# 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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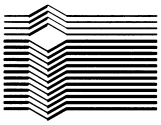

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# Knik Arm Toll Bridge
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# Traffic and Toll Revenue
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## *Independent Economic Overview and Development Forecast*



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## 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

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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.

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## 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.

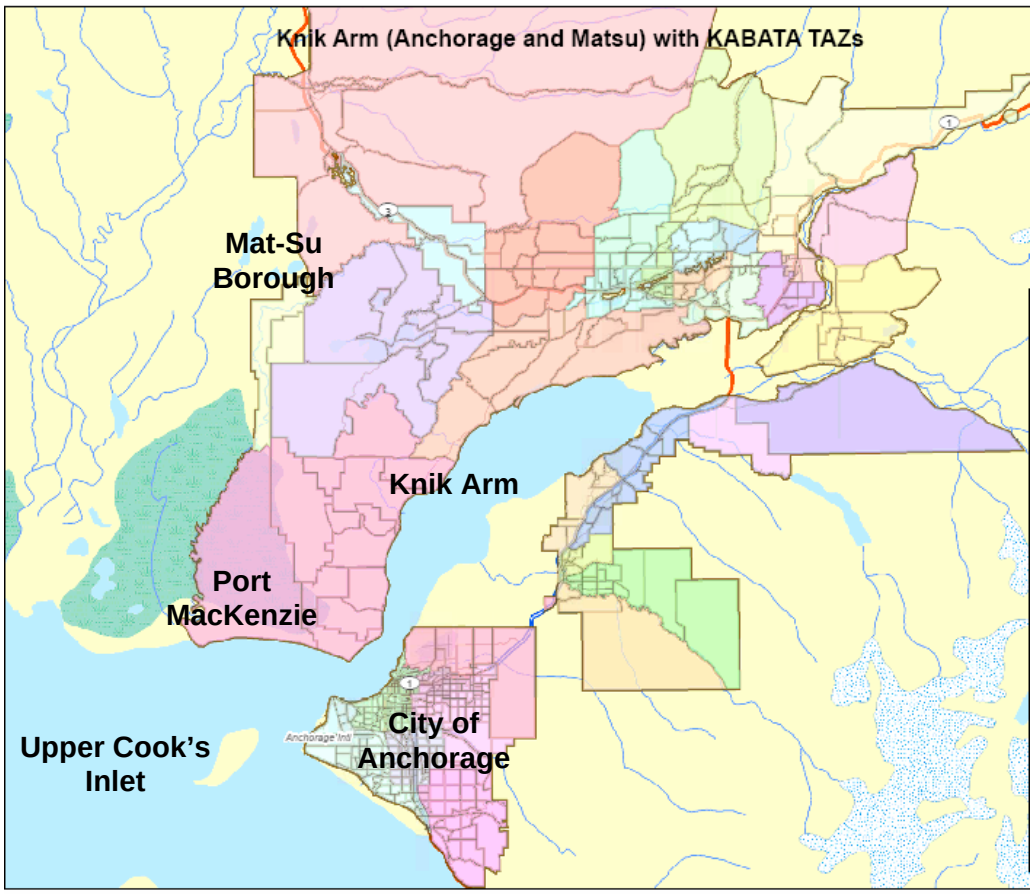


***Figure 1: Knik Arm Crossing Study Area***

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## 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

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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

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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.

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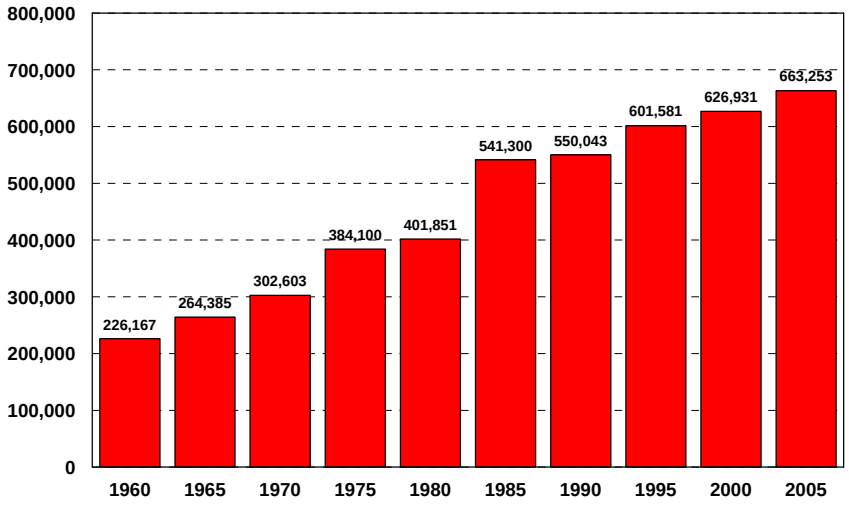
## 4. DEMOGRAPHIC AND ECONOMIC BACKGROUND

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

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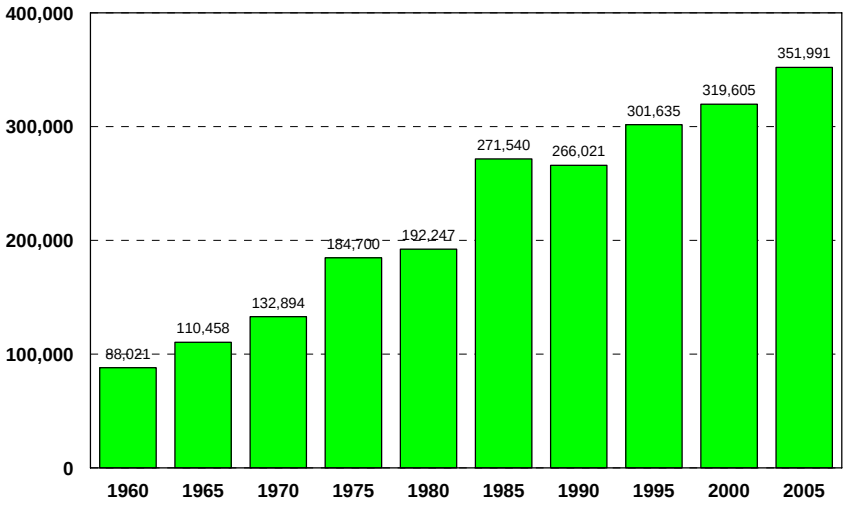
population, accounting for nearly 70 percent of the increase in population for the entire state. This growth has continued to the date of this study, and this analysis finds no overt hindrance to the continuation of the identified trends in public policy, economic conditions and market demand. Population 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.

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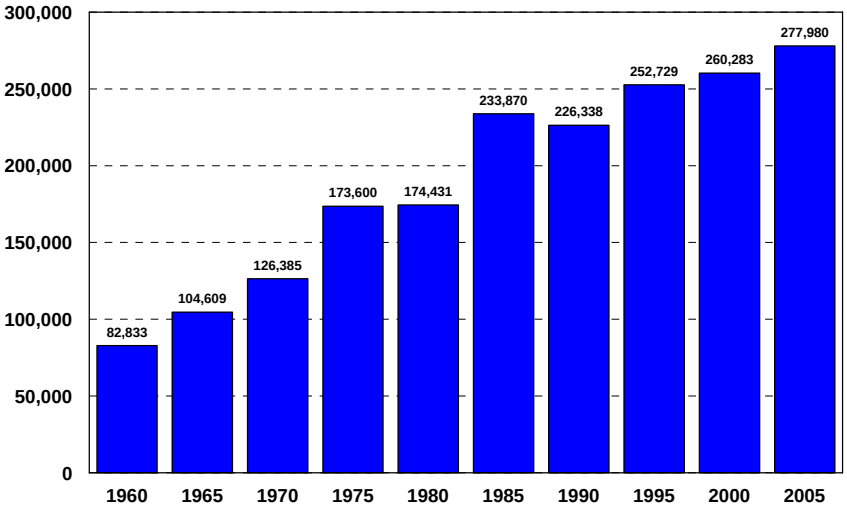


