

SB 141

# SENATE FINANCE COMMITTEE REPORT

DATE: 4/24/91

FURTHER:

DATE TURNED INTO OFFICE: 5-19-91

The Finance Committee considered SENATE BILL NO. 141

"An Act establishing a capital project matching grant program for municipalities and unincorporated communities; authorizing the adoption of regulations; and providing for an effective date."

and recommended:

replace with \_\_\_\_\_ CS SB 141 (FIX)  same title  
 or adopt \_\_\_\_\_ CS \_\_\_\_\_  new title  
 attached amendment(s)  technical title change (HB only)  
 \_\_\_\_\_ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to \_\_\_\_\_

ATTACHES NEW FISCAL NOTE(S):

fiscal note(s) Dept/Date: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

SFC/DOA  
DFC/DC&RA - Block Grants  
SFC/DC&RA - Block Grants - CIP

appropriation-no fiscal note

APPROVES PREVIOUS:

fiscal note(s) Dept/Date: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

SIGNING DO PASS:

[Signature]  
[Signature]  
[Signature] (DO PASS)  
[Signature]

OTHER RECOMMENDATIONS:

Al Adams - Do Not Pass  
Needs Amendment  
[Signature]

1. [Signature] 2. [Signature] Do pass  
 Co-Chairs: Signatures and recommendations

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_ Affected Agency: Administration  
 Title: Capitol Project Matching Grant - BRU: Administrative Service  
Regulations  
 Sponsor: Rules Components: Administrative Service  
 Requestor: Governor

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants, Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING: (THOUSANDS OF DOLLARS)


General Fund						
Federal Fund						
Other						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

Prepared By:

  
 Senator Pat Pourchot, Co-chairman  
 Senate Finance Committee

Date: 5-19-91  
 Phone: 465-3879

DISTRIBUTION (BY PREPARER  
 LEGISLATIVE FINANCE  
 LEGISLATIVE SPONSOR

REQUESTOR  
 OFFICE OF MANAGEMENT AND BUDGET  
 AGENCY (IES)

FISCAL NOTE

REQUEST:

Revision Date: May 19, 1991 Affected Agency: Community & Regional Affairs  
 Title: Capital Project Matching Fund BRU: Employment/Training/Rural Development  
 Sponsor: Governor Components: Block Grant CIP  
 Requestor: \_\_\_\_\_

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants, Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (THOUSANDS OF DOLLARS)

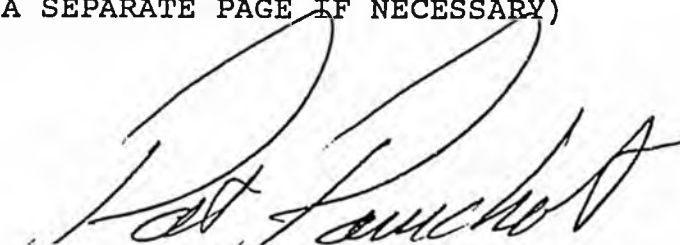
General Fund						
Federal Fund						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

Prepared By:

  
 Senator Pat Pourchot, Co-chairman  
 Senate Finance Committee

Date: May 19, 1991  
 Phone: 465-3879

DISTRIBUTION (BY PREPARER)  
 LEGISLATIVE FINANCE  
 LEGISLATIVE SPONSOR

REQUESTOR  
 OFFICE OF MANAGEMENT AND BUDGET  
 AGENCY(IES)

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_ Affected Agency: Community & Regional  
 Title: Capitol Project Matching BRU: Community Development  
           Fund Program  
 Sponsor: Governor's Office Components: Block Grants  
 Requestor: \_\_\_\_\_

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants, Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--


FUNDING: (THOUSANDS OF DOLLARS)

General Fund						
Federal Fund						
Other						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

Prepared By:   
 \_\_\_\_\_  
 (Senator Pat Pourchot, Co-chairman Date: 5-19-91  
 Senate Finance Committee Phone: 465-3879)

DISTRIBUTION (BY PREPARER)  
 LEGISLATIVE FINANCE  
 LEGISLATIVE SPONSOR

REQUESTOR  
 OFFICE OF MANAGEMENT AND BUDGET  
 AGENCY (IES)

WORK DRAFT

*changes in ES*

*p. 3, l. 13-17  
p. 4, l. 3-5  
p. 6, l. 17-19  
p. 7, l. 9-13*

*5-19-91  
Adopted*

**New Draft**

WORK DRAFT

7-GS0073S  
Cook  
5/19/91

→ Final page of packet is  
Sen. Adams' proposed amendment

**CS FOR SENATE BILL NO. 141 (FINANCE)**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**SEVENTEENTH LEGISLATURE - FIRST SESSION**

**BY THE SENATE FINANCE COMMITTEE**

Offered:

Referred:

Sponsor(s): **SENATE RULES/GOVERNOR**

All are conforming changes to clarify that program becomes effective after June 30, 1992, and that match requirements increase (per the C-BA CS) on July 1, 1994.

