

From: Tresham Gregg [mailto:treshamgregg@gmail.com]  
Sent: Tuesday, March 22, 2016 11:38 AM  
To: Julie Cozzi  
Subject: discussion subject

Hi Julie, Here is the statement I would like to have assembly members take a look at. Thanks, Tresham

#### HARBOR DISCUSSION

Although realizing that the harbor expansion seems to be something that the community wants, and that the various committees claim to be on board with the current plan, I, and many others, feel that there are serious concerns about it that should be at least spelled out for the community before we are facing the implementation of a project that will change the face of our waterfront, and perhaps our economic well being for a long time to come.

What we are really facing is the fact that the working parts of the harbor do not exist in this plan as there is no money to pay for it - approx. ten million dollars if done fairly quickly. Where that money is coming from is a huge question as both the state and the federal governments are having huge monetary deficits. So that means that the citizens of Haines will have to post a bond to pay for it, or let the breakwater and pile of sludge sitting on the beach stay there until money magically appears. Having a bond means paying off a huge loan with lots of interest over a long period of time. How will we pay for this bond? Raise property taxes, moorage rates to double or triple, sales tax to go up, and cutting back on other services. This will be on top of state cuts to our local government, increased costs all around, other projects like the Lutak Dock and water treatment plant, reduction of government employees and services, a state income tax and reduction in permanent fund dividends. Not to mention the reduction in ferry service which brings customers to our town each summer which will negatively impact our overall economic well being.

What seems to have happened is that our planners allowed PND to plan something that was grandiose enough to accommodate all our dreams rather than plan for something within our means. That may have worked for the old paradigm of unlimited oil revenues, but not for the current situation.

While it is true that the Ports and Harbors Committee has been working on the harbor expansion project for a number of years, and that their meetings are open to the public, over time a number of different plans were considered and changed. Although the public has asked for a public hearing to discuss the whole project, the borough has not honored that request, giving us the same reprimand that we didn't come to meetings and speak up. "Now it is too late." That is not an acceptable position for our government to take when so many of its citizens have asked for an in-depth discussion. In the end it will be our money that has to pay for it. There has never been a cost / recovery analysis done for the project. We deserve at least to discuss the issue and all of its implications. We should also have a vote on the question of taking out the bond before the project is let out to bid, as once contracts are awarded, it is too late to change our mind.

A 10 million dollar bond at 4% for 50 years will cost close to 460,000. per year just for the loan with just over 13 million in total interest cost for the life of the loan. This would probably amount to a mil rate increase of 3.6% to cover most of the yearly costs. This is on top of the approx. 300,000 in interest we already pay for the 5 million dollar school loan. I call for a cost / benefit analysis and an advisory vote on bonding for the cost of finishing the project.