*Source: U.S. Census Bureau, Alaska Department of Labor*

**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.

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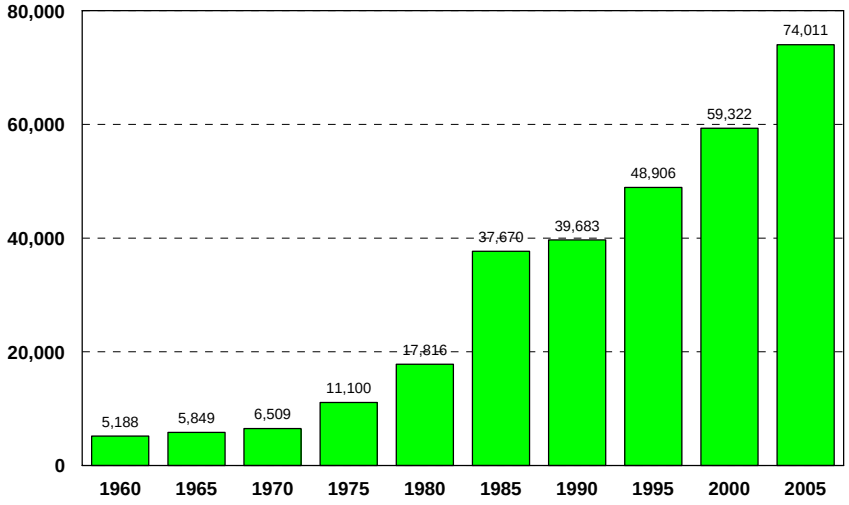


*Source: U.S. Census Bureau, Alaska Department of Labor*

**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.

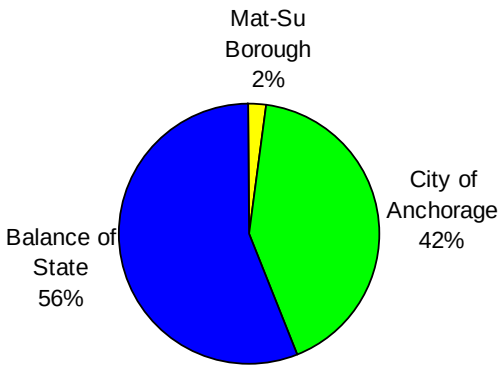


**Figure 6: City of Anchorage,**
**Mat-Su Borough and State of Alaska**
**Population Distribution**
**1970**

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

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

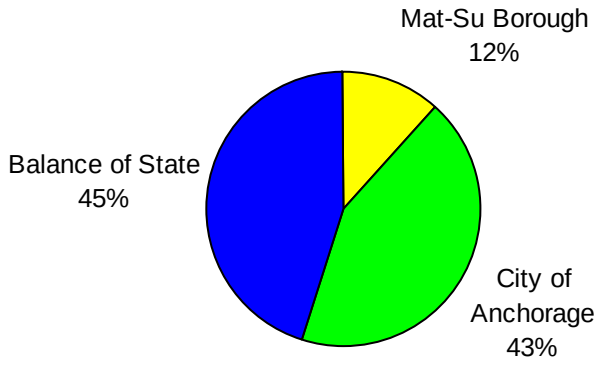


***Figure 7: City of Anchorage, Mat-Su Borough and State of Alaska Population Distribution 2007***

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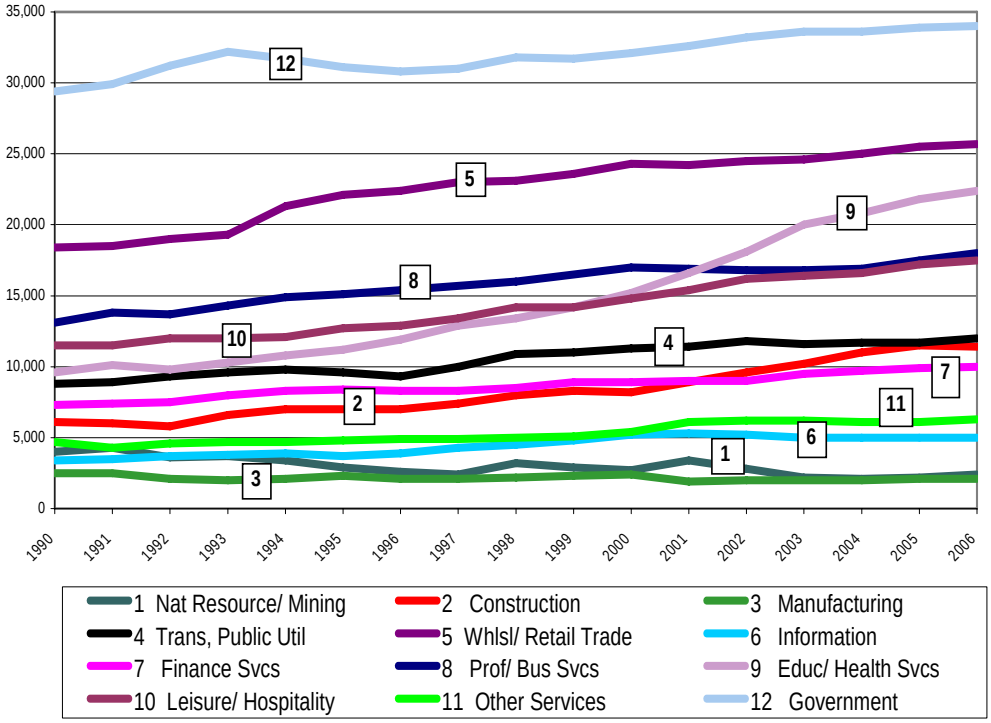
## B. Employment Overview – State of Alaska, Anchorage AK MSA

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***

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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.

| | Nat Resources/ Mining | Construction | Manufacturing | Trans, Public Util | Trade | Information | Financial Activities | Professional/Bus 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

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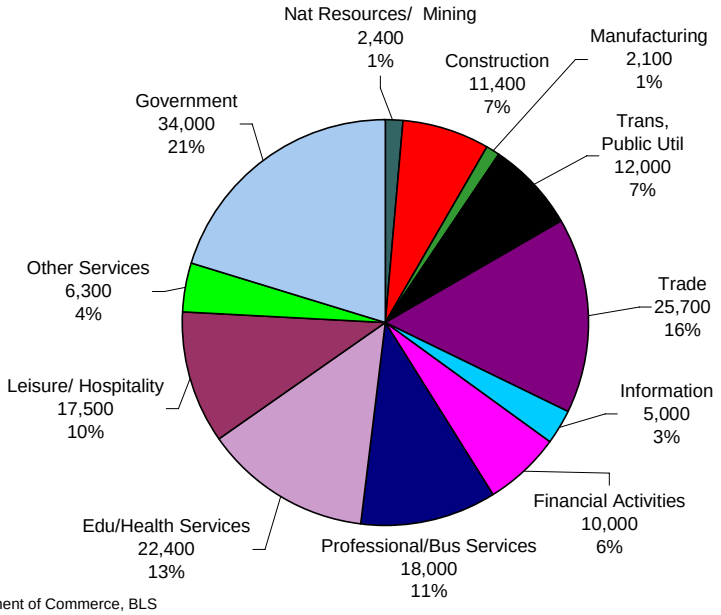
decade from 2004 to 2012, will add another $400 million in road, rail, terminal and dock expansion improvements to port facilities. Under this expansion plan, it is expected that additional inbound and outbound capacity will be available for the Port of Anchorage, while outbound shipping of Alaskan natural 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.




Source: U.S. Department of Commerce, BLS

***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

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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 though 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.

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## 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.

