



Re: How your community can leverage State funds to improve your harbor

Dear Harbormaster:

The State Harbor Facilities Grant Program provides 50 percent matching funds to help your community upgrade and maintain your small boat harbor. Governor Murkowski signed Senate Bill 291 to create this program in June this year and the bill took effect on July 1.

Have you considered an upgrade to your facilities? If so, I would like to offer Northern Economics' expertise to help you generate community support for the upgrade. We developed the Harbor Economic Impact Model with funding from the State to help you demonstrate your harbor's value to the community and region and obtain your local match.

To obtain funding, you will need to apply to the Department of Transportation and Public Facilities for a municipal harbor facility grant. Grants can cover a variety of improvements, including construction, expansion, major repair, or major maintenance of a harbor facility. In your application, you will need to provide evidence that:

- the proposed project is a capital improvement and not part of a preventative maintenance or regular custodial care program;
- your municipality will provide 50 percent of the total project cost as matching funds, none of which can be from monies received from the State except for some specific allowances;
- your municipality has secured and will maintain adequate property loss insurance for the replacement cost of the harbor facility or has an adequate program of insurance; and,
- your municipality has a preventative maintenance plan for the harbor facility and will be adequately adhering to the preventative maintenance plan after completion of the proposed project.

If you are planning an upgrade to your harbor facilities, you will benefit by knowing the value of your harbor in your community and region. Since 50 percent of the cost must come from local sources, you may need to document that the harbor is a valuable part of the local economy. You need to show your community's decision makers the number of jobs and local sales the 50 percent local match will generate. The Harbor Economic Impact Model can help.

The model is freely available at www.harbormodel.com. Please review the model and then contact me at michael.fisher@norecon.com for a cost estimate or more information about how Northern Economics can help you with this valuation. We stand ready to serve you, whether you need guidance on how to use the model, a low-cost run of the model after you handle the survey effort with your existing staff, or assistance through the entire process.

Northern Economics, Inc. is Alaska's largest professional economic consulting company and has helped Alaskans make better decisions for over 20 years. Our staff will ensure you and your policy makers have a complete picture of the role your harbor plays in the local economy and straightforward information on how your community can best take advantage of the Harbor Facilities Grant Program.

Best regards,

A handwritten signature in blue ink that reads "Mike Fisher".

Mike Fisher
Project Manager/Analyst



880 H STREET, SUITE 210
ANCHORAGE, ALASKA 99501
(907) 274-5600 FAX (907) 274-5601
www.northerneconomics.com