



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: Dave Carey, Borough Mayor
Craig C. Chapman, Finance Director

FROM: Bonnie L. Golden, Grants Manager

COPY: Kevin Lyon, Capital Projects Director
Kyle Kornelis, KPB Project Manager

DATE: December 31, 2008

SUBJECT: **AMENDMENT** to Ordinance 2008-19-38: Accepting \$635,193 from AHFC for teacher housing in Tyonek and appropriating the grant and matching funds of \$300,000 to a capital project account

The Denali Commission and Alaska Housing Finance Corporation have a grant program specifically for teacher housing construction projects. AHFC administers the program. The Borough applied for, and was awarded, a grant in the amount of \$635,193 for teacher housing in Tyonek. The funding to be received does not include any funds from the Denali Commission. (See notice of intent letter from AHFC.)

In addition, the project will not be conducted in phases. The project was divided into two phases to allow application and receipt of additional grant funds from HUD. That application has been cancelled, and the need for phasing the project no longer exists. Therefore, the administration wishes to amend Ordinance 2008-19-038 to delete references to the Denali Commission and performing the project in phases.

The following amendments to the ordinance are proposed, with new text in **bold and underlined**, and deleted text in [~~bold, brackets, and stricken out~~]:

- The third Whereas should be amended as follows:

WHEREAS, [~~the Denali Commission, a federal-state partnership designed to provide critical utilities, infrastructure, and economic support throughout Alaska,~~ the Alaska Housing Finance Corporation (“AHFC”) has a Teacher, Health Professional, and Public Safety Housing Grant Program (“THHP”) that provides funding for construction of teacher housing; and

- The fourth Whereas should be deleted in its entirety.
- The seventh Whereas should be amended as follows:

WHEREAS, the AHFC grant funds combined with the Borough funds are required to initiate [~~Phase 1 of~~] this project, which includes platting the property, environmental review, entering into a long-term lease agreement with Tyonek Native Corporation, [~~and~~] other site development activities, **and construction;** and

- Sections 2 and 3 should be amended to indicate the funds will be appropriated to account 400.71140.9AHFC.49999.

SECTION 2. That grant funds in the amount of \$635,193 are appropriated to account 400.71140.9 **AHFC** [~~DCTH~~].49999 Tyonek teacher housing project.

SECTION 3. That capital project funds in the amount of \$300,000 are appropriated from School Revenue Capital Projects Fund fund balance to account 400.71140.9**AHFC** [~~DCTH~~].49999 Tyonek teacher housing project.

Your consideration of these amendments is appreciated.

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