

Department of Military and Veterans Affairs

Division of Administrative Services

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January 27, 2020

The Honorable Bart LeBon Chair, House Finance DMVA Budget Subcommittee State Capitol Building, Room 418

Dear Representative LeBon,

During DMVA's House Finance Subcommittee meeting on Thursday, January 23rd, Representative LeBon asked about which state agency was handling the sale of the old veterans' cemetery site. This memo provides an update on the status of the Veterans Cemetery, including the progress on the sale of the Fox site.

The Department of Natural Resources (DNR) completed all requirements to send the land at Fox to auction. After the sale, the Department of Military and Veterans Affairs (DMVA) will receive the funds under the auspices of SB23, Section 18, which stipulates the following:

"The proceeds from the sale of state-owned land in Fox, Alaska, that was intended for a veterans' cemetery in Interior Alaska are appropriated to the Department of Military and Veterans' Affairs for land purchase, planning, and construction for a veterans' cemetery in Interior Alaska."

DMVA has already obligated the forthcoming funds through a Memorandum of Agreement with the Department of Transportation & Public Facilities (DOTPF), which is in the process of purchasing the new location from the Mental Health Trust. While the land will belong to the state, before DMVA can complete the purchase, lead will need to be abated from the rock pit area in the spring. In total, DMVA will owe DOTPF roughly \$750,000 for the purchase of the land as well as a road constructed into the site at the request of then-Governor Walker.

Once the land is sold, DMVA will pay our expenditures and the remaining funds will be held for the construction phase. If DMVA does not have all the funds required by the federal grant requirement, the department will need to go through the legislative process to fund the deficit, an amount we anticipate falling between \$1,3000,000 and \$1,500,000. The cemetery will remain on the federal grant list until the funds are provided.

Discussions are still occurring on a way forward for the Interior Alaska Veterans Cemetery.

Sincerely,

Stephanie Richard

Administrative Services Director, DMVA

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