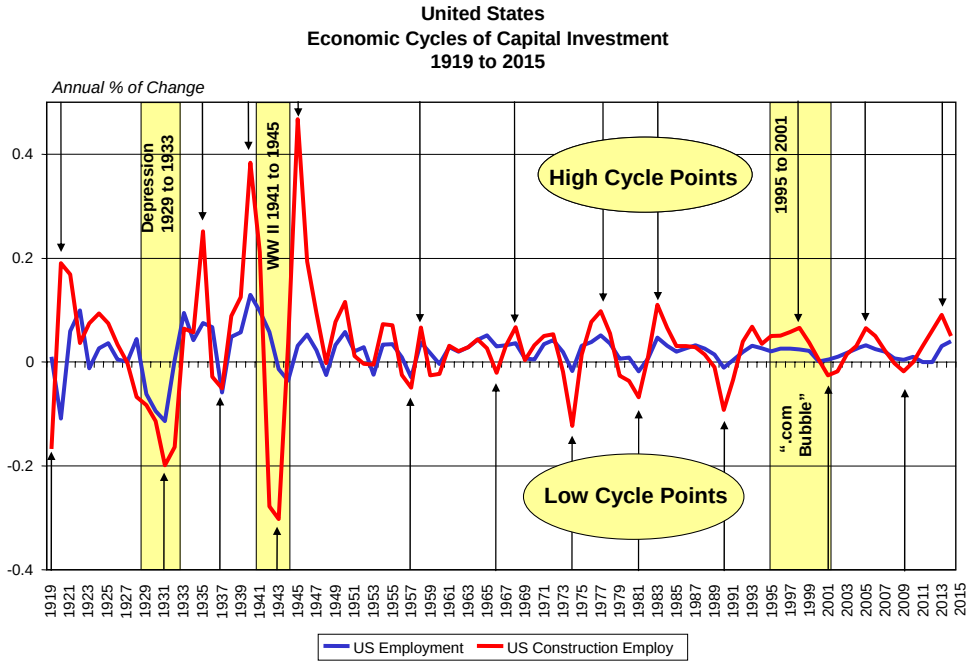


***Figure 10: United States Economic Cycles of Capital Investment from 1919 to 2015***

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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

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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.

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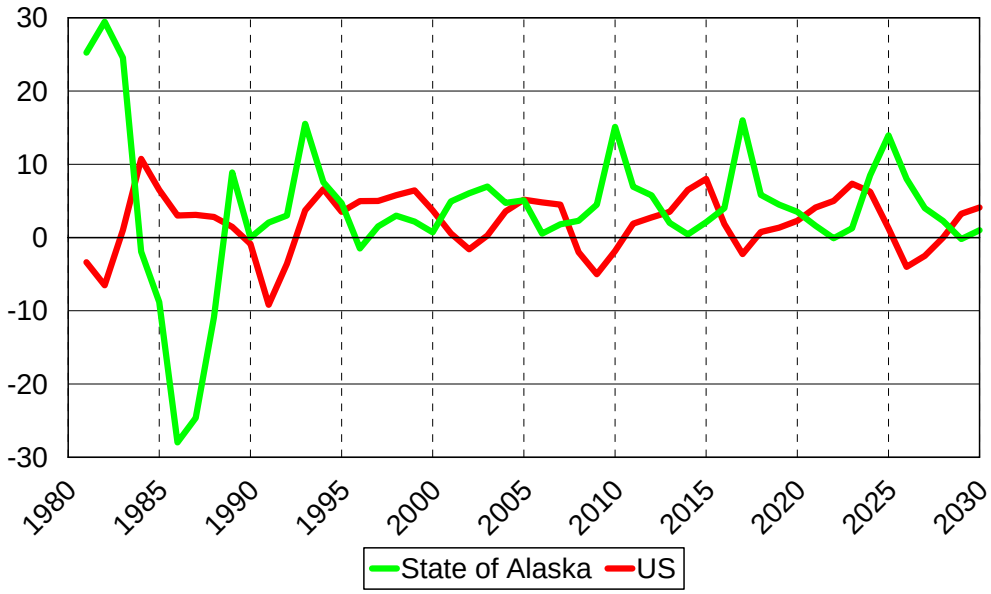


***Figure 11: Cycles of Capital Investment: State of Alaska and United States, Historic 1980 to 2006, Projected 2007 to 2030***

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.

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## 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.

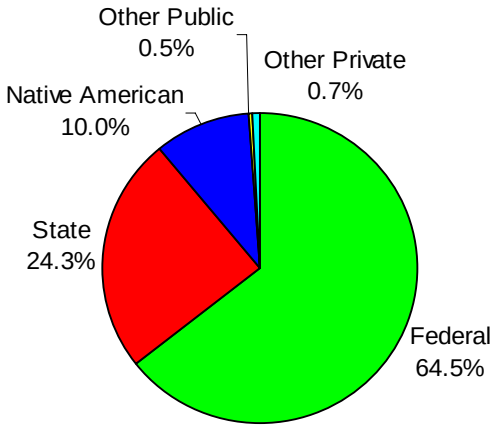


**Figure 12: Alaskan Land Ownership**

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

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**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.

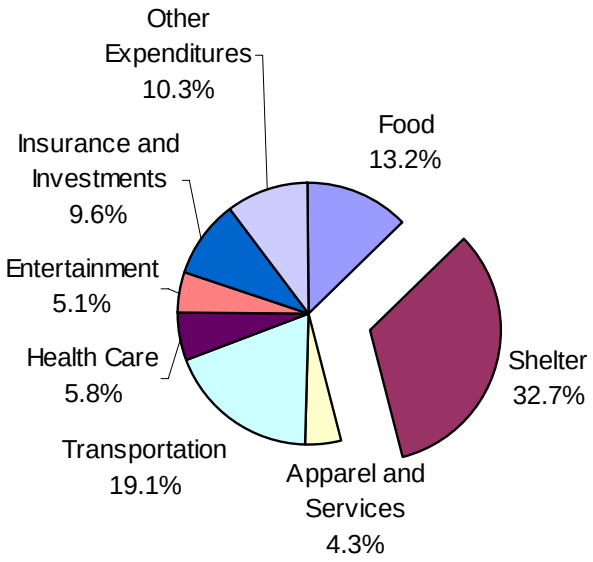


***Figure 13: Components of the Consumer Price Index (CPI)***

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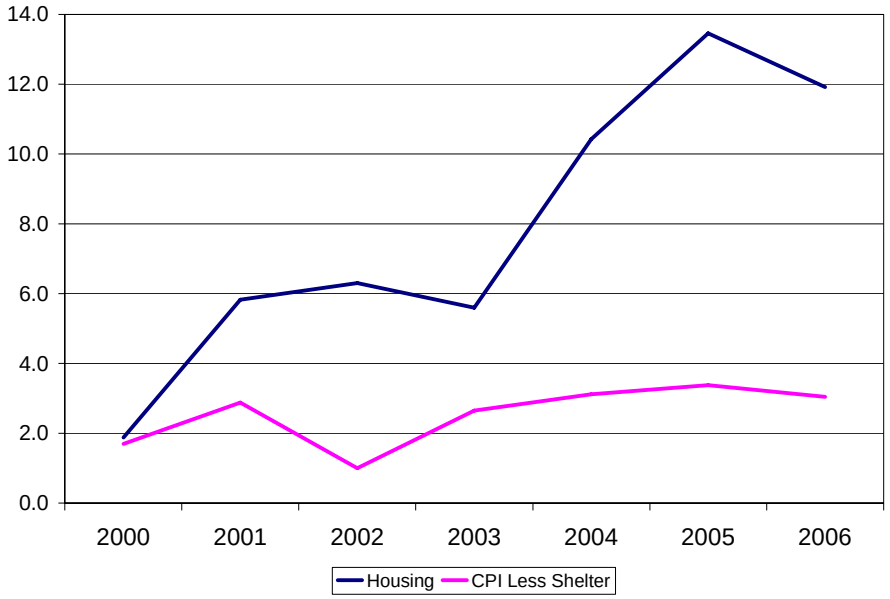


Sources: U.S. Bureau of Economic Analysis; Office of Federal Housing Enterprise Oversight

***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

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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.

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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.

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## 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.

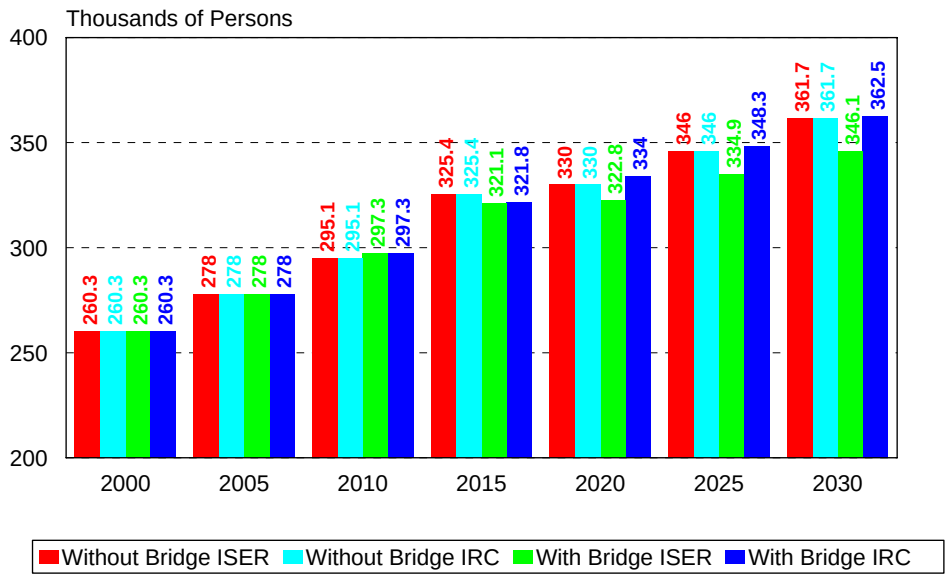


***Figure 15: City of Anchorage***
***Population Forecast Comparison***
***With and Without Bridge***

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

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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.

