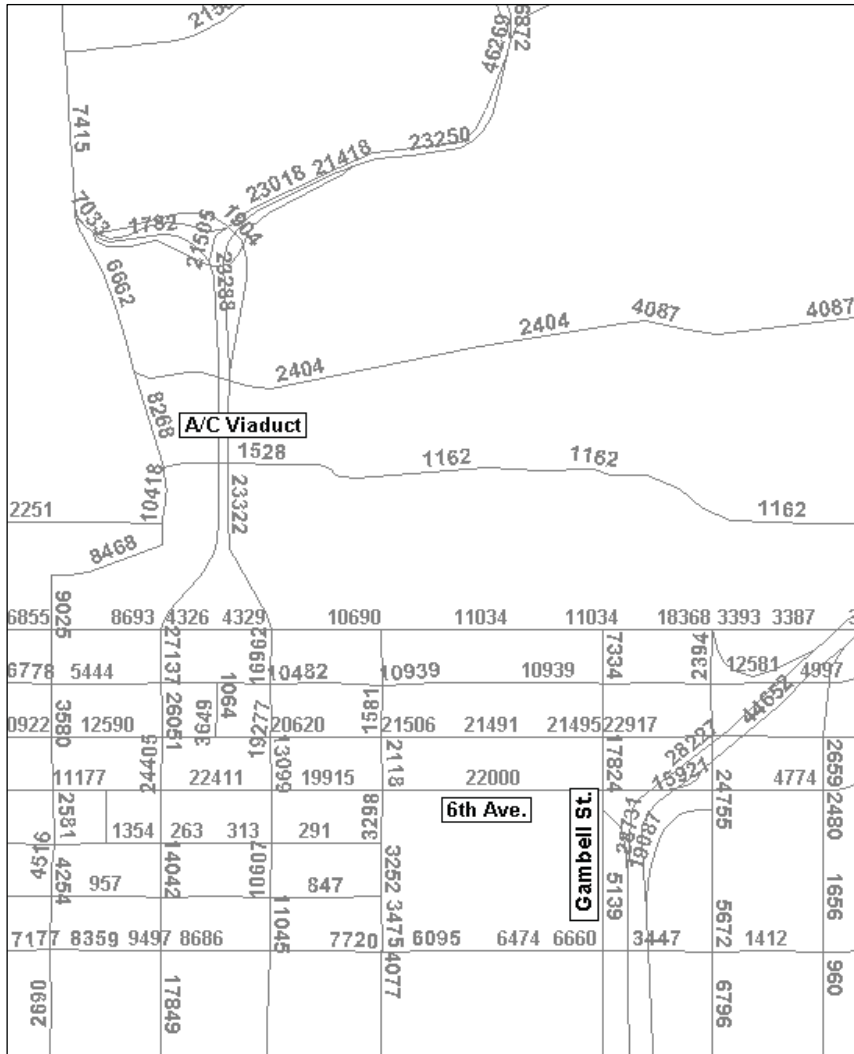
Source: MOA Traffic Department

Figure 12-6. Scenario 1 – Maximum 2027 PM Peak Level of Service



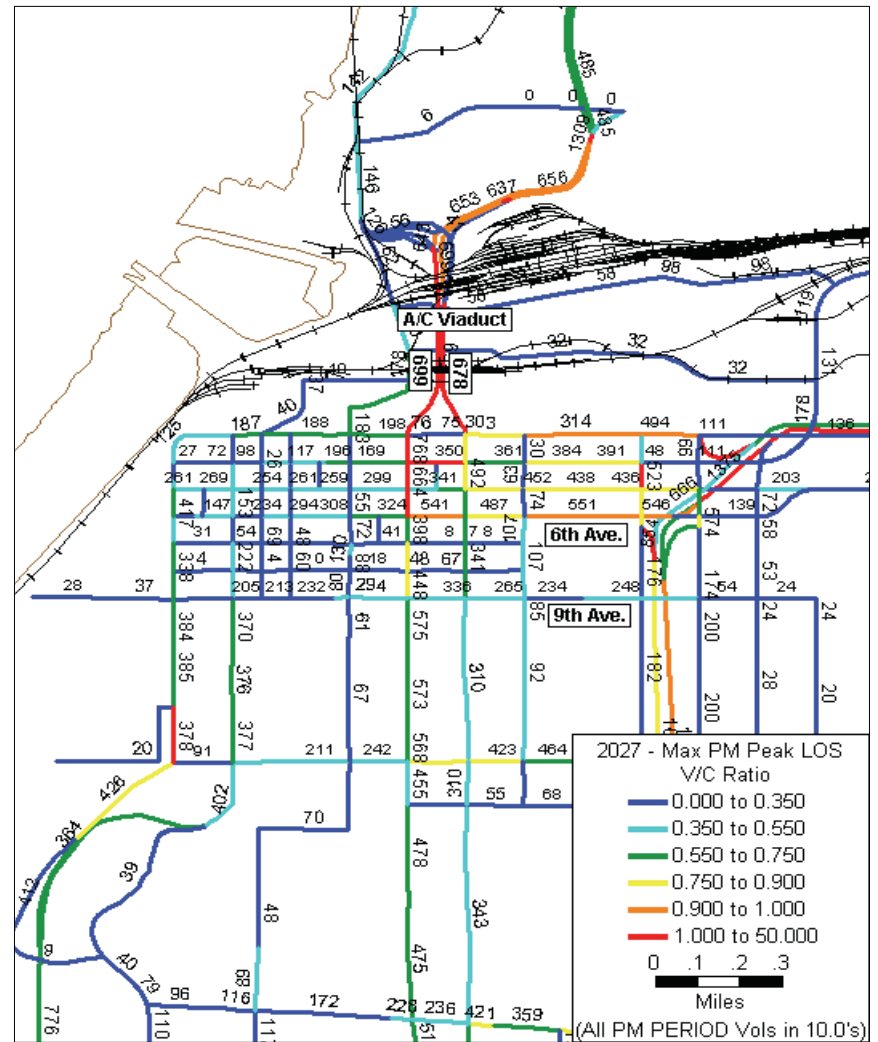
Source: MOA Traffic Department

Figure 12-7. Scenario 2 – 2027 Annual Average Daily Traffic



Source: MOA Traffic Department

Figure 12-8. Scenario 2 – Maximum 2027 PM Peak Level of Service



Source: MOA Traffic Department



**Table 8. Other Federal, State and Local Funded Projects within AMATS Area  
AMATS FFY 2010-2013 PC Approved TIP (November 19, 2009)**

STIP Need ID's	PROJECT DESCRIPTION	Project Phasing Plan	FEDERAL FISCAL PROGRAMMING YEAR (\$,000)								Estimated total needs after 2015	Total project cost 2010-2015
			Source	Carryover	2010	2011	2012	2013	2014	2015		
	Port of Anchorage Intermodal Facility Improvements - Maritime Administration (funding shown in 2010-2013 is estimated and shown for illustrative purposes.)	2010-2013 Programming	MARAD FHWA		\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$0	\$18,000
	Port of Anchorage Intermodal Facility Improvements - Maritime Administration (funding shown in 2010-2013 is estimated pending congressional action on surface transportation bill.)	2010-2013 Programming	MARAD Surface Trans Auth.		\$12,200	\$12,700	\$13,300	\$14,100	\$14,100	\$14,100	\$0	\$80,500
	Port of Anchorage Intermodal Facility Improvements - Maritime Administration (Transfers from Department of Defense (DOD)) funding shown in the 2010-2013 program years is estimated and shown for illustrative purposes.	2010-2013 Programming	MARAD DOD		\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$0	\$90,000
<b>New</b>	Port of Anchorage Intermodal Facility Improvements - (funding shown in the 2010-2013 program years is estimated and shown for illustrative purposes.)	2010-2013 Programming	MARAD State GF & CPV Fees		\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$0	\$120,000
	<b>Port of Anchorage Intermodal Facility Project totals</b>				\$50,200	\$50,700	\$51,300	\$52,100	\$52,100	\$52,100	\$0	\$308,500
<b>1</b>	<b>12259</b> <b>Recreational Trails for Alaska</b> - This program is administered by the Alaska Dept of Natural Resources, Division of Parks and Outdoor Recreation. The program makes funds available through a competitive process for trails improvements. Funding estimate based on 2000 grant awards within AMATS area.	2010-2013 Programming	NA		\$45	\$45	\$45	\$0	\$0	\$0	\$0	\$135
<b>2</b>	<b>19469</b> <b>Rail Extensions, signalization and remotely controlled power switches.</b>	2010-2013 Programming	FRA		\$1,000	\$1,000	\$1,000	\$1,000	\$0	\$0	\$0	\$4,000
<b>3</b>	<b>20255</b> <b>Knik Arm Crossing Access Connections</b> - Design and construct approximately 2.5 miles of roadway behind the Port of Anchorage from the Northern terminus of the planned port expansion south through Government Hill and connecting to the A/C couplet to serve as an alternative access to the port and a primary access to the planned Knik Arm Crossing.	2010-2013 - D/ROW/U/C	FHWA/ Private		\$4,866	\$32,044	\$122,383	\$17,854	\$0	\$0	\$0	\$177,147
<b>4</b>	<b>20256</b> <b>Knik Arm Crossing Toll Financed Bridge Facilities</b> - Design and construct a bridge across Knik Arm between Anchorage and Mat-Su Borough and a connecting roadway between northern terminus of the planned Port of Anchorage expansion and the Bridge.	2010-2013 - D/ROW/U/C	FHWA/ Private		\$3,117	\$73,559	\$206,267	\$260,157	\$0	\$0	\$0	\$543,099
<b>5</b>	<b>18130</b> <b>C Street Construction Phase IV</b> - ARRC crossing at Raspberry Road. Construction of project shown in Table 3, project # 10.	No start date currently	Earmark	\$2,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000
<b>6</b>	<b>8466</b> <b>Ship Creek Improvements</b> - project would provide access road improvements to small boat harbor at Port of Anchorage and culvert at Ship Creek.	2006	Earmark	\$9,867	\$0	\$250	\$0	\$0	\$0	\$0	\$0	\$10,117
<b>7</b>	<b>19470</b> <b>Ship Creek Improvements</b> - project would conduct a hydrology study of Coastal Trail extension to Ship Creek; design bank stabilization at Ship Creek and a watershed study of Ship Creek Drainage.	Underfunded earmark with no start date	Earmark	\$2,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000
<b>9</b>	<b>19480</b> <b>Ferry between Port of Anchorage and Point McKenzie</b>	2006	Earmark	\$2,000	\$0	\$1,000	\$1,000	\$1,000	\$0	\$0	\$0	\$5,000
<b>10</b>	<b>19478</b> <b>C Street Expanded Bus Facility &amp; Intermodal Parking Garage/ Anchorage General Transit Needs.</b>	No start date currently	Earmark	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000
<b>11</b>	<b>19479</b> <b>Alaska Native Medical Center Intermodal Parking Facility</b>	No start date currently	Earmark	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000
<b>12</b>	<b>19481</b> <b>Providence Hospital Public Access Road</b> - project to finish work on Piper Street Project. \$600K of '06 funding is from '05. This project is not included in the Air Quality conformity analysis for the 10-13 TIP.	No start date currently	Earmark	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000
<b>13</b>	<b>19482</b> <b>Construction &amp; Road Improvements @ APU.</b> This project is not included in the Air Quality conformity analysis for the 10-13 TIP.	No start date currently	Earmark	\$6,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,000
<b>14</b>	<b>19484</b> <b>Cook Inlet Tribal Council non-profit Services Center Intermodal Parking Facility</b> - Improvements planned for intersection of DeBarr Rd and Bragaw St.	No start date currently	Earmark	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000

