

FY2013 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

Project Title: SAWMILL COVE INDUSTRIAL PARK BULKHEAD DOCK

Total Waterfront Development Project Cost:	\$ 7,500,000
FY2013 State Priority 1 Funding Request:	\$ 7,500,000
Previous Upland Development Funded:	\$ 5,500,000 (Federal)
Previous Upland Development Funded:	\$ 4,000,000 (CBS)
City and Borough of Sitka Federal Tax ID Number:	92-0041163

In 1993 the Alaska Pulp Corporation mill operation shut down, resulting in the loss of over 400 jobs in the community of Sitka. The City and Borough of Sitka took over the former Alaska Pulp Corporation mill site in 1999. Over \$11,000,000 of Federal, State and CBS funds were used to complete upland utilities, system upgrades, and paving. The State contributed \$1,000,000 toward a raw water line to allow for bulk water export. A Wastewater Outfall Project has also been completed to support fish processors. The Industrial Park is operational, with tenants including Cove Partners Water Bottling, Fortress of the Bear, Island Fever Diving, Monarch Tannery, Audio Workshop, Child Song Dolls, NSRAA Salmon Hatchery and Silver Bay Seafoods. Total private investment into the industrial park is over \$20,000,000. Development at the industrial park has created 60 full time jobs and seasonal employment for over 320 people.

The 2002 Sawmill Cove Industrial Park Waterfront Plan details the improvements that must be completed to permit deep water port use of the Industrial Park. The existing docks and waterfront facilities are failing and unsafe for use and must be removed and new pilings, bulkhead, dredging and shoreline protection, and other improvements must be completed to allow the park access to the ocean and water transportation avenues.

The highest priority Waterfront Development Project is the Sawmill Cove Bulkhead Dock Completion – total cost \$7,500,000. CBS requests \$7,500,000 in State funds. This multi-purpose dock facility, a bulkhead cargo and freight dock, will be located in the center of the Industrial Park waterfront (Lot 9). Development includes a bulkhead dock, fender system, uplands improvements, and other infrastructure improvements to allow freight to come over the dock. Currently there is no docking facility at the industrial park. The Sawmill Cove Industrial Park has not reached its full potential due to the lack of infrastructure to access the ocean and water based commerce. **A bulkhead dock is critical for future development of the park.** It will help grow existing tenant's business, attract new business, and is essential in creating new jobs. Additionally, a bulkhead dock on the south end of town will help reduce traffic on State road systems and will help the CBS with logistics of the Blue Lake Dam expansion project.

Past public investments into the Sawmill Cove Industrial Park have resulted in private investment, job creation, and a sustainable tax basis for the CBS. The former Pulp Mill deep water dock formerly served ocean going container ships transiting across the Pacific Ocean. Sitka is closer to open ocean than any other SE port. The Waterfront Development Project at Sawmill Cove Park is the key to enabling Sitka to develop an economically viable deep water port intermodal facility once again.