

Agency: Commerce, Community and Economic Development

Grants to Municipalities (AS 37.05.315)

Grant Recipient: Whittier

Project Title:

Project Type: New Construction and Land Acquisition

Whittier - Shotgun Cove Road Phase II

State Funding Requested: \$4,000,000

House District: 32 / P

Future Funding May Be Requested

Brief Project Description:

Shotgun Cove Road Phase II will move the project from STA 43+00 to end of project STA 43+00.

Funding Plan:

Total Cost of Project: \$17,500,000

	<u>Funding Secured</u>		<u>Other Pending Requests</u>		<u>Anticipated Future Need</u>	
	<i>Amount</i>	<i>FY</i>	<i>Amount</i>	<i>FY</i>	<i>Amount</i>	<i>FY</i>
Federal Funds	\$3,400,000	2009			\$4,000,000	2011
State Funds	\$2,000,000	2006			\$4,000,000	2011
Total	\$5,400,000				\$8,000,000	

Detailed Project Description and Justification:

SHOTGUN COVE ROAD – PHASE II

BACKGROUND & SUMMARY

The State of Alaska deeded to the City approximately 670 acres in Shotgun Cove and Shotgun Cove access corridor for community expansion, with the stipulation that more than 400 acres are to be placed in private hands by 2014. The City has been striving for more than 30 years to build access to and develop those lands. The Shotgun Cove Road project will provide for much needed community development and transportation access to Shotgun Cove and to take advantage of the tremendous tourism, recreation, housing, commercial, and other development opportunities in Whittier and the surrounding Chugach National Forest and Prince William Sound.

The project has been developed under a project agreement among the U.S. Forest Service, FHWA/WFLHD, Chugach Alaska Corporation and the City of Whittier. All of the parties to the agreement have contributed to the project in administration of the project activities performed to date. The projects' environmental document was performed under the direction of the U.S Forest Service. Upon successful completion of the project's environmental documentation the City of Whittier took over administration of the project. In addition to administering the design and construction of the project, the City of Whittier owns and maintains the existing improved roads and will own and maintain the improved facilities as well.

The City is seeking up to \$8.5 million in State of Alaska and Federal Highway Administration funding for FY 11, which along with \$9 million in previously-allocated federal funds through the Federal Public Lands Discretionary Program, Corridors and Borders, and SAFETEA-LU, would complete funding for the \$17.5 million cost of the first two phases of the road project.

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\$4,000,000
Approved

6:32 PM 5/4/2010

The first 2.7 miles of the project (Phases I and II) are reconstruction of an existing gravel road.

The Shotgun Cove Road project is a regional transportation access initiative that will address immediate and future community expansion, boost economic development, and serve as a catalyst for ongoing and future improvements. The project has national and regional significance. The City of Whittier, Alaska, to which the project connects, contains major rail, ferry and international cruise ship terminals. These terminals bring and attract nearly 600,000 U.S. and international visitors per year seeking access to and use of the Chugach National Forest and the waters of Prince William Sound. The project significantly improves public access to Prince William Sound and the Chugach National Forest, the nation's second largest.

Now an hour's drive from Alaska's largest city, Whittier is the closest gateway for Anchorage and Matanuska-Susitna Borough (Mat-Su) residents and visitors to the Western Prince William Sound; over 50 percent of Alaska residents live in the Anchorage and Mat-Su area, the single most visited area in Alaska. Additionally, this gateway to Prince William Sound was made much more accessible with the construction of the Anton Anderson Memorial Tunnel. The development of Shotgun Cove is perhaps the most important project for the future economic development of Whittier.

The town site of Whittier has very limited developable land, and primary land uses in the current Whittier town site are industrial in nature. This limitation on the future development of Whittier was recognized over thirty years ago when Whittier annexed the Shotgun Cove area as the logical location for an expanded and improved City of Whittier. With the recent completion of the Anton Anderson Memorial Tunnel, visitor traffic increased dramatically to Whittier, but tourism infrastructure in Whittier is insufficient to support the level of visitation. The development of the Shotgun Cove Road will increase access to Chugach National Forest resources in the area for national and international visitors. It will present opportunities to develop additional small boat moorage, allow Whittier to develop a traditional and safer town center, allow Whittier residents to build conventional housing (at the present time most Whittier residents live in a single apartment building remaining from WW II, which also houses most City offices), and allow tourism developers the opportunity to build new visitor facilities to support the visitation possible through the new tunnel and the rail and passenger vessel terminals.

The City of Whittier respectfully asks that the State of Alaska Department of Transportation and Public Facilities provides match funding up to the amount of \$4,000,000 for a funding match in partnership with Western Federal Lands Division of the US Department of Transportation the US Forest Service and the Chugach Corporation. This funding will serve to push the project into Phase II allowing the citizens of Whittier and the public at large access to the 670 acres gifted to the people of our City by the State of Alaska.

Project Timeline:

This project is ongoing. Started in 2005, the project is slated for completion in 2014.

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

City of Whittier

Grant Recipient Contact Information:

Name: City of Whittier
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 Whittier, AK 99693
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Total Project Snapshot Report

FY 2011 Capital Budget

TPS Report 54241v1

Has this project been through a public review process at the local level and is it a community priority? Yes No

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