

FEDERAL RECONSTRUCTION AND DEVELOPMENT
PLANNING COMMISSION FOR ALASKA
WASHINGTON

Important!

WEEKLY REPORTS

APRIL 10, 1964, TO JULY 31, 1964

THE HONORABLE CLINTON P. ANDERSON, CHAIRMAN

Dwight A. Ink, Executive Director

Frank C. Di Luzio, Assistant to the Chairman

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FEDERAL RECONSTRUCTION AND DEVELOPMENT
PLANNING COMMISSION FOR ALASKA

Washington, D. C.

April 10, 1964

The President
The White House

Dear Mr. President:

This is the initial report of the Federal Reconstruction and Development Planning Commission for Alaska which you established eight days ago.

While this nation has experienced natural disasters with substantial loss of life and property, the devastation wreaked on Alaska by the earthquake of March 27 has no parallel. This has been impressed on the Federal Commission by reports from the scene and by testimony given before the Commission by local and State Officials and businessmen from Alaska. The heart of the Alaskan economy has been severely impaired so that it will be some time before it can return to normal.

However, I can report to you that the return to economic health is under way and the prognosis is good. This is because a wide range of assistance has been provided Alaska and additional aid will be supplied every day. The Federal Commission has no intention of allowing Alaska's problems to be forgotten or any change made in your intention that full recovery be given top priority. The people of Alaska can retain their faith in the future aware that their actual needs are known to the Federal Commission and that these needs will be met.

The Office of Emergency Planning has met immediate emergency needs with speed and efficiency and reports that the next two weeks should see a considerable number of projects under way and substantial progress on those already undertaken.

These are some of the highlights of the work that has been accomplished since the Alaskan earthquake:

Health and Safety: The Department of Health, Education and Welfare acted swiftly to avert possible epidemic in the wake of the disaster. Fifty thousand shots of typhoid vaccine, five thousand doses of small pox vaccine and other health protecting items were dispatched to Alaska. Secretary Celebrezze has told the Commission that there is no immediate danger of widespread disease. However, it will be essential to restore sanitary facilities as rapidly as possible to give complete assurance against disease.

There are no food shortages reported in Alaska. Nearly all requirements are being met through commercial transactions; and local production of milk, meat, poultry and eggs is continuing at near pre-earthquake levels. Seventeen tons of food were supplied by the Department of Agriculture to the Bureau of Indian Affairs for distribution to the native population.

The Department of Defense airlifted to the disaster area a 37-man medical team, a 150-man Seabee unit, two 36-bed hospitals, and a 100-bed casualty support unit. Military personnel are assisting in cleanup activities and security patrols.

The Corps of Engineers has initiated a contract for repair of the water supply at Turnagain at Anchorage.

Financial Assistance: Your recommendation that Congress approve a \$50 million supplemental appropriation for the National Disaster Relief Fund quickly became law. The Office of Emergency Planning has not yet allocated any of that money but will be in a position to do so as soon as plans come forward for reconstruction of public facilities. Immediately after the earthquake, \$5 million was turned over by the Office of Emergency Planning to the State Government of Alaska and reconstruction of essential public facilities is moving forward with those funds.

I am hopeful that Congress will act promptly on your proposal to extend the transitional grants for Alaska beyond the termination date of June 30, 1964, and to provide \$22-1/2 million in transitional grants to the Alaska State Government. Governor Egan told the Commission these grants will be most helpful in view of the drastically reduced State and local revenues.

The Small Business Administration currently has available in its revolving loan fund \$140 million and estimates that about \$100 million of this will be necessary for Alaska. The Small Business Administration has additional staff now in Alaska to set up disaster offices in various communities for the acceptance of loan applications. In addition, the services of fifteen to twenty lending officers from banks in the northwest area -- primarily Washington and Oregon -- have been offered to the Small Business Administration to assist in expediting loan applications.

The Office of Education accelerated its payment of funds to Alaska school units under the Federal impact program so that 90 per cent of this year's allotment has already been paid to the State school system. This will be of great assistance since the schools have suffered approximately \$10 million worth of damage.

The Bureau of Family Services has set aside \$100,000 in special Federal funds for demonstration projects, and this can result in a total of \$400,000 in Federal funds going into the State. Specific details of the projects are now being worked out. The Office of Vocational Rehabilitation has made available \$200,000 for rehabilitation programs. Approximately \$250,000 worth of surplus property has been made available to the disaster area by the Department of Health, Education and Welfare.

Community Facilities Administration has earmarked \$175,000 for Anchorage for advanced public works planning and \$150,000 for other towns.

The Farmers Home Administration now has \$2 million available for loans for rural housing in the earthquake area. Loans are available immediately to eligible borrowers for on-farm housing or for houses in towns of less than 2,500 population.

The Department of Defense reports that estimated damage to military installations is approximately \$30 to \$35 million. The Department is considering reprogramming appropriated funds for restoration of these installations. As an aid to the economy, the Department of Defense today awarded contracts for construction of 62 units of military housing valued at \$2.4 million at Greely; 100 units valued at \$3.4 million at Fort Richardson; and 290 units valued at \$9.2 million at Elmendorf Air Force Base. In addition, the Department is giving consideration to construction of 170 pre-fab housing units at Kodiak. The Public House Administration approved construction of 150 low-rent public housing units in Anchorage. The Corps of Engineers has \$450,000 worth of disaster work under construction in Anchorage, \$375,000 in Seward, and \$142,000 at Valdez.

The Federal Housing Administration has authorized forbearance on payments of existing loans by mortgagees. Community Facilities Administration has agreed to a moratorium on rents in 340 units in Kodiak on which HHFA holds mortgage. The Veterans Administration will grant forbearance where warranted to home buyers with V.A. loans who are having difficulty meeting their mortgage payments. Waiver of total indebtedness on a V.A. loan to the government is authorized in cases where there is default because the property is a loss.

Fisheries and Transportation: The fishing industry and transportation network were critically affected by the earthquake and tidal waves.

There is extensive damage to existing canneries at Kodiak because of a six foot drop in elevation around the island and spring tides and high winds will doubtless cause water damage in some of the canneries.

An emergency loan office is opening tomorrow (Saturday) at Kodiak to aid fishermen. A dry dock for repair of fishing boats left San Diego for Alaska today (Friday). Our Task Force on Fisheries met this afternoon with Alaska State Director Walter Kirkness.

Full railroad passenger and freight service is operating between Anchorage and Fairbanks after temporary repairs. A floating crane is expected at Whittier this weekend to serve as a temporary replacement to destroyed unloading facilities. The Corps of Engineers anticipates a report shortly on the restoration of this vital port.

The Bureau of Public Roads is working closely with the Alaska State Highway Commission not only in bringing about emergency repairs but also from the standpoint of long-range planning. As a result, the road from Anchorage to Fairbanks is now open to all traffic. Bids will be opened shortly for repair of the highway from Anchorage to Seward with completion date May 27.

The Bureau of Public Roads has had in progress a transportation study of Alaska primarily oriented toward long-range development of the highway system. Since this survey was in progress before the earthquake, it offers a nucleus for prompt assembly of data concerning the transportation situation. This will be invaluable to the Federal Commission in meeting its long-range responsibilities.

The ship PATHFINDER will move, after refueling at Kodiak, to Seward to investigate waterfront approaches. Surveying operations will follow immediately in the Cook Inlet area; sea approaches to the town of Anchorage are scheduled for immediate investigation. The PATHFINDER will be joined by the HODGSON the latter part of this month for resurveying of upper Kodiak. The ship SURVEYOR is now at Cordova investigating approaches to that harbor and will move from there to Whittier and Valdez.

April 10, 1964

Legislation: The Bureau of the Budget is reviewing with appropriate agencies possible legislation which would offer relief to Alaska in several areas of need. Governor Egan recommended enactment of several measures, and these are being given careful consideration. Indeed, the full Senate Committee on Interior and Insular Affairs will begin hearings next Tuesday morning on the Governor's recommendations for a program of retroactive earthquake insurance. Other remedial legislation under study by the Executive agencies includes public roads, increased Federal sharing of welfare assistance, and debt adjustment. In addition, legislation is currently before Congress which offers the possibility of significant aid to the commercial fishing industry.

Organization: With the appointment of Dwight Ink, Assistant General Manager of the Atomic Energy Commission, as Executive Director of the Federal Commission, the Commission will establish offices in the Federal Bar Building in Washington. Eight task forces to examine specific aspects of the reconstruction problem have been created and are at work. In addition, I have established an advisory committee on construction with representation from builders and labor to survey emergency reconstruction needs and long-range planning. That group leaves on Sunday for Alaska. One assignment of this group is to expedite contract procedures.

I think we can all take pride in the way the Federal Government, the State of Alaska, organizations, and private individuals responded to the plight of our 49th State.

Sincerely yours,

/signed/

Clinton P. Anderson, Chairman
Federal Reconstruction and
Development Planning Commission
for Alaska

FEDERAL RECONSTRUCTION AND DEVELOPMENT
PLANNING COMMISSION FOR ALASKA

Washington, D. C.

April 17, 1964

MEMORANDUM TO: SENATOR CLINTON P. ANDERSON
CHAIRMAN

SUBJECT: COMMISSION'S WEEKLY REPORT - APRIL 17, 1964

The information reported herein has been taken from the several weekly reports compiled by the participating departments and agencies in the Alaska recovery effort.

The following are highlights in the broad range of activities:

Estimates of Damage

A vital need from the beginning of the reconstruction program has been hard facts. Official and unofficial estimates of damage have abounded, and the figures tend to change as time goes on. The Commission and the State of Alaska have arranged for detailed study of housing and business real property losses in disaster areas, building by building. This survey will include both assessment of damage and outstanding indebtedness on each structure.

The Interior Department completed its preliminary damage assessment on fisheries, and estimates \$13,600,000 in damage to fishing vessels and processing plants in the earthquake area. This estimate does not include damage to boat harbors and other public facilities, or damage resulting from the raising and lowering of land in the various areas.

Initial reconnaissance surveys of the effects of the earthquake have been completed by the Interior Department's geological survey team; a report is being prepared for publication April 27.

Apparent earth settlement of most of Kenai Peninsula accompanied by normal monthly high tides has resulted in

moderate to severe flooding many towns and villages on Cook Inlet and Prince William Sound. Maximum tides occurred April 14, 1964, and are now decreasing daily.

At Portage, the entire population of about sixty people has been evacuated. At Girdwood, a community of about forty people, there has been flooding up to two feet from high tides, with subsidence estimated at five feet. There has been no evacuation. At Seldovia, where there was several feet subsidence, there was some flooding; however, occupants took action in advance to elevate equipment, merchandise and personal property, thus reducing damages.

The Engineers furnished troops for construction of a temporary sandbag levy at Girdwood, using 27,000 sandbags, and furnished 3,000 sandbags for use at Portage.

Two staff engineers of the Federal Power Commission's San Francisco regional office visited Alaska power installations as an initial step in evaluating the damage to power facilities.

The latest estimate of damage to the Army installations in Alaska is \$22,439,600. The Alaska Corps of Engineers District has been given funds to start repair at Nike sites (preliminary damage estimate \$250,000). Cost of disaster repair work at the West Elmendorf power plant is estimated at \$86,000, of which \$79,000 worth of work has been completed. The repair cost for the 5040th Air Force Hospital is estimated at \$400,000, with \$236,000 worth of the work completed.

The Office of Emergency Planning prepared two reports providing economic and other factual information on the disaster and reconstruction activity, which were distributed widely to agencies and officials concerned. They are titled "Impact of Earthquake of March 27, 1964, Upon the Economy of Alaska" and "Types of Assistance Available to Alaska from Federal Departments and Agencies."

Emergency Relief

The OEP has coordinated the relief and rehabilitation activities of all Federal agencies active in the Alaskan recovery project. It appears that the emergency situation is under control and work is progressing satisfactorily in the recovery and rehabilitation phase. The immediate emergency needs of the people are being met, OEP reports.

OEP assisted in arranging for transfer of displaced Indians from Airport Heights School to Camp Denali, a National Guard Camp on Fort Richardson.

Military departments are continuing airlift of materials and furnishing emergency requirements of equipment and material.

Financing

On April 1, 1964, Treasury Department directed that, for the time being, no calls would be made against the balances in Treasury Tax and Loan Accounts in the banks in the Alaskan disaster area. This will permit these balances to build up rather than being sent elsewhere.

In a departure from past Small Business Administration policy, SBA approved the following for commercial properties and home repair, when approved by local building authorities:

1. On existing SBA loans and new disaster loans SBA will, on a case-by-case basis, grant a moratorium of five years for principal and one year for interest.
2. Although disaster loans may not exceed the statutory twenty-year maturity, amortization may be established on a thirty-year basis. That is, at the twenty-year maturity an additional ten years is available for orderly liquidation of the unpaid balance.

3. Where it appears necessary, consideration will be given on a case-by-case basis to paying off an existing lien with a portion of the new SBA disaster loan, provided the loan applicant can show reasonable ability to repay the increased loan for combined purposes.

A teletype to the Alaska SBA office this week made the broadened authority effective immediately.

In addition to SBA experienced disaster personnel sent to Alaska, SBA obtained the services of two experienced bankers from northwest U.S. banks, and expects to provide more on leave from their banks to process loans in Alaska.

In Anchorage, there have been 226 loan interviews; 149 applications distributed; nineteen applications turned in, for seven homes in the amount of \$104,800, and twelve businesses for a total of \$345,400.

A temporary fisheries loan office has been opened in Kodiak by the Interior Department's Bureau of Commercial Fisheries; seventeen applications totaling \$270,000 have been received; six of these, for \$122,000 have been approved, and the rest are being processed now.

Health

There are only two reports of diseases thus far in the disaster area. The Arctic Health Center reported one unconfirmed case of measles among native refugees being housed in a school; gamma globulin is being given. There was one unconfirmed case of typhoid fever, and a check is being made of the water supply. Dogs in the disaster area have been vaccinated for rabies as a precautionary measure.

Information for Citizens

Civil Defense broadcasts continue every thirty minutes to advise local communities of health hazards, such as water contamination, welfare, and other essential information.

Community Facilities

The OEP reports damage surveys are continuing, architect-engineer studies to determine the feasibility of certain reconstruction projects are well underway, and contracts are being let speedily for the emergency repair and temporary replacement work eligible under Public Law 81-875.

The Anchorage Post Office and Courthouse Building is structurally sound, engineering surveys showed; a \$21,000 contract has been awarded for electrical and other emergency repairs. Complete rehabilitation of the building is planned.

The first Anchorage urban renewal disaster project has been activated by the Housing and Home Finance Agency. Planning is underway for the redesign and reconstruction of the entire downtown area -- which includes most of the heavy damage in the City of Anchorage except for Government Hill and the Turnagain residential area. Similarly, planning has begun for downtown Kodiak and its waterfront and for the City of Seward. Renewal planning for Valdez is pending a decision on relocation of the town.

The U.S. Engineers have a projected \$73,000,000 reconstruction program, with \$47,715,000 authorized to date by the Office of Emergency Planning for work primarily in Anchorage, Seward, Valdez, Kodiak, Homer and Palmer, under P.L. 875, the Federal Disaster Act. Community facilities work contracted, in progress, or complete includes \$720,000 in projects at Anchorage, \$375,000 at Seward, and \$142,000 at Valdez. Typical projects include, in Anchorage, raising and construction of the road and dry storage area at the Municipal Dock, estimated \$150,000, and repair of the water system and sewers in the Turnagain section, estimated \$300,000; at Seward, repair of power lines, estimated \$175,000, and debris removal, \$200,000; and at Valdez, repair of water and sewer facilities and removal of debris, \$142,000.

Demolition of buildings and clean-up operations at Kodiak are almost complete. All sanitary sewer lines are clear and functioning.

At request of the State, OEP field office directed the Navy's Bureau of Yards and Docks to provide emergency water supply to the Spruce Camp Area outside the city of Kodiak.

The Corps of Engineers has made preliminary structural surveys of all Anchorage area schools and compiled damage estimates. The School Board values the West Anchorage High School at \$5,600,000. Repair cost of this structure is estimated at \$2,250,000 by the Construction Consultant Committee of the Federal Commission. The Government Hill school may have to be demolished.

The Corps of Engineers has been directed by the OEP Field Office to handle emergency repair work of the Palmer Independent School District.

The Rural Electrification Administration has made the Homer Electric Association, Inc., Homer, Alaska, a \$833,000 loan to finance construction of ninety-two miles of distribution line to serve 249 new consumers, four miles of new tie line, and a new combination commercial headquarters and warehouse building at Homer. In addition, loan funds will be used to finance system improvements including conversion of ten miles of existing line to a higher capacity. Upon completion of the facilities provided for in this and prior REA loans, the borrower will be serving 1,949 consumers over 720 miles of line on the Kenai Peninsula. While this association had only minor damage from the earthquake, this loan will provide electric power to people in the earthquake area and will furnish employment in the area.

Chugach Electric Association of Anchorage

The power plant at Anchorage has been restored to an emergency operating condition and is delivering approximately fifty per cent of its installed capacity.

The transmission line to the Cooper Lake hydro plant has thirty-five to forty structures destroyed or badly damaged, and reconstruction has been set back severely by recent extremely high tides. \$700,000 of funds from prior REA loans intended for other purposes has been advanced to the borrower for emergency reconstruction purposes.

OEP Field Office arranged for improved telephone and teletype communications for Federal agency offices in Anchorage.

One of the hard-hit communities which will have to relocate in Afognak, just north of Kodiak Island. The Lions Club is relocating this village, and will provide fifty homes and a community center. The name of the relocated community will be

Port Lions. A health engineer from the Department of Health, Education and Welfare visited the site this week to establish requirements for community facilities.

The OEP arranged and chaired an inter-Governmental meeting with the Attorney General of Alaska and Mayors of Anchorage, Kodiak, Seward, Valdez and Cordova, and reviewed the Alaskan situation. The specific problems of each of the above named cities were identified and fully discussed with a view toward increased understanding of the needs and possible solutions.

Natural Resources

By aerial survey, the Forest Service has determined that ninety percent of the coastal saw mill capacity in the Seward to Cordova area was destroyed by the tidal wave. It is estimated that twenty million board feet annual production of lumber was lost to the economy of this area. Since these mills operated on an intermittent basis, the actual capacity loss was much higher. The survey indicated that the Columbia Lumber Mill at Whittier is gone, with no evidence that one ever occupied the site. Mill buildings covered one acre which will give an idea of the force of the tidal wave. Morrison Knudsen has a contract to build two-lane temporary bridges alongside the damaged ones, on the forest highway from Girdwood to Seward.

A freighter load of lumber and plywood is being gathered up in the Pacific Northwest for donation to Alaska, compliments of Forest Industries.

Miscellaneous

An additional twenty-eight tons of feed have been airlifted from Anchorage to Palmer to stock producers on the Peninsula.

Contracts

Two major contracts were awarded, one for \$1.6 million for fuel oil at Dutch Harbor and the other for \$1.5 million for bituminous coal at Anchorage, the Corps of Engineers reports. Alaskan contractors report no difficulty in completing performance of Defense contracts outstanding prior to the disaster.

Housing

Two VA Analysts began inspections of damage reported by homeowners in Alaska. Reports from the VA installations in Seattle and Alaska indicate that VA exposure consists of 405 loans in properties. That agency sent letters to approximately 400 homeowners and has received replies from about one-third of these indicating the condition of their property. These replies indicate that 44% of the properties were not damaged, and 56% were damaged.

VA construction analysts inspected 29 of the 72 properties which homeowners reported as damaged in the Anchorage and Valdez areas. These inspections indicate 11 properties have not been damaged, 15 properties had minor damage totaling about \$2,250 and three properties had major damage aggregating \$6,500.

If the 129 homeowners reports are adjusted to take into account these analyst findings, the results are: 53% of the properties were not damaged, 39% of the properties had minor damage, and 8% had major damage.

The VA has received 16 requests for forbearance on loans which have been granted. Furthermore, the principal private lending institution holding guaranteed loans has indicated a willingness to extend forbearance.

A VA representative visited the area to assist veterans and families in connection with compensation, pension, and insurance plans.

Anchorage and Seward require no temporary housing facilities, but analysis by the Housing and Home Finance Agency shows Kodiak needs at least 60 temporary units. Arrangements are being made to move surplus Navy structures -- some family housing units, some not -- into the city.

The Corps of Engineers awarded contracts for 290 units of family housing at Elmendorf Air Force Base, 100 units at Ft. Richardson, and 62 units at Ft. Greely.

Transportation

A contract approximating \$1 million was awarded by the State of Alaska for temporary repairs necessary to open the highway between Seward and Anchorage. A similar contract has been prepared and is being negotiated for the repairs to the road between Cordova and its airport.

The Bureau of Public Roads Transportation Study in Alaska has been reoriented to provide, by the end of this month, data on the movement of persons and goods by all modes of transportation in Alaska related to the long-term Alaska redevelopment and taking into account the effect of the earthquake disaster.

The preliminary estimate of \$81,000 road damage made by the State of Alaska has now been scaled down to \$55,000,000 by the Bureau of Public Roads. The principal roads are open except between Portage and Seward; here a contract for about \$900,000 has been let for temporary bridge repairs. The Bureau of Public Roads research project has not been broadened to include a special report on the present status of all forms of transportation in Alaska.

\$2,500,000 of emergency relief funds were allotted to the Bureau of Public Roads Regional Office in Juneau this week for reimbursement to the State on emergency highway repair work within the National Forest boundaries. \$1,733,500 were similarly allotted for emergency repair work on highways of the Federal Aid System not located within National Forest boundaries.

The high tides of April 13 have taken out 13 miles of highway south of Anchorage and it will be some time before this damage can be repaired. Commercial transportation companies are now in the process of setting up a barge supply system for the Kenai Peninsula until regular transportation facilities are restored.

Two Interior Department engineering geologists have been assigned at the request of the Alaska Railroad to make geologic studies of damaged areas to provide advice needed by the railroad in its reconstruction problems.

Alaska Railroad service to the Port of Whittier had been expected to resume April 14, but damage from the high tides of April 13-15 caused about a week's delay. Interior Department personnel averted possible major bridge damage near Portage by putting ballast-laden cars on the bridge to counteract the pressure of ice floes. The Portage area apparently has sunk about six feet; this will mean raising 35 miles of roadbed about four feet, and armoring the bed against tidal erosion. Eight miles of track north of Anchorage must be raised and armored. Part of the line to Seward will have to be relocated south of Portage. These problems have raised the working estimates for restoration of the Railroad by \$6,395,000, to a total of \$19,195,000, according to the Department of Interior.

Passenger and freight service capacity between Anchorage and Fairbanks was reported as having become normal. However, the tonnage carried by the freight trains will not approach normal conditions until after opening of the Anchorage to Whittier line. The 100-ton floating crane has arrived at Whittier and it will permit immediate resumption of transfer of freight cars and containers to the railroad as soon as the tracks can be restored to this port. No plan has yet been formulated for restoration of the rail facilities and the docks at Seward.

Control tower facilities at Anchorage International Airport were demolished, but full control is being maintained with other facilities.

Ports

The Coast and Geodetic Survey of the Department of Commerce has completed the crash program to re-establish floating aids to navigation and also install a limited amount of tide measuring equipment.

The Port of Anchorage has continued to use its reduced capacity effectively. Damage is estimated at \$2,320,000. At Valdez the port facilities essential for transfer of freight to an alternate highway route to Fairbanks were completely destroyed. At Kodiak and Cordova some use of docks for local purposes is possible despite extensive damage. A Department of Commerce representative is in Alaska to examine and report on all port facilities.

To rebuild city docks in Anchorage the city has been granted permission to remove without cost 100,000 cubic yards of fill from Elmendorf Air Force Base.

At Kodiak the Corps of Engineers under its navigational authority plans to rehabilitate, at an estimated cost of \$950,000, two harbor breakwaters which were affected by land subsidence during the earthquake. Removal of sunken boats and cost of removal of debris from the harbor is estimated at \$75,000. OEP has authorized restoration of boat landing and mooring under PL 875 authority. At Seward the harbor was destroyed and replacement is being considered at a site northward of the original site. The Valdez small boat harbor likewise was destroyed. Siting of a new dock, to be provided under PL 875 as requested by the OEP, is under study.

The Navy has sent a flooding dry-dock USS Alamo and associated equipment to Kodiak to begin repair of the damaged fishing fleet. Three tons of Red Cross relief cargo are on board.

Legislation

Congress appropriated \$50 million for the current fiscal year to the OEP disaster relief fund. \$5 million has been allocated to Alaska and more will be made available within OEP budget.

The President's proposal to extend transitional grants for Alaska beyond June 30, 1964, and to provide approximately \$22 million for this purpose is expected to be transmitted to the Congress in the next few days.

The House Subcommittee on Fisheries & Wildlife of the Committee on Merchant Marine & Fisheries has reported to the full committee the Senate passed bill S.627. Among other things, this bill authorizes soft loans for chartering commercial fishing vessels pending the reconstruction and repair of vessels **lost**, damaged, or destroyed, by the recent disaster in Alaska. Funds totaling \$7 million already appropriated to the Fisheries Loan Fund of the Department of the Interior would be used for this purpose.

Other remedial legislation under study by the Executive Agencies includes public roads, increased Federal sharing of welfare assistance, and debt adjustment.

Organization

Federal Agencies having substantial responsibilities for disaster work in Alaska have been asked to designate representatives on an Alaska Field Committee of the Commission. The principal functions of the Committee will be coordinating disaster programs now being carried out by these agencies under existing authorization, and recommending steps which might be taken to provide greater compatibility between agency recovery programs.

The Committee will be composed of agency representatives who are currently stationed in Alaska.

Policy Problems

A copy of OEP Director McDermott's letter of April 14 is attached as a part of this report. The letter, which you have seen previously, succinctly points up very difficult problem areas which have been referred to interested task forces for staff review and recommendations.

Dwight A. Ink
Executive Director

Enclosure:

OEP ltr - 4/14/64

CLINTON P. ANDERSON, N. MEX., CHAIRMAN

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United States Senate

COMMITTEE ON
AERONAUTICAL AND SPACE SCIENCES

April 18, 1964

The President
The White House

Dear Mr. President:

This is the second report of the Federal Reconstruction and Development Planning Commission for Alaska which you established on April 2, 1964.

The rehabilitation of Alaska continues to move forward with the speed that you directed be exercised in this massive recovery program. As you know fishing is one of the foundation stones of the Alaskan economy. Damage to boats, canneries and harbor facilities--from the earthquake and high tides--was quite extensive. Seeking to get fishermen back to sea, the Bureau of Commercial Fisheries opened a loan office in Kodiak and has so far approved emergency loans for \$122,000. Other applications are being processed. The Navy dispatched the floating drydock ALAMO to Kodiak where it will be used to repair fishing vessels. We continue to await detailed reports on the effects of major geological changes on the fishing industry.

This week the Subcommittee on Fisheries and Wildlife of the House Committee on Merchant Marine and Fisheries approved Senate-passed S. 627. I understand that the full Committee will take up this important measure next Tuesday. Among other things, this bill authorizes soft loans for chartering commercial fishing boats pending the reconstruction and repair of vessels lost, damaged, or destroyed by natural disaster. This bill seems made to order, as funds totaling \$7 million already appropriated to the Fisheries Loan Fund of the Department of the Interior would be used for this purpose. Congressman Bonner has been most cooperative in this matter.

April 18, 1964

Also in the legislative field, the Senate Interior and Insular Affairs Subcommittee completed two days of public hearings on S. 2719, a measure to provide retro-active earthquake insurance for Alaska. This measure should be examined most carefully because of the precedents involved and the unique nature of the program it would create. However, such a program, or any other course of action relative to Alaska, must depend on the specific and reliable information. Estimates of damage have had to be made on a crash basis to gain a grasp of the magnitude of the problem. Determination of specific new programs involving loans or possible grants demands well established data which is not now available. The Federal Commission and the State of Alaska have arranged for a detailed assessment of housing and business real property losses in disaster areas, on a building-by-building basis. This survey will include assessment of both damage and the outstanding indebtedness on each structure.

The Federal Commission's Construction Consultant Committee started its damage assessment in Alaska on April 13. The Committee will report on the following: Emergency reconstruction, estimated costs, long-range development, and local labor conditions. The members of the Committee have completed their preliminary survey and are now collecting detailed information. The magnitude of this job is great, but by making use of the long daylight hours they should complete their study within the next ten to fifteen days.

The Corps of Engineers has a projected \$73,000,000 reconstruction program with \$47,715,000 authorized to date by the Office of Emergency Planning for work primarily in Anchorage, Seward, Valdez, Kodiak, Homer and Palmer, under P.L. 875, the Federal Disaster Act. Community facilities work contracted, in progress, or complete includes \$720,000 in projects at Anchorage, \$375,000 at Seward, and \$142,000 at Valdez. Typical projects include, in Anchorage, raising and construction of the road and dry storage area at the Municipal Dock, estimated \$150,000 and repair of the water

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The high tides of April 13 have taken out 13 miles of highway south of Anchorage and it will be some time before this damage can be repaired. Commercial transportation companies are now in the process of setting up a barge supply system for the Kenai Peninsula until regular transportation facilities are restored.

Governor William A. Egan of Alaska has established a temporary headquarters for the State of Alaska's Reconstruction and Development Planning Commission in the office of the Federal Commission. The Attorney General of Alaska, George Hayes, has been appointed by the Governor to work with the Federal Commission staff to insure the closest federal-state coordination.

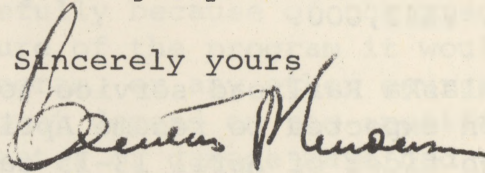
The President

-4-

April 18, 1964

While reconstruction moves ahead, the Federal Commission will soon look to its other broad assignment--development planning for Alaska's future economic well-being. This will be done in close association with state and local groups.

Sincerely yours



Clinton P. Anderson, Chairman
Federal Reconstruction and
Development Planning Commission
for Alaska

CPA:bga

FEDERAL RECONSTRUCTION AND DEVELOPMENT
PLANNING COMMISSION FOR ALASKA

Washington, D. C.