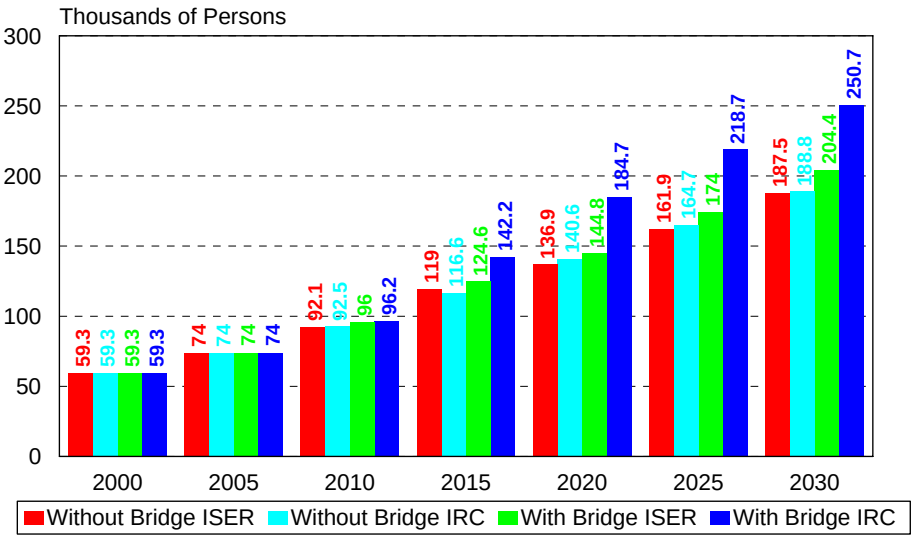


***Figure 16: Mat-Su Borough***
***Population Forecast Comparison***
***With and Without Bridge***

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.

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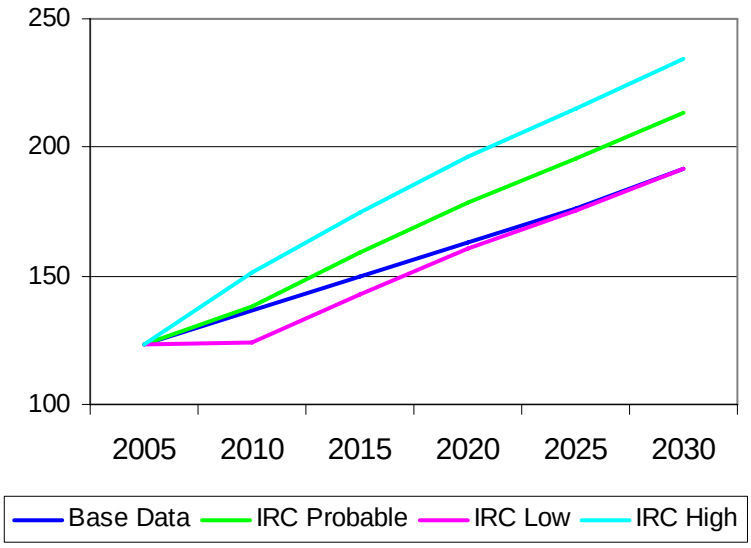


***Figure 17: Knik Arm Toll Bridge Study Area***
***Comparative Household Projections (In Thousands)***
***Base Data, Probable, Low and High Scenarios***

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***

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**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.

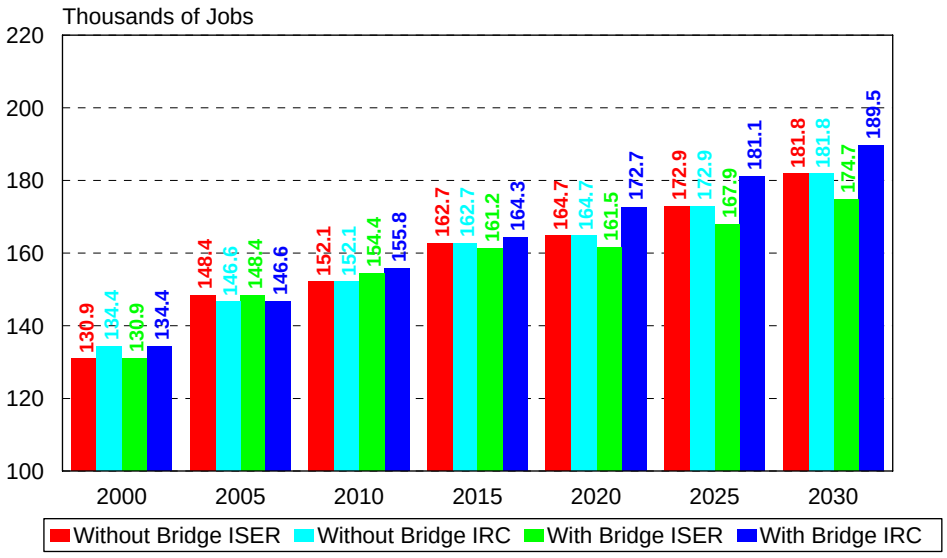


***Figure 18: City of Anchorage***
***Employment Forecast Comparison***
***With and Without Bridge***

**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

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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.

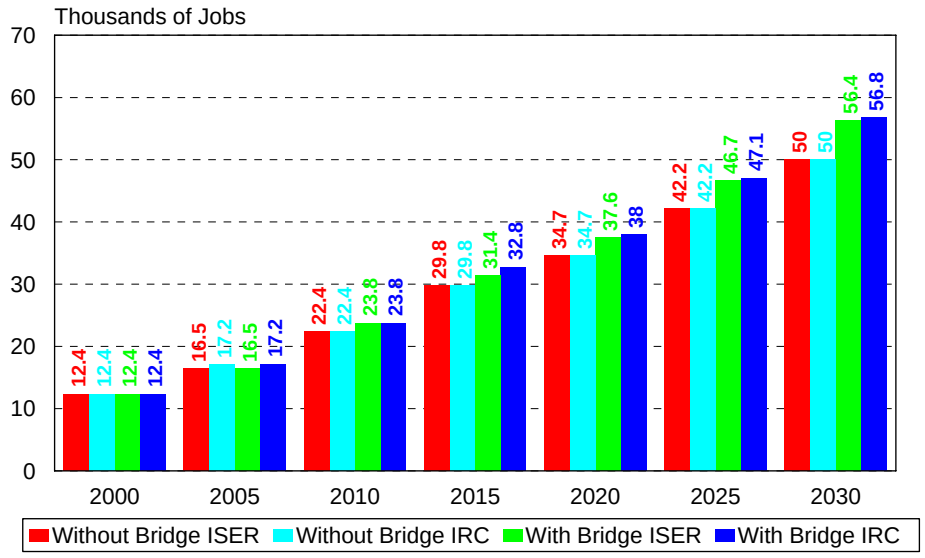


***Figure 19: Mat-Su Borough***
***Employment Forecast Comparison***
***With and Without Bridge***

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.