**Table 8. Other Federal, State and Local Funded Projects within AMATS Area  
AMATS FFY 2010-2013 PC Approved TIP (November 19, 2009)**

	STIP	PROJECT DESCRIPTION	Project Phasing Plan	FEDERAL FISCAL PROGRAMMING YEAR (\$,000)								Estimated total needs after 2015	Total project cost 2010-2015	
	Need ID's			Source	Carryover	2010	2011	2012	2013	2014	2015			
15	19485	<b>Dimond Center Intermodal Parking Facility</b> - upgrade existing transit center, including but not limited to design, engineering, permitting and construction.	No start date currently	Earmark	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000	
17	19490	<b>Alaska Native Medical Center Intermodal Parking Facility (FTA Earmark)</b>	No start date currently	Earmark	\$2,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000	
18		<b>48th Avenue Construction [Bragaw St to Boniface Parkway]</b> - Project will construct a new four lane divided parkway connecting Bragaw Street at 48th Avenue to Boniface Parkway at Tudor Road. Amenities will include signal upgrades at Boniface and Tudor Road, and Tudor Centre Drive and Tudor Road, new signals at 48th Avenue	2009/10 - U/C	State GF	\$36,693	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$36,693	
19		<b>Toilsome Hill and Canyon Road Improvements</b>	2013 - C	State GF	\$2,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,100	
<b>TOTALS - Other Federally or State funded Improvements within the AMATS Area - (Note: Table is not shown in priority order. These projects have not been ranked).</b>						<b>\$81,660</b>	<b>\$59,227</b>	<b>\$158,599</b>	<b>\$381,995</b>	<b>\$332,111</b>	<b>\$52,100</b>	<b>\$52,100</b>	<b>\$0</b>	<b>\$1,117,792</b>

**Knik Arm Bridge and Toll Authority**  
**TIFIA Letter of Interest**  
**March 1, 2010**

**Exhibit G**  
**Survey – Alaska Statewide Public Attitudes and**  
**Perceptions about the Knik Arm Toll Bridge – Dittman**  
**Research and Communications**

The AlaskaPoll



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*Information for Solutions*

- ❖ Market Research
- ❖ Public Opinion Analysis
- ❖ Political and Government Research
- ❖ Focus Groups

# ALASKA STATEWIDE PUBLIC ATTITUDES AND PERCEPTIONS

## Knik Arm Bridge And Toll Authority (KABATA)



**January 2009**



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*“In your opinion what is the most important issue facing Alaska at this time -- the main thing that you are personally most concerned about these days?”* ..... 39 - 90

*“As far as you know, what is the main reason some people are opposed to the Knik Arm Bridge between Anchorage and the Matanuska-Susitna Borough?”* ..... 91 - 142

*“And what is the main reason some people are in favor of the Knik Arm Crossing between Anchorage and the Mat-Su Borough?”* ..... 143 - 194

*“This survey is sponsored by the Knik Arm Bridge and Toll Authority as part of their continuing effort to maintain open communication with the public. Is there anything you’d like to add or tell them at this point -- do any other questions come to mind?”* ..... 195 - 226

**VI. Crosstabulations** ..... 196 - 264





# Methodology





## Overview

During the period January 7-13, 2009, one thousand (n=1,000) registered Alaskan voters were personally contacted via telephone concerning their awareness, attitudes and opinions regarding a potential Knik Arm Crossing toll bridge. All views and data were obtained on a strictly confidential basis.

## Research Design

The research design included two components:

- A. Public-at-large statewide
- B. Public-at-large within Anchorage and the Matanuska-Susitna Borough

The public-at-large statewide component included broad, general topics which could be expected to be within the frame of reference for most Alaskans on a statewide basis.

The public-at-large within Anchorage and the Matanuska-Susitna Borough component included topics which could be expected to be within the frame of reference for most Alaskans within the Anchorage and Mat-Su Borough areas.

## Sample Plan

To provide for sufficient respondents in each region for independent geographic sub-group analysis, a sample plan was featured which established that a minimum of n=100 respondents were included in each of Alaska's six major geographic regions.

<b>Sample Allocation</b>
n=225 Mat-Su Valley n=225 Anchorage n=150 Fairbanks n=150 Kenai Peninsula n=150 Southeast n=100 Rural

To provide for representative statewide analysis, the six major geographic regions were individually weighted to accurately account for Alaska's actual geographic population totals.

<b>Regional Weights</b>	
<b>Sample Size</b>	<b>Weighted To</b>
n=225, Matanuska-Susitna	15%
n=225, Anchorage	41%
n=150, Fairbanks	16%
n=150, Kenai Peninsula	8%
n=150, Southeast	12%
n=100, Rural	8%



### **Sample Selection**

Individual respondents were randomly selected from currently registered State of Alaska voter lists for each community within the corresponding geographic region.

### **Sample Error**

The sample error associated with the individual sample sizes included in this report are as follows:

Sample Error	
n=1000	±3.1%
n=225	±6.5%
n=150	±8.0%
n=100	±9.8%

### **Processing the Data**

Dittman Research employees completed coding, editing, data entry and verification, while data processing was completed through the in-house Dittman Research & Communications Corporation computer system featuring the Statistical Package for the Social Sciences (SPSS) program. The SPSS program is one of the most sophisticated research-oriented data processing and analytical systems available, and is designed specifically for the processing and analysis of survey research data.

### **Measurement History**

For over thirty years, citizen opinion measurements by the Dittman Research & Communications Corporation, utilizing the previously described methodology, analytical procedures and data processing systems, have proven to be perfect predictors of every Primary and General election for U.S. Senator and Governor of Alaska.

The state of Alaska has a history of close elections. Over the past 34 years, eight elections for Mayor of Anchorage or Governor of Alaska have been decided by less than one-half of one percent of the vote. The published pre-election surveys by the Dittman Research & Communications Corporation were proven correct in every case.

- 1994 Knowles, Gubernatorial General - 583 votes
- 1990 Fink, Mayor of Anchorage (pre-run-off) - 29 votes
- 1984 Knowles, Mayor of Anchorage - 187 votes
- 1982 Sheffield, Gubernatorial Primary - 260 votes
- 1981 Knowles, Mayor of Anchorage (pre-run-off) - 31 votes
- 1978 Croft, Gubernatorial Primary - 255 votes
- 1978 Hammond, Gubernatorial Primary - 98 votes
- 1974 Hammond, Gubernatorial General - 287 votes

# II Findings





**Alaska Public-At-Large Statewide (n=1000)**



**Alaska Public-At-Large Statewide (n=1000)**

On an open-ended, unaided response basis, three out of four Alaskans (75%) report they are primarily concerned about the economic issues facing Alaska -- nothing else (environment, healthcare, education, corruption) even comes close.

*Question: In your opinion what is the most important issue facing Alaska at this time -- the main thing that you are personally most concerned about these days?*

- 75% { 21% Economy decline, recession, diversify industry
- 17% High energy prices, cost of living
- 13% Develop gasoline, move forward on natural gas pipeline
- 10% Need to develop more oil / gas, increase production, energy crisis
- 6% Need more jobs, better / stable jobs
- 3% State revenue down, falling oil prices
- 3% Need to open ANWR
- 2% Too much government spending, need to balance budget
- 4% Healthcare
- 4% Poor political leaders, corruption
- 4% Negative regarding education
- 4% Protect environment, anti-development, global warming
- 7% Miscellaneous
- 1% No complaints
- 1% Unsure





**Alaska Public-At-Large Statewide (n=1000)**

Alaskans' concerns are fairly consistent geographically; however, "high cost of energy/cost of living" is relatively least important in Anchorage (9%), and a much greater problem in Fairbanks (27%) and Rural (37%) areas. The "gasline" is significantly less important to Southeast and Rural residents (3%), but Rural areas are supportive of "more oil and gas development" in general (16%). Mat-Su residents are relatively more concerned about "jobs" (11%).

*"...most important issue facing Alaska...?"*

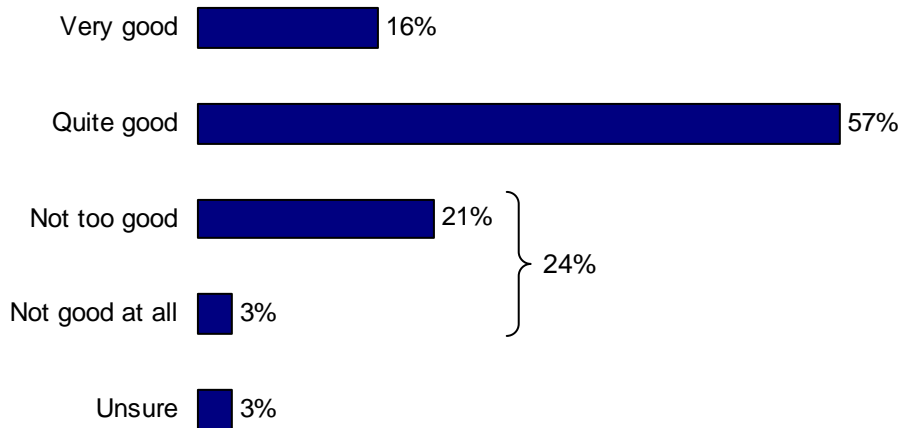
	<u>Mat-Su</u>	<u>Anch.</u>	<u>Fairbanks</u>	<u>Kenai</u>	<u>Southeast</u>	<u>Rural</u>
Economy decline, recession .....	20%	25%	13%	17%	23%	11%
High energy prices, cost of living ..	17%	9%	27%	15%	17%	37%
Develop gasline .....	16%	16%	12%	16%	3%	3%
Need to develop more oil / gas .....	10%	7%	15%	13%	9%	16%
Need more jobs.....	11%	3%	4%	8%	9%	6%
Healthcare.....	1%	7%	2%	3%	3%	2%
Poor political leaders, corruption....	5%	4%	5%	1%	3%	2%
Negative regarding education .....	4%	5%	4%	2%	3%	2%
State revenue down, falling oil prices .....	1%	3%	3%	4%	4%	1%
Need to open ANWR .....	3%	4%	1%	3%	1%	-
Protect environment.....	2%	5%	1%	3%	7%	5%
Too much government spending, need to balance budget .....	1%	4%	2%	1%	1%	2%



**Alaska Public-At-Large Statewide (n=1000)**

Nevertheless, in spite of economic concerns, most Alaskans report confidence in Alaska's economic future. In fact, a majority (57%) say things look "quite good" and another 16% say Alaska's economic future looks "very good", while approximately one out of four (24%) are at the other ("not too good / not good at all") end of the scale.

*Question: Looking into the future, how much confidence do you have in Alaska's economy -- would you say our economic future looks...?*



Confidence in the economy is highest in the "Railbelt region" (70-79%), and lower, but still relatively high (61-64%) in Southeast and Rural areas.