April 24, 1964
(Corrected Copy, April 26)

MEMORANDUM TO: SENATOR CLINTON P. ANDERSON,
CHAIRMAN

SUBJECT: COMMISSION'S WEEKLY REPORT - APRIL 24, 1964

Emergency Services

The military services continue to provide extensive emergency assistance, especially in the following areas: supply and rehabilitation; police guard and sentry duties; evacuation; relocation; internal security; communications services; medical, sanitation and inoculation service; restoration of utilities; demolition; provision of food and clothing; supplemental emergency transportation; salvage of fishing boats; aircraft control for civilian aircraft; harbor clearing; electronic repair; aerial and ground photography; repair and relocation of aids to navigation, and supplying and placing sandbags to prevent flooding.

Financial Activities

Because of the critical shortage of funds available in Alaska, the Agriculture Department on April 22 started making emergency three per cent loans to permit continuation of normal farming operations. Loans are for replacement of farm machinery and equipment. Housing is excluded.

The Housing and Home Finance Agency deferred until further notice payments now due -- or to become due -- to the U.S. from public bodies in Anchorage, Cordova, Kodiak, Seward and Valdez. A full review by HHFA of the status of such obligations is planned, to determine what further relief might be justified.

Taxpayers have been told through news media and field trips by officials to Cordova, Kodiak, Seward, and Valdez, of the provisions of the income tax law dealing with casualty losses, and the Internal Revenue Service on April 20 announced a 90-day extension for claiming casualty losses on 1963 returns. The Anchorage office has received 5,500 requests for time extensions on filing 1963 returns. Waiver of filing penalty will be granted to any citizen who is unable to file or who requests extension because of circumstances arising from the earthquake, the Treasury Department said.

Because all but a small part of the emergency repair work authorized for accomplishment under Public Law 875 is being performed by Federal agencies, only a minor fraction of the \$5,000,000 initial allocation by the President for State and local government assistance will be used by the State and local governments for work performed by themselves.

Damage Estimates

Refinement of damage estimates continue. Field work began during the week in Anchorage, Kodiak, Seward and Valdez on the building-by-building private property damage survey which combines the efforts of the State Assessor and his assistant, a California Board of Equalization appraiser on loan, 11 professional appraisers from California, Oregon and Washington, local professionals, title companies, the Alaska State Housing Authority, an HHFA real estate specialist, and Federal agencies such as the Veterans Administration and the Federal Housing Administration.

OEP is updating its April 6 study, "Impact of Earthquake of March 27, 1964, Upon the Economy of Alaska."

The Agriculture Department estimates damage of up to \$5 million to Rural Electrification Administration-financed cooperatives; \$300,000 to rural housing with Farmers Home Administration financing, and \$200,000 to farms and farm property which is security for Farmers Home Administration loans.

The Department of Defense now estimates military installation damage as follows: Army, \$18,317,000 (down from the \$22,439,600 estimate of the previous week); Navy, \$10,580,000, and Air Force, \$10,312,000. Wood buildings reportedly survived the earthquake very well, as did most of the smaller concrete-masonry structures. Major damage occurred in the larger steel-framed and concrete-masonry buildings. Seismic engineers are studying structural problems and are expected to report within three weeks. Most military activities "are now being conducted without significant impairment of capability," says DoD.

The Veterans Administration now has inspected one hundred properties reported damaged, and has found 18 with no damage; 72 with minor damage, totaling \$7,795, and 10 with major damage, totaling \$26,177. (Twenty-nine properties were reported on a week ago.)

Valdez

The State of Alaska is planning to restore Highway Department and mental hospital facilities at Valdez. Although funds have been allocated for planning the new town site, they will not be released until annexation steps have been taken.

A Coast Guard LSM vessel at Ketchikan was moved to the Port of Valdez for use as a temporary dock in unloading critically-needed supplies. Arrangements for the move were made by the General Services Administration and the Area Re-development Administration.

Alaska Railroad

Your letter to the President recommending the rebuilding and repairing of railroad facilities including service to Seward -- the latter to include dock, yard and warehouse facilities consistent with projected requirements -- was delivered to the White House on April 23. We are now awaiting the President's final decision.

The Interior Department has begun salvage work on rail cars at Seward, and is moving 62 cars by chartered barge to the Anchorage shops for repair or rebuilding. The first train of freight went from Whittier to Anchorage on April 20; since then two others have made the trip, and a fourth is being made up.

GSA is arranging for procurement of a new locomotive for the Railroad; estimated cost is \$200,000.

Highways

A \$128,390 contract has been awarded for repair of the Copper River Highway between Cordova and the local airport. The Bureau of Public Roads is studying the feasibility of a bridge across Turnagain Arm, as a long-range project which would eliminate about 50 miles of low highway to Seward and Homer, now being flooded at high tide. The Bureau of Public Roads has not changed its \$55 million estimate of last week on total damage to Alaska highways.

Heavily-used road graders, dump trucks, and other road equipment at Anchorage, Seward and Valdez were becoming unusable because rubble was cutting up the tires. GSA and others made an excess property screening survey at Fort Wainwright and Eielson Air Force Base, in the Fairbanks area, and obtained replacement tires for the cities. All the road equipment was returned to full operation.

Airports

The Federal Aviation Agency now estimates the total cost of rehabilitation of Alaska airports to be more than \$3 million. This includes \$500,000 worth of work at Seward; \$300,000 at Valdez; \$250,000 at Seldovia, plus \$20,000 for the seaplane float there; \$200,000 at Girdwood; \$150,000 at Afognak, and \$50,000

each at Old Harbor, Whittier, and Merrill Field, Anchorage. At Anchorage International Airport, costs are expected to include \$530,000 for the terminal; \$250,000 for runways, taxiways and aprons, and \$100,000 for hangar repair. Thaws will add problems in airport rehabilitation. The State of Alaska, which operates Anchorage International, has approved an FAA-selected new site for a control tower. Lake Hood Tower at that airport is now instrumented to provide complete air traffic control.

Ports

The Maritime Administration of the Commerce Department is making a damage survey of Anchorage port facilities and believes the damage is not so extensive as feared earlier. Aerial pictures by the Coast and Geodetic Survey throughout the earthquake area are helping to determine changes in sea levels. Further detail now available confirms the original analysis: that while depths were changed in a number of ports, the changes do not appear likely to present serious hazard to navigation.

The floating dry dock arrived at Kodiak on April 19, and is being leased to a civilian contractor for use in fishing fleet repair. Two small-boat harbor breakwaters damaged by land subsidence at Kodiak will be rehabilitated by the U.S. Engineers for about \$950,000, available from Corps appropriations. Removal of sunken boats and debris, estimated to cost \$75,000, has been in progress for a week. Under Corps consideration is the feasibility of an expanded Kodiak harbor in the future. At Cordova, uplift of the land mass will require relocation of the central wharf of the small-boat harbor, dredging of the channel, breakwater rehabilitation, and other work, at an estimated total cost of \$700,000. A contract will be negotiated, but award will be withheld pending approval of the Appropriation Committees for use of available funds.

GSA in Seattle has negotiated for a new \$64,000 electromatic tamper unit and a \$66,800 rail car slip apron for the Whittier dock facility.

Fishing Fleet

The Small Business Administration has authorized its Alaska office to make loans for the chartering of commercial fishing vessels under the Economic Injury Program of the SBA Act. These loans will be made available to fishermen whose boats were lost or damaged. The Interior Department's Fish and Wildlife Service is making loans for repair and replacement of fishing vessels. Interior reports that 31 applications, totaling \$528,000, have been received and 18 of these, totaling \$275,000, have been approved to date.

Interior reports also: "Damage to the fishery resource itself is apparent in Prince William Sound and the Copper River Delta due to raising of land. Salmon

spawning beds and razor clam beaches are thrust up above the water level." Interior, in cooperation with the State, plans an assessment of this damage.

Urban Renewal

On April 22, HHFA's Urban Renewal Administration allocated \$300,000 for a feasibility survey for the Turnagain area in Anchorage. Initial expenditures will be for geological and engineering studies to determine re-use feasibility, and for property appraisal. The Alaska State Housing Authority, with HHFA technicians, is proceeding with planning, acquisition appraisals, and relocation determinations in the downtown Anchorage urban renewal project, for which the Agency has allocated \$719,000.

Housing

A moratorium on rents in Aleutian homes, a 340-unit project in Kodiak, has been established. The Community Facilities Administration of HHFA holds the mortgage on this project. The occupancy before the disaster was over 90 per cent.

In Anchorage, a site has been selected for 25 housing units for the elderly, part of the 150 units of low-rent public housing authorized for that city by HHFA. Tentative selection has been made of a second site for an additional 15 units.

Applicants to the Small Business Administration for repair-replacement loans on homes in rural areas and towns of under 2500 population are being sent to the Farmers Home Administration, under SBA agreement with the Agriculture Department.

Natives who had been evacuated from Kodiak now are being returned to their original villages or alternate sites; completion of this return is expected by May 5. The Interior Department's Bureau of Indian Affairs has sent a supply ship, the North Star, from Seattle carrying tents for summer housing and other emergency needs. Delivery at Kodiak sites was scheduled for April 27.

Community Facilities

In Anchorage, the U.S. Engineers awarded contracts April 18 for water and sewer restoration in the Bootlegger Cove area (\$175,000), and in the K & L Streets area (\$225,000). Both projects are now half completed. So is the \$150,000 project to raise and construct the road and dry storage area at the municipal dock.

At Palmer, about one-fifth of the repair of the high school building (total project, \$15,000) is done. At Seward, repair of power line (\$175,000) is more than a third

done, and debris removal (\$300,000) is 84 per cent completed. At Valdez, a project for repairing water and sewer facilities and debris removal (\$142,100) is more than half finished.

The Engineers have negotiated a \$646,700 architect-engineer contract for preliminary engineering work in the Anchorage area. The contractor is Metcalf and Eddy, Boston, Massachusetts.

At Kodiak, the Navy public works officer is continuing to serve as officer-in-charge of all public construction and contract negotiation. Award of a contract for repair of sewer facilities is planned within a few days, and as rapidly as engineering work can be accomplished, contracts will be awarded for electrical distribution, telephone and telegraph facilities, dock facilities, petroleum storage and handling facilities, and street and highway work.

Electric Power

Tentative estimate of total damage to electric power facilities, made by the Federal Power Commission, is \$7 million. The Agriculture Department (REA) has received an application from the Chugach Electric Association for \$1.5 million for earthquake damage repair. This co-op suffered about \$4 million damage to its generating and transmission facilities. Chugach serves the Anchorage area, as do the Bureau of Reclamation's Eklutna Hydroelectric Project, the Matanuska Electric Association (REA), and the City of Anchorage Municipal Light and Power Department. At Eklutna both generating machines are in operation; shaft alignment was completed April 19. The 115 kilovolt transmission line from Eklutna to Palmer has been repaired and is in service, the Interior Department (Bureau of Reclamation) reports.

Miscellaneous

Welfare: A \$232,492 demonstration project grant to the Alaska State Department of Health and Welfare begins May 1. The one-year project was awarded by the Welfare Administration (Department of Health, Education and Welfare) and will include the disaster area. The aim is to demonstrate "the effectiveness of making available immediately adequate public assistance grants to families affected by this disaster, and how the Aid-to-Families-with-Dependent-Children program can be used to enable persons to restore their homes and to become self-sufficient while supporting family life jeopardized by a disaster of this magnitude."

Schools: The HEW Office of Education has indication from the President of the University of Alaska of a need for additional student loan funds for this year,

April 24, 1964

expected to be about \$50,000. The funds will be available for allocation upon receipt of the request.

Cleanup: The Bureau of Yards and Docks scheduled completion of its cleanup work in the downtown area of Kodiak this weekend.

Forest Survey: The Forest Service (Department of Agriculture) has flown 900 miles of aerial reconnaissance to determine timber damage in the Copper River in the Whittier area. Two slides buried 700,000 board feet of timber. The Columbia Lumber Mill at Whittier is gone and no salvage is possible; most of the Alaska Packers cabins at Point Whittier were swept away. The Copper River waterfowl nesting area apparently is damaged and will receive further study.

Manpower: The Labor Department, which has been conferring with labor organizations, reports that adequate manpower is available, and "outside workers are not needed in Alaska."

Prices: The first two reports from the Bureau of Labor Statistics indicate no upward trend in prices. Indications are also that there is a possible upward trend in commercial rent, but no such trend in rent for housing.

Legislation

The House Committee on Merchant Marine and Fisheries ordered that the Senate-passed bill S.627 be reported to the whole House. The amended bill authorizes loans to fishermen whose vessels were lost or seriously damaged, to enable them to charter commercial fishing vessels. As soon as the Committee report is written and printed, efforts will be made to get a rule on this bill. I am seeking early action through the White House and the House Committee.

The various agencies and some of the Commission's Task Forces have submitted tentative legislative proposals for consideration. These principally affect the highway, housing, area redevelopment, and small business loan programs in Alaska. Draft legislation on these proposals is being assembled by the Commission staff for joint Commission-Bureau of the Budget consideration next week.

The President's proposal to extend transitional grants for Alaska, providing \$22 million, was transmitted to Congress on April 23.

/signed/

Distribution:
List 1

Dwight A. Ink
Executive Director

FEDERAL RECONSTRUCTION AND DEVELOPMENT
PLANNING COMMISSION FOR ALASKA

Washington, D. C.

May 1, 1964
(Corrected copy - May 4)

MEMORANDUM TO: Senator Clinton P. Anderson
Chairman

SUBJECT: Commission's Weekly Report - May 1, 1964

Highlights

1. Alaska Visit: As you know, our visit to Alaska earlier in the week was highly productive. Informal reports indicate that your statements both struck a note of hope among Alaskans and, at the same time, turned much of the thinking toward programs which are more realistic than the earlier concepts which tended to focus on extremely large grants or indemnification programs. I was in Seward at the time you announced in Anchorage the President's decision to rebuild the Alaskan Railroad. This news gave the town of Seward a complete new lease on life. Our trip has resulted also in the streamlining of certain plans and procedures. Most of the field work of the various agencies, however, has been proceeding very well, with red tape cut to a minimum. Debris removal, for example, has moved at a very rapid pace under the Office of Emergency Planning and the Department of Defense.
2. Community Schedules: We have directed the Commission's Field Committee in Alaska to draw together, on a crash basis, over-all schedules for the reconstruction of work in each damaged community. Plans of various agencies are being integrated into a master schedule for each community in order to complete the urgent work during the short construction season which is about to begin.
3. Construction Committee: The field work has been completed by the Construction Consultant Committee on assessing damage to public facilities. Its report will be completed in less than a week.
4. Damage Assessment: The joint State-Federal building-by-building appraisal of private property damage will be completed over the weekend. Tabulation and analysis of this raw data have been initiated. Damage estimates from both studies are expected to be much lower than the initial estimates made shortly after the disaster.
5. Scientific and Engineering Task Force: A Scientific and Engineering Task Force has been established with prime objective of providing expert advice on those areas suitable for reconstruction and of developing certain design criteria to help guide reconstruction.

6. Legislation: Commission staff and the Bureau of the Budget are working jointly with the interested agencies in drawing together a legislative program consisting of measures of assistance which must be acted on in this session of Congress.

Financial Activities

The Small Business Administration has amended its disaster participation agreement with banks, allowing them to process and approve loans in which the banks participate to the extent of ten per cent in an amount not to exceed \$100,000. Formerly, SBA only permitted banks to approve loans up to \$20,000 with ten per cent participation and required 25 per cent participation for loans above \$20,000 and not to exceed \$100,000. This additional authority will allow for quicker processing of loans and getting assistance to applicants on an accelerated basis, SBA says.

SBA's Anchorage Disaster Field Office reported the following activity through April 28: 701 interviews; applications received, 44 homes for a total of \$648,680 and 82 businesses for a total of \$7,765,570; loans approved, 11 homes for a total of \$146,600 and 14 businesses for a total of \$232,300. There have been no disbursements to date.

Damage Estimates

The Office of Emergency Planning's current report on casualties is 82 dead; 33 missing and assumed dead; total 115.

OEP estimates \$74.6 million damage to Federal facilities, \$244 million to State and local public facilities, and \$219 million to private property, for an over-all total of \$537.6 million.

Field work on the property-by-property damage survey throughout the state will be completed over the weekend by HHFA and the State Housing Authority. The preliminary estimate for Anchorage is about \$27 million. The initial estimate was \$100 million. The data processing and detailed analysis will be carried out as rapidly as possible.

The Alaska District Engineer, U. S. Engineers, has begun a comprehensive state-wide survey of damages to electric power production and distribution facilities.

The Veterans Administration now has inspected 128 properties reported as damaged, and has found 18 with no damage; 96 with minor damage, totaling \$14,192, and 14 with major damage, totaling \$38,262. (One hundred properties were reported on a week ago.)

Alaska Railroad

A formal request of \$19,195,000 supplemental appropriations consistent with the Commission's recommendation of April 23 to rebuild the Railroad into Seward has been transmitted by Interior to the Bureau of the Budget.

As of April 28, cargo handling at the Port of Whittier was placed on a current basis.

Highways

The Bureau of Public Roads reports all highways on the Federal-aid and forest system open to traffic with the exception of the following three:

1. Seward-Anchorage Highway - contract totaling \$966,139 was awarded by the State for construction of temporary bridges and emergency repairs. It is estimated that the highway will be opened to traffic by June 10.
2. The Cordova Highway is open for limited traffic as far as the airport, and repair under way is scheduled for completion by June 10.
3. The highway to Cape Chiniak in Kodiak is being repaired by State maintenance forces. It will be opened to limited traffic by July 1.

The Canadians' complaint about abuse of waivers on load limit restriction on the Alaska Highway has been resolved by the Commerce Department.

Ports

The required construction funds for rehabilitation of two harbor breakwaters at the Kodiak small-boat harbor (estimated cost, \$950,000) were received April 23 by the District Engineer from Corps of Engineers appropriations. A negotiated contract is expected to be awarded shortly. The Engineers are considering a harbor expansion project estimated at \$2.7 million. The expansion would include an additional breakwater to form a basin accommodating 450 boats. The Navy's Bureau of Yards and Docks has accomplished demolition and debris clearance in Kodiak at an estimated cost of \$195,000. The Engineers estimate at \$200,000 the cost of restoration of boat landings and moorings under P.L. 875; and the Office of Emergency Planning has authorized the work.

At Seward, where the small-boat harbor was destroyed, the Engineers' estimate is \$2.1 million for replacement at a site northward of the original site; a basin

May 1, 1964

for 180 boats in lieu of the destroyed 130 boat moorage is being considered. Generally, the most economical method for construction of the expansion contemplated would be concurrently with reconstruction of the damaged installation. Further, the cost of the increased capacity would not be in direct proportion to the increase in capacity; i.e. the unit cost of a boat berth is usually less for a large harbor than a small harbor.

The Engineers estimate \$1.6 million for a 200-boat basin replacement at Homer, where the small boat harbor for 80 boats was essentially destroyed.

A 150-boat harbor replacement for a destroyed 60-boat harbor is being considered at Valdez at a new location and would cost an estimated \$1.15 million, the Engineers report.

At Cordova, the OEP has authorized an \$80,000 removal and replacement of non-federal facilities, required by general uplift of the land mass in the small-boat harbor area. Restoration of the harbor will require an estimated \$620,000 more.

Fishing Fleet

The Interior Department reports that it has received a total of 36 applications totaling \$600,000 for loans to replace and repair vessels and gear lost or damaged as a result of the Alaska earthquake. Of these, 23 have been approved for a total of \$426,000. Applications continue to be received but at a slower rate.

The temporary loan office established at Kodiak on April 11 by Interior was closed April 23. The initial surge of activity had diminished by that date. Other areas were initially covered by visiting teams of loan specialists. The industry will continue to be covered by a traveling team of two specialists making periodic pre-announced trips throughout the damaged area.

The Interior Department says subsequent reports concerning loss and damage to the fishing industry have not significantly altered its estimate of \$13,625,000 for plants and vessels lost or damaged.

Governor Egan directed that the Navy dry dock transported from San Diego to Kodiak be controlled by the Kodiak City Manager. The Navy effected his decision on April 27, and repair of the fishing vessels is proceeding.

The Interior Department's Bureau of Fisheries is continuing its search on the lower West Coast for fishing vessels which can be chartered by Alaska fishermen. To date, 40 have been located.

Urban Renewal

The Housing and Home Finance Agency reports that planning for the Turnagain area has begun under the urban renewal grant of \$300,000, and will be related to the soil analysis made by the Corps of Engineers. Urban renewal planning for Valdez began April 30 in close coordination with the Engineers.

Housing

The Bureau of Indian Affairs (Interior Department) reports that a supplemental appropriation estimate of \$1.2 million has been forwarded to the Bureau of the Budget as the amount required during the next two months for planning, site preparation and construction of replacement housing and schools at five native villages to accommodate inhabitants of seven severely damaged sites in the Kodiak-Afognak vicinity.

The Army, on April 27, provided twenty 10-man tents for a tent city at Old Harbor, Kodiak Island, to be used by the American Red Cross in its disaster relief operations.

Community Facilities

The HHFA reports that applications for advance planning of public facilities are being expedited by the Community Facilities Administration (HHFA). Details are as follows:

<u>Location</u>	<u>Type of Facility</u>	<u>Type of Planning</u>	<u>Amount of Advance</u>	<u>Estimated Total Project Cost</u>
Anchorage	Industrial Area	Preliminary	\$ 10,000	\$1,000,000
Anchorage	Dock	Complete	110,000	1,500,000
Anchorage	Streets, Sewer and Water	Preliminary	50,000	2,250,000
Seward	City Hall	Complete	18,000	300,000
Seward	Sewers	Preliminary	10,000	310,000
Seward	Water	Complete	12,000	110,000
Kodiak	Dock	Preliminary	10,000	1,200,000
Kodiak	Sewers	Preliminary	7,500	375,000
Kodiak	Airport	Preliminary	6,000	300,000
Homer	Water	Preliminary	26,200	545,000
Total			\$259,700	\$7,890,000

May 1, 1964

The OEP estimates that about \$99 million (as compared with \$80 million estimated a week ago) will be required for the accomplishment of emergency repair and restorative work eligible under P.L. 875. Of this amount, about \$92 million is Corps of Engineers work under assignment from OEP, and the remaining \$7 million is estimated for work by the Bureau of Yards and Docks, other Federal agencies, State and local governments. The Engineers report the increase in the scope of the program results from additional survey data on damage. These are preliminary estimates and are subject to change as damage surveys are refined and further engineering studies are completed. OEP has authorized \$68.3 million of work, an increase of \$15.6 million during the past week. The projected total program includes \$35 million in Anchorage, with \$1,550,400 contracted, in progress, or complete. The work in Anchorage now completed includes water and sewer service restoration in the Bootlegger Cove area (cost, \$175,000) and the K & L Streets area (\$225,000), both of which were half completed a week ago. In Palmer, repair of the high school building (\$15,000) is about one-fifth done; in Seward, repair of power lines (\$175,000) is 45% complete, and in Valdez a \$159,000 project for repair of water and sewer facilities and debris removal is about two-thirds done.

The Engineers report a \$40,000 contract awarded for a municipal power and light restoration in Anchorage; a \$350,000 contract in Anchorage for demolition; a \$300,000 contract in the Spenard area for utility repair; a \$60,700 contract in Valdez to provide a temporary barge terminal, and a \$29,500 contract for repair of the city hospital in Valdez.

Construction Committee

Members of the Commission's Construction Consultant Committee by working long hours have completed their comprehensive exploration for facts in Alaska. They now are compiling their report, which certainly will be of important assistance to the Commission.

Scientific-Engineering Task Force

A Scientific and Engineering Task Force has been activated and includes the following Federal Agencies: Corps of Engineers, U. S. Coast and Geodetic Survey, and U.S. Geological Survey. The task force has established a field team in Alaska to meet the urgent and immediate requirements for geological and earth mechanics information and to develop interim zoning and design criteria to guide construction in this earthquake-prone region.

Unemployment

The Labor Department reports that through the week ending April 18 the Alaska State Employment Service had received only 405 initial claims for unemployment insurance which could be identified as resulting from the earthquake. About 200 more such claims are expected, largely from longshoremen in Seward and Kodiak. About 300 additional persons, who have not worked in covered employment, are reported unemployed as a result of the earthquake. Insured unemployment for the State was 5,107 for the week ending April 11. This was 249 over the preceding week, but 430 less than the same week of last year.

Industrial Development

A \$365,000 loan to the Chugach Electric Association, Anchorage, was announced by the Rural Electrification Administration. The loan is not related to the recent earthquake. The borrower will reloan the funds to its consumer member, Matanuska Maid, Inc., to finance electrical equipment in a milk processing plant to be constructed by Matanuska Maid near Anchorage. REA determined that the financing was not available from other sources. The Agriculture Department says the planned new plant, employing 38 persons full time, will replace an outmoded facility now operated by the dairy, and will help stabilize the dairy industry in the Matanuska Valley, which accounts for a large part of the agricultural income of the area.

Communications

Department of Defense efforts toward regaining and improving Alaska State Civil Defense capability will include establishment of a statewide emergency broadcasting capability.

Education

An expected request from the University of Alaska for additional student loan funds, reported last week, has been received and approved by the Office of Education (HEW). The request was for \$49,500.

Food and Drugs

The Department of Health, Education, and Welfare has embargoed all damaged stocks of food and drug supplies and sent inspectors from Seattle to assist local health officials in supervising reconditioning, salvage, and destruction of unfit merchandise. One large wholesale grocery at Anchorage suffered serious damage, and so far some 50 tons of contaminated foodstuffs have been destroyed.

Stock Feed

Continued disruption of road and railroad transportation into the Kenai Peninsula area has necessitated airlifting of 36 more tons of feed for livestock into that area. This is in addition to 28 tons previously reported.

Legislation

The various agencies and the Commission's Task Forces have been asked to comment on tentative legislative proposals submitted this week. These principally affect the highway, housing, area redevelopment, and small business loan programs in Alaska. These comments in the proposals are being assembled by the Commission staff for joint Bureau of the Budget-Commission consideration.

The President's proposal to extend transitional grants for Alaska, providing \$22 million, was transmitted to Congress on April 23. Hearings will be held in the Senate on May 4.

/signed/

Dwight A. Ink
Executive Director

Distribution to

List 1:

Commission Members
Participating Agencies
Task Force Chairmen
Task Force Members
Alaska Field Committee
Commission Staff

FEDERAL RECONSTRUCTION AND DEVELOPMENT
PLANNING COMMISSION FOR ALASKA

Washington, D. C.

May 8, 1964

MEMORANDUM TO: Senator Clinton P. Anderson
Chairman

SUBJECT: Commission's Weekly Report - May 8, 1964

Highlights

1. S. 627, which includes a proviso to lend money to fishermen to charter fishing boats, has gone to the White House for signature.
2. The field element of the Scientific and Engineering Task Force arrived in Alaska and began work. They will recommend those areas suitable for reconstruction and develop interim zoning and design criteria to guide construction appropriate for that earthquake-prone region.
3. Initial data for the community reconstruction schedules have been received from the various Federal agencies. These preliminary data have already indicated areas and problems which require further review and study.
4. The Housing and Home Finance Agency announced on May 6 an agreement among several agencies to assist certain Alaskan owners of homes totally destroyed or irreparably damaged as a result of the March 27 earthquake. The Federal National Mortgage Association and Veterans Administration will accept a token payment of \$1,000 to satisfy the outstanding mortgage indebtedness they hold on such properties. The Small Business Administration announced that it will make loans up to 30 years at 3 per cent interest for financing new homes for these affected owners. It is hoped that private lenders will follow the Government's lead in making favorable settlements in similar cases.
5. Preliminary data on the joint HHFA-State Housing Authority private property survey was received, totaling \$68,600,000. We have since been advised that the final total will be about \$76,000,000. The debt information on property is not complete.

May 8, 1964

Construction

P.L. 875: Of the \$92 million projected total for the Corps of Engineers recovery activities under Public Law 875, the Office of Emergency Planning now has authorized \$80,960,200. (OEP authorization a week ago was \$68.3 million.)

In Anchorage, of the total projected \$35 million program, \$2,656,700 now is contracted, in progress or complete. (This compares with \$1,550,400 last week.) The \$150,000 program to raise and construct the road and dry storage area at the Municipal Dock in Anchorage now is 78 per cent complete, as compared with 58 per cent a week ago.

In Palmer, repair of the high school building (total estimated cost \$10,000) is now about half done -- as compared with one-fifth completed last week. In Seward, repair of power lines (\$105,600 total) is about nine-tenths done, as compared with 45 per cent a week ago. In Valdez, the program for repair of water and sewer facilities and debris removal (\$179,400 total) is now nearly nine-tenths done as compared with two-thirds completed last week. Also in Valdez, the project to provide temporary barge terminal (\$60,700 total) is more than one-third completed, compared with 12 per cent last week.

Contracts totaling \$698,500 have been awarded for soils studies in Anchorage, Seward and Valdez.

An OEP status report on work under PL 875 is attached to this report.

State Buildings: OEP has directed the Engineers to repair 80 state-owned buildings at various locations.

Kodiak Naval Station: Pending the funding and subsequent awarding of contracts for the permanent restoration of the Naval Station at Kodiak, station forces, augmented by a detachment of Construction Battalion personnel, are proceeding with emergency repairs and restoration. These include road repair, construction of emergency dikes, emergency repairs to four warehouses and to ground electronics installations, and repairs to station surface drainage.

Casualties

The OEP total of 82 dead and 33 others missing and assumed dead has not changed since the last report and is distributed as follows:

May 8, 1964

<u>City</u>	<u>Dead</u>	<u>Missing</u>
Anchorage	7	2
Cape St. Elias	1	
Chenega	23	
Kodiak	10	9
Point Nowell	1	
Point Whittshed	1	
Point Ashton	1	
Point Nellie Juan	3	
Seward	3	10
Valdez	31	
Whittier	<u>1</u>	<u>12</u>
Total	82	33

Valdez

The Coast and Geodetic Survey (Commerce Department) reports continuing seismic tremors in the Valdez area.

Damage Assessment

Military Installations: The Department of Defense has furnished the following estimates of damage and necessary repair and reconstruction to military installations in Alaska:

Wildwood Station	\$ 187,000
Fort Richardson	17,950,000
Naval Communication Station, Kodiak	31,000
Naval Station, Kodiak	8,531,000
Elmendorf AFB	<u>10,312,000</u>

Total	\$36,980,000
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These estimates are based on more detailed figures covering each facility and structure.

