

KENAI PENINSULA BOROUGH

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> DAVE CAREY BOROUGH MAYOR

MEMORANDUM

то:	Milli Martin, Assembly President Members of the Kenai Peninsula Borough Assembly
THRU:	Dave Carey, Borough Mayor Craig C. Chapman, Finance Director Kevin Lyon, Capital Projects Director
FROM:	Bonnie L. Golden, Grants Manager
COPY:	Dave Spence, KPBSD Director of Planning and Operations Kyle Kornelis, KPB Project Manager
DATE:	November 19, 2008
SUBJECT:	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 number one capital priority for the School District is teacher housing in remote areas, and the Villages of Tyonek and Nanwalek are at the top of that list. The teacherage to be replaced has reached its useful life due to age and constant need for repairs. Adequate, affordable teacher housing in remote areas will attract and maintain qualified teachers in rural villages, thus improving the educational experience for students.

The Denali Commission and Alaska Housing Finance Corporation (AHFC) have a grant program, which AHFC administers, specifically for teacher housing construction projects. The Borough applied for, and was awarded, a grant in the amount of \$635,193 for teacher housing in Tyonek.

AHFC will not fully fund a project. Additional funds from other sources are required. During the fiscal year 2008-2009 budget process, \$300,000 was allocated for teacher housing in Tyonek. The Administration intends to submit a grant application for a Community Development Block Grant. If awarded, sufficient funding will be available to complete the project. If additional grant funds are not awarded, and no other funding is available, the scope of work will need to be adjusted accordingly.

The project will be divided into two phases. Phase 1 will include platting the property, environmental review, entering into a long-term lease with Tyonek Native Corporation, and other site preparation activities. Phase 2 will be construction of the facility and removal of the existing housing unit. Dividing the project into two phases allows the Borough to move forward on the project in anticipation of construction occurring during 2009.

The School District has traditionally provided housing for teachers assigned to schools in remote areas. When the new housing is ready for occupancy, it will be managed by the School District in the same fashion as its other teacherages. Regular scheduled maintenance and routine repairs will be provided by the Borough Maintenance Department, as with all borough-owned teacher housing.

This project seeks to fill a long-recognized need in the community of Tyonek. The attached ordinance accepts the grant and appropriates the grant and matching funds to a capital project account.

Attachments: Ordinance, notice of intent letter

FINANCE DEPARTMENT FUNDS VERIFIED
ACCT # 400.00000.00000.27900
AMOUNT \$300,000
BY: DATE: