



## **KENAI PENINSULA BOROUGH**

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**DAVE CAREY  
BOROUGH MAYOR**

### **MEMORANDUM**

**TO:** Milli Martin, Assembly President  
Members of the Kenai Peninsula Borough Assembly

**THRU:** David R. Carey, Borough Mayor  
Craig Chapman, Finance Director

**FROM:** Bonnie L. Golden, Grants Manager

**DATE:** November 6, 2008

**SUBJECT:** Ordinance No. 2008-19-34: Accepting and appropriating \$525,200 from the State for community purposes under the Community Revenue Sharing Program

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The State Legislature established the Community Revenue Sharing Program (“Program”) and provided funding in the amount of \$180 Million, with \$60 Million distributed each year over a three-year period. For background information on the program and the process, please see the attached copy of the informational materials provided to the potential grant recipients.

Under the Program, the Borough Assembly is required to identify eligible communities to receive revenue sharing monies. Eligibility is based upon criteria established by the State and set out in AS 20.60.865, AS 29.60.879, and 3 AAC 180.110. Through enactment of Resolution 2008-074, the Assembly certified 26 unincorporated communities within the Borough that are eligible for participation in the Program.

The purpose of the grant is to assist communities in providing services and programs to their residents. The Alaska Department of Commerce, Community and Economic Development (“DCCED”) has indicated funds may be used for any public purpose at the discretion of the local governing body, and as allowed by State law and Borough code.

The Borough recently received \$525,200 from DCCED for distribution under the Program. The Borough will apply its 3.04 percent administrative fee to the funds prior to making any distribution to communities. The remaining funds will be evenly distributed among the communities. Before any funds are distributed, they must be accepted and appropriated by the Assembly through enactment of an Ordinance. The attached ordinance, when enacted, will meet this requirement.

The Borough Administration has developed a distribution program for these grant funds. Community meetings were held in some areas; others received written notification. Some communities have made decisions on use of the grant funds; others are still in the process of making their decision. Once the community project is selected, the eligible recipient, usually a nonprofit corporation or a Native council, submits a funding request to the Borough. That request must be approved by the Assembly through resolution. Once the project is approved, the revenue sharing funds are then available for the community. Monies will be provided to the communities as soon as the projects are approved. Recipients will be required to submit a report on the expenditure of the revenue sharing funds before they are eligible to receive any future funds.

The attached ordinance is being submitted to the Assembly at this time to gain the Assembly's approval for the acceptance of the funding from the State. The ordinance requires Assembly approval of community projects via resolution prior to distribution of the funds to the community. A shortened hearing date has been requested in order to provide the funds to the communities as soon as possible. This will enable the communities to provide the services and programs that are needed in each area. Your consideration of this ordinance is appreciated.

Attachments:

Ordinance

Informational material