State and Local Public Facilities: OEP has furnished the following estimates of State and local public losses, made by the Corps of Engineers, the Bureau of Yards and Docks, and the Federal Aviation Agency:

May 8, 1964

<u>City</u>	<u>Estimates</u>	<u>Amount of Con- tracts Let</u>
Anchorage	\$42,620,000	\$2,656,700
Seward	17,333,000	866,000
Homer	5,500,000	-
Valdez	4,833,000	250,000
Kodiak	2,255,000	137,000
Spenard (Pub.Util.Dist.)	5,000,000	300,000
Seldovia	2,334,000	-
Cordova	625,000	-
Palmer	10,000	10,000
Kenai	400,000	-
Klawoch	100,000	-
Statewide: Public Bldgs.	12,000,000	-
Engineering Services	<u>1,400,000</u>	<u>1,365,000</u>
Total	\$94,410,000	\$5,584,700

Corps of Engineers	\$92,000,000	\$5,447,700
Bureau of Yards & Docks	1,355,000	137,000
Federal Aviation Agency	1,055,000	-

Airfields: The Federal Aviation Agency says on-site investigations indicate no damage to airfields at 15 of the 58 locations assigned to FAA by OEP for repair and restoration. Damage at the remaining fields will be fully assessed as soon as the snow melts and the frost is out of the ground. OEP has said that replacement of Girdwood Airport, on Turnagain Arm, southeast of Anchorage, will not be approved under PL 875 because of high replacement cost, as related to original facility cost, and low rate of use by aircraft. Improvements to the nearby Portage Airport are being discussed as an alternative to the replacement of Girdwood.

Properties Securing VA Loans: The Veterans Administration now has inspected 145 properties reported as damaged (as compared with 128 last week), and has found 18 with no damage; 112 with minor damage, totaling \$17,628, and 15 with major damage, totaling \$41,712. A loan specialist from VA's Seattle Regional Office is now in Alaska to provide on-the-spot service to veterans interested in loan advances to repair their homes and to arrange forbearance where requested.

Financial Activities

On April 4, OEP advanced to the State of Alaska the sum of \$5,000,000 which Alaska advanced, in turn, to the communities. Subsequently, it was determined,

with the approval of the State and the communities, that Federal departments and agencies would act as the contracting parties. This means that most of the advances to the State and the communities will not be utilized. However, any unused portion of these advances will be available (along with an estimated \$55 million of disaster relief funds not reserved for other disasters) to reimburse the Corps of Engineers and other Federal agencies for the extensive expenditures which they are now making for Alaska relief. Mr. Floyd Guertin, State Commissioner of Administration, advised the OEP field office that he would request immediate return to the State of all unused advances except moneys advanced to the City of Anchorage.

SBA Loans: The Anchorage Disaster Field Office of the Small Business Administration reported the following activity through May 4: 851 interviews; applications received - 58 homes for a total of \$893,180 and 113 businesses for a total of \$9,893,320; loans approved - 16 homes for a total of \$189,400 and 24 businesses for a total of \$450,100. There have been no disbursements. Also approved and not included in the figures above were 5 disaster business loans totaling \$28,500 with 10 per cent participation by the First Bank of Cordova, Cordova, Alaska. The SBA Seattle Regional Office reports an approval of a loan in Kodiak for \$120,000. (A week ago SBA reported 11 home loans for a total of \$146,600 approved, and 14 business loans for a total of \$232,300.)

Highways

Reconstruction of the road from the Naval Air Station, Kodiak, to Chiniak is necessary. This is a macadam State road approximately 51 miles long, of which about 20 miles are within the boundaries of the Naval Station, Kodiak. The Department of Defense assumes that it has the responsibility for restoration of these twenty miles and estimates the cost at \$1.7 million. The Bureau of Public Roads includes a \$2.4 million cost increment for the remaining 31 miles in its overall total of \$55 million for all damaged roads. About 11 coastal miles of the 31 require relocation because of the overall subsidence and resulting inundation.

Ports

Reports from the Maritime Administration emphasize that most ports are functioning well despite much unrepaired damage. The City Dock at Anchorage is handling all cargo without congestion. Seward will receive its first post-quake service from the Alaska Steamship Company at a temporary dock during the third week of this month. Whittier is now in active use as a substitute for Seward and appears to be adequate for all requirements put upon it at present. Whittier also will be increasingly used as a substitute for Anchorage because of the longer steaming distance to the latter port. Ship schedules are being

met at Kodiak, despite the continuing risk of serious damage in the event of unusual highwater. Valdez will be served by a temporary barge dock.

Engineers: Activities under navigational authorities of the Corps of Engineers include authorization by the Chief of Engineers for preliminary engineering and design work on several small-boat harbor projects. Funds for projects have been provided the Alaska District Engineer as follows (total project cost in parentheses): Seward, \$112,000 (\$2,100,000); Homer, \$100,000 (\$1,600,000), and Valdez, \$50,000 (\$1,150,000). At the Seldovia small-boat harbor, restoration of the Federal navigation project facilities, at an estimated cost of \$500,000, has been authorized by the Chief of Engineers and the funds have been provided the District Engineer. Since last week authority has been granted for \$620,000 required for restorative navigational work at the Cordova small-boat harbor, and the funds have been provided.

Dry Dock at Kodiak: Alvine Marine Repair, Kodiak, has the contract with the City of Kodiak for the operation of the pontoon dry dock brought there. Two fishing boats are presently in dock undergoing repairs.

Repair Loans: The Department of the Interior reports it has received 41 applications totaling \$697,000 for loans to replace and repair lost or damaged fishing vessels and gear. Of these, 28 have been approved, for a total of \$526,000. (A week ago 23 loans, for \$426,000, had been approved.)

Housing

Disposing of Mortgage Debts: The Federal National Mortgage Association, the Small Business Administration, the Federal Housing Administration, and the Veterans Administration announced in a press release May 6 an agreement to assist Alaskan owners of certain homes destroyed or irreparably damaged. The agreement is designed to dispose of the overhanging mortgage debt on the destroyed property not covered by earthquake insurance, so that owners can qualify for loans to rebuild.

Rural Housing Interest Reduction: The Secretary of Agriculture announced in a May 6 press release reduction of the interest rate from 4 per cent to 3 per cent on new rural housing loans to Alaskans whose homes were damaged or destroyed by the earthquake.

Movement of Houses from Danger Areas: Anchorage has established a staging area where repairable houses may be moved from danger areas. OEP has arranged for the houses to be moved from the danger areas at no expense to the

owners, provided releases are secured from the owners and mortgagees. FHA insurance will not be jeopardized by such a move. A local press release will be made in Alaska to acquaint people more widely with this help which is available.

Public Housing: The Public Housing Administration (Housing and Home Finance Agency) announced that 40 units of low-rent housing will be built in Kodiak, with approval of the Alaska State Housing Authority. This will be the first such housing in Kodiak. Meanwhile, the Navy is making arrangements to install trailers or low-cost housing on a temporary basis when requested by the City Council to do so.

Urban Renewal

HHFA has estimated as follows Federal grant requirements for proposed urban renewal projects in Alaska resulting from the earthquake: Anchorage (central business district) \$25,841,419; Anchorage (Turnagain) \$7,052,186; Valdez, \$7,191,327; Seward, \$4,869,911; and Kodiak, \$6,208,075, for an over-all total of \$51,262,918. HHFA qualifies the estimates as preliminary, and it has been HHFA's experience that the preliminary estimates tend to be increased as further refinements are made. The total, which represents Federal grants on a 75-25 matching basis, will have to be increased to approximately \$61,515,000 if authority for a 90-10 matching basis is approved in the legislation being proposed for Alaska.

Unemployment

The Labor Department reports the following figures for State Unemployment claims in recent weeks: 438 on March 25; 901 on April 1; 776 on April 8; 622 on April 15, and back down to 414 on April 22. The Statewide work force as of mid-April was 75,900, and there were 8,200 unemployed. (A month earlier, the figures were a work force of 72,100 and 8,600 unemployed.)

Retraining: The Office of Education Manpower Development and Training staff (HEW) is developing a proposal for the retraining of cannery workers, fishermen, and others whose employment has been wiped out by the earthquake, so that they might be employed during the reconstruction period. Training costs are estimated at about \$890,000, with the Anchorage Community College conducting the program for about 1,000 trainees for 23 occupations. Also, a planning grant by the Vocational Rehabilitation Administration, in the amount of \$15,000, will provide for an over-all survey of the impact of the disaster on the rehabilitation facilities, agencies, services and opportunity in Alaska. Findings will be made available to all interested parties. In addition, the Vocational Rehabilitation

Administration has set aside \$200,000 in damage projects for Alaska. It is anticipated that these projects will be based on the planning grant now under way. The projects will be reviewed by the VRA's National Facilities Committee later this month.

Wage and Salary Reports

Local employment service offices have been requested to report to the Labor Department any wage changes of 10 cents an hour or more. No increases have been reported to date. The available bench mark data to date in rents, salaries and wages were generally not satisfactory, and a new basic for obtaining this bench mark data will be worked out in Alaska next week.

Industrial Development and Tourism

The Area Redevelopment Administration, Department of Commerce, is examining Alaska's present tourism prospects, and is preparing technical assistance projects designed to identify new industrial opportunities that may have arisen from the conditions created by the earthquake. The U. S. Travel Service (Commerce) reports that there is no reason for tourists to delay plans for visits to much of Alaska, and this agency is seeking to counteract the widespread impression of severe damage to scenic areas and tourist facilities.

Community Facilities

Three applications from Anchorage for advance planning of public facilities, reported a week ago by HHFA, now have been approved by HHFA's Community Facilities Administration. They are: \$10,000 to assist in preliminary planning of streets, utilities, and storage areas in the Port Industrial Park subdivision; \$110,000 for preliminary and final planning of the extension of the existing Anchorage Dock to provide petroleum products off-loading facilities, and \$50,000 for preliminary and final planning of water and storm drainage improvements.

The Community Facilities Administration also has received and processed applications for grant increases on two projects under the Accelerated Public Works Program: An earlier grant of \$516,000 to Anchorage for a sanitary sewer has been increased, with the concurrence of the Area Redevelopment Administration, to \$522,000 to cover damage sustained in the earthquake, and an earlier grant of \$61,500 to Seward for construction of a municipal building has been increased with ARA concurrence to \$123,000 to allow replacement of heating, electrical and other fixed equipment destroyed or lost in the tidal wave following the earthquake.

The Kodiak Electric Association, only supplier of electric power to the civilian population on Kodiak Island, was granted a \$60,000 loan by the Rural Electrification Administration to aid in financing repairs to KEA's facilities. Prior to the earthquake this electric cooperative served 1,473 customers on 31 miles of distribution line. The earthquake and tidal wave damaged the cooling system of the generating plant and part of the distribution system.

Emergency Aid

Because of the problems resulting from the efforts of some 34 agencies to distribute gifts of money, clothing and food received from outside Alaska, the State Civil Defense Office was designated as the coordinating agency for this purpose. Agencies include the American Red Cross, the Salvation Army, service clubs, and other civic groups. Details on amounts of money and quantities of goods have been requested for incorporation in next week's report.

Health

The Department of Health, Education, and Welfare completed food salvage from damaged warehouses. Some difficulty was reported in keeping condemned food out of the hands of a few unscrupulous grocers and private scavengers. Cooperating Federal, State and local officials examined 365 tons of food and destroyed 32-1/2 tons. An additional 50 to 75 tons were destroyed by State and local direction immediately after the earthquake.

Schools

The Agriculture Department shipped more than 40,000 pounds of food during the week to supplement previous shipments to Alaska schools to aid Fairbanks and Anchorage districts with the problem of providing lunches to school children. The additional food to Fairbanks schools was to replace stocks used to feed children of refugees who were housed there following the earthquake. The supplemental supply consisted of all-purpose and bread flour, dried whole egg solids, and canned chopped meat.

Agriculture

A fund of \$43,200 was allocated by the Agriculture Department to the Alaska Agricultural Stabilization and Conservation Committee to help finance emergency conservation assistance on agricultural lands on Kodiak Island and Sitkaladak and Whale Islands, near Kodiak. Practices eligible for cost sharing include removing debris from farmland, repairing fences, and restoring vegetative cover (timothy and brome grass) on pasture lands.

Legislation

The Commission staff and the Bureau of the Budget have drafted an omnibus bill consisting of measures of assistance which the Commission generally approved at its last meeting.

Hearings on the President's proposal to extend transitional grants to Alaska, providing \$22 million, were held in the Senate on May 4 and in the House on May 6.

Both the Senate and the House approved S. 627, including the provisions relating to the making of loans for the chartering of commercial fishing vessels in Alaska. The enrolled bill has been sent to the President for approval.

/signed/

Dwight A. Ink
Executive Director

Attachment

Distribution to

List 1:

Commission Members
Participating Agencies
Task Force Chairmen
Task Force Members
Alaska Field Committee
Commission Staff

ANCHORAGE - STATUS SUMMARY OF RECOVERY OPERATIONS

Debris Clearance -

Contract awarded by Corps of Engineers for demolition work on bluff side of 4th Ave. from A to E Streets.
Estimated cost - \$350,000.

Water & Sewer System -

Contract awarded by Corps of Engineers on April 8, 1964, for repairs to systems in Turnagain and West Turnagain areas.
Estimated cost - \$300,000.

On April 18, Corps of Engineers awarded contract for repairs to Well No. 1 and for erection of Well House.
Estimated cost - \$125,000.
Estimated completion - June 1, 1964.

Corps awarded contract on April 9, 1964, for new well in Goose Lake Subdivision.
Estimated cost - \$105,000.
Estimated completion - June 1, 1964.

Contract awarded on April 18, 1964, for restoration of Bootlegger Cove system.
Estimated cost - \$175,000.
Completed on April 25, 1964.

Contract awarded on April 18 for restoration of K-L Street System.
Estimated cost - \$225,000.
Completed on April 25, 1964.

Roads, Streets, and Bridges -

Initial engineering work in progress on repairs to city roads and streets.

Port Facilities -

Contract awarded by Corps of Engineers on April 8 for study and plan of POL offloading facility.

Estimated cost - \$18,000.

Estimated completion - June 1, 1964.

Contract awarded by Corps of Engineers for construction of emergency POL facilities.

Estimated cost - \$500,000.

Estimated completion - July 1, 1964.

Contract awarded by Corps of Engineers for emergency repairs to dock facilities was completed on April 18.

Estimated cost - \$5,000.

Contract awarded by Corps of Engineers on April 8 for construction of dry cargo storage facility.

Estimated cost - \$150,000.

Public Buildings -

City Hall - Emergency work completed.

Contract awarded by Corps of Engineers on April 13, 1964, for construction of three temporary warehouses for telephone facilities.

Cost - \$17,000.

100% complete on April 18.

Power System -

Corps of Engineers awarded contract for municipal power and light restoration.

Estimated cost - \$40,000.

Estimated completion - June 15, 1964.

School Department -

Survey of damages completed.

Corps of Engineers requested to accomplish restoration.

Spenard Public Utility District (Adjacent to City of Anchorage) -

Contract awarded by Corps of Engineers for repairs to P. U. D. facilities.

Estimated cost - \$300,000.

Estimated completion - July 15, 1964.

General -

Corps of Engineers negotiated an architect-engineer contract with Metcalf and Eddy of Boston, Mass., for engineering studies.

Estimated cost - \$646,700.

KODIAK - STATUS SUMMARY OF RECOVERY OPERATIONS

(Complete restoration will depend on urban renewal plans)

Debris Clearance -

Demolition and clearance of wreckage by Bureau of Yards and Docks is complete.

Estimated cost - \$125, 000.

Water System -

Bureau of Yards and Docks investigating emergency installation of water lines to Spruce Cape area.

Estimated cost \$178, 000.

Installation expected to be complete by August 31, 1964.

Sewer System -

Lift Station - Construction of outfall trenches completed. Lines have been cleared and are functioning.

On April 27, the Bureau of Yards and Docks awarded a contract in the amount of \$6, 500 for modification to the station.

Electric System -

Local system restored.

Communications -

New telephone switchboard being installed.

Temporary Housing -

After studying feasibility of surplus Navy housing, A/E has recommended investigation of other type housing. Trailers will possibly be used.

Port Facilities -

Corps of Engineers assigned task of restoring boat landings.

Estimated cost - \$200,000.

Contract has not been awarded.

General -

Bureau of Yards and Docks awarded an architect-engineer contract in the amount of \$15,052 for engineering studies in Kodiak. Contract was completed on April 30, 1964.

SEWARD - STATUS SUMMARY OF RECOVERY OPERATIONS

Debris Clearance -

Corps of Engineers awarded a contract on April 4.
Estimated cost - \$759,600.

Water System -

Emergency restoration underway.

Sewer System -

Emergency restoration underway.

Port Facilities -

Dock Area - Being dredged by contractor.

Public Docks - Repairs are underway.

Electric System -

Contract awarded by Corps of Engineers on March 29 for repair
and replacement of power lines.
Cost - \$105,600.
Estimated completion - May 15.

Airport -

Operational on April 5, 1964.

VALDEZ - STATUS SUMMARY OF RECOVERY OPERATIONS

Debris Clearance -

Contract awarded on March 29 by Corps of Engineers.

Estimated cost - \$179,400.

Estimated completion - May 10, 1964.

Sewer System -

Emergency outfall trenches completed.

Port Facilities -

Corps of Engineers awarded contract for construction of a Temporary Barge Terminal.

Estimated cost - \$60,700.

Estimated completion - May 15, 1964.

Public Buildings -

Contract awarded by Corps of Engineers for repairs to the city hospital.

Estimated cost - \$29,500.

Estimated completion - May 25, 1964.

PALMER - STATUS SUMMARY OF RECOVERY OPERATIONS

Schools -

Contract awarded by Corps of Engineers on April 14 for
miscellaneous interior repair to high school.

Cost - \$10,200.

Estimated completion - May 10.

HOMER - STATUS SUMMARY OF RECOVERY OPERATIONS

Port Facilities -

Docks - Being surveyed by Corps of Engineers.

ALASKA (General) - STATUS SUMMARY OF RECOVERY OPERATIONS

SOIL STUDIES IN ANCHORAGE, SEWARD & VALDEZ

Contract awarded by Corps of Engineers.

Estimated cost - \$698,500.

May 25, 1964

MEMORANDUM TO: Senator Clinton P. Anderson
Chairman

SUBJECT: Commission's Weekly Report - May 25, 1964

HIGHLIGHTS

1. DoD and Commission staff, meeting in Anchorage May 18, agreed to expedite geological work where possible, with all necessary personnel now expected between June 27 and July 25. Some decisions may possibly be made in advance of these completion dates. The Commission and Engineering Task Force is coordinating and conducting the Anchorage high-rail area. Federal and private funding agencies will be asked to review activities promptly for part of the Anchorage area.

2. In your letter, the Committee will be alerted regarding the new office to the White House.

3. The Bureau of Public Roads in the past week allocated \$1.5 million to the Alaska Department of Highways for additional studies, tests, or travel surveys. This is a 100 percent Federal grant, with no State matching funds. Work was started in April, but brings 1964 total allocations to nearly \$10 million.

4. New highway reconstruction estimates of \$75 and \$80 million in Alaska, requested by you at the May 3 Committee meeting, are \$65,735,000 for reconstruction or modern design structures, and \$14,265,000 for reconstruction of the existing existing highway structures.

FEDERAL RECONSTRUCTION AND DEVELOPMENT PLANNING COMMISSION FOR ALASKA

WASHINGTON

SENATOR CLINTON P. ANDERSON, N. MEX., CHAIRMAN

DWIGHT A. INK, EXECUTIVE DIRECTOR
FRANK C. DI LUZIO, ASSISTANT TO THE CHAIRMAN

May 15, 1964

MEMORANDUM TO: Senator Clinton P. Anderson
Chairman

SUBJECT: Commission's Weekly Report - May 15, 1964

HIGHLIGHTS

1. DoD and Commission staff, meeting in Anchorage May 14, agreed on an expedited geological soils studies schedule, with all completions now expected between June 27 and July 25. Some decisions can probably be made in advance of these completion dates. The Scientific and Engineering Task Force is redefining and reducing the Anchorage high-risk area. Federal and private lending agencies will be able to resume activities promptly for most of the Anchorage area.

2. As you know, the omnibus bill for Alaska was forwarded from your office to the White House.

3. The Bureau of Public Roads in the past week allocated \$5.5 million to the Alaska Department of Highways for earthquake damage repair on forest highways. This is a 100 percent Federal grant, with no State matching funds. With sums allotted in April, this brings BPR's total allocation to nearly \$10 million.

4. New highway reconstruction estimates by BPR and the State of Alaska, requested by you at the May 5 Commission meeting, are: \$65,088,000 to reconstruct to present design standards, and \$55,568,000 to reconstruct to the condition existing before the earthquake.

5. The 98-page report of the Alaskan Construction Consultant Committee, "Reconstruction and Development Survey of Earthquake Damages in Alaska," was delivered early this week. It covers building, utility, harbor and other damage on an area-by-area basis. The Committee's reconstruction estimates in the majority of cases are lower than others we have received thus far.

6. The Office of Emergency Planning now estimates total eligible projects under Public Law 875 at \$80,000,000. This is \$19,200,000 less than the amount given a week ago. Further refinement of damage estimates and new determinations of eligibility brought about the reduction.

GEOLOGICAL SURVEY

The Deputy Assistant Secretary of Defense (Installations and Logistics), the District Engineer, Commission staff, and others met in Anchorage May 14 and established a new, expedited schedule for geological soils studies as follows:

Fourth Avenue area - June 27
"L" Street - July 4
Turnagain - July 11
Government Hill and others - July 25

During the course of the studies, it is expected that useful data will be developed which may permit some decisions to be made sooner than scheduled completion dates of the studies.

Of special importance is the decision made by the Commission's Scientific and Engineering Task Force to redefine high-risk areas as being smaller than previously designated and to consider the remainder of Greater Anchorage as a normal risk zone. This action should permit immediate resumption of normal Federal and private lending activities for most of the Anchorage area.

The soils study for Valdez now is nearly complete. In Seward, the soils study is not a pacing factor.

The expedited study, despite the time compression, will include additional data meeting added requirements of the Geological Survey, and will produce data required by the Hornig study group.

The Interior Department regards as encouraging the initial findings in hole drilling at the "Old Town Site" four miles west of Valdez. Sub-surface materials are good for foundations, and the water table is low enough to permit basements in homes, the Department says.

CHARTING

The Coast and Geodetic Survey (Commerce) has completed its emergency charting in Anchorage Harbor. Similar work continues in other damage areas.

CONSTRUCTION

PL 875 Program Reduction: Further refinement of damage estimates and determinations of eligibility have resulted in a decrease in the amount of repair and restorative work considered eligible under Public Law 875. On the basis of a review of all information available at the present time, the Office of Emergency Planning field office in Anchorage now estimates total eligible projects at \$80,000,000, a decrease of \$19,200,000 from the amount given in the May 7 report to the Commission. This reduction results in large part from the elimination of \$8,000,000 for repair of the railroad docks at Seward, which will be handled under Interior Department funding, the identification of \$5,000,000 of ineligible work on Federal Aid highways, and a reduction of \$2,000,000 in the estimate for repairs to State buildings.

Of the \$80,000,000 total, about \$71,450,000 represents work to be performed by the Corps of Engineers under assignment from the Office of Emergency Planning. Work to be performed by the Navy's Bureau of Yards

and Docks is estimated at \$2,150,000. The Federal Aviation Agency has been asked to perform work totaling approximately \$1,650,000. Other Federal agencies are expected to perform work in the amount of about \$630,000. Project applications from State and local political entities may reach \$2,120,000. An additional \$2,000,000 has been included in the gross program estimate as a reserve for projects not yet developed or which may have been underestimated. Further refinement of these figures will be forwarded as additional field studies are completed.

PL 875 Projects: In Anchorage, the \$300,000 water system-sewer temporary repair project in the Turnagain area now is complete (one-quarter done a week ago). Also complete is an \$150,000 project for the raising and constructing of the road and dry storage area at the Municipal Dock (78 percent complete a week ago). The \$350,000 demolition on the bluff side of Fourth Avenue is virtually completed (17 percent a week ago). The \$105,000 project to provide a 16-inch well to replace two destroyed wells at Goose Lake is 60 percent done (40 percent a week ago). The Anchorage Municipal Power and Light restoration, total cost estimate \$40,000, is more than one-third done (four percent a week ago).

In Cordova, a \$75,800 contract has been awarded since the last report, to repair the ferry landing, and is 70 percent complete.

In Palmer, repair of the high school building (\$10,200 total) now is 90 percent finished (half done last week).

In Seward, repair of the power lines (\$105,600 total) is completed (88 percent a week ago).

The \$29,500 project to repair the city hospital at Valdez is 40 percent finished (nine percent a week ago).

An OEP status report on work under PL 875 is attached to this report.

State and Anchorage Equipment: OEP representatives have advised State and Anchorage city officials that State and local governments may apply for assistance under PL 875 to repair or replace essential operational equipment lost in the disaster. Such equipment includes fire engines, ambulances, and police, sanitation and highway department units. Lists of items requiring replacement will be screened by OEP to determine minimum requirements. Eligible listings will then be provided to the General Services Administration for screening against available Government surplus property before approval to purchase is given.

RELOCATION

Relocation of many homes and businesses to National Forest lands is required for the township of Hope, on Turnagain Arm near Anchorage, where the earthquake caused land sinking. The Department of Agriculture is surveying lots for special use permits, and eventually this land may be selected under the Statehood Act. Other groups of lots will be set up on shoreline National Forest lands near Cordova, where there are natural coves for the use of small independent fishermen who no longer have deep water harbor facilities at Cordova.

HIGHWAYS

BPR Fund Allocation: The Bureau of Public Roads in the past week allocated \$5,508,000 in emergency relief funds to the Alaska Department of Highways for repair of highway facilities damaged by the March 27 earthquake. This money is in addition to that allocated in April, bringing the total to \$9,741,500 thus far made available for repair of roads and bridges.

The entire additional \$5,508,000 will be used on forest highways and constitutes a 100 percent Federal grant with no matching by State funds. This money will be used for permanent repairs in the following areas: (1) the eight-mile section of the Copper River Highway including 11 bridges between Cordova and its airport, (2) the bridge over the Kenai River at Cooper Landing on the Sterling Highway, and (3) five miles of the Seward-Anchorage Highway, north of the city limits of Seward, including four bridges.

Seward-Anchorage Highway: Two BPR engineers, specialists in bridge construction and channel erosion problems, were sent to Alaska during the week to aid in the studies necessary for the temporary repair work in the Portage area of Turnagain Arm. Subsidence of about six feet in the area has created problems on the adequacy of bridge openings, embankment protection from scour, and riprap requirements in connection with the temporary repairs to the Seward-Anchorage Highway.

Kodiak-Chiniak Road: The Department of Defense expects a contract to be awarded this month for restoration of the 25-mile State-owned portion of the road from Kodiak to Chiniak, with usable road by July 15 and final completion in August.

PORTS

Corps of Engineers Projects: The Chief of Engineers has approved and funded Corps of Engineers projects totaling \$2,407,000 estimated cost, under the Engineers' navigational authorities, for Kodiak, Seldovia, Homer, Seward, Valdez, and Cordova. In the \$67,500 contract for harbor clearing at Kodiak, work valued at \$59,700 has been accomplished. A \$431,500 contract for breakwater construction has been awarded to S. S. Mullen of Seattle, and work has started. Hydrographic surveys have been completed at Homer, Seward, and Valdez. Engineering and design work is scheduled for completion in time for contract awards early in July.

Cordova Dock Extension: In October 1963, under the Accelerated Public Works program, the Community Facilities Administration (Housing and Home Finance Agency) made a grant of \$31,000 for extension of the Cordova City dock. Construction work on this extension will be coordinated with the restoration work to be done under Corps of Engineers supervision.

FINANCIAL ACTIVITIES

SBA Loans: The Anchorage Disaster Field Office of the Small Business Administration reported the following activity through May 11: 1,046 interviews; applications received - 82 homes for a total of \$1,463,080, and 165 businesses for a total of \$16,264,682; loans approved - 25 homes for a total of \$261,700, and 40 businesses for a total of \$1,092,320. Of the total 65 loans approved for a total of \$1,354,020, there have been 38 disbursements in checks to borrowers totaling \$616,000.

Eugene Foley, Administrator of the SBA, was in Alaska over the weekend of May 9. He held meetings with representatives of the banks and business organizations who reported that they were well pleased with the progress made under the SBA program.

In order to expedite actions under their program, the Administrator has sent an additional loan specialist from the Washington office to Anchorage to assist the manager of the Anchorage office in handling applications. Arrangements have been made with Treasury to mail out checks within 24 hours after receipt of the request from SBA.

Housing: The Veterans Administration as of May 11 has received 361 replies to letters sent to over 400 mortgage obligors. Replies indicated

191 properties damaged and 172 without damage. Physical inspection of the property reported damaged disclosed the following:

57 - no damage

118 - minor damage (averaging about \$100 per property)

15 - major damage (averaging less than \$3,000 per property)

This is excluding the two properties previously reported as totally damaged.

Thirty-two requests for mortgage debt forbearance from obligors have been approved.

URBAN RENEWAL

The urban renewal projects in the areas of Kodiak, Anchorage (downtown) and Seward now have progressed to the state of relocation site study.

Initial project site boundaries in Anchorage (downtown) and Seward are being reduced in size to concentrate urban renewal assistance in those areas where earthquake damage was the greatest.

PRICES AND WAGES

The Labor Department compiled a price comparison between March 15 and April 30, and found some price increase in earthquake area. A check of prices in Seward showed that about half of the 40 food items checked indicated increases of at least two percent compared to increases in about three-eighths of the items checked for a period of about two weeks earlier in Anchorage. Gasoline prices have not increased and on April 30 in Seward actually were slightly below those checked in Anchorage earlier in the month. Prices of building materials in Anchorage showed no increases in the several outlets that were visited.

Leonard Skubal, Chairman of the Commission's Economic Stabilization Task Force, reported from Alaska that a completely new wage monitoring system has been initiated by the State of Alaska, with information to be reported on a bi-weekly basis. The data gathered by wage and hours inspectors will be summarized in Alaska and sent to the Department of Labor in Washington, D. C.