*"...Alaska's economic future...?"*

	<u>Mat-Su</u>	<u>Anch.</u>	<u>Fairbanks</u>	<u>Kenai</u>	<u>Southeast</u>	<u>Rural</u>
Good .....	70%	78%	70%	79%	61%	64%
Not good.....	28%	19%	25%	18%	34%	34%

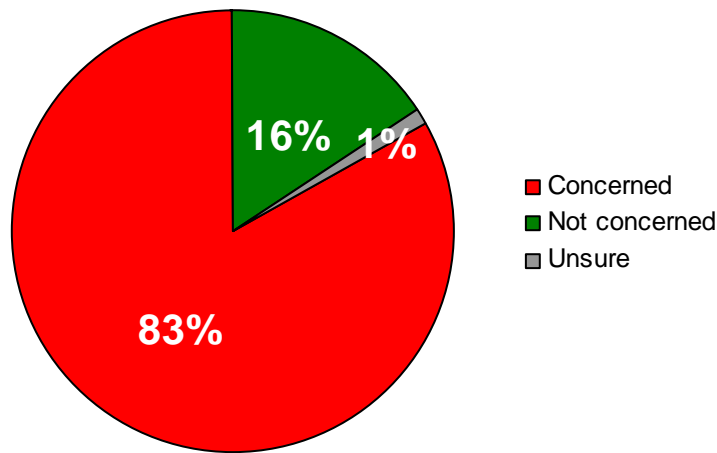




**Alaska Public-At-Large Statewide (n=1000)**

At the same time, there may be some dark clouds gathering in the distance. Over four out of five Alaskans (83%) report they are concerned that the national economic climate may cast a negative shadow on Alaska’s economy and jobs.

*Question: Are you concerned, or not concerned, that the current national economic situation may have a negative effect on Alaska’s economy and employment?*



And the concern regarding the national economic situation is broad-based and consistent throughout the state, including each major geographic region (79-90%).

*“...concerned...national economic situation have negative effect on Alaska...?”*

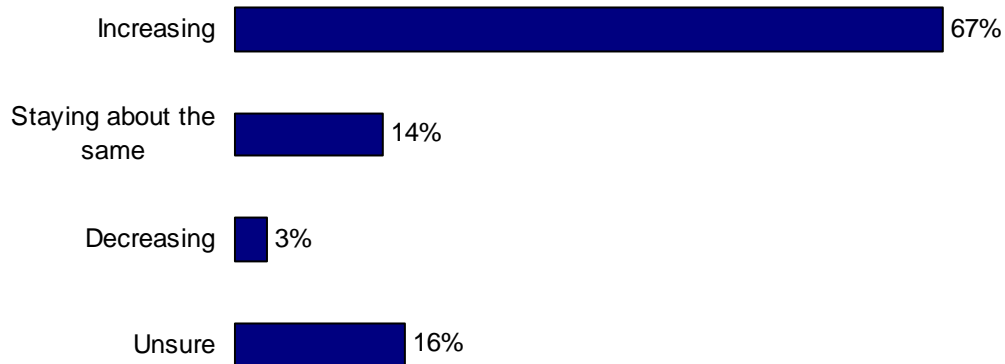
	<u>Mat-Su</u>	<u>Anch.</u>	<u>Fairbanks</u>	<u>Kenai</u>	<u>Southeast</u>	<u>Rural</u>
Concerned.....	85%	81%	81%	79%	90%	80%
Not concerned.....	14%	18%	17%	21%	9%	18%



**Alaska Public-At-Large Statewide (n=1000)**

On the local level, two out of three Alaskans (67%) report they're aware of the population growth in the Matanuska-Susitna Borough.

*Question: As far as you know, is the population of the Mat-Su Borough north of Anchorage increasing, staying about the same or decreasing?*



Awareness of the Mat-Su growth is highest in the Mat-Su Borough (76%) and Anchorage (72%), and weakest in Southeast (52%).

*“...population of Mat-Su Borough...?”*

	<u>Mat-Su</u>	<u>Anch.</u>	<u>Fairbanks</u>	<u>Kenai</u>	<u>Southeast</u>	<u>Rural</u>
Increasing.....	76%	72%	64%	61%	52%	60%
Staying the same .....	19%	18%	12%	14%	5%	6%
Decreasing .....	1%	4%	-	3%	7%	5%
Unsure.....	4%	6%	24%	22%	36%	29%

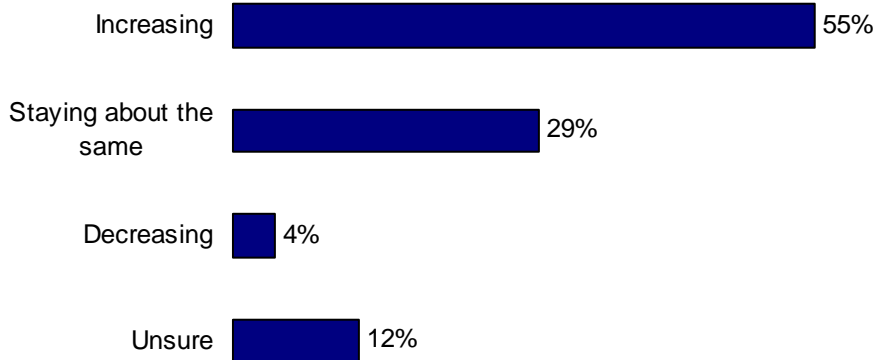




**Alaska Public-At-Large Statewide (n=1000)**

Most Alaskans (55%) also believe the population of Anchorage is increasing.

*Question: And what about the population of Anchorage -- is it increasing, staying about the same or decreasing?*



Geographically, Anchorage (61%) and Rural residents (63%) are most likely to believe Anchorage's population is growing, while residents in Southeast are not so sure (46%).

*"...population of Anchorage...?"*

	<u>Mat-Su</u>	<u>Anch.</u>	<u>Fairbanks</u>	<u>Kenai</u>	<u>Southeast</u>	<u>Rural</u>
Increasing.....	51%	61%	50%	52%	46%	63%
Staying the same .....	36%	32%	24%	31%	22%	15%
Decreasing .....	3%	5%	1%	1%	5%	3%
Unsure.....	10%	2%	25%	16%	27%	19%

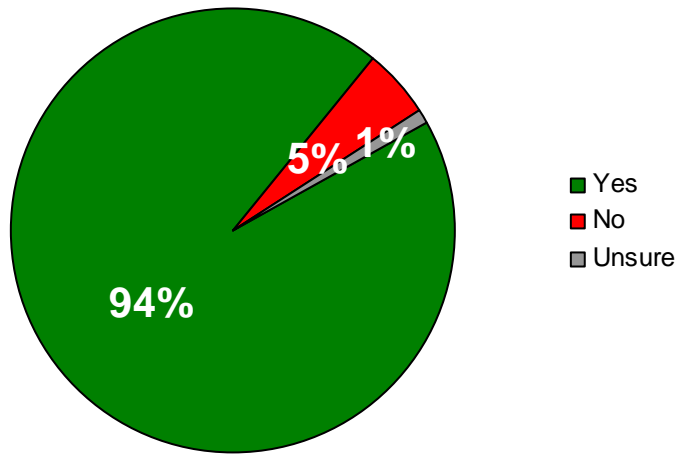




**Alaska Public-At-Large Statewide (n=1000)**

Throughout Alaska, over nine out of ten residents (94%) report they're aware of a proposed bridge between Anchorage and the Mat-Su Borough.

*Question: Have you ever read or heard anything about a proposed bridge between Anchorage and the Matanuska-Susitna Borough called the Knik Arm Crossing?*



With awareness highest in Anchorage (100%), the Mat-Su Valley (98%), and other “Railbelt” communities (93%) -- Knik Arm Crossing awareness is also high and only slightly lower in Southeast (85%) and Rural areas (80%).

*“...heard about proposed bridge...?”*

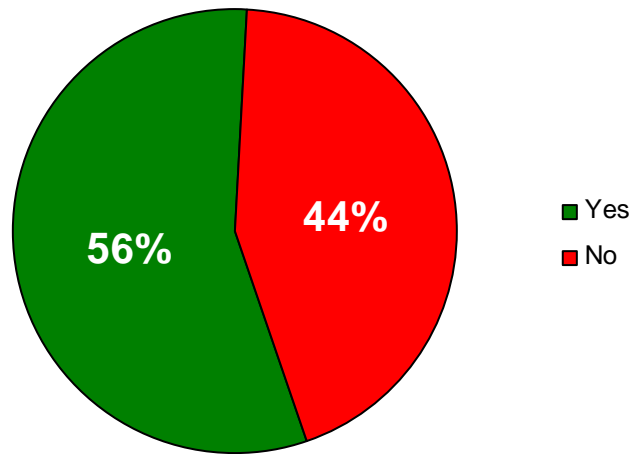
	<u>Mat-Su</u>	<u>Anch.</u>	<u>Fairbanks</u>	<u>Kenai</u>	<u>Southeast</u>	<u>Rural</u>
Yes .....	(98%)	(100%)	(93%)	(93%)	85%	80%
No .....	2%	-	6%	7%	15%	20%



**Alaska Public-At-Large Statewide (n=1000)**

Approximately half (56%) of all respondents statewide also report they're aware of the Knik Arm Bridge and Toll Authority, the organization established by the state legislature to guide bridge construction.

*Question: Have you read or heard anything about an organization called the Knik Arm Bridge and Toll Authority – also known as “KABATA”?*



Public awareness of KABATA is predictably highest in Anchorage (72%) and the Mat-Su (66%) region, followed by the Kenai Peninsula (51%), and about half that level (33-35%) among residents in Fairbanks, Southeast and Rural communities.

*“...heard about KABATA...?”*

	<u>Mat-Su</u>	<u>Anch.</u>	<u>Fairbanks</u>	<u>Kenai</u>	<u>Southeast</u>	<u>Rural</u>
Yes .....	66%	72%	33%	51%	34%	35%
No .....	34%	28%	66%	49%	65%	63%



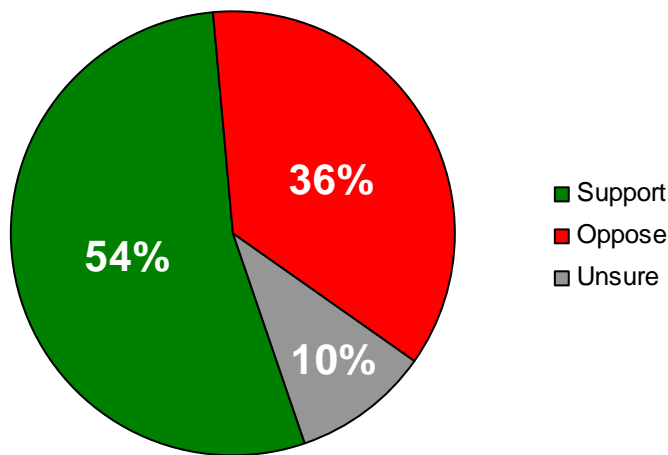
# FINDINGS ALASKAN ATTITUDES & PERCEPTIONS

## Alaska Public-At-Large Statewide (n=1000)

A majority of Alaskans (54%) report they support the “mission” of the Knik Arm Bridge and Toll Authority.

*Question: The Knik Arm Bridge And Toll Authority was created by the state legislature in 2003 with a mission to: “...develop, stimulate, and advance the economic welfare of the state, and further the development of public transportation systems in the vicinity of the upper Cook Inlet through the construction of a bridge to span Knik Arm and connect the Municipality of Anchorage and the Matanuska-Susitna Borough.”*

*Overall, do you support or oppose the mission of the Knik Arm Bridge and Toll Authority?*



Geographically, support is highest in the Mat-Su (69%), Anchorage (54%), Kenai Peninsula (52%) and Rural (56%) areas. Fairbanks is close to a majority in favor (49%), while Southeast residents (40%) are least supportive of the KABATA mission.

