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AIDEA RECEIVES \$5 MILLION FOR KETCHIKAN SHIPYARD

Anchorage - The Alaska Industrial Development and Export Authority (AIDEA) was awarded a \$5 million federal grant from the U.S. Department of Commerce, Economic Development Agency (EDA) on Friday, August 9th in Ketchikan. This grant represents 50% funding of a \$10 million project to develop a second shiplift at the Ketchikan Shipyards, owned by AIDEA.

Dr. David Sampson, Assistant Secretary of Commerce for Economic Development, presented the oversized check to Jim McMillan, Deputy Director of Credit for AIDEA, saying the grant is one of the largest he will give out this year.

"I believe the shipyard is a bright star on the economic horizon for Ketchikan," said Dr. Sampson.

AIDEA submitted a grant request to the EDA for the shiplift, which studies have shown to be the most crucial element needed to ensure the ongoing viability of the shipyard. The shipyard, operated by Alaska Ship & Drydock, serves as both a repair facility and a ship construction site. This second shiplift will accommodate vessels up to 250 feet in length weighing up to 2,500 long tons. This class of maritime vessels comprises nearly 95% of the ships plying Alaska's waters. The shipyard's growth has been limited by having only a single 10,000 ton floating dry dock with no means to handle other ships if the dock is in use. The utility of the new lift will be enhanced by the ability to roll ships off the lift so multiple projects can be underway at once on dry land.

McMillan and Sampson were joined by U. S. Senator Frank Murkowski, City of Ketchikan Mayor Bob Weinstein, Ketchikan Gateway Borough Mayor Jack Shay and Leonard Smith, Regional Director of the EDA, Seattle office.

"This is going to go a long way towards completing the shipyard development plan," said McMillan.

The Ketchikan Shipyard is owned by AIDEA but operated by a locally owned private firm, Alaska Ship & Drydock. The state built the shipyard in the 1980's to perform repairs and maintenance on state ferries. AIDEA is discussing a plan to transfer ownership to the Ketchikan borough or city governments.

AIDEA was created by the Alaska State Legislature in 1967 to encourage economic growth and diversification in Alaska. AIDEA provides financing and assistance to businesses in Alaska, creating jobs for Alaskans and helping to diversify Alaska's economy.

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