LABOR AND MANPOWER

Labor Supply: The Alaska Employment Security Agency reports that there were 3,555 construction workers in 16 occupations employed in the Anchorage area, including Seward, Kodiak, Valdez, and the Kenai area, as of May 2, 1964. The Fairbanks area has 1,629 unemployed construction workers in 10 occupations. Shortage occupations: Plasterers, 12 in Anchorage area; all working. Tapers and glaziers, shortage now; number needed not known. Possible shortage of foremen in Alaska railroad repair. Continuing shortage of professional engineers.

Hiring of Alaskans: A group of Alaskan contractors and labor associations telegraphed DoD their apprehension that Federal agencies might be planning to do reconstruction and rehabilitation work with military and civil service employees. DoD had this investigated, and it was determined that there was no basis for apprehension and that regular procedures under emergency conditions were being followed. Recruitment requests were being made through the Alaska State Employment Agency.

TOURISM

The efforts of the U.S. Travel Service (Commerce) to publicize the lack of damage to most tourist facilities and scenic areas appear to be having excellent results. Surveys abroad indicate no apparent slow-down in plans to visit Alaska. USTS has alerted its travel offices that tourist facilities may not be available at areas normally having little or no tourist interest.

COMMUNITY FACILITIES

Electric Power: The Federal Power Commission issued a preliminary permit to Anchorage for a proposed 15,000-kilowatt hydroelectric project on the Eagle River about 12 miles northeast of Anchorage. The city plans provision for future water supply as part of the project. The permit does not authorize construction. Economic feasibility, financing methods, market for electric power, and other aspects will be examined before a licensing application is filed. Even though processing is being handled on a priority basis, construction would not be authorized for roughly two years.

Kodiak Water Line: The Office of Emergency Planning tentatively approved a grant to the Alaska State Housing Authority for a maximum of \$139,000 toward construction of an eight-inch transite water line into the Spruce Cape area of Kodiak. The grant is in lieu of an amount the OEP would have furnished for a temporary emergency water line.

EMERGENCY AID

DoD reports that the requirement for Civil Defense emergency assistance is now negligible. Information will be supplied later summarizing assistance which has been provided.

HEALTH

An epidemic of a flu-like illness occurred in Whittier among 100 stevedores. An investigation by the State disclosed poor housing and inadequate feeding facilities, and State health authorities took prompt action to solve both these problems.

EDUCATION

The Office of Education, Department of Health, Education and Welfare, is processing two more requests for a total of \$10,800 in additions to students' loan funds. These funds will provide for loans to students suffering financial hardship as a result of the earthquake.

COAST GUARD FACILITIES

The status of restoration of Coast Guard facilities in Alaska is: Sitkinak Loran Station (south of Kodiak Island) - Essential utilities restored; bid opening for permanent repairs May 19; estimated completion November 1; station handicapped but operational. Kodiak Air Detachment - Utilities restored on temporary basis; about 60 percent of replacement equipment is ordered; unit handicapped by hangar damage but operational. Cape Hinchinbrook Light Station (west of Cordova) - Ground pushed up about eight feet; dock useless; final survey under way for necessary corrective work. Spruce Cape Loran Station (north of Kodiak Island) - damage slight; operations not impaired.

LEGISLATION

The omnibus bill drafted by the Commission staff with the aid of the Bureau of the Budget has been transmitted to the White House.

Hearings on the proposal to extend transitional grants to Alaska were held in the Senate on May 4 and in the House on May 6. The bill was reported to the Senate and House Committees at \$23.5 million and will be considered by the whole House on Monday, May 18.

REVISED HIGHWAY RECONSTRUCTION ESTIMATES

Highway reconstruction estimates have been revised by the State of Alaska and the Bureau of Public Roads as you requested at the Commission meeting May 5. The revised estimates are as follows:

1. Estimated cost of replacement to present design standards, \$65,088,000.

2. Estimated cost of replacement to the condition existing before the earthquake, \$55,568,000.

You recall that the estimate prior to your request was a flat \$55 million.

BPR is concerned over the increase in these cost estimates, but stated that no basis exists to warrant readjusting them. Before funds will be allocated for initiating construction on this repair work, the individual projects must be designed and programmed with the approval of BPR.

/signed/

Attachment

Dwight A. Ink
Executive Director

Distribution to

List 1:

Commission Members
Participating Agencies
Task Force Chairmen
Task Force Members
Alaska Field Committee
Commission Staff

**STATUS REPORT
REPAIR AND RESTORATIVE WORK**

UNDER PUBLIC LAW 875

ALASKA DISASTER

AS OF MAY 12, 1964

**Executive Office of the President
Office of Emergency Planning**

ANCHORAGE - STATUS SUMMARY OF RECOVERY OPERATIONS

Debris Clearance -

Contract awarded by Corps of Engineers for demolition work on bluff side of 4th Ave. from A to E Streets.
Estimated cost - \$350,000. Work Complete.

Water and Sewer System -

Contract awarded by Corps of Engineers on April 8, 1964, for repairs to systems in Turnagain and West Turnagain areas.
Estimated cost - \$300,000. Work completed on May 4.

On April 18, Corps of Engineers awarded contract for repairs to Well No. 1 and for erection of Well House.
Estimated cost - \$125,000.
Estimated Completion - June 15, 1964.

Corps awarded contract on April 9, 1964, for new well in Goose Lake Subdivision.
Estimated cost - \$105,000.
Estimated completion - July 15, 1964.

Contract awarded on April 18, 1964, for restoration of Bootlegger Cove system.
Estimated cost - \$175,000.
Completed on April 25, 1964.

Contract awarded on April 18 for restoration of K-L Street System.
Estimated cost - \$225,000.
Completed on April 25, 1964.

Roads, Streets, and Bridges -

Initial engineering work in progress on repairs to city roads and streets.

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Initial engineering work in progress on repairs to city roads and streets.

Spenard Public Utility District (Adjacent to City of Anchorage) -

Contract awarded by Corps of Engineers for repairs to P. U. D. facilities.

Estimated cost - \$300,000.

Estimated completion - Aug. 15, 1964.

General -

Corps of Engineers negotiated an architect-engineer contract with Metcalf and Eddy of Boston, Mass., for engineering studies. Estimated cost - \$646,700.

Port Facilities -

Contract awarded by Corps of Engineers on April 8 for study and plan of POL offloading facility.

Estimated cost - \$18,000.

Estimated completion - June 1, 1964.

Contract awarded by Corps of Engineers for construction of emergency POL facilities.

Estimated cost - \$500,000.

Estimated completion - July 1, 1964.

Contract awarded by Corps of Engineers for emergency repairs to dock facilities was completed on April 18.

Estimated cost - \$5,000.

Contract awarded by Corps of Engineers on April 8 for construction of dry cargo storage facility.

Estimated cost - \$150,000. Work completed on May 4.

Public Buildings -

City Hall - Emergency work completed.

Contract awarded by Corps of Engineers on April 13, 1964, for construction of three temporary warehouses for telephone facilities.

Cost - \$17,000.

100% complete on April 18.

Power System -

Corps of Engineers awarded contract for municipal power and light restoration.

Estimated cost - \$40,000.

Estimated completion - June 15, 1964.

School Department -

Survey of damages completed.

Corps of Engineers requested to accomplish restoration.

KODIAK - STATUS SUMMARY OF RECOVERY OPERATIONS

(Complete restoration will depend on urban renewal plans)

Debris Clearance -

Demolition and clearance of wreckage by Bureau of Yards and Docks is complete.

Estimated cost - \$125,000.

Water System -

Bureau of Yards and Docks investigating emergency installation of water lines to Spruce Cape area.

Estimated cost \$178,000.

Installation expected to be complete by August 31, 1964.

Sewer System -

Lift Station - Construction of outfall trenches completed. Lines have been cleared and are functioning.

On April 27, the Bureau of Yards and Docks awarded a contract in the amount of \$6,500 for modification to the station. Work completed on May 21.

Electric System -

Local system restored.

Communications -

New telephone switchboard being installed.

Temporary Housing -

After studying feasibility of surplus Navy housing, A/E has recommended investigation of other type housing. Trailers will possibly be used.

Port Facilities -

Corps of Engineers assigned task of restoring boat landings.

Estimated cost - \$200,000.

Contract has not been awarded.

General -

Bureau of Yards and Docks awarded an architect-engineer contract in the amount of \$15,052 for engineering studies in Kodiak. Contract was completed on April 30, 1964.

Bureau of Yards and Docks arranged loan of pontoon dry dock for repair of fishing vessels.

Estimated cost - \$200,000.

SEWARD - STATUS SUMMARY OF RECOVERY OPERATIONS

Debris Clearance -

Corps of Engineers awarded a contract on April 4.

Estimated cost - \$759,600.

Estimated completion - June 16.

Water System -

Emergency restoration underway.

Sewer System -

Emergency restoration underway.

Port Facilities -

Dock Area - Being dredged by contractor.

Public Docks - Repairs are underway.

Electric System -

Contract awarded by Corps of Engineers on March 29 for repair and replacement of power lines.

Cost - \$105,600.

Completed on May 7.

Airport -

Operational on April 5, 1964.

VALDEZ - STATUS SUMMARY OF RECOVERY OPERATIONS

Debris Clearance -

Contract awarded on March 29 by Corps of Engineers.

Estimated cost - \$179,400.

Estimated completion - June 1, 1964.

Sewer System -

Emergency outfall trenches completed.

Port Facilities -

Corps of Engineers awarded contract for construction of a Temporary Barge Terminal.

Estimated cost - \$60,700.

Estimated completion - May 22, 1964.

Public Buildings -

Contract awarded by Corps of Engineers for repairs to the city hospital.

Estimated cost - \$29,500.

Estimated completion - May 26, 1964.

PALMER - STATUS SUMMARY OF RECOVERY OPERATIONS

Schools -

Contract awarded by Corps of Engineers on April 14 for miscellaneous interior repair to high school.

Cost - \$10,200.

Estimated completion - May 27.

HOMER - STATUS SUMMARY OF RECOVERY OPERATIONS

Port Facilities -

Docks - Being surveyed by Corps of Engineers.

ALASKA (General) - STATUS SUMMARY OF RECOVERY OPERATIONS

SOIL STUDIES IN ANCHORAGE, SEWARD & VALDEZ

Contract awarded by Corps of Engineers.

Estimated cost - \$698,500.

CORDOVA - STATUS SUMMARY OF RECOVERY OPERATIONS

Port Facilities -

Contract awarded by Corps of Engineers for repairs to ferry ramp landing.

Estimated cost - \$75,800

Estimated completion - June 10.

**FEDERAL RECONSTRUCTION AND DEVELOPMENT
PLANNING COMMISSION FOR ALASKA
WASHINGTON**

SENATOR CLINTON P. ANDERSON, N. MEX., CHAIRMAN

DWIGHT A. INK, EXECUTIVE DIRECTOR
FRANK C. DI LUZIO, ASSISTANT TO THE CHAIRMAN

May 22, 1964

MEMORANDUM TO: Senator Clinton P. Anderson
Chairman

SUBJECT: Commission's Weekly Report - May 22, 1964

HIGHLIGHTS

1. Senate Bill 627 was approved by the President on May 20, 1964. This Act authorizes, among other things, the Secretary of the Interior to make loans to commercial fishermen for the purpose of chartering fishing vessels in Alaska. Funds are available for this purpose in the existing fisheries loan fund.
2. The extended transitional grants legislation has been sent to the President for his approval. This bill includes an appropriation of \$23.5 million to Alaska to aid the State in its reconstruction effort and to provide for short-fall revenues in the State.
3. The objectives of the Geological Survey and expedited schedule for completion were announced in Anchorage. Public reaction has been very favorable.

* * *

CONSTRUCTION

The Corps of Engineers now has 23 contracts totaling \$5,198,300 with architect-engineer and construction firms. Seven contracts, totaling \$977,600 worth of work, have been completed. The total value of work accomplished to date is \$2,451,800, an increase of \$42,200 over that reported a week ago.

A contract has been awarded for \$42,700 on overhead utilities in the Turnagain section of Anchorage. In Valdez the \$29,500 contract for repair of the city hospital now is four-fifths completed, as compared with two-fifths last week.

The Department of Defense expects that contract awards for military installations, including family housing, during calendar year 1964 will total more than \$40 million. The estimated total of \$36,980,000 in specific earthquake-related military construction and repair projects being programmed was reported last week. This is in addition to military family housing construction for which contract awards amounting to \$13,581,000 have previously been reported. The housing construction does not result from earthquake damage.

MILITARY PROCUREMENT

The Department of Defense has asked the Alaska State Government to furnish a list of firms located in Alaska and their products. This list will be distributed to Military Purchasing Offices so that the maximum number of Alaskan firms will be included on appropriate bidders' lists in military procurement contracting. From April 1 through May 13, DoD awarded Alaskan procurements amounting to \$24,670,000.

SOILS STUDIES

A map of the city of Anchorage indicating preliminary "Nominal Risk" and "High Risk" building areas has been developed. The services of Shannon and Wilson, Inc., are being used in the composition and stratigraphy of the soils, location of slide plane or planes, mechanics of the slide, current movement observations and soil pore pressure pattern, and procedures for developing stability against further sliding and subsidence. All of this is aimed at establishing with confidence the safe building areas and means.

Thirteen drill rigs are in operation in Anchorage, in the 4th Avenue, L Street, and Turnagain slide areas. Priority of work is determined on the basis of requests from city and Federal agencies, geared to requirements and needs of the local economy.

Now under way at Seward is drilling program, developed by the Geological Survey in cooperation with Office of the Chief of Engineers field representatives, to obtain sub-surface geologic and engineering data needed for new harbor facilities, railroad marshalling yards and tank farms.

REGIONAL EARTHQUAKE INVESTIGATIONS

The Geological Survey research vessel, Don J. Miller, is now operating in Prince William Sound in support of regional studies to determine wave effects and the extent and nature of tectonic landlevel changes; to make regional gravity measurements, and to evaluate other geologic effects of the earthquake.

FINANCIAL ACTIVITIES

SBA Policy Changes: The Small Business Administration in order to obtain additional participation in the disaster program by banks - designed to speed up application processing and funds disbursement - has made the following additional deviations from its normal disaster lending activities:

Banks are now permitted to make loans up to \$250,000 with as little as ten percent participation under the blanket participation plans. This was previously limited to \$100,000, as stated in the SBA report of April 30 which was also a deviation from former policy.

Banks are now allowed to charge an interest rate of not to exceed six percent when participating (with SBA) either in a new home loan, or in converting a previous loan which is now being extended because of disaster damage. Interest on such bank participation was formerly limited to three percent; the increase is expected to encourage banks to speed up the processing of SBA loans, which are generally serviced by banks.

Banks have now been authorized to refund existing liens and other delinquent obligations out of disaster loans and, when necessary, in order to put borrower in a position to properly handle his over-all debt, current indebtedness may also be refunded.

SBA is now permitting banks to deduct a service fee of 1/4 percent per annum on the unpaid portion of the SBA share of disaster loans out of interest collected for the account of SBA. Formerly no service fee was paid banks in connection with any disaster loans which they serviced.

As additional assistance to borrowers personal guarantees, except where offered on a voluntary basis, will not be requested in connection with our disaster loans. This is because guarantees under long maturities cause undue hardship.

As further assistance to apartment dwellers and non-home owners who have suffered losses of personal property, they may use the amount of the disaster loan covering such losses to assist in making a down payment on a home if they so desire. They will then make other arrangements to replace the personal property loss.

SBA Loans: The Small Business Administration reported the following loan activity through May 19: 1,259 interviews; applications received -- 99 homes for a total \$1,687,680, and 198 businesses for a total of \$18,061,471; loans approved -- 59 homes for a total of \$1,025,600, and 88 businesses for \$2,716,562. Total checks issued now amount to \$896,000, for 61 loans -- as compared with 38 disbursements totaling \$616,000 a week ago.

Interior Department Loans: The Department of the Interior's Fishery Loan Program has received to date 60 applications totaling \$952,923 for loans to repair or replace damaged or lost fishing vessels and gear. Half of these applications, totaling about \$240,000, have already been approved, and 10 disbursements have actually been made. Additional disbursements are ready and awaiting applicant's selection of vessel or equipment.

REA Loan: The Agriculture Department has approved a \$25,000 REA loan to the Copper Valley Electric Association, Glennallen, to restore its generating plant. A preliminary report on the plant estimated total

damages at \$25,000. Glennallen is about 120 miles north of the town of Valdez.

VA DAMAGE ASSESSMENT

The Veterans Administration has heard from all home owners in the earthquake area whose properties secured VA loans. Inspections have been completed on all properties reported damaged, and the complete status of damages is as follows:

267	-	No damage	
121	-	Minor damage	- \$18,048
<u>16</u>	-	Major damage	- <u>42,987</u>
404			\$61,035

Included under the heading of major damage are two properties, one in Seward and one in Anchorage, which suffered total damage. Each of these properties was valued at \$6,500. Both owners will be eligible for releases from liability to the VA if they obtain Small Business Administration loans and there is included in the loans an amount for payment to the VA.

The VA has received 36 requests (32 last week) for forbearance from borrowers, and in each case the request has been granted. VA has entered into 17 formal extension agreements, and others are being worked out.

ALASKA RAILROAD

The Department of the Interior announces that daily passenger service on the Alaska Railroad between Anchorage and Fairbanks will be reinstated on May 24. Currently trains have been running a weekly service between these two cities.

Since April 20, trains of 125 cars have been hauling freight between Anchorage and Whittier. The roadbed has been strengthened by spreading thousands of tons of gravel on it recently, and the seasonal high tides of mid-May did not damage the rail line.

AIRPORTS

Airfield damage previously not apparent because of snow cover and frozen surface now has been found by the Federal Aviation Agency at Portage and Hope, on Turnagain Arm of Cook Inlet. There are cracks across runways and uneven settling of airstrips at both places. The cost of repairing the damage at Portage is estimated at \$70,000; at Hope, \$50,000.

The seaplane float at Klawock, which sank, has been recovered and is moored to a cannery pier. Klawock is a fishing village on Prince of Wales Island, west of Ketchikan. The float is in use by a commercial carrier, and provides the major ingress for the island.

The FAA and the Bureau of Indian Affairs have agreed upon a new site for the Afognak Airfield, at Port Lyons, on Kodiak Island. Afognak village, on Afognak Island just north of Kodiak Island, before the earthquake had a population of about 300 natives; all are being relocated at Port Lyons. The new airfield will have a 2,500-foot gravel strip.

INDUSTRY

The Business and Defense Services Administration (Commerce Department) has submitted to the Office of Emergency Planning a plan to insure prompt delivery of copper products to alleviate distress in disaster areas. Government-owned copper inventories would be made available to copper fabricators to replace material used for emergency and rehabilitation needs. BDSA expects heavy demand for transmission cable and other electric wiring, and copper water pipe. The copper would be sold by the General Services Administration to copper fabricators at the producers' market price, plus transportation and handling charges, upon recommendation of the BDSA. The plan now is under consideration by OEP.

HOUSING

FNMA: The Federal National Mortgage Association during the week received three applications from Alaska homeowners seeking settlement of their FNMA mortgage indebtedness in consideration of a payment of \$1,000 each. One application is approved; two are pending. Six

more applications are expected to be filed within a few days. FNMA has determined that 34 FNMA mortgaged residential properties have been destroyed or irreparably damaged. The Association's investment in these homes totals about \$610,000.

Kodiak: The Department of Defense, as an emergency measure and to assist the Alaskan economy, has had under consideration the early construction of 170 units of prefabricated family housing for Kodiak. It had been anticipated that the site development work could be undertaken quickly, permitting early employment in the Kodiak area. However, this project has not moved forward because of State and local objections.

DoD reports also that the city of Kodiak has amended its ordinance to permit the use of trailers for temporary housing. The Navy, under authority of OEP, is arranging for shipment of 60 trailers to be placed temporarily on land available at Kodiak Naval Station. The City is urging that these trailers finally be located on military land within the City. This land will be processed as excess to military needs. The City believes this trailer site will not interfere with eventual low-cost housing proposed for nearby areas.

The Public Health Service reports that the Old Harbor (Kodiak Island) natives have been reestablished in wood-sided tents, that watering points have been set up, and that in general the sanitation for the natives of Old Harbor has been reestablished.

WAGES AND SALARIES

As a safeguard against possible inflation, the Department of Labor is making arrangements with the Office of Emergency Planning to set up a system which will provide the necessary data for daily monitoring of wage and salary trends in Fairbanks, Anchorage, Seward, Valdez and Kodiak, with an additional watch to be maintained in the Juneau area. Previously, the Department had been dependent upon its employment offices in Alaska reporting any wage scale rise of ten percent or more; thus far none have been reported.

ON-THE-JOB TRAINING

The Bureau of Apprenticeship and Training of the Department of Labor has detailed a staff member to establish on-the-job training projects

in Alaska, with priority being given to those projects which will aid in reconstruction. An undetermined number of individuals formerly employed in fishing and cannery operations are expected by the Department of Labor to turn to construction work as a new source of income, and these persons will need some degree of specialized training to fit them for their new work.

KODIAK EMPLOYMENT PROBLEM

At Kodiak Naval Station DoD reports there is a continuing need for recruitment of Civil Service employees to perform normal type maintenance. To date it has been impossible to recruit sufficient personnel in Kodiak and efforts are being made to locate personnel in the Anchorage area. These people would perform normal station maintenance work throughout the installation and would not in any way detract from the total amount of work otherwise proposed for award to contractors.

COMMUNITY FACILITIES

The Community Facilities Administration (Housing and Home Finance Agency) has approved applications from Kodiak for advances for non-disaster public works planning for the purposes and in the amounts below:

<u>Type</u>	<u>Advance</u>	<u>Estimated Construction Cost</u>
Dock	\$45,900	\$1,200,000
Sewer	21,900	391,200
Streets	31,100	627,300
Water	16,400	287,600
Streets	29,500	641,000
	<u>\$144,800</u>	<u>\$3,147,100</u>

The advance planning money is interest-free, and is repayable only if the community proceeds with the project. If the project goes ahead, the advance planning funds constitute part of the total cost. The cost may be financed over a 40-year period through the CFA, or the community may choose other financing means.

AGRICULTURE

The Soil Conservation Service (Agriculture Department) has established a Kodiak Soil Conservation Sub-District for Kodiak Island. This will enable the Soil Conservation Service to make available heavy equipment to this sub-district for use in clearing tidal wave borne debris for participants in the program.

EMERGENCY AID: DONATIONS

DoD reports 82 charitable civic and service groups have been queried concerning the volume of gifts received for Alaskan relief. An incomplete report indicates a money total of \$602,370, plus five million board feet of lumber, about one hundred thousand cubic feet of clothing, and more than 20 tons of food. Gifts are continuing, so the final total will not be known for some time.

STATUS OF LEGISLATION

The proposal to extend transitional grants to Alaska passed both the Senate and House in the amount of \$23.5 million and has been sent to the President for approval.

S. 627, which passed both Houses of Congress last week, was approved by the President on May 20. Among other things, this legislation authorizes the making of loans to charter fishing vessels in Alaska.

The omnibus bill drafted by the Commission staff with the aid of the Bureau of the Budget has been transmitted to the White House.

The hearing was held May 21 before the Senate Committee on Appropriations on the supplemental appropriations request for Alaska. This includes a request for \$17 million pursuant to the extended transitional grant authority which is now pending approval by the President.

Attachment: OEP Status Report

Distribution to List 1:

Commission Members

Participating Agencies

Task Force Chairmen

Task Force Members

Alaska Field Staff

Commission Staff

/signed/

Dwight A. Ink

Executive Director

STATUS REPORT
REPAIR AND RESTORATIVE WORK
UNDER PUBLIC LAW 875
ALASKA DISASTER
AS OF MAY 19, 1964

Executive Office of the President
Office of Emergency Planning

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Completed on April 25, 1964.

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100% complete on April 18.

Power System -

Corps of Engineers awarded contract for municipal power and light restoration.

Estimated cost - \$40,000.

Estimated completion - June 15, 1964.

Corps of Engineers awarded contract for repairs to overhead utilities - Turnagain.

Estimated cost - \$42,700.

School Department -

Survey of damages completed.

Corps of Engineers requested to accomplish restoration.

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Contract awarded by Corps of Engineers for repairs to P. U. D. facilities.

Estimated cost - \$300,000.

Estimated completion - Aug. 15, 1964.

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Estimated cost - \$646,700.

KODIAK - STATUS SUMMARY OF RECOVERY OPERATIONS

(Complete restoration will depend on urban renewal plans)

Debris Clearance -

Demolition and clearance of wreckage by Bureau of Yards and Docks and city is complete.

Estimated cost - \$242,000.

Water System -

Bureau of Yards and Docks investigated emergency installation of water lines to Spruce Cape area. Grant-in-lieu in amount of \$139,000 has been approved by OEP. Alaska State Housing Authority to accomplish work.

Sewer System -

Lift Station - Construction of outfall trenches completed. Lines have been cleared and are functioning.

On April 27, the Bureau of Yards and Docks awarded a contract in the amount of \$6,907 for modification to the station. Work completed on May 21.

Electric System -

Local system restored.

Communications -

New telephone switchboard being installed.

Temporary Housing -

60 military trailers have been loaned to city for temporary housing.

Estimated cost - \$300,000.

Port Facilities -

Corps of Engineers assigned task of restoring boat landings.

Estimated cost - \$200,000.

Contract has not been awarded.

General -

Bureau of Yards and Docks awarded an architect-engineer contract in the amount of \$15,625 for engineering studies in Kodiak. Contract was completed on April 30, 1964.

Bureau of Yards and Docks arranged loan of pontoon dry dock for repair of fishing vessels.

Estimated cost - \$200,000.

SEWARD - STATUS SUMMARY OF RECOVERY OPERATIONS

Debris Clearance -

Corps of Engineers awarded a contract on April 4.

Estimated cost - \$1,109,600.

Estimated completion - June 15.

Water System -

Emergency restoration underway.

Sewer System -

Emergency restoration underway.

Port Facilities -

Dock Area - Being dredged by contractor.

Public Docks - Repairs are underway.

Electric System -

Contract awarded by Corps of Engineers on March 29 for repair and replacement of power lines.

Cost - \$105,600.

Completed on May 7.

Airport -

Operational on April 5, 1964.

VALDEZ - STATUS SUMMARY OF RECOVERY OPERATIONS

Debris Clearance -

Contract awarded on March 29 by Corps of Engineers.

Estimated cost - \$179,400.

Estimated completion - June 26, 1964.

Sewer System -

Emergency outfall trenches completed.

Port Facilities -

Corps of Engineers awarded contract for construction of a Temporary Barge Terminal.

Estimated cost - \$60,700.

Estimated completion - June 30, 1964.

Public Buildings -

Contract awarded by Corps of Engineers for repairs to the city hospital.

Estimated cost - \$29,500.

Estimated completion - June 30, 1964.

PALMER - STATUS SUMMARY OF RECOVERY OPERATIONS

Schools -

Contract awarded by Corps of Engineers on April 14 for miscellaneous interior repair to high school.

Cost - \$10,200.

Estimated completion - May 25.

HOMER - STATUS SUMMARY OF RECOVERY OPERATIONS

Port Facilities -

Docks - Being surveyed by Corps of Engineers.

ALASKA (General) - STATUS SUMMARY OF RECOVERY OPERATIONS

SOIL STUDIES IN ANCHORAGE, SEWARD & VALDEZ

Contract awarded by Corps of Engineers.

Estimated cost - \$698,500.

Estimated completion - October 31.

CORDOVA - STATUS SUMMARY OF RECOVERY OPERATIONS

Port Facilities -

Contract awarded by Corps of Engineers for repairs to ferry ramp landing.

Estimated cost - \$75,800.

Estimated completion - June 10.

FEDERAL RECONSTRUCTION AND DEVELOPMENT
PLANNING COMMISSION FOR ALASKA
WASHINGTON

SENATOR CLINTON P. ANDERSON, N. MEX., CHAIRMAN

DWIGHT A. INK, EXECUTIVE DIRECTOR
FRANK C. DI LUZIO, ASSISTANT TO THE CHAIRMAN

May 28, 1964

MEMORANDUM TO: Senator Clinton P. Anderson
Chairman

SUBJECT: Commission's Weekly Report - May 28, 1964

HIGHLIGHTS

1. The bill to extend transitional grants to Alaska in the amount of \$23.5 million was signed by the President on May 27, 1964.

2. The 1964 amendments to the Alaska omnibus bill drafted by the Commission staff with the aid of the Bureau of the Budget were sent to the Congress by Executive communication on May 27, 1964. Hearings will be held by the Senate Interior and Insular Affairs Committee on June 3, 1964.

3. The Senate Committee on Appropriations on May 27, 1964, ordered favorably reported, with amendments, H.R. 11201 making deficiency appropriations for fiscal 1964. This bill includes the \$52 million requested by the President for appropriations to cover expenditures in the disaster area. These appropriations would include \$17 million for the transitional grants.

* * *

May 28, 1964

AIRPORTS

The Federal Aviation Agency has distributed bid invitations for construction of the new air traffic control tower at Anchorage International Airport to replace the tower destroyed by the earthquake. Total cost, including construction and equipment, is estimated at \$800,000.

The airfields at Big Lake, Birchwood, Goose Bay, Palmer, Wasilla, and Willow have been inspected and found free of damage from the earthquake or tidal wave.

The Air Force, the Air National Guard, and the Civil Air Patrol have advised FAA that regular flights into Seward are to be discontinued, in view of diminishing needs for emergency supplies. As of May 31, 1964, FAA will terminate the temporary tower traffic control service initiated at Seward directly after the earthquake.

AGRICULTURE

Damage to agriculture is estimated at \$380,000. The Agricultural Extension Service, the Soil Conservation Service, and the Bureau of Land Management, after examining Kodiak Island, the hardest hit rural area, estimate agricultural damage from the earthquake and tidal waves at \$281,000. The Alaska Division of Agriculture has estimated that, apart from Kodiak, personal property damage on farms will amount to \$31,190. Rural real property losses are put at \$70,130.

Kodiak Island. Ranchers on Kodiak Island last weekend expressed a need to replace livestock feed lost as a result of the tidal wave. Three ranchers have applied for emergency Farmers Home Administration loans.

The Kodiak Livestock Association is drawing up plans for a new livestock slaughter facility to be financed by a Small Business Administration loan. Other suggestions by ranchers are under review to determine whether any additional assistance is needed or can be provided.

May 28, 1964

The Chugach Electric Co-op has been declared eligible for assistance under Public Law 875 by the Office of Emergency Planning. The cooperative will be given the same type of financial assistance provided to the Anchorage municipal electric system. The eligibility of other Rural Electrification Administration cooperatives for assistance under P.L. 875 will be determined on an individual basis.

Egg production dropped off sharply in April, following the loss of 10,000 out of the 27,000 hens in the laying flocks of Alaska. Nearly all of this reduction in hens took place in two large poultry plants, one at Anchorage and the other at Seward. Flocks were reduced because of damaged facilities, and the operators have applied to the Small Business Administration for loans to rebuild.

Despite the loss in egg production, egg prices to consumers have declined in the disaster area. The price drop presumably reflects the recent increase in egg shipments to Alaska.

Reopening of the Seward-Anchorage highway to limited traffic will now make possible land transportation of feed and supplies on the Kenai Peninsula, and eliminate the need for further airlifts.

COMMERCE

Coast and Geodetic Survey is sending a field party to Alaska to check and re-establish geodetic control data on essential transport routes in the damaged areas. These activities will supplement the extensive emergency charting work of the Survey in Alaska which will produce valuable scientific information on the causes and effects of earthquakes.

DEPARTMENT OF DEFENSE

The Department of Army is studying a request from the State of Alaska to release 640 acres of land near Anchorage. A shortage of residential sites has developed, in the aftermath of the earthquake.

May 28, 1964

The Alaska Railroad has been given the use of excess Army property at Whittier. The Port of Whittier is scheduled to be transferred to the Department of the Interior prior to May 20, 1965.

The Department of Navy reports completion of work on storm water outfall trenches and blocked sewer lines, under a contract awarded on April 27 by the Bureau of Yards and Docks.

FINANCIAL ACTIVITIES

Federal National Mortgage Association's Alaska office has received two new applications from home owners seeking forgiveness of their FNMA mortgage indebtedness in consideration of payment of \$1,000 each. This brings the total of such applications to five. One application covering a mortgage with a balance due of \$14,793 has been approved. Two others, each in the amount of \$17,363, are pending approval.

Action on the remaining two applications is held up pending the receipt of further information from the mortgagors. Four additional applications from mortgagors are expected within the next several days.

Two agreements to release FNMA-mortgaged homes to the city of Anchorage for immediate demolition were also executed during the week. Nine such releases, concerning buildings considered a menace to public safety, have now been signed. FNMA also executed a demolition agreement in respect to a multi-family structure in Anchorage; however, the agreement does not become effective until the authorities obtain the signature of the property owner.

The delay in receiving additional applications for forgiveness of debt is ascribed to indecision on the part of owners as to their future plans. Some owners may be awaiting final data to be revealed by geological surveys and reports. Completion of these surveys and reports, now being pushed with all possible speed, is expected early in July.

May 28, 1964

The Small Business Administration announces that on May 22 the approach to loans under Section 7(b)(1) of the SBA Act was broadened so that other than physical losses could be included in over-all loans to disaster victims. SBA will now include economic as well as physical loss when making funds available for the purposes expressed under the Physical Disaster Section of the Act.

The latest report of the Small Business Administration contains the following information on loans for rebuilding homes and businesses:

Interviews and inquiries.....	1,356	
Applications given out.....	835	
Applications filed		
Homes.....	119	- Value \$ 2,016,280
Business.....	233	- Value \$23,590,168
Loan applications <u>approved</u>		
Homes.....	83	- Value \$ 1,327,750
Business.....	122	- Value \$ 6,691,999
Checks disbursed to date.....	69	----- \$1,126,860

DEPARTMENT OF INTERIOR

On the Alaska Railroad fill for track raising is being put in place at a rate of 9,000 cubic yards per day. Track raising, grade restoration, and track armoring are being carried on at five different locations.

An inventory of bridge and trestle damage reveals that 150 structures were affected by the earthquake. Fortunately,

May 28, 1964

the damage was relatively minor, and will not entail costly redesign work. About 40 of the bridges can be repaired for less than \$5,000 each.

A track and bridge gang is working on the rail line from Moose Pass north toward Portage. After the June 10 high tides, a similar gang will start working south out of Portage.

The General Services Administration announces that its Seattle office is negotiating for 50 coal hopper cars and 45 used rail cars for the Alaska Railroad.

A temporary sea-train slip will be placed in operation at the Port of Whittier on or about June 4. This will expedite the handling of freight cars and substantially reduce costs.

One of the damaged docks at Seward has been restored for emergency use to serve the cargo needs of the city and to facilitate truck transport. One gantry crane is operating.

The Bureau of Indian Affairs reports that all of the native peoples evacuated to Anchorage and Cordova have been returned to their home regions. Some have chosen new residential sites. Temporary quarters have been completed at each location except at Afognak, where construction is under way. Bureau personnel are now working with the people of each village on long-term rehabilitation plans.

The Bureau of Commercial Fisheries has now received 71 applications totaling \$1,063,000 for loans to finance the repair or replacement of fishing vessels and fishing gear damaged or lost in the earthquake disaster. To date 37 applications valued at \$611,300 have been approved. Loan examiners spent the last week in Kodiak and Old Harbor and will be in Anchorage, Valdez, and Cordova during the coming week.

Applications for loans for chartering commercial fishing vessels as provided for in S. 627 (signed by the President on May 20) are expected to start coming in immediately.

May 28, 1964

The Bureau has compiled a list of over 100 vessels available for chartering under this law.

LABOR

Unemployment Insurance. The Department of Labor is reviewing an amendment to the Alaska Employment Security Law proposed by Governor Egan. This amendment would provide that unemployment resulting from the March 27 earthquake would not change the employer's experience rating.

OFFICE OF EMERGENCY PLANNING

Estimates of work eligible under Public Law 875 remain unchanged from last week's report. The following table reflects current estimates:

Corps of Engineers	\$71,450,000
Bureau of Yards and Docks	2,150,000
Federal Aviation Agency	1,650,000
Other Federal Agencies	630,000
State and Local Project Applications	2,120,000
Unassigned	<u>2,000,000</u>
Total	\$80,000,000

Work under Contract. The Corps of Engineers now has 27 contracts totaling \$6,405,100 with architect-engineer and construction firms. Ten of the contracts have been completed. The remaining 17 are in progress. Total value of work accomplished to date is \$2,751,700, an increase of \$299,900 over the amount reported last week.

The Office of Emergency Planning continued to direct and coordinate all P.L. 875 activities in Alaska.

The OEP field office reports a general easing of the emergency situation. Cleanup work has progressed rapidly and temporary repairs to essential utilities are moving forward on schedule. As a result of this easing of the immediate emergency situation,

May 28, 1964

there is no longer a need for daily meetings of Federal agency representatives with OEP. Meetings are now being held on an as-needed basis.

The OEP field office staff visited Juneau, Kodiak, and Valdez to confer with and brief State and local officials on projects and costs eligible for reimbursement under P.L. 875.

In Anchorage, OEP has requested the Corps of Engineers to take health and sanitation measures necessary to alleviate the open sewage problem in the Spenard outfall line.

OEP has requested the Corps to demolish and clear a hillside apartment building constituting a severe safety hazard.

PUBLIC ROADS

The State Highway Department is preparing plans for additional projects on the Seward-Portage-Anchorage highway to raise the former roadbed above the high-tide level. This work is necessary because of general land subsidence adjacent to Turnagain Arm.

The present contract for construction of temporary bridges on this highway will probably be changed to provide more spans, as required by the subsidence and by further encroachment of the tidal flow. Public Roads Divisional Engineer anticipates the additional cost will be several millions of dollars. Construction contracts should be completed by November, 1964.

POWER

The Federal Power Commission processed two applications for new power projects during the past week. The Kodiak Electric Company applied for a permit to build a power project on Terror Lake, to supply electricity for public use on the Island of Kodiak and for the U.S. Naval Base located there.

Senator Clinton P. Anderson - 9 -

May 28, 1964

The City of Petersburg, Alaska, also filed application for a power project in the Tongass National Forest, to supply power for Petersburg and the Town of Kake, for residential, commercial and industrial purposes.

/signed/

William J. Penly
Acting Executive Director

for

Dwight A. Ink
Executive Director

Attachment:

Corps of Engineers
P.L. 875 Activities

Distribution to List 1:

Commission Members
Participating Agencies
Task Force Chairmen
Task Force Members
Alaska Field Staff
Commission Staff

Secondary distribution to the Press.

P.L. 875 Disaster Activities. Work under contract by the Corps of Engineers has increased to a new total of \$6,405,100. It is estimated that 3.3% of the total program is complete. Following are recent developments:

Award on May 20 to Walsh & Company, Anchorage - \$89,800 - for demolition of houses at Turnagain.

Award on May 21 to H&K Constructors, Anchorage - \$1,273,500 - for debris cleanup and repair at Seward.

Award on May 22 to Ramstead Construction Company, Anchorage - \$13,100 - for debris cleanup at Whittier.

Bid openings scheduled for May 27 on demolition in downtown Anchorage.

Bid openings scheduled for June 10 on float facilities at Cordova.

Seattle district engineering office requested to initiate design work for detailed siting of city dock facility at Seward

Project office scheduled to open on June 1 in Cordova to supervise contracts.

Kodiak project office opened to supervise breakwater activities.

Negotiations completed for design of sewers at Seward. Contract in process of finalization.

District Engineer reports that soils analysis work is proceeding satisfactorily in accordance with the revised expedited schedule.

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FEDERAL RECONSTRUCTION AND DEVELOPMENT PLANNING COMMISSION FOR ALASKA

WASHINGTON

SENATOR CLINTON P. ANDERSON, N. MEX., CHAIRMAN

DWIGHT A. INK, EXECUTIVE DIRECTOR
FRANK C. DI LUZIO, ASSISTANT TO THE CHAIRMAN

June 5, 1964

MEMORANDUM TO: Senator Clinton P. Anderson
Chairman

SUBJECT: Commission's Weekly Report - June 5, 1964

HIGHLIGHTS

1. The Senate-House conference report on the deficiency appropriation bill, 1964, was adopted by both the Senate and House of Representatives on June 4 and cleared for the President. The bill contains \$41,370,000 for Alaska.

2. Prospects for a successful tourist season this summer in Alaska appear brighter, following a visit to Alaska by 70 representatives of American travel agencies who reported favorably on the situation.

3. The Commission staff, together with the Alaskan State coordinator, met with city officials in Anchorage, Cordova, Kodiak, Seward, and Valdez during the past week for the purpose of reviewing reconstruction plans and expediting schedules.

4. The Alaska State Legislature adjourned this week after passing various legislation, including acts designed to take advantage of Federal reconstruction legislation.

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June 5, 1964

AGRICULTURE

Livestock. Two cattle ranchers on Kodiak Island have received outright grants totaling \$1,500 from the Kiwanis organization. One grant is to replace a silo lost in the tidal wave following the earthquake. The second grant is for replacing damaged farm equipment and furniture.

The twelve livestock ranchers on Kodiak Island are reported in need of grain to supplement cattle feed. The Kodiak ranchers had been depending on stands of beach rye grass, which normally grows in the numerous inlets around Kodiak Island, for seasonal grazing and as hay for winter feed. Subsidence of the land and unusual tidal action have covered these stands of rye grass with sand, making them largely unuseable. Ranchers on Kodiak and the Kenai Peninsula have applied to the Alaska disaster committee and the Agriculture Department's Defense Board to obtain livestock feed at reduced prices. Governor Egan has wired the Secretary of Agriculture indicating his concurrence in the requests.

The USDA's Bureau of Land Management will send soil experts to Alaska to determine whether additional Federal grazing land should be made available to ranchers in order to compensate for the loss of forage. The additional grazing lands are under the control of the Department of the Interior, which can make them available to ranchers at a nominal cost of 5¢ per cow per year.

The Chugach Electric Association has arranged to have engineering studies made with respect to possible relocation of the existing transmission line and other alternatives for establishing a dependable connection between its generating facilities on the Kenai Peninsula and the Anchorage area. Because of high tides and the effects of soil erosion, it is doubtful whether the present transmission line around Turnagain Arm can be kept in operation.

June 5, 1964

FEDERAL INSTALLATIONS

Coast Guard facilities at Sitkinak Loran Station will be re-stored under a repair contract awarded to the Pacific General Construction Company in the amount of \$314,700. Completion time is 150 days.

Funds in the amount of \$283,000 are being reprogrammed by the Coast Guard for rehabilitation of the Air Station at Kodiak.

HOMES AND BUSINESS

The Small Business Administration reported that in the past week 12 new home loan applications and 28 new business loan applications were approved. Total activity in this field to date:

Interviews and inquiries 1,489

Applications given out 985

Applications filed:

Homes 142 - Value \$ 2,438,180

Business 261 - Value \$30,902,618

Loan applications approved:

Homes 95 - Value \$ 1,470,150

Business 149 - Value \$ 8,537,669

Checks disbursed to date 104 ----- \$ 1,886,000

Checks disbursed as of May 28 69 ----- \$ 1,126,860

June 5, 1964

An SBA staff of 32 persons is actively engaged in making loans in offices operating in Anchorage, Homer, Kodiak, and Valdez.

LEGISLATION

Deficiency Appropriation, 1964. On May 29, 1964, the Senate approved the deficiency appropriation bill (H.R. 11201) including approximately \$46 million for reconstruction in Alaska. Not included in this amount were \$5.6 million for the Corps of Engineers' harbor modification work and \$350,000 for the Department of Agriculture's contract liquidation.

On June 3, 1964, the House and Senate conferees approved the bill including \$41,370,000 for the reconstruction of Alaska. The conferees disapproved \$5.2 million of the approximately \$25 million requested for the Alaska Railroad. The conferees' report was adopted by both the House and Senate on June 4, and cleared for the President.

Hearings were held this week on S. 2881, a bill "to amend the Alaska Omnibus Act." The principal areas of concern during the hearings were urban renewal, state bond provisions, and assistance to persons whose homes were lost or destroyed by the earthquake.

The Senate bill will probably be considered in executive session next week. House hearings are tentatively scheduled on H.R. 11438 (the companion bill) on June 11.

Alaska Legislative Session. The city limits of Valdez and Seward were extended by legislative action. This will permit urban renewal or other expansion wherever earth shifts and subsequent geological changes render present city limits either unsafe, questionable or undesirable.

June 5, 1964

An act was passed authorizing grants of certain areas of State-owned lands to individuals whose land was rendered unuseable by shifts in land mass. Applicant need pay only administrative and survey costs to acquire fee title.

The Legislature authorized city councils to reassess and reduce land values to their present post-earthquake values and make refunds to landowners who have already paid real taxes based on the value of their land as it stood on January 1, 1964.

The Legislature appropriated all of the \$17,000,000 in Federal transitional grants presently in process of appropriation to Alaska by the U.S. Congress.

Legislation was passed whereby veterans who received loans from the State for farm, home or business, and whose property was damaged by the earthquake, may apply for suspension of payments on the principal, and forgiveness of interest for one year. Loans held by the State Department of Commerce will be forgiven, if the property was destroyed or irreparably damaged and if the owner surrenders title to the land and pays the State Department of Commerce \$1,000. This is the same procedure that the Federal National Mortgage Association is following.

General Obligation Disaster Bonds or loans in the total amount of \$12,300,000 were authorized by the Legislature for the purpose of raising State matching funds for urban renewal projects, State highways and State buildings. Authority was given to the State Bond Committee to borrow up to \$12,300,000 directly from the U.S. Government for these purposes.

MANPOWER

Training Project. A Manpower Development and Training Act project for the earthquake-damaged area has been approved by the Departments of Labor and HEW, pending the appropriation

June 5, 1964

of funds. Senate and House conferees have agreed on a supplemental appropriation of \$20 million under the Manpower Development and Training Act.

About 1,000 persons will train in 11 occupations, involving 23 courses. Total cost to HEW will be approximately \$890,000; total cost for the project will be over \$1,000,000.

Labor Supply and Demand. Employees needed at the Kodiak Naval Station, as reported on May 22, have been located by the Department of Labor. Civil Service Commission and union hourly rate information has been sent to the Naval Station, along with current labor supply information indicating that there are qualified workers available in Fairbanks and Juneau.

PORTS AND FISHING

Fishery Loan Program. The Bureau of Commercial Fisheries has received 73 applications totalling \$1,173,000 for repair and replacement of fishing vessels and gear damaged or lost as a result of the Alaskan earthquake. A total of 45 has been approved to date, valued at \$715,000. During the past week loan examiners were active at Cordova, Kenai, Homer, Seward and Valdez.

Applicants are actively searching for satisfactory fishing vessels to purchase; thus far, 17 have been located. The fishermen are showing a strong preference for purchasing replacement vessels, rather than for charter loans, as authorized under S. 627.

PUBLIC WORKS AND COMMUNITY FACILITIES

Cordova. Bids for the dredging contract for the interior of the small boat harbor will be opened on June 5. The dredging

June 5, 1964

contract for the Orca Inlet entrance to the harbor is being prepared and will be awarded as soon as funds are available.

Homer. Invitations for bids with plans and specifications for a boat harbor replacement will be issued about July 7. Contract award and the initiation of construction will depend upon the availability of funds.

Kodiak. Work on the breakwater reconstruction under contract awarded May 7 in the amount of \$431,500 is now 20 percent complete. Final completion date is expected to be July 16.

Seward. Invitations for bids for replacement of the boat harbor will be issued about July 16. Contract funds for this project are also subject to availability of funds.

Valdez. Invitations for bids for the replacement of the boat harbor are scheduled to be issued on August 6. Contract awards are dependent on the availability of funds.

SCIENCE AND ENGINEERING

Soils and Foundation Studies. Completion dates for sampling and laboratory phases in Anchorage are tentatively scheduled as follows:

Fourth Avenue - June 13
L Street - June 20
Turnagain Area- June 27

Evaluation of test results is expected to require an additional two weeks.

Coast and Geodetic Survey. After completing a number of profile lines of Kodiak Island and in Shelikof Strait, the Coast Survey ship, "Surveyor," has now returned to Seattle for additional equipment necessary for further research work in the damage area. Hydrographic reconnaissance has been completed in lower Cook Inlet. No apparent changes in the ship channel to Anchorage were found.

June 5, 1964

TRANSPORTATION

Airports. Damage inspection of the Anchorage International Airport terminal building has been completed by an architectural and engineering company under contract with the State of Alaska. The estimated replacement costs include \$759,443 for construction and \$91,133 for engineering and administration costs.

The total estimate of \$850,576 will be the basis of a request by the State to the Office of Emergency Planning for an "in lieu" grant under Public Law 875 funding. Cost of a projected new terminal building will be over \$2 million.

The Alaska Railroad. The General Manager has been authorized to negotiate an engineering contract (principally photogrammetric surveys) for road location at Potter and Portage, and to commit funds to permit the Corps of Engineers to undertake advance planning and design for the Seward dock project.

The two major oil companies formerly based at Seward (Standard of California and Texaco) have indicated tentative plans to rely on Anchorage as their new main distribution point. This could seriously affect the future revenues of the Railroad.

Alaska Highway. All highways in Alaska that were damaged by the earthquake have been opened to traffic with the exception of the Cape Chiniak Road on Kodiak Island and the Copper River Highway beyond the Cordova airport.

Program documents for an additional ten reconstruction projects have been processed by the Bureau of Public Roads, which will allocate \$5,323,000 for reconstruction on the Seward-Anchorage, Richardson, Sterling, and Hope Highways. Total cost, including \$960,000 in State matching funds, will be \$6,283,000, broken down as follows:

June 5, 1964

8 projects on forest highways:
total cost \$4,363,000,
100 percent Federal funds.

2 projects on Federal-aid highways:
total cost \$1,920,000,
50-50 matching basis.

This allocation will bring the total BPR funds allocated to date for Alaska to \$15,064,500. Since \$2,693,500 of this is on the 50-50 matching basis, the total cost of the work undertaken with these funds is \$17,758,000.

Legislation proposed by the President for Alaska would change the 50-50 matching basis to a 94.9 - 5.1 formula.

MISCELLANEOUS

Tourism. A group of 70 travel agents from all of the United States recently completed an inspection of tourist facilities in Alaska, including the Anchorage area. They are reporting to their home agencies that tourists should be encouraged to plan a holiday in Alaska this summer. Virtually all of the usual sightseeing and outdoor sport attractions were found to be currently available to tourists. The earthquake notwithstanding, Alaskans are prepared to welcome their fellow citizens from the "south 48" with their usual enthusiastic hospitality.

/signed/ Dwight A. Ink

Distribution to List 1:
Commission Members
Participating Agencies
Task Force Chairmen
Task Force Members
Alaska Field Staff
Commission Staff

Dwight A. Ink
Executive Director

Secondary distribution to the Press.

FEDERAL RECONSTRUCTION AND DEVELOPMENT PLANNING COMMISSION FOR ALASKA

WASHINGTON

SENATOR CLINTON P. ANDERSON, N. MEX., CHAIRMAN

DWIGHT A. INK, EXECUTIVE DIRECTOR

FRANK C. DI LUZIO, ASSISTANT TO THE CHAIRMAN

June 12, 1964

MEMORANDUM TO: Senator Clinton P. Anderson
Chairman

SUBJECT: Commission's Weekly Report - June 12, 1964

HIGHLIGHTS

1. The shortage of livestock feed in certain areas will be relieved by the Department of Agriculture, which will make available feed grain at reduced prices.
2. Progress is reported on Congressional consideration of Amendments to the Alaska Omnibus Act, including authorization for the Federal Government to purchase up to \$25 million worth of Alaska State bonds and to permit the Bureau of Public Roads to allocate emergency relief funds for highway repair in Alaska based on a 94.9 - 5.1 matching formula.
3. The salmon catch is expected to be nearly normal this year. King crab production may be down 15 to 20 percent.
4. Further SBA loan policies for building and repair loans for individual communities have been issued.
5. The schedule for repair and replacement of small boat harbors has been expedited.

* * *

AGRICULTURE

Livestock Feed Program. The U.S. Department of Agriculture announced a livestock feed grain program to provide grain at reduced prices to farmers in three regions of Alaska affected by the earthquake: Kodiak Island, Kenai Peninsula, and the Tanana Valley.

On Kodiak Island, large areas of hay and pasture lands were submerged by tidal waves. On the Kenai Peninsula, an unusually late spring has added to the shortage of feed supplies brought about by the suspension of trucking service on the only highway serving the area. In the Tanana Valley, feed stocks were nearly depleted after normal shipments were interrupted for three weeks by earthquake damage to the railroad.

Farmers and ranchers who do not have sufficient feed for their livestock and are unable to obtain it through normal channels of trade without undue financial hardship may buy Commodity Credit Corporation-owned feed grains at below market prices. Application must be made in person at the Agricultural Stabilization and Conservation Services field offices.

Kodiak Island. The Bureau of Land Management is continuing to work with the ranchers on Kodiak Island to determine measures that are feasible for rehabilitating and further developing their ranches. Specialists reviewed the effects of the tidal wave on beaches which formerly provided a major share of the winter feed for livestock.

Plans for reseeding damaged stands of beach rye were discarded as impractical, after it was determined that damage was more from subsidence than from scouring. USDA has arranged for a bulldozer to be shipped from Anchorage via barge for use in debris cleaning by Kodiak ranchers.

Rural Housing. Farmers Home Administration reports that 35 out of 82 houses in the earthquake area on which they have loans were damaged by the earthquake. Damage varies from minor losses to complete destruction.

Authority to make possible compromising of mortgages on damaged homes is being sought in pending legislation.

Forest Service. Kenai Ranger District of the Chugach National Forest has a crew of six men working on trail restoration this week. Trails are expected to be cleared of slide debris in time for the peak of the tourist season.

COMMUNITY FACILITIES

Cordova. Bids for proposed harbor restoration work have been opened. Contract award is scheduled for June 19.

Homer and Seward. Planning has been expedited and both small boat harbor projects will be ready to advertise for bids by about June 15, a month ahead of schedule. Pending Congressional authorization and appropriation will determine the exact bid date.

Kodiak. The breakwater reconstruction is now 25 percent completed. The estimated final completion date is July 16.

Seldovia. A contract for repair of the small boat harbor has been awarded, with a completion date scheduled for August 1.

Valdez. Planning for the small boat harbor has been expedited and bids may be advertised as early as June 18, instead of August 6, as previously scheduled. The exact date will depend upon passage of the Omnibus Bill and subsequent appropriations.

Bureau of Yards and Docks. The Office of Emergency Planning has requested the Bureau to restore three buildings in the Kodiak Independent School District, and to repair State-owned buildings on Kodiak, including the school on the Navy base, and the State fish and game facilities on Kittooi Bay.

The OEP field office has amended its previous request to Bureau of Yards and Docks relating to relocation and conversion of trailer compound housing units at Kodiak to include a structure for washers and dryers.

Public Law 875. OEP estimates of work eligible under Public Law 875 remain at \$80 million, with the major share of the work assigned to the Corps of Engineers:

Corps of Engineers	\$71,450,000
Bureau of Yards and Docks	2,150,000
Federal Aviation Agency	1,650,000
Other Federal Agencies	630,000
State and Local Projects	2,120,000
Unassigned	<u>2,000,000</u>
	\$80,000,000

The Corps of Engineers now has awarded 33 contracts to architect-engineer and construction firms. Total costs are \$6,433,800. Thirteen of the contracts have been completed, and the remaining 20 are in progress. Total expenditure for work accomplished to date is approximately \$3,360,000.

The major reconstruction program is now in the final design phase of the preliminary programming which precedes the brick and mortar phase. General planning and site selection for major projects have been approved by community officials and by the Governmental agencies involved. Acceleration of contract awarding is expected in the immediate future.

FISHING

King Crab Fishery. The Bureau of Commercial Fisheries has estimated that Kodiak Island king crab production may be reduced by from 15 to 20 percent this season. Of the original seven processing plants, only two are now operating, with one additional plant expected to be in operation by fall. The crab fishery fleet is gradually being augmented by repair of damaged vessels. Several boats originally considered a total loss have been salvaged.

June 12, 1964

Salmon. The Bureau has reported that as far as processing facilities are concerned, the salmon industry can operate at a normal capacity this year. However, there is currently a dispute between fishermen and processors over the price of pink salmon. If this dispute is not settled before the season is in full swing, about the middle of July, a reduced catch could result.

Charter Vessel Loan Program. Several inquiries regarding this program have been made, but thus far the Bureau has received no formal applications for charter loans. Skippers are still endeavoring to locate suitable replacement vessels available for purchase. Also, the price dispute over pink salmon may be discouraging interest in chartering.

Cannery Loans. The Washington, D.C., office of the Small Business Administration reported the following loans to fish canneries:

Alaska Ice and Cold Storage, Kodiak	\$120,000
Uzinki Packing, Kodiak	590,000
King Crab, Kodiak	650,000
E. Point, Seattle (Alaska Operations)	92,400

Additional loans under \$50,000 for individuals and under \$250,000 for participant loans have been approved by the field office in Alaska.

HOMES AND BUSINESS

The Small Business Administration issued instructions on June 9 to Alaska field offices concerning conditions under which funds are to be disbursed:

In Anchorage no funds are to be released, at this time, for the repair or rebuilding of any structure located in areas currently designated as unsafe by the Scientific and Engineering Task Force.

In Kodiak, on approved loans, funds may be disbursed for repairs or rebuilding in any area above expected high high tides.

In Homer disbursements may be made to repair or rebuild except on the Spit, which has not yet been determined to be safe.

In Valdez no funds are to be disbursed for any permanent repairs or rebuilding at the present town site. Funds for replacing inventories and movable equipment or working capital will be available to business. Funds may also be disbursed for temporary repairs to homes and businesses, to the minimum extent necessary to withstand the coming winter. The Farmers Home Administration places the same restriction on loans to rural housing.

The SBA loan policy requires that the Alaska Uniform Building Code be followed on all new construction and, where feasible and appropriate, on all major repairs. The Federal Housing Administration has the same requirement.

New Loan Applications. In the past week SBA approved 34 additional home loan applications and 44 business loans. Total activity in this field to date:

Interviews and inquiries	1,645
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Applications given out	977
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Applications filed:

Homes	164	- Value \$ 2,783,230
Business	295	- Value \$33,126,427

Loan applications approved:

Homes	129	- Value \$ 2,069,450
Business	193	- Value \$16,811,778

Checks disbursed to June 9	165	----- \$ 3,437,000
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Checks disbursed as of June 3	104	----- \$ 1,886,000
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June 12, 1964

Urban Renewal. Application for urban renewal projects in the disaster area have been received totalling \$36 million. The Federal share of this program would be \$28,550,000, on a 75-25 matching basis. Following is a breakdown by area of the estimated net project cost (including State and local funding):

Anchorage	\$18,000,000	(Downtown area)
"	1,400,000	(Turnagain Area No. 1)
"	2,800,000	(Turnagain Area No. 2)
Kodiak	6,800,000	
Seldovia	1,440,000	
Seward	2,000,000	
Valdez	2,400,000	(Existing site)
"	<u>1,200,000</u>	(Mineral Creek site)
Total	<u>\$36,040,000</u>	

The urban renewal program is expected to undergo considerable modification before final acceptance by local, State and Federal authorities. The Kodiak plan has received the approval of the city Council.

LEGISLATION

Deficiency Appropriation, 1964. On June 9, 1964, the President approved the Deficiency Appropriation Bill (H.R. 11201) including approximately \$41 million for reconstruction in Alaska. Not included in this amount were \$5.6 million for the Corps of Engineers' harbor modification work, \$350,000 for the Department of Agriculture's contract liquidation (for work on forest roads and trails) and about \$5.2 million of the \$25 million requested for the Alaska Railroad. It is hoped that the \$5.6 million for the Corps will be included in a subsequent appropriation bill.

Alaska Omnibus Act Amendments. Hearings were held this week before the House Subcommittee on Territorial and Insular Affairs on H.R. 11438, a bill "To Amend the Alaska Omnibus Act." The bill was ordered reported to the full Committee with the understanding that certain amendments suggested by Congressman Rivers and the Chairman of the Committee will be considered at that time. An executive session is scheduled to be held by the full Committee on June 18, 1964.