*“...support or oppose mission of KABATA...?”*

	<u>Mat-Su</u>	<u>Anch.</u>	<u>Fairbanks</u>	<u>Kenai</u>	<u>Southeast</u>	<u>Rural</u>
Support.....	69%	54%	49%	52%	40%	56%
Oppose.....	26%	40%	37%	35%	40%	29%
Unsure.....	4%	7%	14%	13%	20%	15%

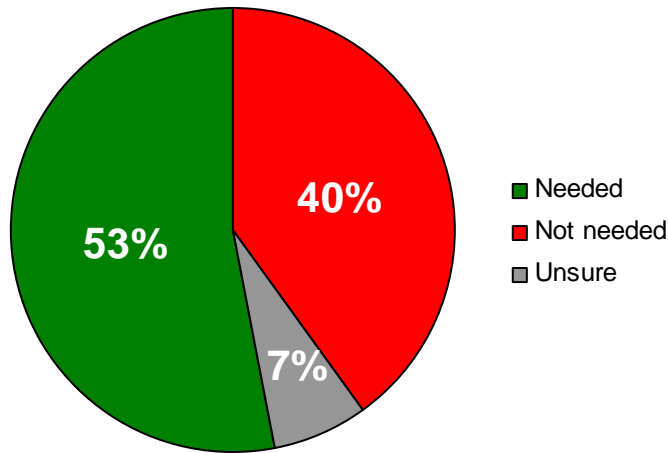




**Alaska Public-At-Large Statewide (n=1000)**

Similar to the statewide percentage in support of the Knik Arm Bridge and Toll Authority “mission” (54%), a majority (53%) also believe a bridge across the Knik Arm will be needed in the near future.

*Question: Building a bridge across the Knik Arm between Anchorage and the Matanuska-Susitna Borough has been considered for many years. As the populations of these areas continue to grow, interest in the subject appears to be increasing. In your opinion at this time -- based on what you’ve heard or read, or your personal experience -- do you feel a bridge across the Knik Arm connecting Anchorage and the Matanuska-Susitna Valley will be needed in the near future, or not?*



Again, support is high in the Mat-Su Valley (66%) and other “*Railbelt*” communities (52-54%), but in this case, Rural residents (62%) also agree with the need for a bridge across the Knik Arm in the near future -- only Southeast residents (46%) are opposed.

“...bridge will be needed in near future, or not...?”

	<u>Mat-Su</u>	<u>Anch.</u>	<u>Fairbanks</u>	<u>Kenai</u>	<u>Southeast</u>	<u>Rural</u>
Needed.....	66%	52%	54%	53%	37%	62%
Not needed.....	30%	45%	39%	43%	46%	29%
Unsure.....	4%	3%	7%	4%	17%	9%





**Alaska Public-At-Large Statewide (n=1000)**

Opposition to a Knik Arm bridge is most often believed to be caused by “cost” or “expense” concerns (54%), followed by “anti-development and environmental concerns” (9%), “lack of need” (5%) and “social impacts” (4%).

*Question: As far as you know, what is the main reason some people are opposed to the Knik Arm Bridge between Anchorage and the Matanuska-Susitna Borough?*

- 54% { 47% Too expensive, cost, waste of money
- 4% Spend money on other transportation needs
- 3% Spend money on other (non-transportation) needs
- 9% Environmental concerns, anti-development
- 5% Not needed, not benefit enough people
- 4% Social impacts -- population increase, too crowded, increased crime
- 3% Not practical, question feasibility and safety
- 2% Pocket-lining, politics, special interests
- 2% Impact on Government Hill
- 2% Impact on downtown traffic, question downtown route
- 1% Won't actually benefit the Valley, won't save time
- 1% Bridge will charge toll
- 1% Will decrease property values
- 1% "Bridge to Nowhere"
- 1% Land issues -- lose farmland, land values increase, not want development
- 1% Miscellaneous
- 13% Don't know, unsure





# FINDINGS

## ALASKAN ATTITUDES & PERCEPTIONS

### Alaska Public-At-Large Statewide (n=1000)

Geographically, references to “expense / cost” lead the list in all areas, but are slightly less common in Mat-Su and Rural areas, where “environmental concerns” (11-12%) are mentioned relatively more often. “Environmental concerns” were also mentioned by respondents in Fairbanks, while 6% of Mat-Su respondents said they thought opposition to the Knik Arm Crossing was related to a perceived “lack of benefit”.

*“...main reason some people are opposed...?”*

	<u>Mat-Su</u>	<u>Anch.</u>	<u>Fairbanks</u>	<u>Kenai</u>	<u>Southeast</u>	<u>Rural</u>
Too expensive, cost.....	42%	53%	42%	46%	44%	35%
Other transportation needs .....	2%	5%	4%	5%	2%	2%
Other (non-transportation) needs...	1%	-	4%	3%	8%	6%
Environmental concerns .....	11%	6%	16%	10%	9%	12%
Not needed .....	6%	3%	8%	6%	5%	3%
Social impacts.....	5%	3%	2%	4%	3%	5%
Not practical / feasible.....	5%	4%	1%	5%	-	2%
Pocket-lining, politics .....	2%	2%	4%	3%	2%	4%
Impact on Government Hill .....	1%	3%	-	1%	1%	-
Impact on downtown.....	1%	4%	1%	1%	1%	1%
Won't actually benefit the Valley ...	6%	-	1%	-	2%	3%
Bridge will charge toll.....	2%	1%	-	1%	1%	-
Will decrease property values.....	2%	1%	-	1%	-	-
“Bridge to Nowhere” .....	-	1%	2%	1%	1%	-
Land issues / farmland.....	2%	1%	1%	2%	-	2%





# FINDINGS ALASKAN ATTITUDES & PERCEPTIONS

## Alaska Public-At-Large Statewide (n=1000)

On the other hand, support for a Knik Arm bridge is most often believed to be related to “shorter commute / convenience / save time and fuel / improve traffic / reduce congestion” (47%), followed by “land to expand” (16%) and “economic / employment” advantages (11%).

*Question: And what is the main reason some people are in favor of the Knik Arm Crossing between Anchorage and the Mat-Su Borough?*

- 47% { 40% Shorter commute, convenience, save time, save fuel
- 7% Improve traffic / reduce congestion
- 16% Open up land to expand
- 11% Good for economy, jobs
- 5% They will make money, own land there
- 5% Pocket-lining, political, greedy
- 2% Progress, development
- 2% Need improved infrastructure
- 2% Alternate route in/out of Anchorage
- 1% Generally a good idea
- 9% Don't know, unsure

On a geographic basis, “shorter commute / convenience / save time and fuel” is mentioned most often in all regions, but less often in Southeast (36%), while “availability of land” is mentioned most often in the Mat-Su (18%) and Anchorage (19%) areas.

*“...main reason some people are in favor...?”*

	<u>Mat-Su</u>	<u>Anch.</u>	<u>Fairbanks</u>	<u>Kenai</u>	<u>Southeast</u>	<u>Rural</u>
Shorter commute, less time .....	35%	42%	45%	38%	33%	41%
Improve traffic / congestion.....	12%	8%	8%	7%	3%	5%
Open up land to expand.....	18%	19%	9%	16%	13%	12%
Good for economy, jobs.....	9%	11%	9%	13%	16%	5%
They will make money .....	6%	6%	3%	3%	6%	10%
Pocket-lining, political, greedy .....	3%	6%	3%	4%	3%	3%
Progress, development.....	3%	1%	2%	2%	4%	1%
Need improved infrastructure.....	2%	1%	2%	3%	4%	2%
Alternate route .....	7%	2%	1%	1%	1%	1%
Generally a good idea.....	1%	-	2%	2%	4%	1%



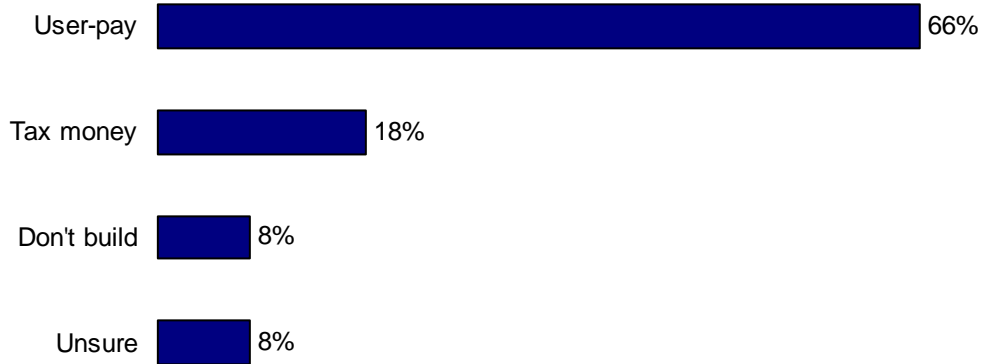


**Alaska Public-At-Large Statewide (n=1000)**

Approximately two out of three statewide respondents (66%) report they like the idea of “user-pay” financing to pay for most of the expenses associated with a Knik Arm bridge.

*Question: The proposed financing for a Knik Arm bridge is different from other bridges and roads in Alaska. The Knik Arm bridge funding plan specifies that most of its construction costs and all of its maintenance and operations expenses would be paid by tolls from users of the bridge, not state or local tax money.*

*Do you support this mostly user-pay funding plan, or would you prefer tax money be used like on the other Alaska bridges?*



Substantial support is reported in each geographic region; however, support is lower (59-63%) in the areas with the greatest potential number of “users”.

*“...support user-pay funding or tax money...?”*

	<u>Mat-Su</u>	<u>Anch.</u>	<u>Fairbanks</u>	<u>Kenai</u>	<u>Southeast</u>	<u>Rural</u>
User-pay funding.....	63%	59%	74%	75%	76%	65%
Tax money .....	21%	21%	17%	9%	11%	21%
Don't build bridge .....	9%	9%	4%	11%	10%	7%
Unsure.....	7%	11%	5%	5%	3%	7%

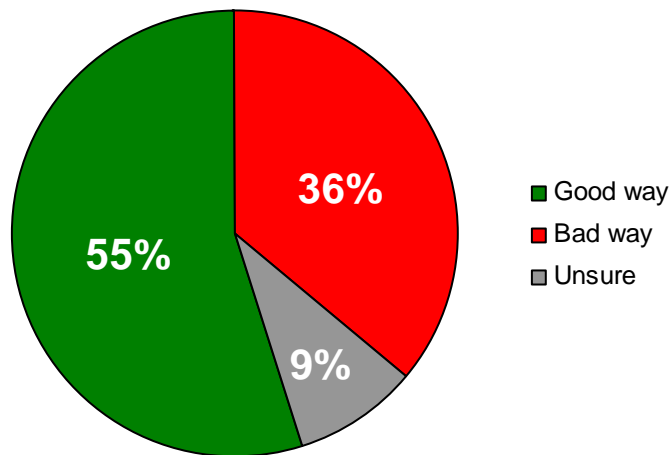


**Alaska Public-At-Large Statewide (n=1000)**

A majority (55%) of Alaskans report they support the “public / private partnership” aspect of the proposed Knik Arm Crossing bridge project.

*Question: In total, the Knik Arm Crossing is proposed to be a public-private partnership. The bridge is estimated to cost approximately \$600 to \$700 million dollars, with the state paying about 10 to 30% percent and the private sector paying the other 70 to 90%. The private sector will be responsible for all operations and maintenance and will get its money back and make a profit by charging users a \$4 dollar to \$6 dollar toll to use this bridge.*

*In your opinion, does this public-private partnership sound like a good way or bad way to build and pay for a Knik Arm bridge?*



And support is highly consistently in each geographic area (51-57%).

*“...public-private partnership good way or bad way to build and pay for bridge...?”*

	<u>Mat-Su</u>	<u>Anch.</u>	<u>Fairbanks</u>	<u>Kenai</u>	<u>Southeast</u>	<u>Rural</u>
Good way .....	53%	56%	51%	54%	56%	57%
Bad way .....	36%	37%	40%	35%	34%	31%





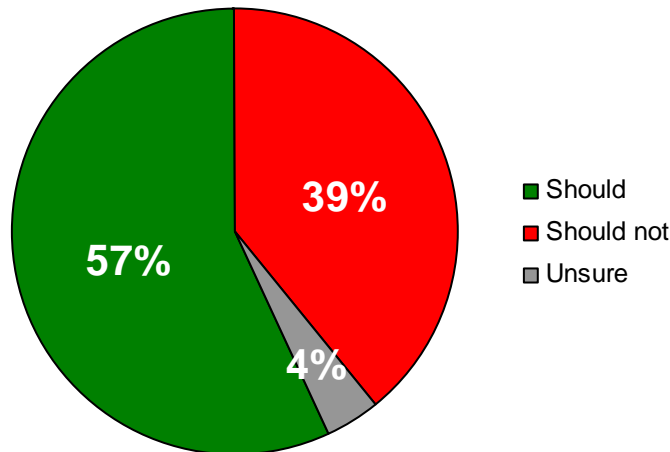
**Alaska Public-At-Large Statewide (n=1000)**

And altogether, when advised of some basic facts, by a wide margin (57% to 39%), Alaskans report they believe the Knik Arm Crossing toll bridge should be built.

*Question: And now I'm going to read some basic facts about a potential Knik Arm Crossing toll bridge:*

- 1. The combined population of Anchorage and the Matanuska-Susitna Borough is over 360,000 and the two areas are connected by one four-lane highway.*
- 2. Approximately 40% of the Mat-Su Borough workforce commutes to Anchorage daily over the one highway.*
- 3. The University of Alaska forecasts that the populations of Anchorage and the Mat-Su Borough will increase by over 50% during the next twenty-five years -- which means nearly 200,000 new residents in the areas.*
- 4. The cost of a Knik Arm Crossing bridge is estimated to be \$600 to \$700 million dollars, with the state paying approximately 10 to 30% and bridge users paying between 70 to 90%. The bridge users will also pay for all maintenance and operations.*

*That's the basic background. In your opinion, do you feel the Knik Arm Crossing toll bridge should or should not be built?*





# FINDINGS ALASKAN ATTITUDES & PERCEPTIONS

## Alaska Public-At-Large Statewide (n=1000)

Comparing the various geographic regions throughout Alaska, support for the Knik Arm Crossing is highest in the Mat-Su Valley (69%) and Rural areas (62%), and consistently between 53-56% everywhere else.

*“...basic background...bridge should or should not be built...?”*

	<u>Mat-Su</u>	<u>Anch.</u>	<u>Fairbanks</u>	<u>Kenai</u>	<u>Southeast</u>	<u>Rural</u>
Should .....	69%	54%	53%	56%	55%	62%
Should not .....	27%	43%	43%	39%	36%	34%
Unsure.....	4%	3%	4%	5%	9%	4%



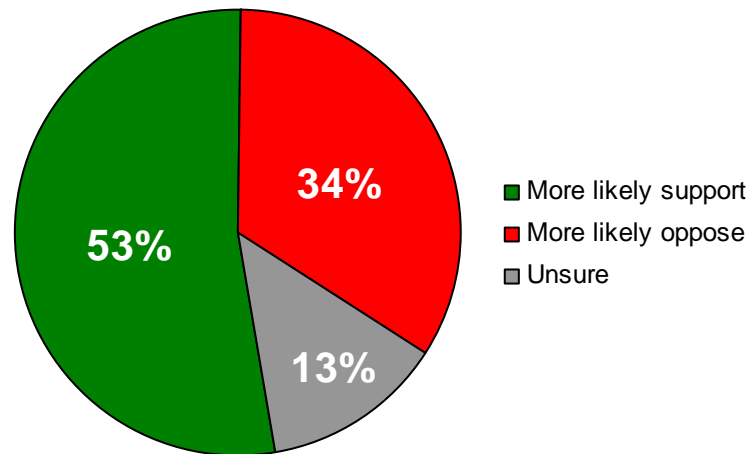


**Alaska Public-At-Large Statewide (n=1000)**

The availability of up to \$600 million dollars of lower-cost, tax-exempt bonding capability appears likely to increase support for the Knik Arm Crossing.

*Question: And now I'm going to read some other information that's not widely known: The Knik Arm Bridge and Toll Authority has obtained \$600 million dollars of private bond capacity which would allow a private company to borrow money to build the bridge on a lower-cost, tax-exempt basis. The private company and not the state, would be responsible for repayment of the bonds.*

*Does this information cause you to feel more likely to support or oppose building the Knik Arm Crossing?*



...with support exceeding opposition in all geographic regions, but slightly lower in Anchorage.

*"...\$600 million dollars private bonds... more likely to support or oppose...?"*

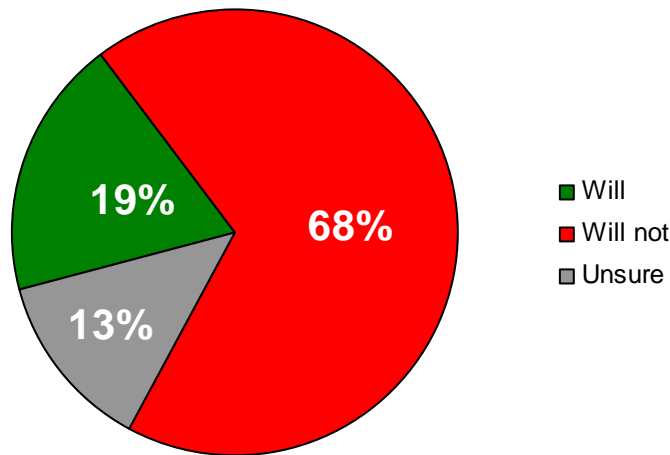
	<u>Mat-Su</u>	<u>Anch.</u>	<u>Fairbanks</u>	<u>Kenai</u>	<u>Southeast</u>	<u>Rural</u>
More likely to support .....	61%	48%	53%	56%	53%	59%
More likely to oppose .....	24%	39%	35%	29%	32%	28%



**Alaska Public-At-Large Statewide (n=1000)**

By a wide margin (68% to 19%) Alaskans statewide report they do not feel the Knik Arm Crossing bridge will give too much power and influence to the Anchorage / Mat-Su Valley area.

*Question: Do you feel building the Knik Arm Crossing bridge to connect Anchorage and the Mat-Su Valley will or will not give too much power and influence to that area of the state?*



Mat-Su and Anchorage residents (74-83%) strongly disagree that they would gain excessive power and influence from the presence of a Knik Arm bridge; however, public views are different in Southeast -- a plurality (44%) of Southeast residents report they do believe a bridge connecting Anchorage and the Mat-Su Valley would lead to too much power and influence in that area.

*“...bridge will or will not give too much power to that area...?”*

	<u>Mat-Su</u>	<u>Anch.</u>	<u>Fairbanks</u>	<u>Kenai</u>	<u>Southeast</u>	<u>Rural</u>
Will.....	15%	5%	30%	20%	44%	32%
Will not.....	74%	83%	56%	68%	39%	45%
Unsure.....	11%	12%	14%	12%	17%	23%



Alaska Public-At-Large Statewide (n=1000)

When the most common reasons both for and against building the Knik Arm Crossing toll bridge are presented together, the largest number of Alaskans (56%) report they support building the Knik Arm Crossing. \*

Question: Now I'm going to read some other information... \*

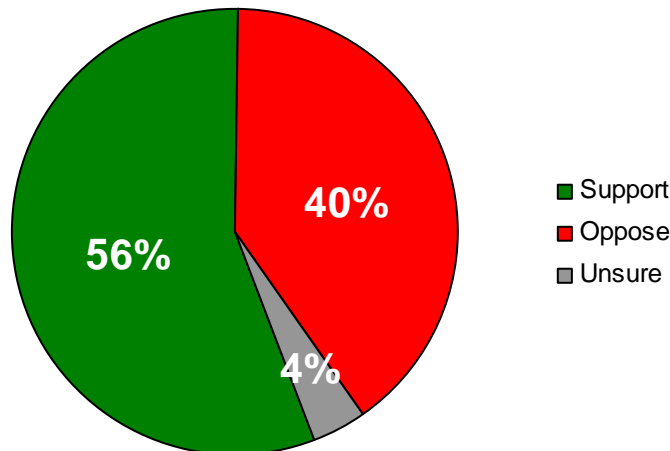
Those in favor of a bridge across the Knik Arm say:

- 1. It's needed, over half of the state's population lives in the two areas and there's only one four-lane highway connecting them.
- 2. Studies show a bridge will lead to over 14,000 jobs and over \$18 billion dollars in economic growth in twenty-three years.
- 3. With gas at \$2.50 gallon, the bridge will save over \$40 million dollars a year in vehicle operating expenses.
- 4. It will reduce high-density housing in Anchorage and provide access to more affordable homes in the Mat-Su Borough where new houses cost approximately \$100,000 less than in Anchorage.
- 5. By reducing traffic congestion, the Knik Arm bridge will reduce carbon emissions by 80,000 metric tons a year.

Those opposed to a bridge across the Knik Arm say:

- 1. It's not needed -- car and van pooling, mass transit busses and trains and a ferry will provide all the transportation that will ever be needed.
- 2. It will primarily only benefit land speculators who have been buying up land in the area.
- 3. It will cost too much and take money away from other more important transportation needs.
- 4. The availability of lower cost homes in the Mat-Su Borough will lead to a decline of housing values in Anchorage.
- 5. It will harm the environment and threaten the endangered beluga whale population.

Overall, when you weigh the reasons for and against, do you support or oppose building the Knik Arm Crossing toll bridge?



\* Note: The presentation of the information was alternated so that half the respondents received the "in favor" descriptions first, while the other half received the "opposed" descriptions first.