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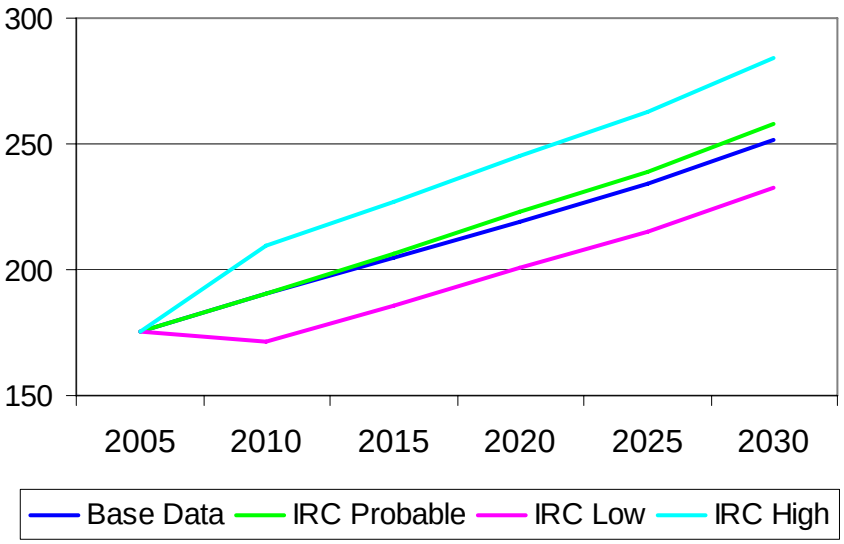


***Figure 20: Knik Arm Toll Bridge Study Area***
***Direct Employment Projections (In Thousands)***
***Base Data, Probable, Low and High Scenarios***

| 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***

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## 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.

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**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

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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 |
| **Total** | **$563,863,051** |

***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

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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.

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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

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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.

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## 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.

| | With Bridge | Without Bridge |
|---|---|---|
| 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 |
| **TOTAL** | **$19,307.3** | **$1,044.9** |

**Totals may vary due to rounding.*

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

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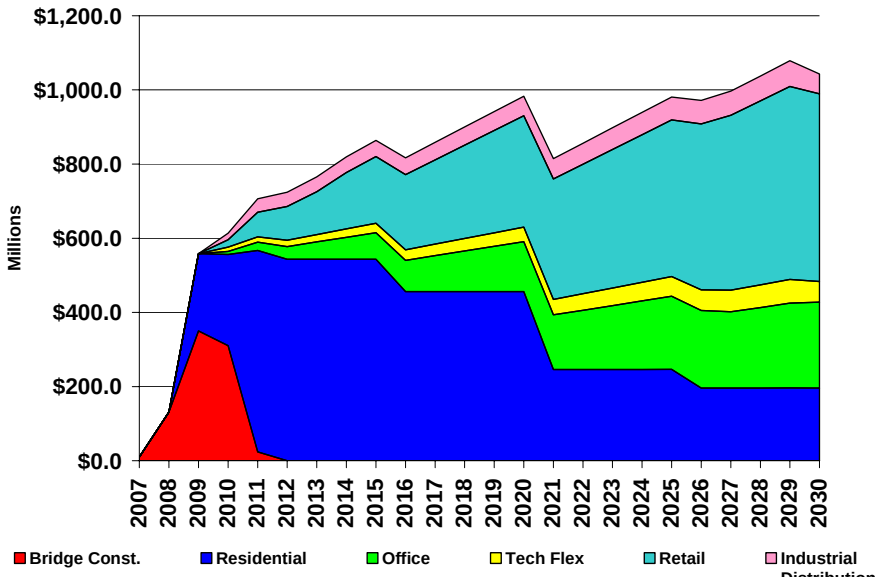


***Figure 21: Cumulative Economic Impact***
***Public and Private Investments***
***Knik Arm Toll Bridge, 2007 – 2030***

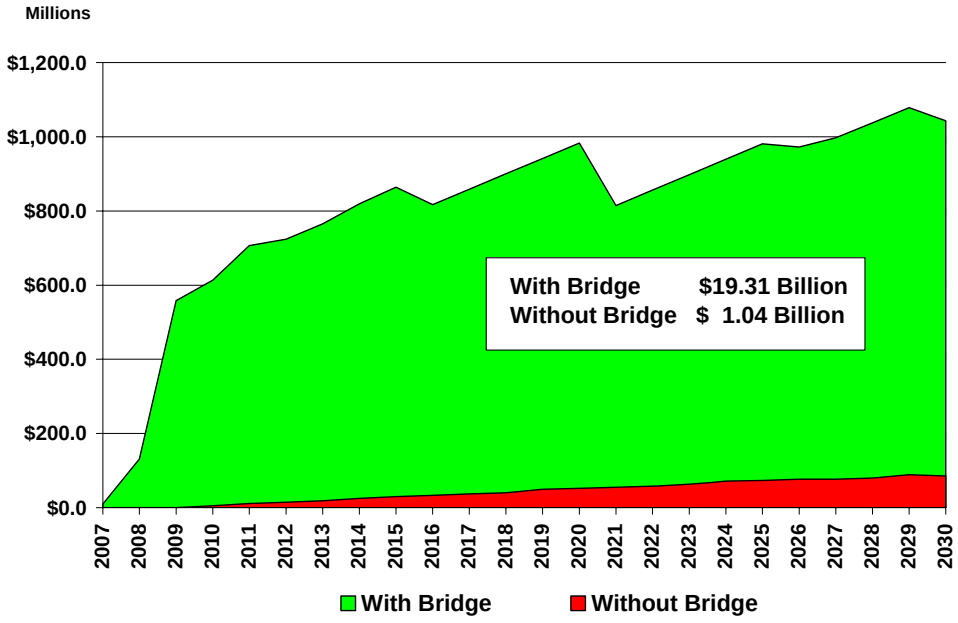


***Figure 22: Comparative Economic Impact***
***With & Without the Knik Arm Toll Bridge***
***2007 – 2030***

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***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:

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

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

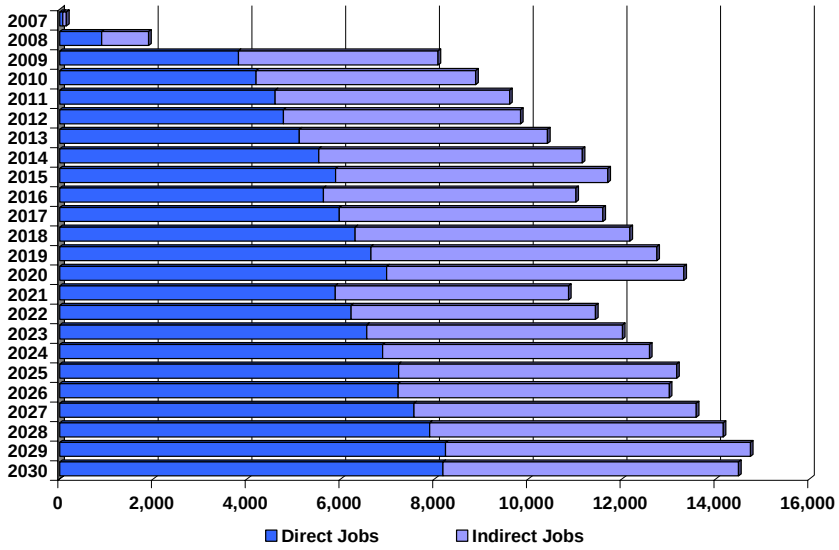


***Figure 23: Annual Employment Impact of Knik Arm Toll Bridge 2007 - 2030***

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| | With Bridge | Without Bridge |
|---|---|---|
| Direct* | 8,176 | 797 |
| Indirect | 6,304 | 791 |
| **Total** | **14,480** | **1,588** |

**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.

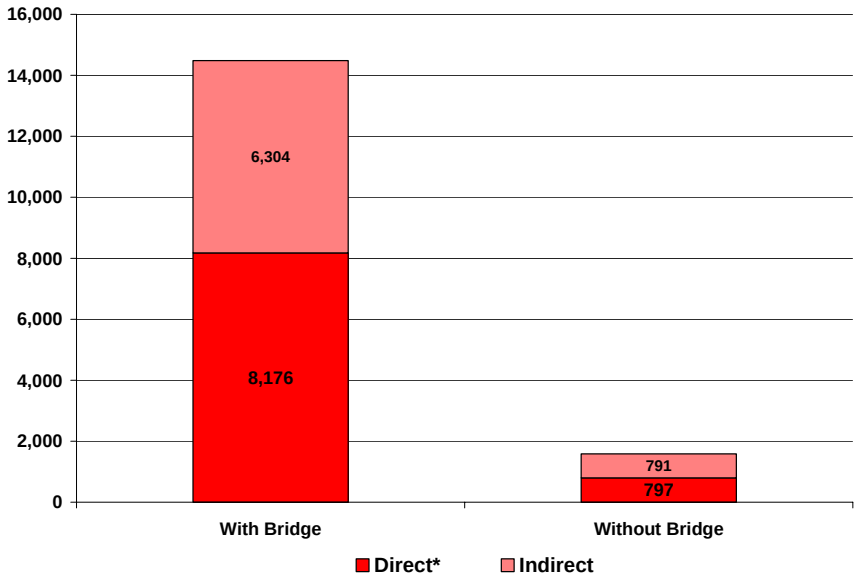


***Figure 24: Direct & Indirect Jobs With and Without the Knik Arm Toll Bridge at 2030***

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***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:

| | Direct | Indirect | Total Direct & Indirect |
|---|---|---|---|
| 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 |
| **Totals** | **$956.88** | **$216.83** | **$1,173.71** |