The Senate companion bill (S. 2881) will be considered in executive session on June 16, 1964.

MANPOWER AND LIVING COSTS

Price Survey. The Bureau of Labor Statistics report covering the period from the time of the earthquake up to May 18 indicated a distinct rise in food prices in Seward. Of the 40 food items priced, 23 advanced, 18 of these by 7 percent or more and 11 of the 18 by at least 10 percent. Anchorage and Kodiak food costs appeared to have risen only slightly or not at all.

Prices for key commodities such as gasoline were stable in all three communities. Rents were unaffected.

Labor Supply and Demand. The Bureau reported a continuing shortage of tapers and glaziers in construction. The demand for cement masons and plasterers has eased off, and the supply of other construction trade occupations is now adequate. New labor demands and possible shortages are expected to develop within the next month.

TRANSPORTATION

Highways. The Cape Chiniak Road on Kodiak Island, the only major earthquake-damaged highway which has not been reopened to traffic, is scheduled to be serviceably repaired by September 30. Favorable bids were received by the State Highway Department for temporary repairs to the Cape Chiniak Road between the Naval base and the Cape. Repair work is expected to begin within the next few days as soon as contracts are awarded.

The State is negotiating with the Bureau of Yards and Docks for work within the Naval base where the highway is passable but in need of permanent repairs.

Turnagain Arm. The Bureau of Public Roads has decided to delay commencement of permanent repairs to the highway around the head of Turnagain Arm until studies are completed on the proposed Turnagain causeway. Study work on the causeway has now been accelerated.

Engineers are studying whether the additional expense involved in building a causeway, as opposed to repairing the existing road around Turnagain Arm, might not be offset by the advantages gained by shortening the route to Seward and southern points on the Kenai Peninsula by 30 miles. Other advantages gained by building a dam-type causeway (with a floodgate) might be: greater protection from tides and ice for the communities at the head of the Arm, including Portage; minimal need for riprap protection of the Alaska Railroad around the Arm; and a shortened route for power lines to the south.

June 12, 1964

Airports. The City of Anchorage has filed a request with the Office of Emergency Planning for a damage assessment survey on city-owned Merrill Field Airport. Federal Aviation Agency will make the assessment, which is expected to be confined to runway and taxi strip damage.

FAA engineers are conducting a field survey on the new site for the airfield which will service the relocated Indian village at Port Lions on Kodiak Island. This is the former Indian village of Afognak, which was damaged during the earthquake. The Indians will be resettled at Port Lions, at Settlers Cove on Kizhuyak Bay, with the assistance of Lions International.

The airfield will be the principal means of transportation to the new Indian village. A 2,500-foot gravel strip, 100 feet wide, is contemplated. Kodiak Airways, which served the Afognak village airfield, is expected to serve Port Lions.

MISCELLANEOUS

Civil Defense. The Alaska State Civil Defense Office is continuing the coordination of relief activities in the State. As of June 1, 1964, cash donations have been raised by individual organizations as follows:

Veterans of Foreign Wars	\$ 80,000
Salvation Army	186,000
American Legion	50,635
Lions Club	50,000
Council of Churches	15,000
Red Cross	235,235
Alaska Education Association	30,000
Governor's Relief Fund	<u>90,000</u>
Total	\$736,870

The funds are being used as needed through the emergency period throughout the disaster areas.

June 12, 1964

Offers of assistance have also come in from a great variety of civic, professional and fraternal organizations, including the Alaska Bar Association, Anchorage Junior Chamber of Commerce, League of Women Voters, Alaska Educational Association, Alaska Nurses Association, Loyal Order of Moose, Alaska Division of Public Welfare, Alaska Department of Health and Welfare, Anchorage Community Chest, and the Anchorage Tuberculosis Association.

/signed/ Dwight A. Ink

Dwight A. Ink
Executive Director

Distribution to List 1:

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- Participating Agencies
- Task Force Chairmen
- Task Force Members
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Secondary distribution to the Press.

FEDERAL RECONSTRUCTION AND DEVELOPMENT
PLANNING COMMISSION FOR ALASKA
WASHINGTON

SENATOR CLINTON P. ANDERSON, N. MEX., CHAIRMAN

DWIGHT A. INK, EXECUTIVE DIRECTOR
FRANK C. DI LUZIO, ASSISTANT TO THE CHAIRMAN

June 19, 1964

MEMORANDUM TO: Senator Clinton P. Anderson
Chairman

SUBJECT: Commission's Weekly Report - June 19, 1964

HIGHLIGHTS

1. S.2881 and HR 11438, with amendments, were ordered reported favorably by the Senate and House Committees on Interior and Insular Affairs.
2. Applications for SBA loans now total 499, valued at nearly \$38 million. Approved loans total over \$20 million.
3. Two major Alaska highway projects, costing \$6.2 million, have been approved by the Bureau of Public Roads.

* * *

AGRICULTURE

Disruption of Transportation. Spring flooding of the Anchorage-Seward Highway has interrupted movement of agricultural products and supplies. If this continues, farmers may have problems obtaining adequate livestock feed, and supplies.

Food Price Survey. The Alaska State Agricultural Experiment Station reported that the recent rise in food prices in Seward is largely attributable to the interruption of road and ship traffic into Seward.

Forest Area. Plans now being prepared by the State Highway Department for reconstruction of the Portage-Glacier Forest Highway and Parking Lot should be completed this week. Forest Service Personnel recently discovered that the covered bridge on Forest Highway No. 30 on Afognak Island was destroyed by tidal wave action resulting from the earthquake. Lots are being surveyed on National Forest land for a new townsite for the town of Hope, now flooded by three to four feet of water at high tides.

COMMUNITY FACILITIES

Progress of Contracts Under OEP. In the past week the value of work accomplished under all contracts increased approximately \$1,000,000, from \$2,800,000 to \$3,881,100. Six additional contracts were awarded. A summary follows:

	<u>No. of Contracts</u>	<u>Work Items</u>	<u>Contract Value</u>
Totals	34	34	\$6,496,700
In Progress	21	21	5,535,200
Completed	13	13	961,500

June 19, 1964

Cordova. Bids for proposed harbor restoration work, for which funds are available were opened June 5, 1964. Contracts are scheduled to be awarded June 19, 1964. The Chief of Engineers has approved a plan for dredging two shoals in the approach channel through Orca Inlet, subject to funds availability.

The Corps of Engineers has issued an invitation to bid on float removal and bulkhead construction. The Corps also opened bids on sewage outfall repair and extension at Cordova on June 18, 1964.

Homer. A public works planning advance of \$26,000 was made to the City of Homer by HHFA for preliminary planning of a \$545,000 water system project.

Kodiak. A contract has been awarded to complete field engineering work related to city streets, walks, sewers and water system.

Bids have been invited for development of the City of Kodiak house-trailer site, with closing date of June 29, 1964 and for restoration of facilities at Kraft Springs and reconstruction of the Tagura road, with closing date of June 24, 1964. Construction time on these two projects is 60 days and 45 days respectively.

Contracts have been awarded to various Architect-Engineer groups for final designs for the restoration of damaged roadways at the Naval Station at Kodiak. Some of these designs are completed. Construction bids will be advertised as soon as funding authority is established.

Kodiak Harbor. Under the contract for breakwater reconstruction, awarded May 7, 1964 to S. S. Mullen in the amount of \$431,500 work valued at \$120,800 has been accomplished. Estimated completion date is July 16, 1964.

The Bureau of Yards and Docks investigated the cost of emergency installation of water lines to the Spruce Cape area. A grant-in-lieu in the amount of \$139,000 has been approved by OEP. Alaska State Housing Authority will do the work.

The Architect-Engineer has begun preparation of plans and specifications for restoration projects consisting of streets, water, sewer and storm drainage based on Urban Renewal plans.

Seldovia. Work has been started on rock emplacement to raise breakwaters and on minor excavation, under a contract awarded on May 20, 1964, in the amount of \$266,600. Estimated completion date is August 1, 1964.

Seward. A preliminary report covering all soils information for the Forest Acres area of Seward is expected by July 1.

Soils and Foundations Studies. The soil sample collecting work in Anchorage has been completed, except in the Turnagain area. Overall progress of the soils studies program is on schedule. Following analysis of the data, release of the Fourth and "L" street areas in Anchorage is expected during the week of June 22-27.

Valdez. Five trailers (3-bedroom) will be shipped by the Navy to serve as temporary housing at the present Valdez townsite. The trailers will be set up and connected to utilities by the Corps of Engineers.

Urban Renewal. The Office of Emergency Planning conferred with Urban Renewal Administration Commissioner Slayton and State and local officials at Kodiak, Seward, and Valdez. Agreement was reached on procedure whereby architect-engineering work necessary for urban renewal programs will be coordinated with architect-engineer work being done under PL 875 by the Corps of Engineers and the Bureau of Yards and Docks. As a result of this agreement, both the Corps and the Bureau are able now to proceed without any time lag between these two phases of reconstruction.

HOMES AND BUSINESS

Small Business Administration Loans. Business and home loan inquiries continue to average about 20 per day and applications are being received at the rate of about 8 per day. Forty new applications for homes and businesses were filed in the past week, raising the total to 499, valued at nearly \$38 million. Total activity in this field to date:

	<u>As of June 17</u>	<u>One Week Ago</u>
Interviews and inquires	1,757	1,645
Applications given out	1,050	977
Applications filed:		
Homes	185 (Value \$3,225,380)	164 (Value \$2,783,230)
Business	314 (Value \$34,573,927)	295 (Value \$33,126,427)
Loan Applications approved:		
Homes	153 (Value \$2,373,250)	129 (Value \$2,069,450)
Business	217 (Value \$18,264,778)	193 (Value \$16,811,778)
Checks disbursed	201 (\$4,703,000)	165 (\$3,437,000)

Federal National Mortgage Association. Four applications for forgiveness of the unpaid balance on mortgages held by FNMA, upon payment of a consideration of \$1,000 each, were received from Alaska mortgagors this week. Thirteen such applications were received to date, of which nine have been approved for a total evaluation of \$211,892 in mortgage balances. These nine balances range from \$17,363 to \$40,487, with the average being approximately \$23,500.

Anchorage. Two releases were executed this week permitting the City of Anchorage to demolish or to move 1 - 4 family homes. Sixteen such releases have thus far been executed by FNMA.

Housing Loan Applications. The Farmers Home Administration reports that they have received 51 applications in April and May for housing loans in Alaska and 14 for \$211,820 were approved.

LEGISLATION

Both the Senate and House Interior and Insular Affairs Committees, acting in executive session, ordered reported favorably S.2881 and HR 11438 respectively with amendments. The amendments concern the provisions in the bill relating to urban renewal, the State bonds, and FHA insured mortgages in Alaska.

Differences in the Senate and House amendments may require a Senate-House conference before final passage of the Bill.

TRANSPORTATION

Alaska Highway Earthquake Damage Reconstruction. The Alaska fourth emergency highway program was approved by the Director of Engineering and Operations on June 11, 1964. This program contains two projects involving a total estimated cost of \$6,191,589, with emergency funds requested in the amount of \$5,843,317.

One project provides for raising the embankment and placing riprap protection on the Seward-Anchorage Highway between Girdwood and Ingram Creek, a distance of approximately 12.1 miles.

The second project would raise the embankment and build riprap protection on approximately 3.4 miles of the Seward-Anchorage Highway west of Girdwood. This program provides for temporary repair of the facility and permanent protection from tidal action.

Airports. Federal Aviation Administration ground inspection of the following 15 State airfields, located on the Kenai Peninsula and in Western Alaska, has been completed; no damage was attributed to the earthquake or subsequent seismic waves:

June 19, 1964

Egegik	Naknek
Hope	Ninilchik
Igiugig	Nondalton
Koggiung	Pedro Bay
Kokhanok	Pilot Point
Kasilof	Quartz Creek
Lawing	Tyonek
Levelock	

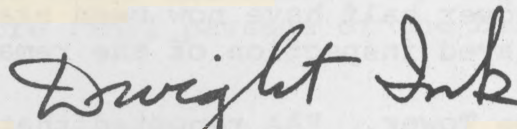
Previous aerial inspection at Hope had indicated that significant damage might have resulted from the quake. Of the 58 airfields which FAA was asked by the Office of Emergency Planning to inspect, over half have now been examined. Late spring snows have delayed inspection of the remaining airfields.

Anchorage Tower. FAA reported that concrete for the new tower will be poured in mid-July and that structural steel work will begin in late August. Prefabricated steel sections for some portions of the tower will be trucked up to Alaska over the Alcan highway. Bid opening for contracts on the construction work to be done in Anchorage is scheduled for June 24. To date, 24 prospective bidders have indicated an interest in the contracts.

June 19, 1964

MISCELLANEOUS

Cape Hinchinbrook Light Station. The Alaska Testing Office of the Coast Guard reported that the design for the dock extension has been completed and is being forwarded to Washington for approval.


Dwight A. Ink
Executive Director

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DWIGHT A. INK, EXECUTIVE DIRECTOR

FRANK C. DI LUZIO, ASSISTANT TO THE CHAIRMAN

June 26, 1964

MEMORANDUM TO: Senator Clinton P. Anderson
Chairman

SUBJECT: Commission's Weekly Report - June 26, 1964

HIGHLIGHTS

1. Valdez officials have agreed with State and Federal representatives on a plan for establishing temporary school buildings at the proposed new townsite for use this year.

2. SBA loan approvals jumped from \$20.7 million to \$26.4 million this week.

3. The post-earthquake trend in food prices at Seward has leveled off satisfactorily.

* * *

June 26, 1964

AGRICULTURE

Livestock Feed Program. Local U. S. Department of Agriculture Defense Boards have recommended that the following amount of livestock feed be made available to those farmers in the disaster area (noted in the report of June 12) who are eligible to purchase feed at reduced prices:

150 tons of barley in sacks to be shipped to Fairbanks,
600 tons of steam-rolled barley to be sacked and brought
in at Homer for Kenai,
700 tons of steam-rolled barley to be sacked and brought
in at Kodiak.

The Agricultural Stabilization and Conservation Service in Washington has approved the recommendations and is now processing the grain orders for shipment to Alaska. This grain will cost the farmers \$15 to \$20 less per ton than the market price. It is expected that these supplies will be sufficient to complete a build-up of winter feed in all damaged areas.

Atlas of Alaska. The Agricultural Stabilization and Conservation Service is now completing a new atlas of Alaska to conform to the earthquake-altered topography. The aerial photography for approximately 200 villages was secured by the Bureau of Land Management. The work on the atlas is being done at the U. S. Department of Agriculture Salt Lake Aerial Photo Lab in Utah.

Forest Service. Engineering designs are now underway for repairs to damaged buildings and roads and bridges in the National Forest. A tentative decision has been reached to raise the elevation of the Portage Glacier Forest Highway by 17 feet near the town of Portage. The increased road elevation is desirable to prevent flooding at high tides. This entire area has been affected by severe land subsidence.

June 26, 1964

COMMUNITY FACILITIES

Progress of Contracts Under OEP. Under Public Law 875 as authorized by the Office of Emergency Planning a total of 41 contracts have been awarded to date, for a total value of \$6,763,600 as indicated below:

	<u>As of June 23</u>	<u>As of June 16</u>
Contracts Completed	16 (\$1,204,700)	13 (\$ 961,500)
Contracts in Progress	<u>25 (5,558,900)</u>	<u>21 (5,535,200)</u>
Total Contracts Awarded	41 (\$6,763,600)	34 (\$6,496,700)

Projected Total for Recovery Program \$84,000,000

Total authorized by OEP to date \$83,089,600

Ninety-day-eligibility Period. If necessary, an extension of time will be granted for State and local authorities to file requests with OEP, beyond the normal 90-day period following the Presidential designation of the disaster area.

Cordova. A contract for sewer outfall repair has been let, in the amount of \$54,000. The estimated completion date is August 25.

Klawock Harbor. A contract has been awarded to Cole and Haddock for reconstruction of float facilities, in the amount of \$24,000. Completion date is August 1.

Valdez. A contract has been awarded to the B. & A. Company for restoration of water and sewer systems at the present townsite, in the amount of \$126,300. Completion date is July 31.

An inter-agency meeting with State and local officials was held in Valdez on June 19 to coordinate restoration and replacement of public buildings at Valdez. Participants agreed that:

June 26, 1964

1. A prefabricated Butler building will be erected on a temporary foundation as a grade school at the new (Mineral Creek) townsite. Clearing and grading will be performed by August 15, and school will open on schedule, September 15.

2. A new high school, also to be constructed of portables or the "Butler" type building will be placed on the Mineral Creek site. It is not known when the building will be ready for occupancy -- the availability of buildings, preparation of the site and other factors will determine this.

3. OEP funds available under Public Law 875 for repair of the Harborview Nursing Home, a state mental health facility in Valdez, will be used as matching funds to erect a new facility at the new townsite as soon as possible. It was proposed that the new facility include a small community hospital.

Public Law 875 funds of approximately \$465,000 are available for the repair or replacement of the two Valdez schools. A contract in the amount of \$7,700 has been awarded to Manley and Mayer of Anchorage for an examination of school damage.

The Mayor and other governmental officials were advised that with prompt planning, sewer and water lines and temporary power lines can be installed at the new site this year. However, all construction schedules are dependent on the early resolution of the problems involved in transferring land at Mineral Creek to the City of Valdez.

Boat Harbors. Construction work on restoration of boat harbors at Homer, Seward and Valdez is awaiting Congressional authorization and funding. However, planning is progressing on the assumption that funds will be made available.

June 26, 1964

FEDERAL FACILITIES

The Alaska Railroad. To date, the Alaska Railroad has obligated \$7,889,597 for earthquake rehabilitation. An additional \$7.8 million has been set up in a reserve account for the Corps of Engineers to draw upon in connection with the Seward dock project. This leaves slightly more than \$6 million available for the balance of the rehabilitation work. The allocation of this balance is now being programmed in order to determine the date when supplemental funds will be required.

Contracts have been awarded for repair of shop buildings in Anchorage. Work on the wheel shop will be performed by C. & R. Builders, Inc., on a bid of \$215,000. The award on the car and coach shop went to J. B. Warrock Co., at a bid price of \$690,000. Both firms have their main offices in Seattle and both of the accepted bids were within the original estimates compiled by the Railroad.

HOMES AND BUSINESS

Federal National Mortgage Association. All 13 applications received prior to the past week for forgiveness of the unpaid balance on mortgages held by FNMA on totally destroyed properties in Alaska, upon payment of a consideration of \$1,000 each, have been approved, with a total evaluation of \$285,711. One new application, in the amount of \$9,781, was received during the week and is now being processed.

FNMA's Alaska servicers have been asked to ascertain the intentions of owners of totally destroyed or irreparably damaged homes who have not yet sent in applications.

Public Housing. The City of Kodiak has donated land for a site for the 40-unit low rent housing project approved for Kodiak, budgeted at \$1,117,830. An architect is now preparing a feasibility study.

June 26, 1964

Small Business Administration Loans. Business and home loan inquiries were received at an accelerated rate in the past week, and total disbursements in this field rose sharply by over \$2.5 million. Approvals on home and business applications increased approximately \$6,000,000, for a total value of \$26,000,000. Total activity in this field to date:

	<u>As of June 24</u>	<u>One Week Ago</u>
Interviews and inquiries	1,913	1,757
Applications given out	1,107	1,050
Applications filed:		
Homes	221 (Value \$3,933,380)	185 (Value \$3,225,380)
Business	327 (Value \$36,573,596)	314 (Value \$34,573,927)
Loan Applications approved:		
Homes	181 (Value \$3,144,930)	153 (Value \$2,373,250)
Business	260 (Value \$23,215,367)	217 (Value \$18,264,778)
Checks disbursed	248 (\$5,955,000)	201 (\$4,703,000)

LEGISLATION

S. 2881 and H.R. 11438. No action on the Senate and House appropriation bills for Alaska, which have cleared Committee, was reported this week.

MANPOWER AND LIVING COSTS

Labor Supply and Demand. The Bureau of Labor Statistics reported that sufficient workers are still available to meet the construction needs. In Anchorage, principal current building activity involves the construction of an eight-storey hotel, and some home repair and rebuilding.

June 26, 1964

Wage and Salary Trends. The first report based on the new system for monitoring wages and salaries in Alaska (received on June 17) covered 609 employees with a payroll of \$137,925.71. No inflationary trend in wages was indicated.

Price Survey. The inflationary trend in food prices in Seward noted in the report covering the post-earthquake period up to May 18 was reported to have tapered off, according to the latest survey of the University of Alaska Agricultural Extension Service, covering the period from May 18 - June 2. Stability of food prices during this period was indicated by the fact that out of 40 items priced, 17 were unchanged, 13 fell, and only 10 rose appreciably.

Gasoline and building material prices showed little change from pre-earthquake levels. In Kodiak, all commodities exhibited a similar stability during this period.

TRANSPORTATION

Highways. Two contracts have been let by the Alaska State Highway Department under the fourth emergency program which was reported last week. The contract cost is approximately 30 percent under the estimated cost. These contracts provide for raising the embankment and placing of riprap protection on the Seward-Anchorage Highway between Girdwood and Ingram Creek at the head of the Turnagain Arm.

Negotiations are continuing between the State Highway Department and the Bureau of Yards and Docks, with regard to the responsibility for making repairs on the section of the Cape Chiniak Road within the Naval Air Station on Kodiak Island.

Airfields. On-site inspections have been completed on 14 more airfields. This leaves 10 fields (out of 58 originally assigned to FAA) for which detailed on-site inspections have not been completed due to snow and frost on the ground. Of the 48 fields inspected to date, 10 have suffered damage attributable to the earthquake. Estimated damage on these 10 fields is approximately \$1.8 million, including nearly \$1.3 million at Anchorage International Airport.

June 26, 1964

MISCELLANEOUS

Native Villages. A \$10,000 contract was awarded on June 11, 1964, covering engineering services for water and sewage facilities for three native villages--Tatitlek, Old Harbor, and Ouzinkie. Work under this contract will be completed by July 31.

Hydroelectric Power. The Federal Power Commission has issued permits for the study of two proposed hydroelectric power projects which would produce a total of 44,100 kilowatts of additional power for Alaska.

Kodiak Electric Association, Inc. will study a 22,500 kilowatt project at the outlet of Terror Lake, 25 miles west of Kodiak. The City of Petersburg, on Kupreanof Island, will study a 21,600 kilowatt project 17 miles west of the city.

The study permits grant the holders priority rights in applying for an F.P.C. license during the next 24 months.

Coast and Geodetic Survey. The field program of the Survey in connection with Alaska earthquake damage has been established for the season. About 100 engineers and technicians will be assigned to the projects. The program will include detailed triangulation and leveling work in the Anchorage-Seward and Portage-Whittier areas, with similar work on the Kenai Peninsula having lower priority. Although the highway into Cordova has not been completed, four-wheel drive vehicles may be able to negotiate the trail. If necessary, this reconnaissance may be accomplished by air.

Leveling observations recently completed at Valdez will be repeated at periodic intervals of approximately six weeks until it is confirmed that land movement has ceased.

June 26, 1964

Grants to Education. Grants totaling \$1,000,000 to help maintain educational standards in Alaska following the March 27 earthquake were announced by the Ford Foundation.

Of this amount, \$590,000 will go to five independent school districts over a two-year period:

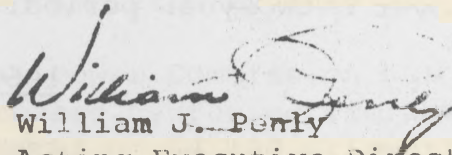
	<u>1964-65</u>	<u>1965-66</u>
Anchorage	\$338,000	\$146,000
Kodiak	32,000	13,000
Seward	24,000	10,000
Valdez	9,000	5,000
Cordova	9,000	4,000

At the college level, grants totaling \$400,000 for scholarship aid were made to:

	<u>1964-65</u>	<u>1965-66</u>
University of Alaska	\$120,000	\$100,000
Alaska Methodist University	90,000	70,000
Sheldon Jackson Junior College	12,000	8,000

The Alaska Department of Education will receive \$10,000 for reporting on and evaluating the school-improvement program financed by the grants.

June 26, 1964


William J. Penly
Acting Executive Director

for

Dwight A. Ink
Executive Director

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**FEDERAL RECONSTRUCTION AND DEVELOPMENT
PLANNING COMMISSION FOR ALASKA
WASHINGTON**

SENATOR CLINTON P. ANDERSON, N. MEX., CHAIRMAN

DWIGHT A. INK, EXECUTIVE DIRECTOR

FRANK G. DI LUZIO, ASSISTANT TO THE CHAIRMAN

July 2, 1964

MEMORANDUM TO: Senator Clinton P. Anderson
Chairman

SUBJECT: Commission's Weekly Report - July 2, 1964

HIGHLIGHTS

1. Anchorage soils studies results indicate need for stabilization north of Fourth Avenue.

2. Accelerated schedules developed for certain community facilities projects.

3. S. 2881 passes Senate with amendments, including \$25 million for purchasing Alaska bonds, 94.9% Federal highway financing, and 90% Federal financing of urban renewal in small communities. House action was deferred until the week of July 20.

* * *

AGRICULTURE

Forest Service. The site for the new regional administrative office in Seward is under option to the Department of Agriculture. Design plans and bid preparations are being processed. Preliminary plans are being made in the Regional Forest Service Office. Detailed plans will be contracted through a local architect so that construction can start as soon as possible.

COMMUNITY FACILITIES

Civil Defense Emergency Hospitals. Public Health Service has approved an application from the State Health Department to store 11 civil defense emergency hospitals in Alaska. Each hospital will cost approximately \$45,000. Hospitals will be stored at the following locations:

Nome	Kenia
Fairbanks	Homer
Fort Wainwright	Seward
Anchorage (2)	Sitka
Cordova	Juneau

At the time of the March 27 earthquake, two civil defense emergency hospitals were stored in the State. These hospitals will now be refurnished. Upon completion of this work, the State will have a total of 2600 emergency hospital beds.

Anchorage: Soil Stabilization. The Corps of Engineers and Task Force 9 reported that the first of the four planned soil testings indicates that the area north of Fourth Avenue must be "stabilized" in order to make the section south of Fourth Avenue safe for rebuilding. They recommended that the

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north section be regraded, drained and buttressed; and that future plans for this area be restricted to parks and parking facilities.

The proposed stabilization program would cost between \$4 and \$8 million, according to preliminary engineering estimates. Joint city, state, and federal financing of the program is under discussion. However, the project design would have to be completed before the cost estimate would be sufficiently firm to provide a basis on which local authorities could determine whether to proceed and the Federal Government could ascertain what assistance might be available.

The Corps of Engineers believes that design work for grading the area between Fourth and First Avenue, placing a gravel buttress at the foot of the slide area (in the vicinity of First Avenue), and building a drainage system for the slope, could be completed within 30 days after design funds are available. City, State and Federal authorities are giving priority to finding a suitable means of financing the design work.

Based upon results of soils studies, it has been possible to lift restrictions on some residential development areas along the bluffs south of the International Airport. Additional soils study results will be released to the Commission staff as follows:

L Street-----July 6
Turnagain-----July 11
Government Hill-July 25

Accelerated Schedule. Meetings and conferences were held in Anchorage, Kenai, Kodiak, Homer, Seldovia and Valdez with representatives of the Federal Commission, the Defense Department Office of Emergency Planning, and other Federal agencies, including the Corps of Engineers, Small Business Administration, and Housing and Home Finance Agency. The group reviewed scheduled restoration work under Public Law 875, work on the small boat harbors under Corps of Engineers authority, and progress of Urban Renewal planning. Scheduling of design and construction of a number of urgent items was accelerated in order to be assured of at least their functional use before winter weather sets in.

July 2, 1964

Anchorage Underground Utilities. Water and sewerage underground service lines are receiving special emphasis in order to insure restoration of essential service before severe winter weather. Design is underway, and materials have been ordered in advance of the soil study completion. The project is scheduled for completion by September 15 in both the normal and the high risk areas. Although unexpected problems may postpone the completion date several weeks, severe weather prior to October 15 is considered unusual.

Urban Renewal Programs. Kodiak - Part I was approved by the Central Office on June 10. Part II is being prepared by local public agencies. Acquisition appraisals were completed on June 26. Re-use and marketability studies are under way. Design work is under way for site improvements by the Navy Bureau of Yards and Docks. \$75,000 has been approved for this purpose by the Urban Renewal Administration, since the P.L. 875 work and the Urban Renewal site improvements work must proceed concurrently. Rebuilding of the small boat harbor is under way by the Corps of Engineers, under P.L. 875.

Anchorage Downtown Program - Part I is under review by the Central Office. Acquisition appraisals of quake-damaged properties are under way. Target date for completion is July 20.

Anchorage-Turnagain - Part I is under review by the regional office. Appraisals are under way. The target date is July 11.

Valdez - Part I is under review by the regional office. Acquisition appraisals are under way. On the basis of all information available to date, the City government has reached a decision that relocation of the city to another site will be necessary. The best available site is at Mineral Creek, the area which was considered as the original site for the city, but which never developed. This decision by the city government has resulted in the undertaking of an Open Land Urban Renewal Project for development of a new town site.

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Mineral Creek (New town site for Valdez) - A survey and planning application for an open land project was approved on June 12. The Corps of Engineers is prepared to begin installation of public utilities, etc., on the basis of what it would have cost to replace these in the present town site, as soon as the land has been made available.

Homer - A feasibility report was delivered to the local public agency on June 8. Findings are negative. Additional information called for under feasibility survey application has not yet been submitted by the local public agency.

Seldovia - A feasibility report was delivered to the local public agency on June 8. Findings are affirmative. This date was submitted to the regional office on June 11. Additional information called for under feasibility survey application has not yet been submitted by the local public agency.

Progress of Contracts Under OEP. Under Public Law 875 the Office of Emergency Planning has awarded a total of 44 contracts to date, for a total value of \$7,197,200:

	<u>As of July 2</u>	<u>As of June 23</u>
Contracts Completed	19 (\$1,460,100)	16 (\$1,204,700)
Contracts in Progress	<u>25 (\$5,737,100)</u>	<u>25 (\$5,558,900)</u>
Total Contracts Awarded	44 (\$7,197,200)	41 (\$6,763,600)

Projected Total for Recovery Program	\$84,000,000
Total authorized by OEP to date	\$83,089,600

HOMES AND BUSINESS

Federal National Mortgage Association. Fourteen applications for forgiveness of indebtedness to FNMA upon payment of a consideration of \$1,000 on each loan have been approved to date by FNMA for a total valuation of \$295,492. Three additional applications (Value \$51,156) were received during the past week.