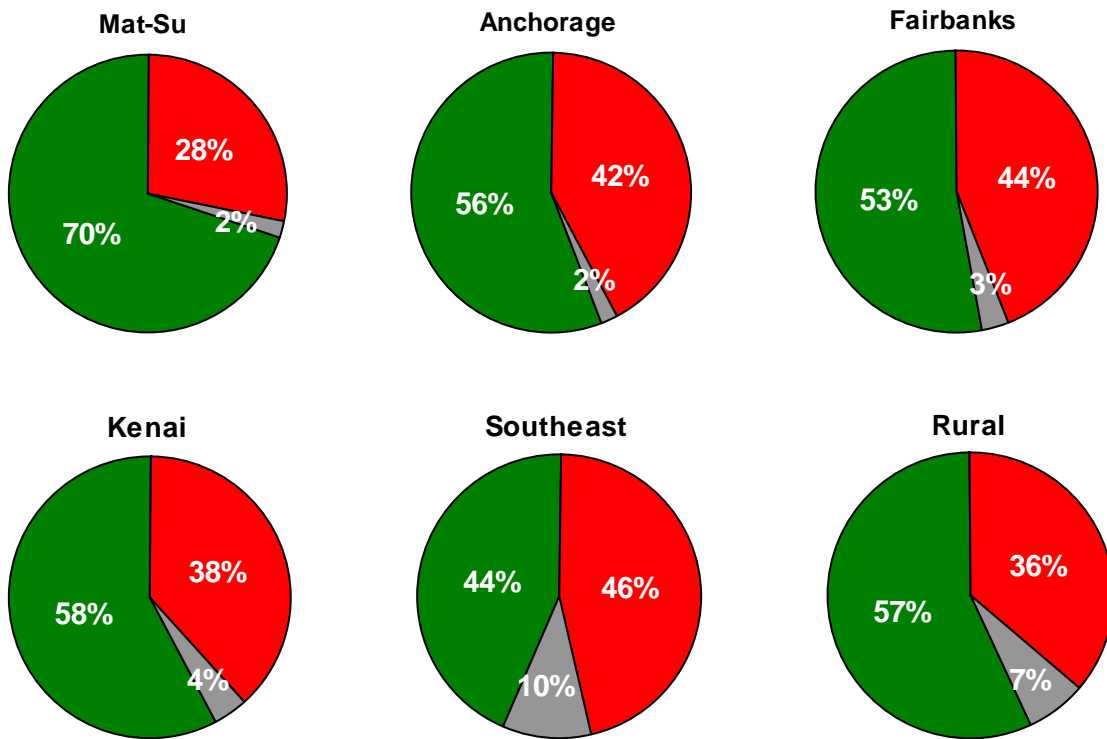


**Alaska Public-At-Large Statewide (n=1000)**

On a geographic basis, support for building the Knik Arm Crossing bridge exceeds opposition in every region, with the exception of Southeast (44% “support”, 46% “oppose”). Support is highest in the Mat-Su Valley (70%) and virtually identical (53-58%) in the other geographic areas.

*“...when weigh reasons for and against...support or oppose building...?”*

- Support
- Oppose
- Unsure





**Anchorage / Mat-Su Borough (n=450)**



**Anchorage / Mat-Su Borough (n=450)**

Overall, most Anchorage and Mat-Su Valley residents report they believe the current Glenn Highway traffic situation is not good -- with over half (52-57%) reporting “fairly frequent or nearly daily congestion and delays”.

*Question: Based on what you’ve read or heard from others, or your own personal experience, how would you rate the current Glenn Highway traffic between the Mat-Su Borough and Anchorage?*

	<u>Mat-Su</u>	<u>Anchorage</u>
Very good, with no congestion or delays .....	3%	2%
Pretty good, but occasional congestion and delays.....	36%	40%
Pretty bad, with fairly frequent congestion and delays.....	31%	28%
Very bad, with nearly daily congestion and delays.....	26%	24%
Unsure .....	5%	6%

} 57%
} 52%

Note: Glenn Highway traffic is rated particularly bad by Mat-Su residents who commute to Anchorage for work:

Very good, with no congestion or delays	4%
Pretty good, but occasional congestion and delays	28%
Pretty bad, with fairly frequent congestion and delays	30%
Very bad, with nearly daily congestion and delays	35%





**Anchorage / Mat-Su Borough (n=450)**

And by a very wide margin, Anchorage and Mat-Su residents believe the current highways connecting the two areas will not be adequate over the next 25 years.

*Question: 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?*

	<u>Mat-Su</u>	<u>Anchorage</u>
Will be adequate .....	17%	21%
Will not be adequate .....	<b>79%</b>	<b>70%</b>
Unsure .....	4%	9%

Altogether, the vast majority (67-79%) of Mat-Su Valley and Anchorage residents believe the Knik Arm Crossing bridge should be included in the Southcentral Alaska long-range transportation plan.

*Question: Do you feel planning for a Knik Arm bridge should or should not be included in Southcentral Alaska's long-range transportation planning?*

	<u>Mat-Su</u>	<u>Anchorage</u>
Should be included .....	<b>79%</b>	<b>67%</b>
Should not be included .....	17%	31%
Unsure .....	4%	2%



**Anchorage / Mat-Su Borough (n=450)**

Residents of Anchorage are approximately equally split (48% to 46%) regarding whether a tunnel under Government Hill to allow freight to bypass Anchorage is a good reason to build the Knik Arm Crossing, while Mat-Su residents are clearly supportive (66%).

*Question: Currently all freight headed north by truck from the Port of Anchorage goes through Anchorage on the way to the Glenn Highway. The Knik Arm Crossing would bypass Anchorage and include a tunnel under Government Hill from the port so the freight could go directly north without going through Anchorage.*

*Do you feel that is or is not a good reason to build the Knik Arm Crossing bridge?*

	<u>Mat-Su</u>	<u>Anchorage</u>
Is good reason .....	66%	48%
Is not good reason .....	27%	46%
Unsure .....	7%	6%



**Anchorage / Mat-Su Borough (n=450)**

Anchorage and Mat-Su Valley respondents were presented with seven potential negative effects which have been mentioned by critics of a Knik Arm Crossing bridge. In total, a majority of Mat-Su respondents disagreed with all seven potential negative effects, while Anchorage respondents disagreed with five potential negative effects.

*Question: The Knik Arm Crossing proposal being considered is a toll bridge, with users of the bridge paying for most of the construction costs and all of the operations and maintenance expenses. I'm going to read some of the different reasons people give both for and against construction of the Knik Arm Crossing toll bridge. Please tell me whether you agree or disagree with their reasons...*

<u>Potential Negative Effects</u>		<u>Mat-Su</u>	<u>Anchorage</u>
"The Knik Arm Crossing should not be built because it will attract too many people to the Southcentral area and cause urban sprawl"	Agree	20%	21%
	Disagree	(79%)	(73%)
"The Knik Arm Crossing should not be built because it will impact local housing and a park on Government Hill"	Agree	20%	34%
	Disagree	(74%)	(61%)
"The Knik Arm Crossing will harm the environment and threaten the endangered beluga whale populations"	Agree	21%	29%
	Disagree	(71%)	(63%)
"The Knik Arm Crossing should not be built because it is not needed. Car and van-pooling, busses, a commuter train and a ferry will provide all the transportation options that will ever be needed between the Mat-Su Valley and Anchorage"	Agree	28%	37%
	Disagree	(69%)	(61%)
"Rather than build a bridge, we should increase the size of the Glenn Highway to at least six lanes"	Agree	34%	33%
	Disagree	(63%)	(63%)
"The Knik Arm Crossing will cost too much and take money away from other more important transportation needs"	Agree	32%	(50%)
	Disagree	(65%)	46%
"The Knik Arm Crossing will primarily just benefit land speculators who have been buying up land in the area"	Agree	40%	(55%)
	Disagree	(56%)	42%





**Anchorage / Mat-Su Borough (n=450)**

Anchorage and Mat-Su Valley respondents were also presented with eight potential positive effects which have been mentioned by advocates of a Knik Arm Crossing bridge. In total, a majority of Mat-Su and Anchorage respondents agreed with seven of the eight potential positive effects.

*Question: The Knik Arm Crossing proposal being considered is a toll bridge, with users of the bridge paying for most of the construction costs and all of the operations and maintenance expenses. I'm going to read some of the different reasons people give both for and against construction of the Knik Arm Crossing toll bridge. Please tell me whether you agree or disagree with their reasons...*

<u>Potential Positive Effects</u>		<u>Mat-Su</u>	<u>Anchorage</u>
“Anchorage is rapidly running out of usable land and a Knik Arm Crossing will provide more affordable land for residential and commercial use”	Agree Disagree	78% 18%	67% 31%
“The Knik Arm Crossing will be a shorter commute and save fuel and time between much of the western Mat-Su Valley and Anchorage”	Agree Disagree	72% 26%	67% 28%
“People who do not personally use the Knik Arm Crossing on a regular basis will still benefit because it will spread out the growth, and reduce overcrowding and congestion in any one area”	Agree Disagree	78% 20%	60% 36%
“The Knik Arm Crossing should be built because it will better connect the healthy job market in Anchorage with the more affordable housing costs of the Mat-Su Valley”	Agree Disagree	74% 22%	60% 38%
“The Knik Arm Crossing should be built because the bridge will save gas, reduce traffic congestion, cut exhaust emissions and benefit the environment”	Agree Disagree	72% 28%	59% 39%
“The Knik Arm Crossing should be built soon, because Southcentral Alaska is growing – and it will be more expensive later”	Agree Disagree	70% 27%	53% 45%
“The Knik Arm Crossing should be built because it would provide an important economic stimulus for Southcentral Alaska and help reduce the impact of the current recession”	Agree Disagree	64% 33%	50% 48%
“The year 2010 completion of the new one-thousand five hundred inmate state prison near Point MacKenzie on the Mat-Su side makes the Knik Arm Crossing more necessary”	Agree Disagree	47% 47%	35% 55%





**[ASKED IN MAT-SU BOROUGH ONLY (n=225)]**

A majority (52%) of Mat-Su residents say they don't feel a Knik Arm Crossing will give some Valley communities a competitive advantage over others; however, a fairly large percentage (38%) say they think it would.

*Question: If the proposed Knik Arm Crossing is built do you feel it will or will not give some Mat-Su communities a competitive advantage over others?*

	<u>Mat-Su</u>
Will give.....	38%
Will not give.....	(52%)
Unsure .....	10%

Nevertheless, when the overall-user aspects are considered, approximately three out of four Mat-Su residents (76%) report they believe the Knik Arm bridge will provide a good balance of benefits.

*Question: A Knik Arm bridge between Point MacKenzie and Anchorage will attract users from Wasilla, Big Lake, Houston and the western part of the Mat-Su Borough. This will reduce traffic and congestion on the Glenn Highway which is used by the Butte, Palmer, Sutton and eastern part of the Mat-Su Borough. Does this seem like a good balance of benefits, or not?*

	<u>Mat-Su</u>
Yes, good balance .....	(76%)
No, poor balance.....	21%
Unsure .....	3%