**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.

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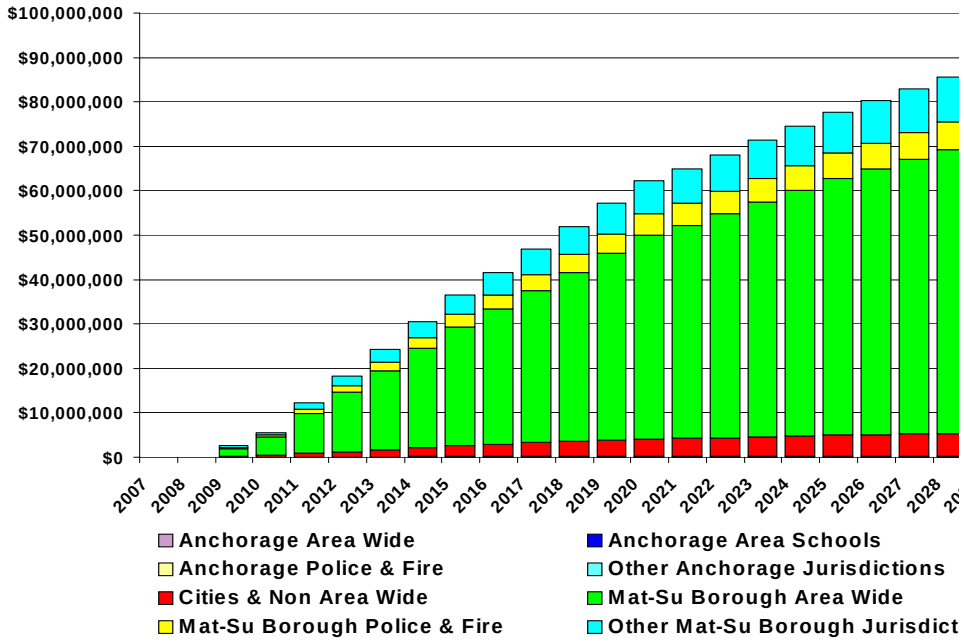


***Figure 25: Cumulative Direct and Indirect Taxes by Jurisdiction***
***$1.173 Billion from 2007 – 2030***

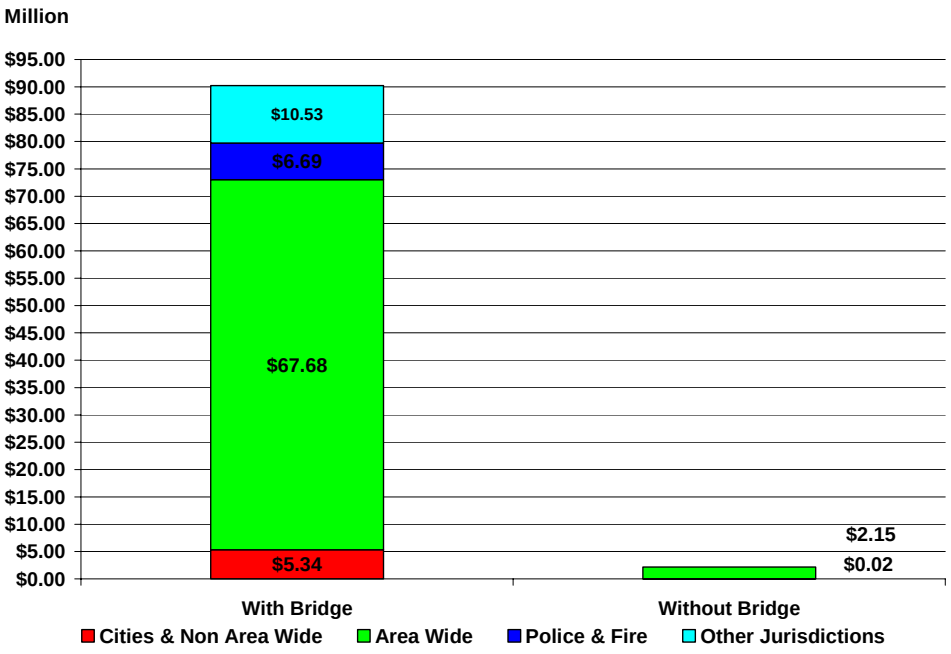


***Figure 26: Direct and Indirect Taxes by Jurisdiction at Year 2030***
***With Bridge $90.23 Million***
***Without Bridge $2.18 Million***

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**D. Additional Detail:** Appendices A though 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.

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# 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

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

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# Knik Arm Toll Bridge
# Contact List

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

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# Knik Arm Toll Bridge
# Contact List

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

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# 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*

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## 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*

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## 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*

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# Appendix C

# Project Development Forecast

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

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

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

| | | | | | Square Feet | | | Employment | | | Households | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | City/County | Description/Use Type | Bridge Impact | Year | Low | Mid | High | Low | Mid | High | Low | Mid | High | TAZ |
| | | | | 2010 | | | | | | | 61 | 68 | 75 | |
| | | | | 2015 | | | | | | | 374 | 416 | 458 | |
| | | | | 2020 | | | | | | | 320 | 356 | 392 | |
| | | | | 2025 | | | | | | | 176 | 195 | 215 | |
| | | | | 2030 | | | | | | | 140 | 155 | 171 | |
| 7 | Mat-Su Borough | Residential | Bridge | **Total** | | | | | | | **1,071** | **1,190** | **1,309** | **97** |
| | | | | 2010 | | | | | | | 41 | 45 | 50 | |
| | | | | 2015 | | | | | | | 241 | 268 | 295 | |
| | | | | 2020 | | | | | | | 204 | 227 | 250 | |
| | | | | 2025 | | | | | | | 111 | 123 | 135 | |
| | | | | 2030 | | | | | | | 88 | 98 | 108 | |
| 8 | Mat-Su Borough | Residential | Bridge | **Total** | | | | | | | **685** | **761** | **837** | **98** |
| | | | | 2010 | | | | | | | 14 | 16 | 18 | |
| | | | | 2015 | | | | | | | 91 | 101 | 111 | |
| | | | | 2020 | | | | | | | 78 | 87 | 96 | |
| | | | | 2025 | | | | | | | 43 | 48 | 53 | |
| | | | | 2030 | | | | | | | 34 | 38 | 42 | |
| 9 | Mat-Su Borough | Residential | Bridge | **Total** | | | | | | | **261** | **290** | **319** | **99** |
| | | | | 2010 | | | | | | | 39 | 43 | 47 | |
| | | | | 2015 | | | | | | | 221 | 245 | 270 | |
| | | | | 2020 | | | | | | | 182 | 202 | 222 | |
| | | | | 2025 | | | | | | | 97 | 108 | 119 | |
| | | | | 2030 | | | | | | | 75 | 83 | 91 | |
| 10 | Mat-Su Borough | Residential | Bridge | **Total** | | | | | | | **613** | **681** | **749** | **100** |
| | | | | 2010 | | | | | | | 46 | 51 | 56 | |
| | | | | 2015 | | | | | | | 266 | 295 | 325 | |
| | | | | 2020 | | | | | | | 219 | 243 | 267 | |
| | | | | 2025 | | | | | | | 117 | 130 | 143 | |
| | | | | 2030 | | | | | | | 90 | 100 | 110 | |
| 11 | Mat-Su Borough | Residential | Bridge | **Total** | | | | | | | **737** | **819** | **901** | **102** |