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act establishing a capital project matching grant program for municipalities and a  
2 capital project matching grant program for unincorporated communities."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 \* **Section 1. PURPOSE.** (a) The legislature recognizes the continued need for wholly state funded  
5 capital projects (1) that are of regional or statewide significance, (2) which meet basic needs, such as  
6 education projects constructed under AS 14.11 and village safe water projects, or (3) for which costs will  
7 exceed the amount available to a municipality or community under the capital project matching grant  
8 programs. The legislature also recognizes the continued need for legislatively directed funding of other  
9 capital projects.

10 (b) It is the purpose of this Act to provide a capital project funding system that is equitable to  
11 municipalities and communities throughout the state, particularly for small projects of a local nature, and  
12 to provide a mechanism for local government to initiate and prioritize the construction of capital projects  
13 and to participate in funding those projects.

14 \* **Sec. 2.** AS 29.60 is amended by adding a new section to read:

## 1 ARTICLE 7. CAPITAL PROJECT MATCHING GRANTS.

## 2 Sec. 29.60.500. MUNICIPAL CAPITAL PROJECT MATCHING GRANT PROGRAM.

3 (a) The municipal capital project matching grant fund is established in the Department of  
4 Administration consisting of appropriations to the fund. Appropriations do not lapse except as  
5 provided under (f) of this section. Interest earned on money in the fund shall be deposited by  
6 the department into the general fund. Appropriations shall be allocated by the department each  
7 fiscal year to individual grant accounts within the fund for each municipality. The amount  
8 allocated to a grant account is determined by multiplying the total amount appropriated to the  
9 fund during a fiscal year by a fraction,

10 (1) the numerator of which equals

11 (A) for a municipality with a population under 1,000, the amount equal  
12 to that population multiplied by 1.5;

13 (B) for a municipality with a population of at least 1,000 but less than  
14 5,000, the amount equal to that population multiplied by 1.4;

15 (C) for a municipality with population of at least 5,000 but not greater  
16 than 10,000, the amount equal to that population multiplied by 1.2; or

17 (D) for a municipality with a population of over 10,000, the amount equal  
18 to that population; and

19 (2) the denominator of which equals the sum of the numerators calculated for all  
20 municipalities under (1)(A) - (D) of this subsection.

21 (b) The minimum amount allocated to the grant account of a municipality each fiscal  
22 year under (a) of this section equals \$25,000. The department shall reduce allocations under (a)  
23 of this section on a pro rata basis based upon the population of the municipalities if necessary  
24 to fund the minimum amount for each municipality. If appropriations are not sufficient to fully  
25 fund minimum amounts, the amount available shall be equally allocated to each municipality.

26 (c) Subject to (d) and (e) of this section, each municipality may draw amounts from its  
27 grant account within the municipal project matching grant fund for planning, design, and  
28 construction of capital projects or capital improvements, as defined in AS 37.07.120. In  
29 accepting a draw, the municipality covenants with the state that it will operate and maintain the  
30 capital improvement for which the draw is used for the practical life of the capital improvement,  
31 and that the municipality will not rely on the state to operate or maintain the capital improvement

1 or pay for its operation or maintenance. This requirement does not apply to use of money from  
2 a draw for repair or improvement of an existing facility that is operated or maintained by the  
3 state at the time that the draw is made if the repair or improvement for which the draw is used  
4 will not substantially increase the operating or maintenance costs to the state. The municipality,  
5 its agents, contractors, and subcontractors shall comply with the hiring preferences under  
6 AS 36.10 in hiring employees to be paid wholly or in part with money from a draw.