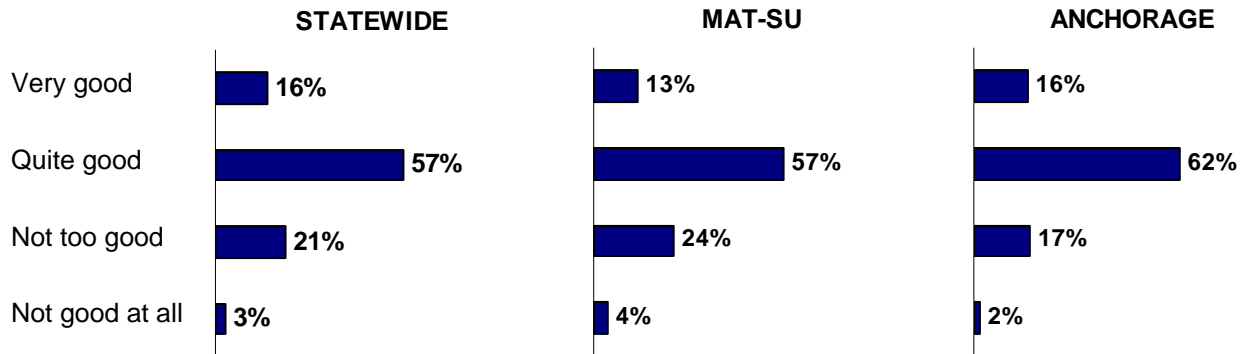
# III Summary



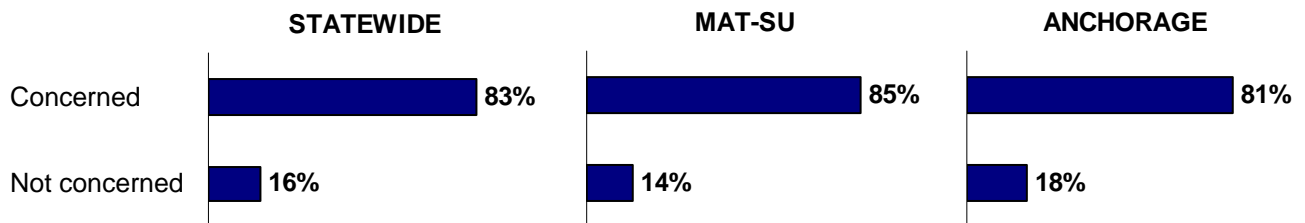


SUMMARY OF FINDINGS

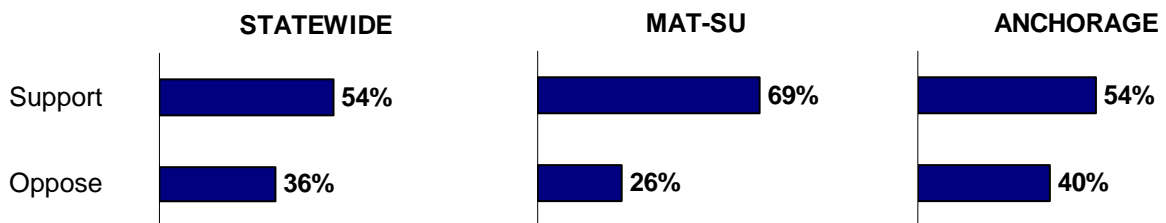
- ◆ Overall, most Alaskans report confidence that the state’s economy looks “quite good”; however, relatively few say it looks “very good” and approximately one out of four say the economic future does not look good.



- ◆ Alaskans report substantial concern that the national economic situation may have a negative effect on Alaska’s economy and jobs.



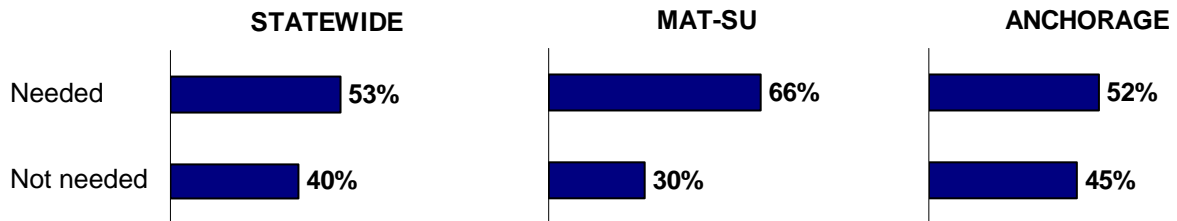
- ◆ Most Alaskans support the legislative mission for the Knik Arm Bridge and Toll Authority.



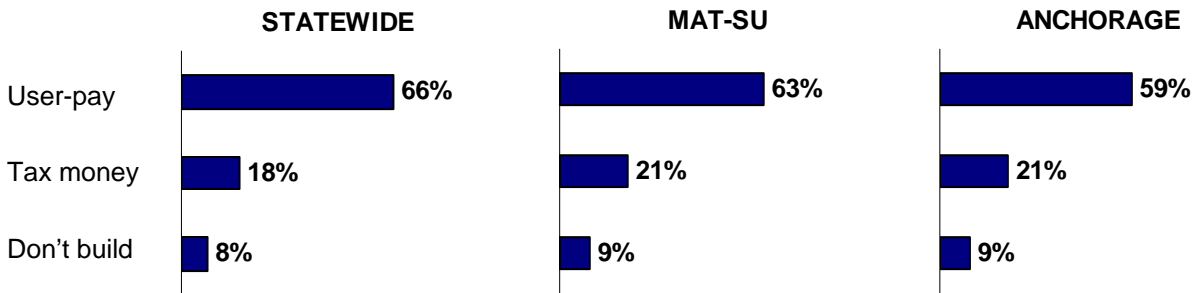


## SUMMARY OF FINDINGS (CONT'D)

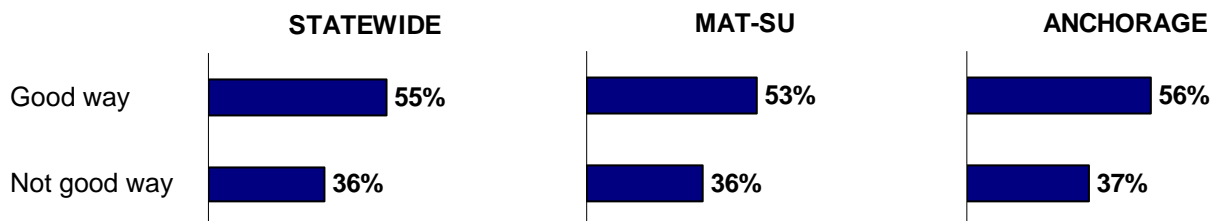
- ◆ The Knik Arm Crossing is believed to be needed in the near future.



- ◆ There is broad support for a user-pay funding plan.



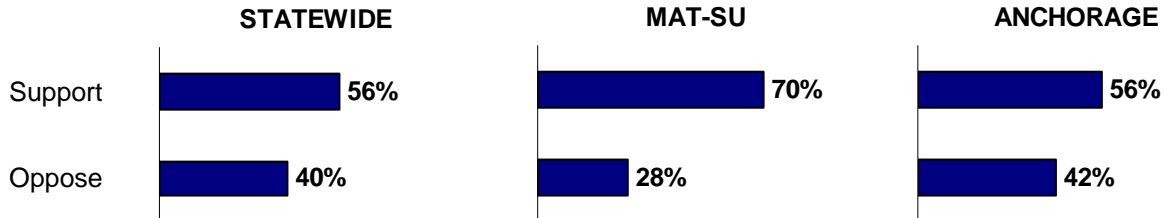
- ◆ Public-private partnership is thought to be a good way to build and pay for a Knik Arm Crossing toll bridge.



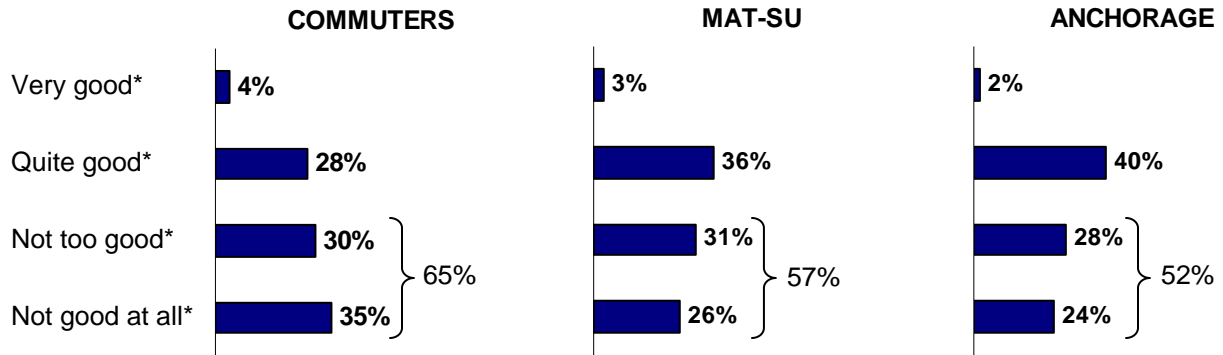


**SUMMARY OF FINDINGS (CONT'D)**

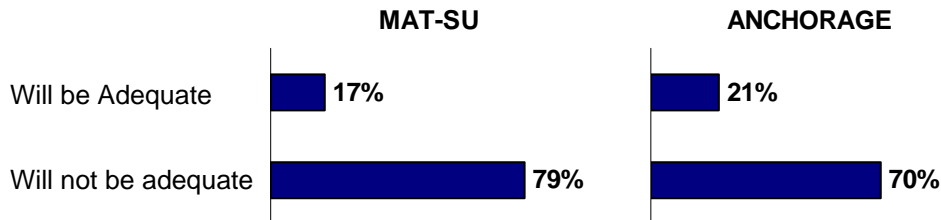
- ◆ On a statewide and Mat-Su / Anchorage basis, a broad majority report they support building the Knik Arm Crossing toll bridge.



- ◆ The current Glenn Highway traffic situation is rated “not good” by people who are most familiar.



- ◆ And the Glenn and Parks Highways are judged to not be adequate for the next 25 years.



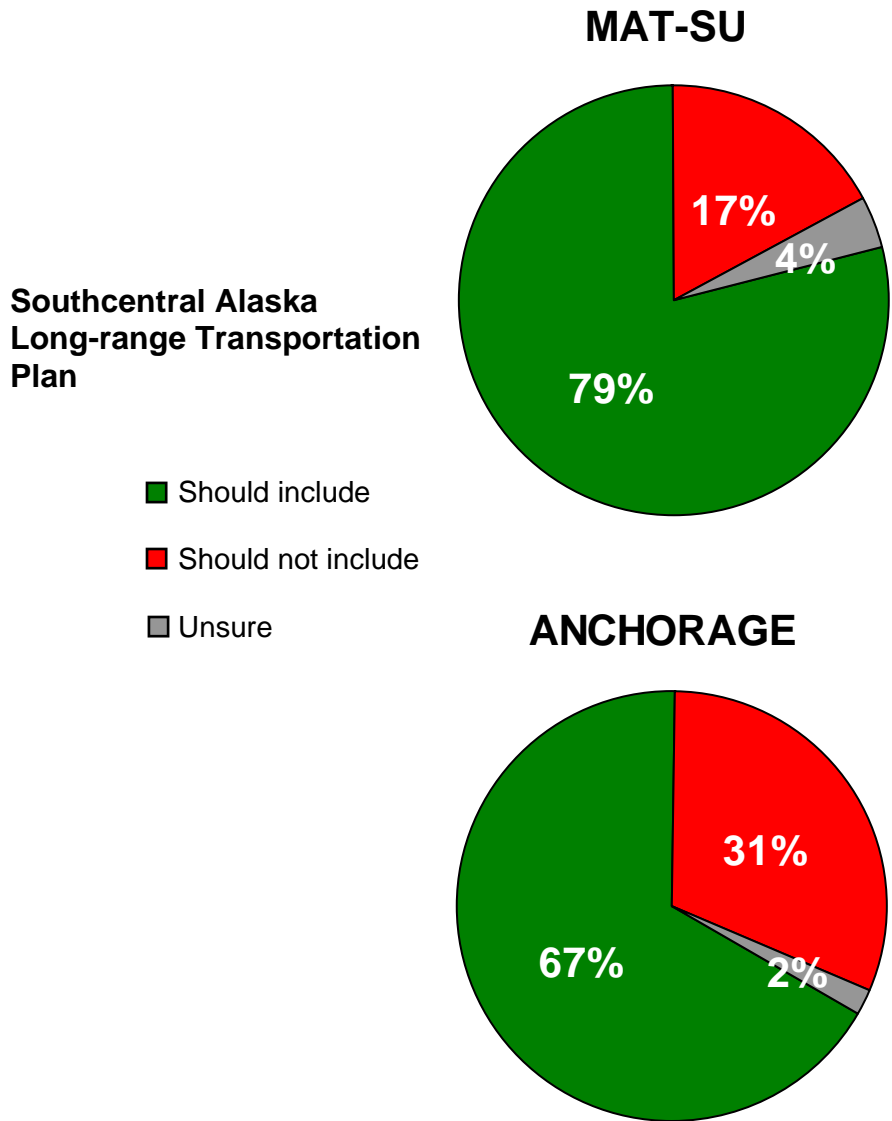
\*Note: “Very good, with no congestion or delays”,  
 “Pretty good, but occasional congestion and delays”,  
 “Pretty bad, with fairly frequent congestion and delays” and  
 “Very bad, with nearly daily congestion and delays”.