Small Business Administration Loans. Over 3/4 million dollars was disbursed during the past week by SBA for home and business loans in Alaska. Filing and processing of applications was reported continuing at a brisk pace. Total activity in this field to date:

	<u>As of June 29</u>	<u>One Week Ago</u>
Interviews and inquiries	2,060	1,913
Applications given out	1,173	1,107
Applications filed:		
Homes 251 (Value \$ 4,730,432)	221 (Value \$ 3,933,380)	
Business 367 (Value \$38,482,905)	327 (Value \$36,573,596)	
Loan Applications approved:		
Homes 226 (Value \$ 4,037,392)	181 (Value \$ 3,144,930)	
Business 297 (Value \$25,271,476)	260 (Value \$23,215,367)	
Checks disbursed 295 (\$6,790,797)	248 (\$5,955,000)	

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LEGISLATION

The Senate passed S. 2881 with the amendments recommended by the Senate Interior and Insular Affairs Committee. These amendments include an increase up to 90 percent in Federal funds for urban renewal projects located in the disaster area of Alaska, but limited to only those communities for a population of 6,000 people or less; 94.9% Federal financing of highways; and authorization to purchase up to \$25 million in Alaska bonds.

The amendments authorizing the repurchase by FNMA of FHA-insured mortgages, the extension of the 90 percent Federal share in urban renewal projects to Anchorage, and the purchase of Alaska State Bonds at an interest rate of 3 percent, were defeated. The House version of this bill, which retains these amendments, will be considered after the House reconvenes on July 20.

MANPOWER AND LIVING COSTS

Employment Trends. The Bureau of Labor Statistics reported that while job levels in the trade industries have not yet recovered fully, employment in all other local industries is now above the pre-earthquake level, and above last year's level. Unemployment has declined rapidly and is substantially below that of June, 1963. The number of non-Alaskan job seekers was above normal in April, below normal in May, and rose above normal again in June, with the influx of college and high school students. Alaskans have received preference in all local hiring and many out-of-state job seekers have left the area.

Unemployment. The number of unemployed persons in Anchorage dropped to 1,100 for the week ending June 20. The number was down from the 1,333 unemployed the preceding week and below the 1,320 unemployed at the same time last year. The rate of insured unemployment throughout the State is reported as 5.7%-- down from the 6.8% of the preceding week and 6.5% for the previous year.

Outlook. Increased employment levels are anticipated. Insured unemployment was at an exceptionally low level for June. Slight reductions should occur in total unemployment. Seasonal work in rebuilding and planned new construction should cause employment to far exceed the peak level of 1962 and 1963. No surplus of workers is expected until October-November. A shortage of roofers, carpenters, and other trades to a lesser extent may occur in July-August.

Local Office Reports from Kodiak. Jobs in the fishing industry have sharply increased this week with heavy deliveries of dungeness crab and shrimp.

Alaska Ice and Storage started operations on Monday with a full-time dungeness crew adding 20 new employees this past week. They are also hiring 10 men on an experimental basis to hand butcher salmon for fresh and frozen markets in the Pacific Northwest. This will not be full-time work at the present time, but when fishing picks up, it will mean steady jobs.

East Point Seafoods shrimp deliveries increased markedly this past week; a night shift is now operating several days a week, and should continue for at least another 6 weeks to 2 months. Twelve new employees were added this past week on a full-time basis.

Training. Three new experimental and demonstration training projects were agreed upon by the Department of Labor and Alaska Governor Egan. The projects will investigate whether a regional training center in Alaska could effectively train 200 Alaskans of Eskimo or Aleut extraction, living in the sparsely-populated regions of Northern and Western Alaska.

July 2, 1964

TRANSPORTATION

Highways. Negotiations for the repair of the section of the Cape Chiniak Road within the Naval Air Station on Kodiak Island were consummated with general agreement that title to the affected highways will be transferred from the State to the Department of the Navy. The Office of Chief of Naval Operations has agreed to undertake the reconstruction and subsequent maintenance of this highway and has agreed to permit free access to all highway users except in times of military emergency.

Airfields. The Federal Aviation Agency Administration has now completed on-site examination of 53 out of the 58 airfields assigned to FAA for inspection by the Office of Emergency Planning. Earthquake association damage has been found on ten of the fields. Airfields with major damage are:

Afognak (\$90,000) - The old landing strip was destroyed by seismic waves. New strip will be constructed adjacent to the relocation of Afognak Village at Port Lions on Kodiak Island.

Anchorage International (\$1,005,000) - Little damage was done to the runway; however, there was taxiway and apron damage. The estimated \$1.0 million damage is associated mainly with taxiway, apron and terminal building repair. In addition, some other nominal damage has been incurred.

English Bay (\$50,000) - The field has been subject to flooding in some portions, subsequent to the quake. The estimate would provide for raising of the lower portion of the strip to prevent this situation.

Eureka (\$25,000)

Girdwood (\$200,000) - The strip was severely damaged by the quake and has subsequently been subjected to serious flooding during high tides. The present estimate of \$200,000 is based upon probable need to relocate the strip.

Old Harbor (\$50,000) - The strip was destroyed by seismic sea waves. The estimate is based upon the reconstruction of the strip in a new location.

Portage (\$70,000) - Extensive damage to the strip was caused by the earthquake action. It is estimated that major regrading and reservicing will require approximately \$70,000.

In addition, damage was found by joint FAA-Corps of Engineers examination on the following airfields:

Seldovia (\$250,000)

Seldovia Seaplane Float (\$20,000)

Seward (\$500,000)

Valdez (\$250,000)

A construction contract for the new air traffic control tower at Anchorage International Airport has been awarded to the Swalling Construction Company of Anchorage. The contract award is for \$381,815.

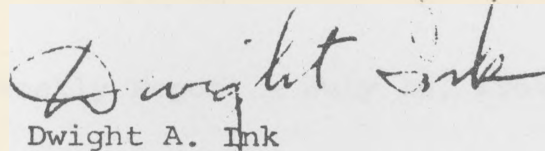
Office of Emergency Transportation. In response to a request from Kodiak Airlines, OET recommended to the Department of Defense that a request from the airline for the temporary use of space in the Navy hangar at Kodiak be favorably considered. The matter is now being studied by the Department of Defense.

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July 2, 1964

MISCELLANEOUS

Social Security Benefits. Actuarial estimates now available from the Department of Health, Education, and Welfare indicate that Social Security benefits totaling approximately \$771,000 will be payable over the years to survivors of Alaska earthquake victims.



Dwight A. Ink
Executive Director

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WASHINGTON

SENATOR CLINTON P. ANDERSON, N. MEX., CHAIRMAN

DWIGHT A. INK, EXECUTIVE DIRECTOR
FRANK C. DI LUZIO, ASSISTANT TO THE CHAIRMAN

July 10, 1964

MEMORANDUM TO: Senator Clinton P. Anderson
Chairman

SUBJECT: Commission's Weekly Report - July 10, 1964

HIGHLIGHTS

1. Task Force 9 and the Corps of Engineers released their report on the Fourth Avenue and "L" Street slide areas in Anchorage, recommending soil stabilization for Fourth Avenue only.
2. The Urban Renewal Administration has authorized a feasibility study of the soil stabilization program recommended for downtown Anchorage. Funding will include the engineering design and cost estimates of the program.
3. The Small Business Administration has now disbursed more than \$8.5 million in Alaska reconstruction loans. Following the release of soil data in high risk areas, SBA is relaxing its loan policy with specific provisions for loans in these areas.

* * *

July 10, 1964

AGRICULTURE

Feed Grain Program. The US Department of Agriculture livestock feed grain program (reported June 12) is underway. USDA will ship 400 tons of barley to Kenai peninsula and 700 tons of barley to Kodiak Island by September 1.

Earthquake Effects on Wildlife. Ground and air surveys on the Copper River Delta indicate that waterfowl nesting has not been adversely affected by flooding. Earlier reports had predicted that the six to eight foot uplifting of the delta would destroy or seriously damage many of the wildfowl nests in the delta area.

Farmers Home Administration Loans. Despite adequate publicity on loan opportunities for farmers whose property was damaged by the earthquake, there have been no applications for farmers home loans. Farmers Home Administration representatives attribute this lack of response to the probability that farm damage was not as extensive as initially reported, and to the problems involved in relocating farms.

COMMUNITY FACILITIES

Anchorage: Soil Stabilization. The Urban Renewal Administration has authorized up to \$300,000 for a study to determine the feasibility of the soil stabilization program recommended (by Task Force 9 and the Corps of Engineers) for the area north of Fourth Avenue in Anchorage, between I and Barrow Streets. Funding will include an engineering design and a cost estimate, which will determine whether the stabilization program can be economically justified. The Alaska State Housing Authority will have charge of the study, to be contracted by the Corps of Engineers.

If carried out as proposed, the soil stabilization program would reinforce land adjacent to a substantial portion of the valuable business area of downtown Anchorage, and would permit the reclassification of this area from "high" to "nominal" risk.

Soil data have been developed for Valdez, Kodiak, most of Seward, and much of downtown Anchorage. The remaining work will be completed within two to three weeks. Wherever possible, design work on reconstruction of community facilities is being done concurrently with the soil studies in order to expedite building.

Kodiak. The Area Redevelopment Administration has helped the City of Kodiak prepare an application for a Public Facility Loan. The loan will be used to construct a new city dock including warehouses and seafood processing areas for private firms on a long-term lease. Cost of the proposed dock is \$1,250,000. The ARA will be asked for \$400,000, and the city will provide \$100,000 from previous dock revenue. The remaining \$750,000 will come from previously authorized PL 875 funds for repairs to the former dock.

July 10, 1964

Bids for reconstruction of boat harbor facilities are scheduled to be opened on July 23, with work to be completed by September 30, 1964.

Progress of Contracts Under Public Law 875. Under PL 875 the Office of Emergency Planning has funded a total of 44 contracts to date, for a total value of \$7,304,500.

		<u>As of July 9</u>		<u>As of July 2</u>
Contracts Completed	20	(\$1,549,700)	19	(\$1,460,100)
Contracts in Progress	<u>24</u>	<u>(\$5,754,800)</u>	<u>25</u>	<u>(\$5,307,100)</u>
Total Contracts Awarded	44	(\$7,304,500)	44	(\$6,767,200)

Projected Total for Recovery Program \$84,000,000
Total authorized by OEP to date \$83,089,600

Anchorage. A contract in the amount of \$499,700 was awarded this week by the Corps of Engineers to N. E. Sommers Company for the permanent restoration of water service to the Turnagain residential area of Anchorage. Additional contract awards for water service restoration are expected to follow in rapid sequence.

Cordova. Dredging of an approach channel through Orca Inlet will begin after August 1, when a dredge rented by the Corps of Engineers is scheduled to arrive.

FEDERAL INSTALLATIONS

Alaska Railroads. A memorandum of understanding between the US Army Alaska District Engineer and the Alaska Railroad, signed on July 2, provides for the Alaska District to design and construct docks and trackage in and near Seward at a total reimbursable cost not to exceed \$7,800,000, including supervision and overhead costs.

FISHING

Fishery Loan Program. The Bureau of Commercial Fisheries (Department of the Interior) reported that 78 emergency fishery loan applications, valued at \$1,362,775, have been received to date. One application for a charter loan is included, for approximately \$17,500. Fifty-five loans have been approved, for a total value of \$781,975. Loan applications vary from \$400 to \$100,000.

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HOMES AND BUSINESS

HHFA & SBA Loan Policies for High Risk Areas. Following the release of the Fourth Avenue and L-K Streets soil studies report, Housing and Home Finance Agency and Small Business Administration have announced new policies for program aids in "high risk" areas. (In "nominal risk" areas the full range of their program aids are now available.)

In "high risk" areas, HHFA will provide loans, grants, or extend insurance for repairs, and reconstruction only where properly designed stabilization measures have been initiated in sufficient degree to assure completion.

The Small Business Administration will make loans in "high risk" areas to finance repairs and refinance outstanding mortgage indebtedness on privately owned property within certain provisions which require:

1. That a city or other local governing body has issued a building permit.
2. That the Alaska State Housing Authority certify that the repairs are compatible with current urban renewal planning.
3. That where earthquake insurance is obtained, a combined loan for consolidation of any existing mortgage may equal the amount of insurance coverage, but not exceed the pre-quake value of the property.
4. That where earthquake insurance is not obtained, loans up to one-third of the pre-quake value of the property may be made, provided that the loan plus any outstanding mortgage indebtedness does not exceed the pre-quake value of the property.

July 10, 1964

The Small Business Administration also announced that it will make loans in the "high risk" areas to enable property owners to move to, or construct anew in, safer areas.

The Urban Renewal Administration served notice that wherever repairs or reconstruction are carried out in a "high risk" area which is subsequently designated for acquisition under local urban renewal programs, URA will not recognize for purposes of compensation the cost of repairs or reconstruction started after July 8, 1964, unless the work is carried out in accordance with the policy outlined above, regardless of whether an SBA or HHFA loan, grant or mortgage insurance is involved.

Small Business Administration Loans. During the past week SBA disbursed nearly \$2 million in loans to private individuals, bringing the total funds disbursed to date to over \$8.5 million. Twenty-eight business loans and 14 home loans were approved this week. A summary of SBA activity to date:

	<u>As of July 6</u>	<u>One Week Ago</u>
Interviews and inquiries	2,151	2,060
Applications given out	1,214	1,173
Applications filed:		
Homes	269 (Value \$ 5,420,142)	251 (Value \$ 4,730,432)
Business	394 (Value \$42,867,179)	367 (Value \$38,482,905)
Loan Applications approved:		
Homes	240 (Value \$ 4,381,192)	226 (Value \$ 4,037,392)
Business	325 (Value \$30,393,330)	297 (Value \$25,271,476)
Checks disbursed	348 (\$8,594,797)	295 (\$6,790,797)

Federal National Mortgage Association. Fifteen applications for forgiveness of indebtedness to FNMA have now been approved, for a total value of \$320,907. Three additional applications, totaling \$43,574, are pending approval. The average value of the applications is about \$20,000.

MANPOWER AND LIVING COSTS

Unemployment. The Alaska Department of Labor reported the number of unemployed persons in Anchorage dropped to 1100 for the week ending June 20. The number was down from the 1333 reported unemployed the preceding week and below the 1320 reported unemployed at the same time last year. The rate of insured unemployed workers throughout the State was 5.7% down from the 6.8% of the preceding week and 6.5% for a year ago.

Monitoring of Wage and Salary Trends. The second report of the Alaska Wage Survey covering a cross section of Alaskan payrolls for the two-week period ending June 15, 1964, indicates normal wage payments and the usual number of premium hours as compared to straight time hours worked. This report covers 513 employees who worked 33,653 straight time hours, 4,297 hours at time and a half rates, and 27 hours at double time rates for total earnings of \$165,944.91. No upward trend in wages is indicated.

Food Prices. A sampling of retail and service stores in the Juneau area indicated no unusual price trends. A preliminary report for the period June 2 to June 22 for Seward indicated that prices on food and building material are remaining stable; the price of gasoline has declined. Some merchants reported increases in freight rates which they felt may force them to increase food prices. A similar situation was reported in Kodiak.

Labor Supply and Demand. Reports for the week ending June 27 indicate employment gains in the seasonal industries of fishing, fish processing, logging and construction. Construction activity is increasing with new contracts being awarded and many contracts released for bids. In the retail trade, finance and service industries, employment levels are gradually rising in line with normal seasonal movements.

SCIENCE AND ENGINEERING

Anchorage: Soil Stabilization. Task Force 9 and Corps of Engineers studies have been completed on the Fourth Avenue and L Street slide areas and reports have been made to the Federal Commission. The studies indicate that the Fourth Avenue slide area is unstable under earthquake stresses, although under static conditions it is stable. A program of regrading, buttressing of the slope and drainage of the area north of Fourth Avenue is recommended, in order to establish an adjacent area including more than 20 blocks of valuable business property as "nominal risk." It is recommended that no building be done upon the north section between E and Barrow Streets, regardless of any stabilization program that may be carried out. Minimal stabilization measures in this area might cost between \$7 and \$12 million according to preliminary estimates.

Stabilization of the "L" Street slide area would be extremely costly, and perhaps not economically justifiable. While the Task Force, at this time, could not recommend stabilization, certain new explorations were ordered to ascertain whether limited use of smaller parts of the area might be possible.

TRANSPORTATION

Anchorage Airfield. The Office of Emergency Planning has issued an "in lieu" grant of \$789,000 to the State of Alaska for rebuilding the terminal building at Anchorage International Airfield.

Highways. The fifth Alaska emergency program request, covering seven projects, has been received by the Bureau of Public Roads. The program consists of six 50-50 matching fund projects on the Sterling Highway, the Seward-Anchorage Highway, and the secondary routes in the Anchorage area; and one project for repairs on 12 miles of Forest Highway Number 5, using 100% federal funds. The total estimated cost of the seven projects is \$1,725,000.

Anchorage. The Urban Renewal Administration has approved a mass transportation demonstration grant for the City of Anchorage. This project involves a new bus service between downtown and outlying residential sections of Anchorage.

Under this demonstration program, bus service will be extended to parts of the city in outlying sections now without any bus transportation. The demonstration will be conducted over a three-year period, and will cost an estimated \$311,854, of which the federal share will be \$207,923.

July 10, 1964

MISCELLANEOUS

Native Villages. The Department of Health, Education and Welfare reported that preliminary engineering on all field work on water and sewer facilities at Tatitlek, Old Harbor, Ouzinkie, and Port Lions is to be completed this week. Building materials are expected to be on site by September 1.

Dwight Ink
Dwight A. Ink
Executive Director

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WASHINGTON**

SENATOR CLINTON P. ANDERSON, N. MEX., CHAIRMAN

DWIGHT A. INK, EXECUTIVE DIRECTOR
FRANK C. DI LUZIO, ASSISTANT TO THE CHAIRMAN

July 17, 1964

MEMORANDUM TO: Senator Clinton P. Anderson
Chairman

SUBJECT: Commission's Weekly Report - July 17, 1964

HIGHLIGHTS

1. Task Force 9's latest report on Turnagain has declassified a substantial area between Chester and Fish Creek from "high risk" to "nominal risk." The report also indicates that most of the valuable residential area in Turnagain which has not been declassified may be restorable with the aid of a soil stabilization program.
2. In downtown Anchorage the Task Force has re-evaluated the studies on the slide area north of Fourth Avenue and declared the area suitable for limited structural replacement, provided that the recommended soil stabilization program is carried out.
3. In Seward the Task Force has reclassified a major portion of the Forest Acres area as "nominal risk."
4. The Rural Electrification Administration has granted a \$18,930,000 loan to the Golden Valley Electric Association, Inc. of Fairbanks to build a 22,000 kilowatt steam-generating plant at Healy.
5. Applications for disaster fishery loans pass the \$1 million mark.

July 17, 1964

AGRICULTURE

Electric Power Loan. The Rural Electrification Administration has granted a loan of \$18,930,000 to the Golden Valley Electric Association, Inc. of Fairbanks, to build a 22,000 kilowatt steam-generating plant at Healy, in the coal producing center of Alaska. This near-mine-mouth location of the plant will affect major savings in fuel costs in the production of electricity.

Military Milk Contract. Concern that awarding of a contract for supplying milk to military bases in Alaska to an outside firm would cause hardships to local milk suppliers has been allayed by an arrangement whereby dairy farmers of the Matanuska Valley will provide a substantial portion of the milk.

COMMUNITY FACILITIES

Progress of Contracts Under Public Law 875. The Corps of Engineers now has 49 contracts with architect-engineer and construction firms amounting to \$7,335,500. Twenty-four of the contracts are completed (\$2,016,600), and 25 are in progress (\$5,319,000). Other contracts authorized by the Office of Emergency Planning include 3 by the Bureau of Yards and Docks, and 3 by the Federal Aviation Agency. Total activity in this field to date:

Work Authorized by OEP

<u>Agency</u>	<u>Amount Eligible</u>	<u>Value of Contracts Awarded to Date</u>
Corps of Engineers	\$71,450,000	\$7,335,500
Bureau of Yards & Docks	2,150,000	81,788
Federal Aviation Agency	1,650,000	38,000
Other Federal Agencies	630,000	-
State & Local Project Applications	2,120,000	-
Unassigned	2,000,000	-
Total	<u>\$80,000,000</u>	<u>\$7,455,288</u>

July 17, 1964

Contract Activity of The Corps of Engineers

<u>Contracts Awarded During Past Week</u>	<u>Contracts Awarded As of July 7</u>	<u>Total Contracts As of July 14</u>
5	44	49
Valuation -- (\$7,304,500)		(\$7,335,500)

Anchorage. A \$38,000 contract was awarded on July 10, 1964, to Lathrop and Associates for a temporary sewer outfall (Turnagain).

Small Boat Harbors. Preliminary engineering designs for boat harbor restoration in Homer, Seward and Valdez have been completed by the Corps of Engineers. Planning for enlargement of facilities is virtually completed, although construction is contingent on pending legislation.

FEDERAL INSTALLATIONS

Alaska Railroad. Repairs on a bridge on the Matanuska Branch line have now been completed, restoring service on this line to pre-quake standards.

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FISHING

Fishery Loan Program. Seventy-nine applications for disaster type fishery loans totaling \$1,301,000 have been received for equipment and facility repairs. To date, 56 have been approved for \$787,000. One application for a \$17,500 charter loan has been received and approved.

HOMES AND BUSINESS

Federal National Mortgage Association. One application for forgiveness of indebtedness to FNMA upon payment of a consideration of \$1,000 was received from an Alaskan borrower this week, bringing the total of such applications to 19.

Summary of Activity Under FNMA
Mortgage Forgiveness Program:

<u>Applications for</u> <u>Forgiveness Approved</u>	<u>No.</u>	<u>Value</u>
During Past Week	3	\$ 43,574
As of July 8	<u>15</u>	<u>320,907</u>
Total to Date	18	\$364,481

Public Housing. The Alaska State Housing Authority expects to acquire sites for the large low-rent units in the Anchorage public housing project, at or near their market value. However, owners of the site are demanding more than the appraised value and negotiations are delaying progress.

The site for 40 low-rent-public housing units at Kodiak was examined and declared feasible for development. The city of Kodiak is donating the site.

Small Business Administration. During the past week SBA approved 45 loans for homes and businesses, and disbursed \$1.74 million in loan funds. A summary of SBA activity to date:

	<u>No.</u>	<u>Value</u>
Interviews and Inquiries	2237	
Applications Given Out	1267	
Applications Filed	710	\$50,732,571
Applications Approved:		
Homes	256	\$ 4,673,792
Business	<u>354</u>	<u>32,610,936</u>
Total Approved	610	\$37,284,728
Checks Disbursed	383	\$10,336,336

SBA Loan Activity in the Past Week

	<u>No.</u>	<u>Value</u>
Interviews and Inquiries	86	
Applications Given Out	53	
Applications Filed	47	\$2,445,250
Applications Approved:		
Homes	16	\$ 292,600
Business	<u>29</u>	<u>2,217,606</u>
Total Approved	45	\$2,510,206
Checks Disbursed	38	\$1,741,539

July 17, 1964

MANPOWER AND LIVING COSTS

Labor Supply and Demand. The Alaska State Employment Service reported that construction activity is moving ahead in the Anchorage area. Reconstruction, combined with normal progress on regular projects planned prior to the earthquake, has created an improved employment situation compared to June, 1963. Employment levels in all industries are gradually rising, due to normal seasonal factors. Certain local unions are nearing the end of their dispatch lists. The carpenters report 12 unemployed, 910 working; roofers, 11 unemployed, 62 working; and painters, 6 unemployed, 280 working.

Training. The multi-occupational training program to train 1,000 workers in the Anchorage area was approved by the U. S. Office of Manpower, Automation, and Training (Department of Labor), and individual training courses are scheduled to start soon for clerk-stenographers, clerk-typists and licensed practical nurses. Surveys are being made for other potential courses.

Price Survey. A special price survey was made in Fairbanks on June 22, to learn what effect the earthquake might have had on prices outside of the damaged area. The survey indicated that the effect, if any, had been negligible, despite a slight overall increase. Of the 91 items priced, 44 advanced, 35 declined, and 12 were unchanged. There was a slight decline in rents. The demand for rooms by workers and tourists was light.

Seward. Over the period from March to June 22, prices of 25 food items have risen, 10 items are lower in price and 4 items are unchanged. Most fresh fruits and vegetables and seasonal foods are higher in price. Cereals and bakery products are lower in price while prices of meats and dairy products are mixed. The Bureau of Labor Statistics agent reported that freight rates have increased considerably and that merchants may have to raise food prices to offset the higher costs. (See Transportation)

One brand of gasoline decreased by an average of 2% for regular grade and 1.2% for premium grade since June 2. Building materials appear to be unchanged and housing is reported to be adequate.

Kodiak. Over the period from March to June 22 prices of 10 items were unchanged, 15 items were lower, and 15 items were higher. The Bureau of Labor Statistics agent reported that most produce is still being shipped by air. Gasoline, rents, and building supplies were unchanged during the period, June 2 to June 22.

SCIENCE AND ENGINEERING

Turnagain Slide. Task Force 9 reported that the valuable residential area of Turnagain may be restorable. The soils study has indicated that stabilization by a combined program of foundation drainage and buttressing would stabilize about half of the area previously classified as "high risk." Therefore, this area (lying along Cook Inlet between Fish Creek and the western city limits) has been reclassified as "provisional nominal risk." A large area encompassing Forest Park Golf Course has been reclassified from "high risk" to "nominal risk." In addition, a small adjacent area directly north of Northern Lights Boulevard has also been reclassified from "high" to "nominal risk."

The area west of the point where the city boundary meets Cook Inlet remains "high risk." The southern boundary between Hood and Susitna Drive of the previous "high risk" area has been moved south about 1 to 1½ blocks, thus significantly enlarging the current "provisional nominal risk" zone.

The Turnagain Slide mechanism is similar to that identified in the L-K and Fourth Avenue slides. Discontinuous layers of clay and sand have been found which are unstable under the repetition of stress induced by a severe quake. While tests show that the area is presently stable under static conditions, further sliding could be induced by another earthquake.

July 17, 1964

The segment along Chester Creek, from the western boundary of West High School east, will be included in soil reports (on Romig Hill, Government Hill and First Avenue slide areas) to be submitted by field investigators to Task Force 9 about July 25.

Fourth Avenue Slide. After further evaluation, the Corps of Engineers and the Task Force field team have concluded that stabilization of the Fourth Avenue Slide area will permit limited building in the north portion of this area, which had previously been designated for parking areas or parks only. The structures would have to be supported by shallow foundations, and adequate precautions would have to be taken to provide for erratic settlements of the regraded slopes and lateral movements in the event of future quakes. Pile or pier foundations would be unsuitable because of the potential sheering effects of lateral movements.

Seward. Task Force 9 has designated the major portion of Clear View and Forest Acres of Seward as "nominal risk." The city officials were advised that part of this area is susceptible to minor fracturing and differential subsidence in response to earthquake-induced motion. Building foundations in this area will require special considerations.

TRANSPORTATION

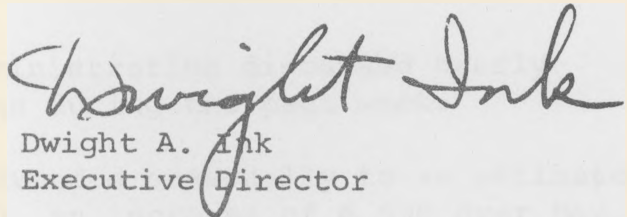
Seward. The town of Seward is suffering from inability to obtain adequate supplies by sea and rail. Considerable tonnage of foodstuffs and other essential materials is being brought in by air, and the additional cost is contributing to hardship in Seward, which lost virtually all commercial income in the quake. Water shipment is hazardous because of harbor obstacles and docking deficiencies, and there is no rail service. The Department of Defense is taking the initiative to determine whether temporary transportation assistance might be provided in the form of military landing craft.

July 17, 1964

MISCELLANEOUS

Coast and Geodetic Survey. Data compiled by the Survey on land elevations in the earthquake areas show changes ranging from a rise of 10.6 feet at Sawmill Bay on Evans Island to a drop of 5.8 feet at the Town of Kodiak. The ground level at Cordova has been raised by 6.3 feet while the level has dropped by 3.6 feet at Anchorage and 5.2 feet Whittier.*

Maritime Administration. At the request of the California Packing Association, acting for Alaska Packers, the Maritime Administration has put up for bids a vessel that may be used at Kodiak to replace some of the packing facilities lost during the earthquake. The ship is a converted auxiliary aircraft carrier with spacious lower deck space suitable for cannery operations.


Dwight A. Ink
Executive Director

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Secondary distribution to the Press.

* A rise of over 32 feet had been previously reported on Montague Island, in Prince William Sound.

FEDERAL RECONSTRUCTION AND DEVELOPMENT
PLANNING COMMISSION FOR ALASKA
WASHINGTON

SENATOR CLINTON P. ANDERSON, N. MEX., CHAIRMAN

DWIGHT A. INK, EXECUTIVE DIRECTOR
FRANK C. DI LUZIO, ASSISTANT TO THE CHAIRMAN

July 24, 1964

MEMORANDUM TO: Senator Clinton P. Anderson
Chairman

SUBJECT: Commission's Weekly Report - July 24, 1964

HIGHLIGHTS

1. Small Business Administration disbursed nearly \$3 million to cover 38 loans during the past week.

2. June employment advanced seasonally to an estimated high for the year of 81,500, an increase of 6,500 over May, and 2,800 above June, 1963.

3. The House passed S.2881 (amendments to the Alaska Omnibus Act) in the form reported out of the House Interior and Insular Affairs Committee. Senate action on the House version of the bill was deferred, by objection from the floor, until next week.

4. Through the use of double shift operations, critical water restoration projects in Anchorage have been moved up by 8 to 10 weeks. Water and sewer repairs in Seward will also proceed on a double shift basis, advancing the original schedule above six weeks.

