

December 18, 2013

MEMO TO: Mark Gorman, Municipal Administrator  
Mayor and Assembly

FROM: Marlene Campbell,  Government Relations Director

SUBJECT: Request for Reprioritization of CBS Highest Priority Legislative Requests

The Assembly approved the FY2015 CBS Legislative Priorities in September 2013. Last week the Governor released his FY2015 budget with no funding included for any Sitka Legislative Priorities except current grant and loan programs. The Governor also focused on the severe State budget reductions anticipated and very limited funding for any capital projects. He indicated projects already under development with State funding would have higher priority for the limited funding available.

Senator Stedman therefore requested revising the CBS 2015 Legislative Priorities slightly to reflect those Sitka projects which have already received substantial State funding and are well into development. The City's number one highest priority continues to be Blue Lake, which is well along in construction but for which additional State participation could reduce Sitka's long-term bond debt. The State has already provided nearly \$52 million toward this project.

The second highest priority would be the State-owned Mt. Edgecumbe Statewide Boarding School pool project. The State has already provided around \$25 million and the project is close to construction. This is a State Mt. Edgecumbe High School project for both construction and operations. There is no direct financial impact on CBS. However, this Olympic-sized pool in Sitka would provide jobs and directly benefit many users including the Mt. Edgecumbe students, State Trooper Academy, U.S. Coast Guard, and community swim teams, and tournaments could involve swimmers statewide, providing many economic benefits to Sitka.

Third highest priority would be the City's Sawmill Cove Industrial Park Waterfront Development. The State has already provided \$7.5 million dollars of funding to develop a bulkhead dock, and the project is planned for construction. To fully make the waterfront operational, however, additional funds are needed for bank stabilization and further bulkhead development along the remainder of the waterfront. The economic impacts of this project could be substantial by permitting the Park to again function as a deep water port facility.

Each year, the City and Borough of Sitka has requested direct State assistance for CBS capital projects and has supported major State capital projects such as Public Safety Academy upgrades through its Legislative Priorities. It is hoped that by focusing on those projects which are already underway, it may still be possible to receive State support to help to get them to completion.