SUMMARY OF FINDINGS (CONT'D)

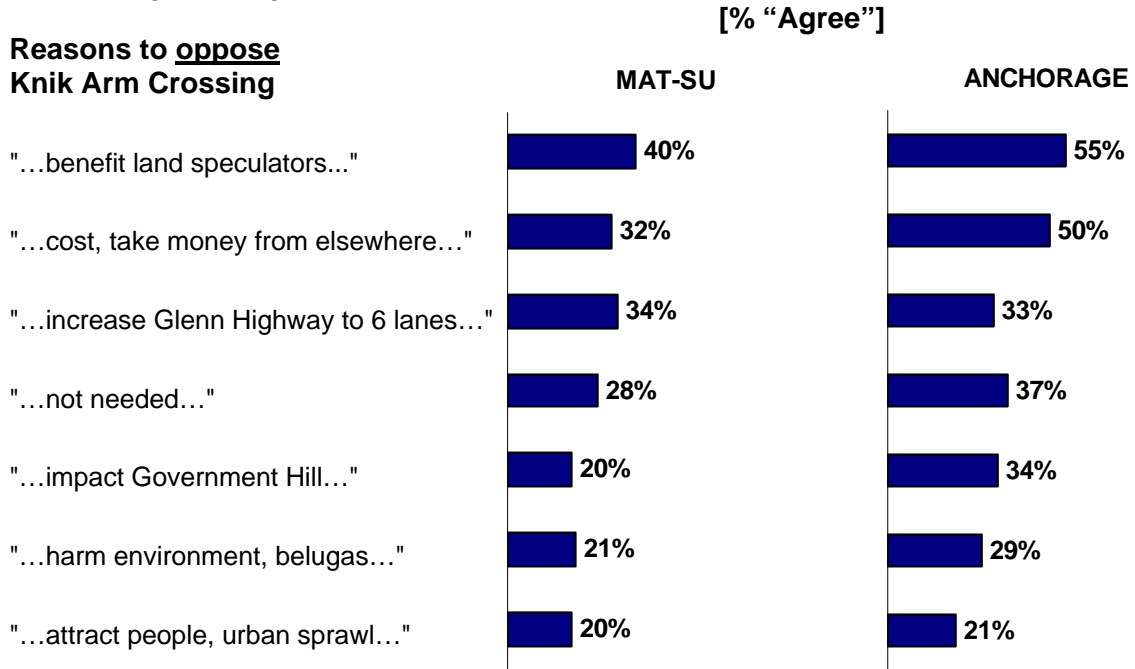
- ◆ By wide margins, Alaskans in the Mat-Su Valley and Anchorage feel the Knik Arm Crossing bridge should be included in Southcentral's long-range transportation plan.



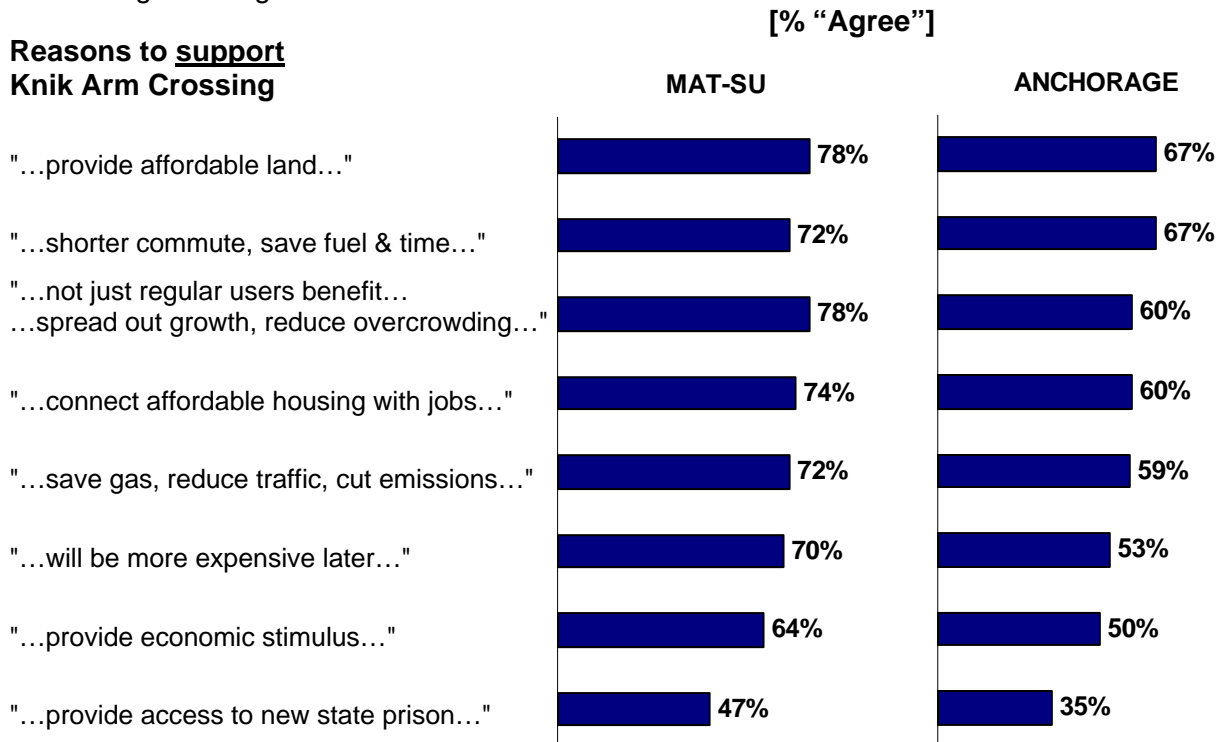


**SUMMARY OF FINDINGS (CONT'D)**

- ◆ In conclusion, there is little reported agreement for most of the reasons to oppose the Knik Arm Crossing toll bridge.



- ◆ While substantial agreement is reported for most of the reasons to support the Knik Arm Crossing toll bridge.



# IV

## Appendix





# IV APPENDIX: COMPARISON ALASKAN ATTITUDES & PERCEPTIONS

KABATA Opinion Survey: JANUARY 2009					
Statewide Issue Analysis: Mat-Su and Anchorage comparison to 2007					
Subject		2009		2007	
		MAT-SU	ANCH	MAT-SU	ANCH
◆ Population of the Mat-Su Borough	Increasing .....	76%	72%	100%	99%
	Staying the same.....	19%	18%	-	-
	Decreasing .....	1%	4%	-	-
◆ Population of Anchorage	Increasing .....	51%	61%	70%	84%
	Staying the same.....	36%	32%	18%	14%
	Decreasing .....	3%	5%	3%	1%
◆ Public-Private Partnership to build and pay for bridge	Good way .....	53%	56%	55%	63%
	Bad way.....	36%	37%	38%	27%
◆ When weigh reason for and against -- support or oppose	Support.....	70%	56%	68%	62%
	Oppose.....	28%	42%	31%	35%
◆ Rate current Glenn Highway traffic situation	Very good .....	3%	2%	3%	3%
	Pretty good .....	36%	40%	44%	40%
	Pretty bad .....	31%	28%	26%	24%
	Very bad .....	26%	24%	26%	26%
◆ Current Glenn and Parks Highways adequate for next 25 years *	Will be adequate.....	17%	21%	6%	21%
	Will not be adequate...	79%	70%	94%	72%
◆ Include Knik Arm bridge in long-range transportation plan	Should include.....	79%	67%	66%	72%
	Should not include.....	17%	31%	26%	26%
◆ Will give some Mat-Su communities competitive advantage	Will.....	38%	n/a	49%	n/a
	Will not.....	52%	n/a	49%	n/a
◆ Bridge users from western Mat-Su will reduce Glenn Highway traffic -- Good balance of benefits	Yes, good balance.....	76%	n/a	74%	n/a
	No, poor balance .....	21%	n/a	24%	n/a

\* Note: In 2007, this question specified, "The University of Alaska forecasts that the Anchorage and Mat-Su populations will increase by nearly 200,000 residents over the next 25 years."





# IV APPENDIX: COMPARISON ALASKAN ATTITUDES & PERCEPTIONS

<b>KABATA Opinion Survey: JANUARY 2009</b>				
Statewide Issue Analysis: Mat-Su and Anchorage comparison to 2007				
Subject	2009		2007	
	MAT-SU	ANCH	MAT-SU	ANCH
<b>REASONS OPPOSED (% agree)</b>				
“Rather than build a bridge, we should increase the size of the Glenn Highway to at least six lanes” .....	34%	33%	41%	31%
“The Knik Arm Crossing will cost too much and take money away from other more important transportation needs” <sup>1</sup> .....	32%	50%	45%	44%
“The Knik Arm Crossing will harm the environment and threaten the endangered beluga whale populations” <sup>2</sup> .....	21%	29%	24%	24%
“The Knik Arm Crossing should not be built because it will impact local housing and a park on Government Hill” <sup>3</sup> .....	20%	34%	23%	33%
<b>REASONS IN FAVOR (% agree)</b>				
“Anchorage is rapidly running out of usable land and a Knik Arm Crossing will provide more affordable land for residential and commercial use” <sup>4</sup> .....	78%	67%	74%	71%
“People who do not personally use the Knik Arm Crossing on a regular basis will still benefit because it will spread out the growth, and reduce overcrowding and congestion in any one area” .....	78%	60%	75%	73%
“The Knik Arm Crossing will be a shorter commute and save fuel and time between much of the western Mat-Su Valley and Anchorage” <sup>5</sup> .....	72%	67%	50%	74%
“The year 2010 completion of the new one-thousand five hundred inmate state prison near Point MacKenzie on the Mat-Su side makes the Knik Arm Crossing more necessary” <sup>6</sup> .....	47%	35%	45%	29%

<sup>1</sup> In 2005: “A Knik Arm Crossing will take money from other needed transportation projects.” In 2007: “A The Knik Arm Crossing will take money away from more important transportation needs.”

<sup>2</sup> In 2005: “A Knik Arm Crossing will cause serious environmental damage.” In 2007: “The environmental effects of the Knik Arm Crossing are just too high for the inlet’s endangered beluga whales and other fish stock.”

<sup>3</sup> In 2007: “The Knik Arm Crossing should not be built if it will impact local housing and part of a park on Government Hill.”

<sup>4</sup> In 2005: “A Knik Arm Crossing will provide more residential land and lead to lower housing prices.” In 2007: “Anchorage is rapidly running out of usable land and a Knik Arm Crossing will provide more residential land and lower housing costs.”

<sup>5</sup> In 2005: “A Knik Arm Crossing will save time and be a shorter commute between the Mat-Su Valley and Anchorage.” In 2007: “A Knik Arm Crossing will be a shorter commute and save fuel and time between much of the Mat-Su Valley and Anchorage.”

<sup>6</sup> In 2007: “Plans to build a large, new state prison near Point MacKenzie on the Mat-Su side makes the Knik Arm Crossing more important.”