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

| | | | | | Square Feet | | | Employment | | | Households | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | City/County | Description/Use Type | Bridge Impact | Year | Low | Mid | High | Low | Mid | High | Low | Mid | High | TAZ |
| | | | | 2010 | | | | | | | 72 | 80 | 88 | |
| | | | | 2015 | | | | | | | 412 | 458 | 504 | |
| | | | | 2020 | | | | | | | 339 | 377 | 415 | |
| | | | | 2025 | | | | | | | 181 | 201 | 221 | |
| | | | | 2030 | | | | | | | 140 | 155 | 171 | |
| 12 | Mat-Su Borough | Residential | Bridge | **Total** | | | | | | | **1,144** | **1,271** | **1,398** | **103** |
| | | | | 2010 | | | | | | | 18 | 20 | 22 | |
| | | | | 2015 | | | | | | | 101 | 112 | 123 | |
| | | | | 2020 | | | | | | | 81 | 90 | 99 | |
| | | | | 2025 | | | | | | | 42 | 47 | 52 | |
| | | | | 2030 | | | | | | | 32 | 36 | 40 | |
| 13 | Mat-Su Borough | Residential | Bridge | **Total** | | | | | | | **275** | **305** | **336** | **104** |
| | | | | 2010 | | | | | | | 64 | 71 | 78 | |
| | | | | 2015 | | | | | | | 354 | 393 | 432 | |
| | | | | 2020 | | | | | | | 285 | 317 | 349 | |
| | | | | 2025 | | | | | | | 150 | 167 | 184 | |
| | | | | 2030 | | | | | | | 115 | 128 | 141 | |
| 14 | Mat-Su Borough | Residential | Bridge | **Total** | | | | | | | **968** | **1,076** | **1,184** | **105** |
| | | | | 2010 | | | | | | | 34 | 38 | 42 | |
| | | | | 2015 | | | | | | | 180 | 200 | 220 | |
| | | | | 2020 | | | | | | | 141 | 157 | 173 | |
| | | | | 2025 | | | | | | | 73 | 81 | 89 | |
| | | | | 2030 | | | | | | | 56 | 62 | 68 | |
| 15 | Mat-Su Borough | Residential | Bridge | **Total** | | | | | | | **484** | **538** | **592** | **106** |
| | | | | 2010 | | | | | | | 46 | 51 | 56 | |
| | | | | 2015 | | | | | | | 268 | 298 | 328 | |
| | | | | 2020 | | | | | | | 222 | 247 | 272 | |
| | | | | 2025 | | | | | | | 120 | 133 | 146 | |
| | | | | 2030 | | | | | | | 95 | 105 | 116 | |
| 16 | Mat-Su Borough | Residential | Bridge | **Total** | | | | | | | **751** | **834** | **917** | **107** |

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

| | | | | | Square Feet | | | Employment | | | Households | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | City/County | Description/Use Type | Bridge Impact | Year | Low | Mid | High | Low | Mid | High | Low | Mid | High | TAZ |
| | | | | 2010 | | | | | | | 67 | 74 | 81 | |
| | | | | 2015 | | | | | | | 346 | 384 | 422 | |
| | | | | 2020 | | | | | | | 266 | 296 | 326 | |
| | | | | 2025 | | | | | | | 136 | 151 | 166 | |
| | | | | 2030 | | | | | | | 104 | 116 | 128 | |
| 17 | Mat-Su Borough | Residential | Bridge | **Total** | | | | | | | **919** | **1,021** | **1,123** | **111** |
| | | | | 2010 | | | | | | | 56 | 62 | 68 | |
| | | | | 2015 | | | | | | | 302 | 335 | 369 | |
| | | | | 2020 | | | | | | | 240 | 267 | 294 | |
| | | | | 2025 | | | | | | | 126 | 140 | 154 | |
| | | | | 2030 | | | | | | | 97 | 108 | 119 | |
| 18 | Mat-Su Borough | Residential | Bridge | **Total** | | | | | | | **821** | **912** | **1,003** | **112** |
| | | | | 2010 | | | | | | | 12 | 13 | 14 | |
| | | | | 2015 | | | | | | | 59 | 66 | 73 | |
| | | | | 2020 | | | | | | | 44 | 49 | 54 | |
| | | | | 2025 | | | | | | | 22 | 24 | 26 | |
| | | | | 2030 | | | | | | | 17 | 19 | 21 | |
| 19 | Mat-Su Borough | Residential | Bridge | **Total** | | | | | | | **154** | **171** | **188** | **113** |
| | | | | 2010 | | | | | | | 7 | 8 | 9 | |
| | | | | 2015 | | | | | | | 32 | 36 | 40 | |
| | | | | 2020 | | | | | | | 23 | 26 | 29 | |
| | | | | 2025 | | | | | | | 11 | 12 | 13 | |
| | | | | 2030 | | | | | | | 9 | 10 | 11 | |
| 20 | Mat-Su Borough | Residential | Bridge | **Total** | | | | | | | **83** | **92** | **101** | **115** |
| | | | | 2010 | | | | | | | 123 | 137 | 151 | |
| | | | | 2015 | | | | | | | 755 | 839 | 923 | |
| | | | | 2020 | | | | | | | 646 | 718 | 790 | |
| | | | | 2025 | | | | | | | 354 | 393 | 432 | |
| | | | | 2030 | | | | | | | 283 | 314 | 345 | |
| 21 | Mat-Su Borough | Residential | Bridge | **Total** | | | | | | | **2,161** | **2,401** | **2,641** | **130** |

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

| | | | | | Square Feet | | | Employment | | | Households | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | City/County | Description/Use Type | Bridge Impact | Year | Low | Mid | High | Low | Mid | High | Low | Mid | High | TAZ |
| | | | | 2010 | | | | | | | 36 | 40 | 44 | |
| | | | | 2015 | | | | | | | 266 | 295 | 325 | |
| | | | | 2020 | | | | | | | 247 | 274 | 301 | |
| | | | | 2025 | | | | | | | 141 | 157 | 173 | |
| | | | | 2030 | | | | | | | 116 | 129 | 142 | |
| 22 | Mat-Su Borough | Residential | Bridge | **Total** | | | | | | | **806** | **895** | **985** | **131** |
| | | | | 2010 | | | | | | | 36 | 40 | 44 | |
| | | | | 2015 | | | | | | | 279 | 310 | 341 | |
| | | | | 2020 | | | | | | | 266 | 295 | 325 | |
| | | | | 2025 | | | | | | | 155 | 172 | 189 | |
| | | | | 2030 | | | | | | | 127 | 141 | 155 | |
| 23 | Mat-Su Borough | Residential | Bridge | **Total** | | | | | | | **862** | **958** | **1,054** | **132** |
| | | | | 2010 | | | | | | | 4 | 4 | 4 | |
| | | | | 2015 | | | | | | | 23 | 26 | 29 | |
| | | | | 2020 | | | | | | | 22 | 24 | 26 | |
| | | | | 2025 | | | | | | | 13 | 14 | 15 | |
| | | | | 2030 | | | | | | | 10 | 11 | 12 | |
| 24 | Mat-Su Borough | Residential | Bridge | **Total** | | | | | | | **71** | **79** | **87** | **133** |
| | | | | 2010 | | | | | | | 2 | 2 | 2 | |
| | | | | 2015 | | | | | | | 9 | 10 | 11 | |
| | | | | 2020 | | | | | | | 5 | 6 | 7 | |
| | | | | 2025 | | | | | | | 3 | 3 | 3 | |
| | | | | 2030 | | | | | | | 2 | 2 | 2 | |
| 25 | Mat-Su Borough | Residential | Bridge | **Total** | | | | | | | **21** | **23** | **25** | **134** |
| 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** |
| | | | | 2015 | 101,250 | 112,500 | 123,750 | 13 | 14 | 15 | | | | |
| | | | | 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 | | | | |
| 28 | Port MacKenzie | Industrial - 80 Acres | No Bridge | **Total** | **405,000** | **450,000** | **495,000** | **51** | **56** | **62** | | | | **593** |

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

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

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# Appendix D

## Population Forecast Detail

**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*

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**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*

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**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*

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**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*

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**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*

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**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*

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# Appendix E

## Employment Forecast Detail

**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*

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**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*

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**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*

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**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*

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**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*

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**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*

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# 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 |

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# 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 | | | $1,250,000 |
| Total | | | $9,770,000 |

| | |
|---|---|
| Construction Workers | 79 |

### 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 | $625,000 |
| Total Purchases | $1,125,000 |

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# 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**

| Property Taxes (per $1000 of Value) | Residential | Business Real Estate | Business Personal Property |
|---|---|---|---|
| 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 | $3.36000 | $3.36000 | $3.36000 |
| Total | $15.30000 | $15.30000 | $15.30000 |

| Income Taxes | Individual | Corporate |
|---|---|---|
| State of Alaska | 0.0% | 1% to 9.4% |

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# 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

| Property Taxes (per $1000 of Value) | Residential | Business Real Estate | Business Personal Property |
|---|---|---|---|
| Big Lake Area Wide | $9.64400 | $9.64400 | $0.00000 |
| Big Lake Police & Fire | $1.82000 | $1.82000 | $0.00000 |
| Other Big Lake Jurisdictions | $2.41000 | $2.41000 | $0.00000 |
| Total | $14.24400 | $14.24400 | $0.00000 |

| Income Taxes | Individual | Corporate |
|---|---|---|
| State of Alaska | 0.0% | 1% to 9.4% |

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# 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 | $3.00000 | $3.00000 | $0.00000 |
| Total | $12.64400 | $12.64400 | $0.00000 |

| Sales Taxes | |
|---|---|
| City of Houston | 2.00% |
| Total | 2.00% |

| Income Taxes | Individual | Corporate |
|---|---|---|
| State of Alaska | 0.0% | 1% to 9.4% |

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# 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

| Property Taxes (per $1000 of Value) | Residential | Business Real Estate | Business Personal Property |
|---|---|---|---|
| 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 | $2.54000 | $2.54000 | $0.00000 |
| Total | $14.01400 | $14.01400 | $0.00000 |

| Income Taxes | Individual | Corporate |
|---|---|---|
| State of Alaska | 0.0% | 1% to 9.4% |

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# 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

| Property Taxes (per $1000 of Value) | Residential | Business Real Estate | Business Personal Property |
|---|---|---|---|
| Point MacKenzie Area Wide | $11.10400 | $11.10400 | $0.00000 |
| City & Non Area | $0.37000 | $0.37000 | $0.00000 |
| Total | $11.47400 | $11.47400 | $0.00000 |

| Income Taxes | Individual | Corporate |
|---|---|---|
| State of Alaska | 0.0% | 1% to 9.4% |

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# 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 | $23,943,333 |
| Total Purchases | $35,262,000 |

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# 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 | | $4,160,000 |
| Total | | $158,600,000 |
| | | |
| Construction Workers | | 1,544 |

### 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 | $5,720,000 |
| Total Purchases | $8,424,000 |

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# 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 | | $43,500,000 |
| Total | | $319,116,000 |

| | |
|---|---|
| Construction Workers | 2,756 |

### 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 | $21,750,000 |
| Total Purchases | $39,150,000 |

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# 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 | | | $234,000,000 |
| Total | | | $471,600,000 |

| | |
|---|---|
| Construction Workers | 2,376 |

### 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 | $450,000 |
| Total Purchases | $787,500 |

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# 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 MacKenzievArea Schools | 90% |
| Port MacKenzie Police & Fire | 90% |
| Other Port MacKenzie Jurisdictions | 90% |

**Tax Assumptions**

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

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# 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 | $2.66000 | $2.66000 | $0.00000 |
| Total | $13.63400 | $13.63400 | $0.00000 |

| Income Taxes | Individual | Corporate |
|---|---|---|
| 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.*
*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*
*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: RSMeans, Building Construction Cost Data, 2007.*

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# 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 | $5,500,000 |
| Total Purchases | $8,100,000 |

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# 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 | | | $640,000 |
| Total | | | $24,400,000 |
| | | | |
| Construction Workers | | | 238 |

### 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 | $880,000 |
| Total Purchases | $1,296,000 |

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# 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 | | | $1,250,000 |
| Total | | | $9,170,000 |

| | |
|---|---|
| Construction Workers | 79 |

### 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 | $625,000 |
| Total Purchases | $1,125,000 |

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# 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 | | | $23,400,000 |
| Total | | | $47,160,000 |
| | | | |
| Construction Workers | | | 238 |

### 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 | $93,579 |
| Total Purchases | $163,764 |

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# 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 MacKenzievArea Schools | 90% |
| Port MacKenzie Police & Fire | 90% |
| Other Port MacKenzie Jurisdictions | 90% |

**Tax Assumptions**

| Property Taxes (per $1000 of Value) | Residential | Business Real Estate | Business Personal Property |
|---|---|---|---|
| Port MacKenzie Area Wide | $11.10400 | $11.10400 | $0.00000 |
| City | $0.37000 | $0.37000 | $0.00000 |
| Total | $11.47400 | $11.47400 | $0.00000 |

| Income Taxes | Individual | Corporate |
|---|---|---|
| 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.*

*Source: RSMeans, 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*

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# Appendix G

# Applicable Tax Rates for the Economic Impact Analysis

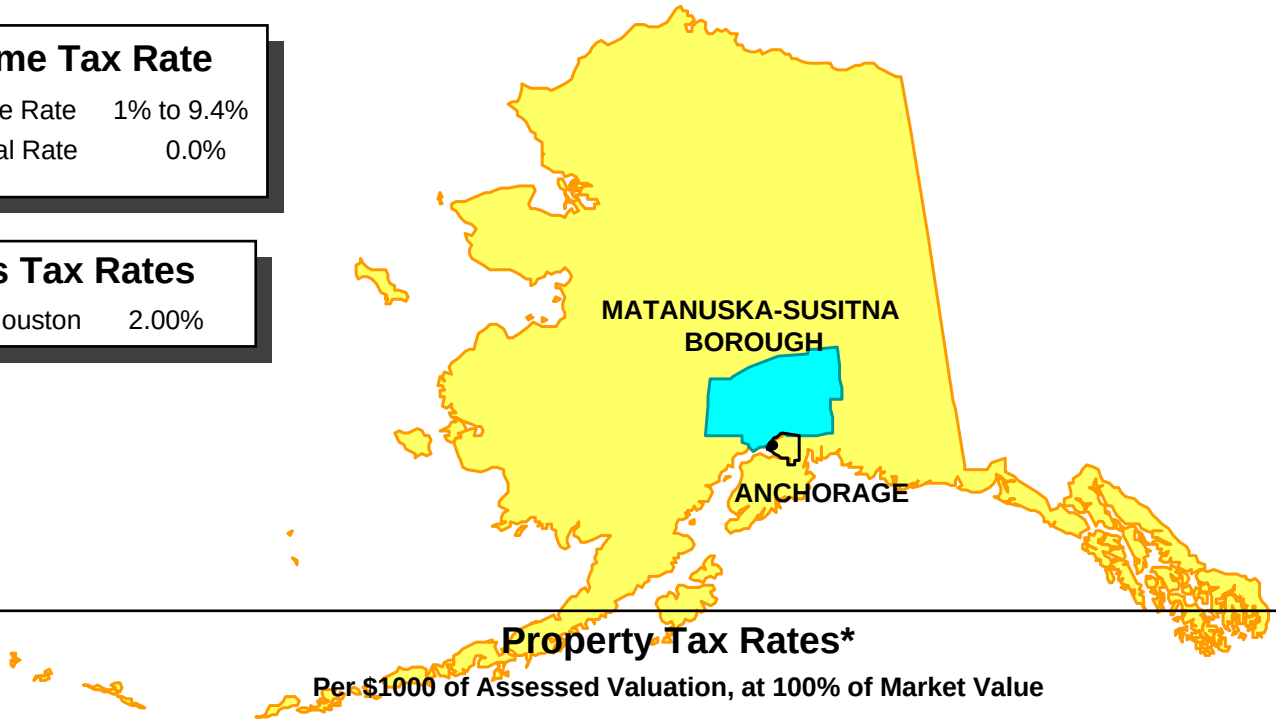
# Knik Arm Bridge
# State of Alaska
# Applicable Tax Structure

## Income Tax Rate

| | |
|---|---|
| Corporate Rate | 1% to 9.4% |
| Individual Rate | 0.0% |

## Sales Tax Rates

| | |
|---|---|
| City of Houston | 2.00% |




## Property Tax Rates*

**Per $1000 of Assessed Valuation, at 100% of Market Value**

| | 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 |
| **Total** | **$15.300** | **$14.244** | **$12.644** | **$14.014** | **$11.474** | **$11.474** | **$13.634** |

**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.*

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