* * *

AGRICULTURE

Kodiak Island. Farmland rehabilitation is underway. A bulldozer provided by the U. S. Department of Agriculture to the Soil Conservation subdistrict is now in use by ranchers. About 100 acres are reported to have been cleared of debris from the tidal wave and three miles of primary access roads have been restored.

Sawmills. Discussions were held between loggers and Forest Service officials on the possibility of rebuilding or replacing sawmills destroyed by tidal waves. Owners of some of the destroyed mills are interested in financing new mills with Small Business Administration loans. These sawmills would provide an outlet for timber from forests in the area and stimulate local employment.

COMMUNITY FACILITIES

Progress of Contracts Under Public Law 875. The Corps of Engineers reported that nearly \$1 million in new contracts funded under P.L. 875 had been let during the past week. A summary of activity in this field:

<u>Contracts Awarded During Past Week</u>	<u>Contracts Awarded As of July 14</u>	<u>Total Contracts As of July 24</u>
4	49	53
Valuation -- (\$7,335,500)		(\$8,235,500)

July 24, 1964

Program Estimates. The Office of Emergency Planning estimates of work eligible under Public Law 81-875 have increased since last week's report. The following table reflects current work estimates assigned to various agencies:

Corps of Engineers	\$77,650,000
Bureau of Yards and Docks	2,225,000
Federal Aviation Agency	1,650,000
Other Federal Agencies	630,000
State and Local Projects	2,120,000
Unassigned	<u>2,000,000</u>
Total	\$86,275,000

Anchorage. By agreement among the Corps of Engineers, OEP, and the Federal Commission, schedules for critical water restoration projects have been moved up by 8 to 10 weeks. In many instances, plans call for double shift operations in order to meet these accelerated schedules. All major sewer breaks should be repaired by December, 1964. The remaining minor sewer repairs will be completed next year. Additional contracts have been awarded as follows:

On July 13, to Interstate Company, Inc., Spenard, Alaska, to repair earthquake damage to Kulis Alaska National Guard Base, Anchorage;

On July 17, to Atlas Building Wreckers, Portland, Oregon, for the remaining demolition of miscellaneous structures in Anchorage; to Walsh and Company, Inc., Spenard, Alaska, for demolition of buildings in the Turnagain slide area;

On July 18, to National Mechanical Contractors, Inc., Seattle, Washington, for restoration and repair of sewer systems in Spenard and Anchorage.

An additional contract in the amount of \$425,600 has been awarded for restoration work at Fourth and L Streets.

July 24, 1964

Kodiak. Bid opening is scheduled for July 27 on a contract for a parking lot, a boat landing ramp, an access road, and other facilities for the small-boat harbor. Estimated cost is \$200,000.

Seldovia. Bid opening is scheduled for July 28, 1964 on contracts for rehabilitation of the Seldovia airstrip and a portion of the access road as well as float facilities reconstruction.

Seldovia has expressed deep concern that high tides normally expected in the fall will damage boardwalks and adjacent waterfront buildings. (Following the earthquake, land along the waterfront subsided several feet.) OEP and the Corps of Engineers are being asked to determine whether any of the various suggestions for placing emergency breakwaters to minimize tidal damage are feasible, and whether financing is available.

Seward. Water and sewer repairs here will also proceed on a double shift basis, advancing the original schedule about six weeks. The systems are expected to be operable by October 15, with clean-up to be completed by the end of November.

Following extensive soil testing, the site of the railroad dock has been selected, and design is underway.

Valdez. The Corps of Engineers are continuing with planning, surveys, and design of proposed P.L. 875 work at the new site. Construction is contingent on passage of amendments to the Alaska Omnibus Act.

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July 24, 1964

FISHING

Fishery Loan Program. The Bureau of Commercial Fisheries, Department of Interior, has received 81 disaster fishery loan applications amounting to \$1,350,000. To date, 57 loans have been approved for purchase of vessels valued at \$843,000. In addition, one charter loan for \$17,600 has been received and approved, and the vessel is already in Alaskan waters.

HOMES AND BUSINESS

Public Housing. The Alaska State Housing Authority is preparing applications for submittal to the Public Housing Authority on low-rent housing projects at Seldovia and Valdez.

Federal National Mortgage Association. During the past week FNMA did not receive any more applications for forgiveness of indebtedness.

Summary of Activity Under FNMA Mortgage Forgiveness Program

<u>Applications Received</u>	<u>No.</u>	<u>Value</u>
During Past Week	0	
As of July 17	19	\$381,844
<u>Applications Approved</u>	18	364,481

Fifteen remaining mortgagors are eligible for forgiveness under this program.

July 24, 1964

Small Business Administration. SBA disbursed nearly \$3 million to cover 38 loans during the past week. Applications for loans for rebuilding homes and businesses are continuing to be taken at a brisk rate. A summary of SBA activity in this field to date:

	<u>Number</u>	<u>Value</u>
Interviews and Inquiries	2,349	
Applications Given Out	1,341	
Applications Filed	751	\$53,583,213
Applications Approved:		
Homes	267	\$ 5,067,110
Business	<u>368</u>	<u>33,609,636</u>
Total Approved	635	\$38,676,746
Checks Disbursed (Total)	421	\$13,096,963

SBA Loan Activity in the Past Week

	<u>Number</u>	<u>Value</u>
Interviews and Inquiries	112	
Applications Given Out	74	
Applications Filed	41	\$2,850,642
Applications Approved:		
Homes	11	\$ 393,318
Business	<u>14</u>	<u>998,700</u>
Total Approved	25	\$1,392,018
Checks Disbursed (Total)	38	\$2,760,627

July 24, 1964

Kodiak House Trailers. A contract was awarded by the Bureau of Yards and Docks (Navy Department) in the amount of \$264,000 for development of a house trailer site to service 60 trailers. The Navy, at the request of OEP, arranged the shipment of the trailers, to be placed temporarily on land available at Kodiak Naval Station. Completion date for the site development is September 13, 1964. Thirty-six of the trailers have already arrived at the Naval Base.

LEGISLATION

The House considered the House version of the amendments to the Alaska Omnibus Act and passed it in the form reported out of the House Interior and Insular Affairs Committee with the Senate number S.2881. A Senate vote on the House amendments was deferred, by objection from the floor, until next week.

The differences between the House and Senate passed bill affect urban renewal, the interest rate on the purchase of Alaska state bonds, and the repurchase authority of mortgages previously held by the Federal National Mortgage Association. For urban renewal programs, the House increased the maximum Federal share to 90 percent throughout Alaska, as opposed to the Senate action of limiting the 90 percent to communities of 6000 or less. In respect to Alaska state bonds, the House provided that the interest rate shall not exceed 3 percent, whereas the Senate version provides for a 3 5/8 percent maximum.

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MANPOWER AND LIVING COSTS

Employment. The Department of Labor reported that June employment advanced seasonally to an estimated high for the year of 81,500, an increase of 6,500 over May, and 2,800 above June, 1963. Most industries experienced increases from May to June, although the movement was less than seasonal in some cases. Apprehension due to the March earthquake precipitated tourist cancellations, reducing employment in retail trade, services, and transportation.

Earthquake destruction also accounted for an employment decline in the food processing segment of manufacturing. However, the expected sharp upswing in contract construction occurred over the past month, with 2,100 new workers hired. This increase might have been greater except for delays in obtaining materials. Construction employment in June exceeded the June levels in every year since 1960. June hiring by the Alaska Railroad and the U. S. Army District Engineer accounted for a substantial portion of the 2.2% increase in Federal employment.

Unemployment dropped seasonally from May to June, and was also below the year-ago level. Increased job opportunities in construction accounted for the overall improvement. Compared to a year ago, unemployment in mid-June substantially exceeded the year-ago levels in trade and food processing, but these increases were offset by increased construction activity.

Wage and Salary Trends. The survey report indicates that no inflationary trends have as yet developed in the construction industry.

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TRANSPORTATION

Highways. Six projects for the repair and reconstruction of portions of the Federal-aid system were approved July 15. Federal emergency funds in the amount of \$986,500 were allotted to assist the State in financing these repairs, which were estimated to cost \$1,973,000.

An additional six projects for the repair and reconstruction of portions of the Federal-aid system were approved July 16. Federal emergency funds in the amount of \$730,000 were allotted to assist the State in financing these repairs, estimated to cost \$1,460,000. Also on July 16, one project estimated to cost \$265,000 was approved for repairs to Forest Highway Route 5, the Sterling Highway, between Coopers Landing and the Seward-Anchorage Highway. Federal emergency 100 percent funds in the amount of \$265,000 were allotted to this project.

With these allotments, the totals now stand at \$4,758,272 of 50 percent funds and \$17,411,045 of 100 percent funds for a total allotment to date of \$22,169,317.

The twelve projects approved on the Federal-aid primary and secondary systems provide for repairs and reconstruction of: 131 miles of the Glenn Highway from 10 miles NE of Palmer to the Richardson Highway at Glennallen; the entire 125 miles of the Tok Cutoff from Tok Junction to Gulkana; 52 miles of the Richardson Highway southerly from Gulkana; 0.5 miles in Seward on the Seward-Anchorage Highway; 0.6 mile on Kodiak on the Naval Air Station Road and the Coast Guard Loran Station Road; 4.0 miles of the Sterling Highway from the Chugach National Forest boundary to Skilak Lake Road; 0.4 mile from Homer to the Homer seaplane harbor; 23.8 miles of the Seward-Anchorage Highway from Northern Lights Boulevard in Anchorage to the vicinity of Bird Point; 1.0 mile of Tudor Road in Anchorage; 0.2 mile of O'Malley Road near Anchorage; and 1.0 mile of Sand Lake Road near Anchorage.

July 24, 1964

On July 14, an extension of time to August 15 was granted for the submission of programs for temporary repair of damages to the Copper River Highway. Late spring thaws have caused flooding of the Copper River which has forced the team inspecting earthquake damage to withdraw.

Airports. Inspections completed at Eyak Lake and Icy Bay airfields indicate no quake-related damage at either location. These inspections complete damage assessments at the 58 airfields assigned to FAA by OEP. Earthquake-related damage has been ascertained at 9 airfields.

Repair and reconstruction work on the Chitina airport runway is expected to be completed by the end of July. In addition, the detailed field survey at Old Harbor was completed and design of the replacement airport has begun.

The FAA has provided two clerks to assist the Small Business Administration in handling the increased SBA workload resulting from the disaster, in respect to the processing of loan applications.

Shipping. The Mayor of Seward has advised Military Sea Transport Service representatives in Alaska that Department of Defense assistance for moving commercial cargo is not required. The Mayor reported that the present commercial capability is adequate but that more frequent commercial service is desired. The Alaska Steamship Company has indicated that its scheduling of ships into Seward will improve in the near future, as cargo requirements increase during reconstruction activities of the town. Accordingly, the Department of Defense plans to take no further action in this matter.

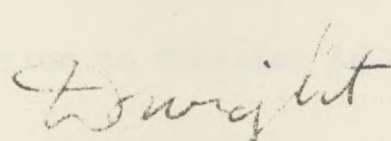
Chiniak Road. A contract has been awarded to Associated Engineers and Contractors and the Stoan Construction Company in the amount of \$827,863 for reconstruction of that portion of the road lying within the boundary of the Naval Station, Kodiak. Completion date is November 15, 1964.

July 24, 1964

MISCELLANEOUS

Alaska Ferry Station. The Area Redevelopment Administration reported that its economic study of the present ferry system serving Southeast Alaska is on schedule and should be complete by mid-August. The study will show the ferry system's impact on the economic development of the State, and will identify specific existing or potential industrial opportunities resulting from transportation provided by the ferry.

Banking. The Treasury Department notified Alaskan banks that on August 3, 1964, the balances over and above the April 1 balances in their U. S. Treasury Tax and Loan Accounts must be either surrendered to the Federal Reserve Bank of San Francisco, or converted into time deposits with the interest at the Federal Reserve discount rate (now $3\frac{1}{2}\%$). If the banks decide to convert the balance into time deposits, they must certify that the funds have been or will be used to aid the Alaska recovery program. The intention of the Treasury Department is to provide a means through which these surplus funds (accumulated as a result of the post-earthquake moratorium on calls against Tax and Loan Accounts) can be left in the State for reconstruction purposes without giving Alaskan banks an undue advantage.


Dwight A. Ink
Executive Director

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**FEDERAL RECONSTRUCTION AND DEVELOPMENT
PLANNING COMMISSION FOR ALASKA
WASHINGTON**

SENATOR CLINTON P. ANDERSON, N. MEX., CHAIRMAN

DWIGHT A. INK, EXECUTIVE DIRECTOR
FRANK C. DI LUZIO, ASSISTANT TO THE CHAIRMAN

July 31, 1964

MEMORANDUM TO: Senator Clinton P. Anderson
Chairman

SUBJECT: Commission's Weekly Report - July 31, 1964

HIGHLIGHTS

1. SBA disbursed over \$3 million during the past week in loans to homeowners and businessmen.
2. Following the completion of soil analyses, a site for the railroad dock in Seward has been agreed upon at the head of Resurrection Bay.
3. Rail barge transportation to Whittier is being increased by 25 percent.
4. A second Senate-House conference on the Alaska Omnibus Bill is scheduled for Tuesday, August 4.

* * *

AGRICULTURE

Kodiak Island. Ranchers are clearing access roads of earthquake debris with a bulldozer loaned them by the Department of Agriculture. As a result of land subsidence, following the quake, the roads became obstructed with wave and wind driven sand. Progress is reported at the rate of 1½ miles a day.

Feed grain shipments which USDA is making available at lowered cost must be picked up by the ranchers at Kodiak. Arrangements are being made for temporary warehousing of the feed, due to arrive by September 1, until the roads are cleared.

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COMMUNITY FACILITIES

Projects Under the Office of Emergency Planning. Estimates of work eligible for funding by OEP under Public Law 81-875 have not changed since last week's report. Total value of the eligible work, which has been assigned to the Corps of Engineers and other Federal agencies, is \$86,275,000.

Contracts Under the Corps of Engineers.

<u>Construction Contracts</u>	<u>No. of Contracts</u>	<u>Contract Value</u>
In progress	24	\$4,704,100
Completed	25	2,223,900
<u>Architect-Engineer Contracts</u>	<u>9</u>	<u>1,693,500</u>
TOTAL	58	\$8,621,500
Value of Construction Work Accomplished:		\$5,074,700

Contracts Under the Bureau of Yards and Docks. The Bureau of Yards and Docks now has 6 contracts totalling \$360,000 in community facilities work. One new contract for \$5,300 was awarded in the past week for repairs to schools and the library in Kodiak. Scheduled completion date is August 24, 1964.

Community Facilities Construction Activity.

Anchorage Area. Repair of City of Anchorage telephone facilities in the Hill and Cordova Buildings was started on July 21. The current cost estimate is \$24,500.

Contracts have been awarded for repair of nine on-base schools (five at Elmendorf Air Force Base and four at Fort Richardson) for a total amount of \$232,900.

Moose Pass. A \$10,975 contract has been awarded to Gangola Construction Company for repair of the Moose Pass Elementary School.

Harbor and Navigational Facilities.

Kodiak. The contract for breakwater reconstruction, awarded on May 6, 1964, for \$431,500 is now reported about 70% complete. Work on debris clearance has been entirely accomplished.

Seldovia. The contract for raising and repairing the breakwater, awarded on May 20 in the amount of \$266,600, is approximately 20 percent complete. Final completion date is September 15, 1964.

The Corps of Engineers is studying the feasibility of a proposal to provide additional emergency breakwater protection against autumn high tides by sinking a sand-laden Liberty ship north of the existing breakwater. Other proposals are also under study.

July 31, 1964

FISHING

Fishery Loan Program. Two emergency fishery loan applications were received during the past week by the Bureau of Commercial Fisheries. This brings the total number of applications to 83, for a value of \$1,452,902. Fifty-seven applications have been approved, totalling \$843,068.

Salmon. The pink salmon fishing season in Prince William Sound is now approaching its peak, with more than a million fish taken already. Although most of the area canneries are not operating this season, Governor Egan has arranged for a Japanese processing firm, Taiyo Gyogo, Ltd., to purchase whole fish from the fishermen for freezing. Nine Japanese freezer vessels are now reported in the area; they are expected to purchase some 5 million salmon before the season ends on August 15.

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HOMES AND BUSINESS

Federal National Mortgage Association. The Federal National Mortgage Association has reported that they hold mortgages on a total of 34 homes in Alaska which are considered totally destroyed or irreparably damaged. Mortgagors are eligible to apply for forgiveness of indebtedness upon payment of a token consideration of \$1,000. Activity in this field is summarized as follows:

FNMA Mortgage Forgiveness Program

<u>Applications Received</u>	<u>No.</u>	<u>Value</u>
During the past week	1	\$ 17,363
As of July 31	20	399,207
<u>Applications Approved</u>	19	381,844

Fourteen remaining mortgagors are eligible for forgiveness under this program. FNMA service representatives have been asked to contact the balance of these eligible mortgagors to determine whether they have decided to file an application for forgiveness.

HHFA reported that the Bowery Savings Bank of New York is sending demand letters to owners of destroyed homes who appear to have sufficient assets to settle outstanding mortgages. The Bank is reportedly required to take this action in order to establish insurance claims under their Lloyd's of London blanket protection insurance policy.

Public Housing. Site plans covering nine 5-bedroom units in the Anchorage low-rent public housing project have been submitted by the Alaska State Housing Authority to the Public Housing Administrator.

SBA Loans. The Small Business Administration disbursed over \$3 million for 44 loans to home-owners and businessmen during the past week, bringing its total disbursement in this field to \$16,116,372. Interviews and inquiries dropped significantly during the past week, although 31 new applications were filed.

SBA Loan Activity to Date

	<u>Number</u>	<u>Value</u>
Interviews and Inquiries	2,395	
Applications Given Out	1,370	
Applications Filed	782	\$55,048,365
Applications Approved:		
Homes	280	\$ 5,284,110
Business	<u>382</u>	<u>34,454,698</u>
Total Approved	662	\$39,738,808
Checks Disbursed (Total)	465	<u>\$16,116,372</u>

July 31, 1964

SBA Loan Activity in the Past Week

	<u>Number</u>	<u>Value</u>
Interviews and Inquiries	46	
Applications Given Out	29	
Applications Filed	31	\$1,465,152
Applications Approved:		
Homes	13	\$ 217,000
Business	<u>14</u>	<u>845,062</u>
Total Approved	27	\$1,062,062
Checks Disbursed (Total)	44	<u>\$3,019,409</u>

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LEGISLATION

The House-Senate conferees met to work out differences between the Senate and House versions of the Omnibus Bill on Tuesday, July 28. It is expected that the conferees will meet again on Tuesday, August 4, to complete their considerations and that a compromise bill may be reported out to the respective houses next week.

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July 31, 1964

MANPOWER AND LIVING COSTS

Anchorage. The Department of Labor continues to report a shortage of trained workers in many fields in Anchorage, (surveyors, instrument men, railroad workers, secretaries, and registered nurses). Conversely, there is an oversupply of laborers, electricians, operating engineers, painters, plumbers, truck drivers and cooks.

Wage and Salary Trends. With the exception of clerical help in the Anchorage area, wages and salaries have remained stable in Alaska. The Alaska Employment Service attributed the shortage of clerical help in the Anchorage area, which has caused a rise in wages in this field, to the early post-quake rotation of servicemen and their dependents.

In this connection, the multi-occupational training program for 1,000 workers in the Anchorage area, recently approved by the Department of Labor, provides for individual training courses for clerk-stenographers and clerk-typists. A course for about 35 clerk-stenographers was completed in July; and a course for 61 typists will begin August 10.

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TRANSPORTATION

Alaska Railroad. The Department of Interior reported that damage to the roadbed caused by July high tides at Portage has been repaired. Photogrammetric data compiled by the contract surveyor will be studied to determine if the roadbed must be raised any further to prevent a repetition of high tide damage this fall. (Photographic surveys are also being made at Girdwood.) To date, more than half a million cubic yards of fill, gravel and armor rock have been put in place at Portage.

July 31, 1964

Seward. One major railroad bridge between Seward and Portage has been completed and another is 75 percent complete.

Following completion of soil studies by Task Force 9, a site for the railroad dock has been selected at the head of Resurrection Bay, adjacent to the Small Boat Basin. The Corps of Engineers is accelerating design work for the \$7.8 million project. A usable facility is scheduled for December, 1964.

Anchorage. In view of adverse Task Force recommendations on building in the Fourth Avenue area, the Railroad has abandoned plans to repair its office building annex. It is now planning a new annex building at the foot of D Street, adjacent to the Depot. Construction, however, will not proceed until a final decision has been made on the location of the proposed soil stabilization buttress along First Avenue.

Whittier. A \$365,701 contract was awarded on July 30, to American Service, Inc., Anchorage, Alaska, for minimum repair and strengthening of the marginal wharf and transit shed. The work will be completed this summer.

Airports. The Federal Aviation Agency reported that contracts totalling \$10,440 have been awarded for damage assessment of the runways, parking areas and drainage system at Anchorage International Airport. The work will be completed by September 1.

Rail Barge. Rail barge transportation to Whittier will be increased this year by an estimated 25 percent. Canadian National's west coast aqua-train service out of Prince Rupert, British Columbia, has already been stepped up. Puget Sound-Alaska Van Lines, Seattle, launched two car barges in July, increasing its fleet to five barges, capable of transporting 30 to 42 cars. Washington Tug, also from Seattle, will launch a 30-car barge in September, increasing its fleet to three barges.

URBAN RENEWAL

A special task force from the San Francisco Urban Renewal regional office has been assigned to Alaska to help prepare and process loan-grant applications, conduct field reviews, and expedite disaster project work.

Anchorage. The Anchorage downtown urban renewal project has been revised, and now covers only the stabilization area north of Fourth Avenue. The Corps of Engineers is designing the stabilization project.

The City of Anchorage has requested that the Alaska State Housing Authority proceed with an Urban Renewal project for stabilization of the Turnagain area.

Federal, State and City officials are exploring ways to finance a stabilization test project for this area. The project, recommended by Task Force 9 and the Corps of Engineers, will cost an estimated \$500,000.

Kodiak. Acquisition appraisals for Kodiak's urban renewal project have been completed and are under review. Re-use and marketability studies are complete. The State has agreed to provide the 10 percent local share for the project; net project cost is estimated at \$6,900,000. Project implementation is dependent on passage of amendments to the Omnibus Act.

Seward. The Urban Renewal project boundaries for Seward have been revised to conform to the soil findings recommended by Task Force 9. Acquisition appraisals have been completed and are being reviewed by URA.

Valdez. A tentative plan for the development of Mineral Creek, the proposed new town-site, has been drafted. Preliminary utilities and layout design are underway, and the State is proceeding to purchase the land necessary to establish the community at Mineral Creek.

Acquisition appraisals for property at the existing site have now been finished and are presently being reviewed. The current estimate of the project cost is \$3,000,000.

MISCELLANEOUS

Recreational Facilities. Traffic barriers due to reconstruction of the Anchorage-Seward highway has kept the use of damaged recreational facilities in the Kenai Peninsula portion of the Chugach National Forest at a minimum. The reconstruction will proceed throughout the tourist season.

Coal Research. A technical assistance proposal to determine the coking characteristics of Alaskan coals has been submitted to the Area Redevelopment Administration. The proposal was developed by the Mineral Industry Research Laboratory of the University of Alaska. Development of Alaskan coal areas, especially Healy and Matanuska, as coke producers, might also stimulate the development of local metallurgical industries.

Petroleum. A major petroleum discovery in Cook Inlet near the Kenai Peninsula was announced by Pan American Oil.

Oil and gas exploration on Federally-owned lands on the Kenai Peninsula has been temporarily halted until State claims to ownership of the lands have been settled. Production of gas and oil on the Peninsula, however, has not been affected.



Wilmot Averill
Acting Executive Director

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FEDERAL RECONSTRUCTION AND DEVELOPMENT
PLANNING COMMISSION FOR ALASKA
WASHINGTON

SENATOR CLINTON P. ANDERSON, N. MEX., CHAIRMAN

DWIGHT A. INK, EXECUTIVE DIRECTOR
FRANK C. DI LUZIO, ASSISTANT TO THE CHAIRMAN

August 7, 1964

MEMORANDUM TO: Senator Clinton P. Anderson
Chairman

SUBJECT: Commission's Weekly Report - August 7, 1964

HIGHLIGHTS

1. A major portion of the Commission's activities in support of reconstruction efforts in Alaska are now complete. A summary report on reconstruction plans highlighting the Commission's role in coordinating Federal programs for Alaska is in the final stage of preparation. Publication of this summary report is planned for the first week of September.

2. Since the long-range development planning will progress at a slower pace, it is planned to submit monthly rather than weekly reports in the future.

3. This week, the Congress passed and sent to the White House for signature the amended Alaska Omnibus Bill, thus completing the legislative program for Alaska for this year.

4. Contract awards for construction and architect-engineering have increased by \$4 million or 50 percent in the past week. In addition, preliminary engineering and design work valued at \$35 million is in various stages of completion.

5. Restored water lines are being turned over to the City of Anchorage well ahead of schedule.

AGRICULTURE

Emergency feed grain supplies which the Department of Agriculture is shipping to Kodiak Island will be warehoused at Kodiak City until transportation conditions will permit delivery to the ranchers. None of the ranches can now be reached by road except under certain tidal conditions and with special, four-wheel drive equipment. The roads - which are mostly on private property - are cluttered with tidal debris and some of the bridges are out. The bulldozer loaned by the Department to the ranchers has not proved adequate to the task of putting the roads back into service.

ALASKA RAILROAD

The Department of the Interior reported significant repair progress on the portion of the Alaska Railroad located on the Kenai Peninsula. Between Seward and Tunnel, a 51-mile line is now serviceable for work trains only. Twenty-six miles of track, also not yet ready for heavy use, have been laid between Seward and Moose Pass. Two bridges between Anchorage and Portage have been elevated to 31 feet and most of the track at the old Portage yard will reach that level this week.

Despite this encouraging progress, the Railroad is concerned over whether the roadway will be elevated sufficiently by the end of summer to escape damage from the high tides of September and October. If unfavorable winds should accompany the high tides, water might be driven over the track level.

COMMUNITY FACILITIES

Projects Under the Office of Emergency Planning. Estimates of work eligible for funding by OEP under Public Law 81-875 have not changed since last week's report.

Contracts Under the Corps of Engineers.

Total work authorized by OEP to date: \$81,187,800

Work in preliminary engineering and
design stage: \$35,300,000

<u>Construction Contracts</u>	<u>Number of Contracts</u>	<u>Contract Value</u>
In progress	31	\$ 7,349,700
Completed	28	3,604,400
Architect-Engineer	<u>10</u>	<u>1,723,500</u>
TOTAL	69	\$12,677,600

Value of Construction Work
Accomplished and Materials
Acquired: \$9,023,900

Contracts Under the Bureau of Yards and Docks. The Bureau of Yards and Docks now has seven contracts totaling \$210,400 in community facilities work. One new contract for \$128,700 was awarded in the past week for street restoration.

Anchorage. The restoration of water and sewage lines are proceeding ahead of the expedited schedule. It is anticipated that the balance of the Turnagain water lines will be turned over to the city in mid-August.

Approval has been given for repair of West High School since the area has been declared safe. Repair rather than replacement will reduce costs and permit completion by September 1965. Partial occupancy will be allowed in September 1964.

The area on East Fourth Avenue occupied by the Highways District Headquarters has been declared a "Nominal Risk" and repairs will begin shortly.

Cordova. Engineering investigation and analysis of the winter water supply line was completed this week. Complete replacement has been found to be justified; accordingly, the Corps of Engineers has been authorized to proceed on a crash basis to accomplish replacement before winter sets in.

August 7, 1964

Homer. A contract in the amount of \$5,000 has been awarded for the repair of the elementary school.

A negotiated contract was awarded on July 30 in the amount of \$964,200 for the restoration of harbor facilities.

Kenai. A contract in the amount of \$16,000 for the repair of three public buildings and school buildings was awarded July 31.

Kodiak. A contract in the amount of \$199,800 has been awarded for reconstruction of parking lots and roads at the small-boat harbor.

Seldovia. Contracts in the amounts of \$99,900 and \$116,800 have been awarded for repair of the airport and access road and for the reconstruction and repair of state-owned boat and airplane facilities in the harbor.

Seward. A contract for \$1,338,300 was awarded for rehabilitation of utilities and sewers.

Bid proposals for restoration of harbor facilities were received August 6.

Valdez. OEP field office has given Corps of Engineers oral authorization to proceed with construction of essential facilities at the new townsite.

A negotiated contract was awarded on July 30 in the amount of \$798,000 for the restoration of harbor facilities.

KODIAK ISLAND

On July 26, Governor Egan approved an urban renewal agreement to make nearly \$7 million available to the City of Kodiak. A recently-enacted State law allows the State to pay as much as 10 percent of the cost of disaster relief urban renewal projects; actual cost of the Kodiak project will be \$6,900,260 with the Federal Government providing 90 percent of the funds.

August 7, 1964

The salmon run in Kodiak is extremely good this season. The catch is expected to fall just short of the record high set in 1962. Cannery workers are in short supply and outlying canneries are employing women from the villages around the Island as patchers and packers. There are no unemployed men in the area.

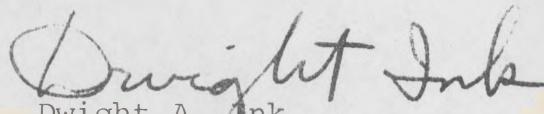
LEGISLATION

Both Houses of Congress passed the amended Alaska Omnibus Bill, the last bill in the legislative program for Alaska this year, and sent it to the White House for signature. This bill provides special assistance in the areas of highway funding, urban renewal, small-boat harbors, housing and State finances.

SBA AND FNMA ACTIVITY

During the past week, SBA disbursed over \$3 million covering 53 loans. Forty-four new applications were received and nine home loans (\$167,000) and six business loans (\$712,842) were approved. To date, SBA has disbursed \$19,283,704 for 528 loans.

Two applications for forgiveness of FNMA indebtedness were received and approved during the past week. This brings the total applications received to 22 (\$423,785) and the number approved to 21 (\$400,000).


Dwight A. Ink
Executive Director

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