7 (d) For each draw made under (c) of this section, the municipality shall contribute a local  
8 share of the cost of the capital projects or improvements for which the draw is made. The  
9 amount of the local share equals the local share factor multiplied by the amount of the draw.  
10 For purposes of this subsection, the

11 (1) local share factor equals the local share percentage divided by the state share  
12 percentage, except that

13 (A) if the product of the population factor and the local wealth factor is  
14 greater than or equal to 1.0, the local share factor equals 3/7th before July 1, 1994, and  
15 1.0 after June 30, 1994; or

16 (B) if the local wealth factor is 0, the local share factor equals 5/95th for  
17 draws made before July 1, 1994, and 1/9th for draws made after June 30, 1994;

18 (2) local share percentage equals the population factor multiplied by the local  
19 wealth factor;

20 (3) state share percentage equals one minus the local share percentage;

21 (4) population factor equals

22 (A) 0.1 if the population of the municipality is less than 1,000;

23 (B) 0.3 if the population of the municipality is at least 1,000 but less than  
24 5,000;

25 (C) 0.7 if the population of the municipality is at least 5,000 but not more  
26 than 10,000; or

27 (D) 1.0 if the population of the municipality is more than 10,000;

28 (5) local wealth factor equals the amount obtained by dividing the per capita  
29 taxable real and personal property valuation of the municipality by the statewide average per  
30 capita taxable real and personal property valuation of all municipalities in the state.

31 (e) The amount of the local share calculated under (d) of this section shall be adjusted

1 if necessary so that (1) it does not exceed 30 percent of the amount of the project for which the  
2 draw is used and is not less than five percent of the amount of the project if the draw is made  
3 before July 1, 1994; or (2) it does not exceed 50 percent of the amount of the project for which  
4 the draw is used and is not less than 10 percent of the amount of the project if the draw is made  
5 after June 30, 1994. The local share may be satisfied with federal or municipal funds, locally

6 contributed labor, materials or equipment the value of which shall be determined by the  
7 department, or money from another nonstate source. The local share may not be satisfied with  
8 money from appropriations, allocations, entitlements, grants, or other payments from the state.

9 (f) A municipality shall repay to the department money drawn from a grant account if  
10 substantial, ongoing work on the project or improvement is not started within five years after the  
11 effective date of the appropriation from which the draw is funded. Money repaid shall be  
12 deposited into the general fund. Money from an allocation to a grant account that has not been  
13 drawn out by the municipality within five years after the effective date of the appropriation from  
14 which the allocation is funded lapses into the general fund.

15 (g) The department may adopt regulations under the Administrative Procedure Act  
16 (AS 44.62) that impose additional requirements or procedures to implement, interpret, make  
17 specific, or otherwise carry out the provisions of this section. The department shall adopt  
18 regulations providing for periodic audits of the use of grant money under this section. The audits  
19 must include a review of the department's determination of the value of locally contributed labor  
20 under (e) of this section and a review of the adequacy of the department's verification of the  
21 actual use of locally contributed labor on a project. Regulations adopted under this subsection  
22 shall comply with this section, AS 37.07 (Executive Budget Act), and requirements of the federal  
23 government for participation in federal programs.

24 (h) For purposes of this section, the population of a borough shall exclude the population  
25 of each city in the borough and the per capita taxable real and personal property valuation of a  
26 borough shall exclude the property valuation of each city in the borough. The determination of  
27 population and per capita taxable real and personal property valuation for a municipality shall  
28 be based upon data used by the Department of Community and Regional Affairs under  
29 AS 14.17.140, AS 29.45.110, and AS 29.60.140 - 29.60.150.

30 (i) In this section,

31 (1) "appropriation" has the meaning given in AS 37.07.120;

1 (2) "department" means the Department of Administration.

2 \* Sec. 3. AS 44.47 is amended by adding a new section to article 3 to read:

3 Sec. 44.47.195. UNINCORPORATED COMMUNITY CAPITAL PROJECT MATCHING

4 GRANT PROGRAM. (a) The unincorporated community capital project matching grant fund  
5 is established in the department consisting of appropriations to the fund. Appropriations do not  
6 lapse except as provided under (d) and (f) of this section. Interest earned on money in the fund  
7 shall be deposited by the department into the general fund. Appropriations shall be allocated by  
8 the department each fiscal year to individual grant accounts within the fund for each  
9 unincorporated community that is entitled to receive state aid under AS 29.60.140 during that  
10 fiscal year. The amount allocated to a grant account is determined by dividing the total amount  
11 appropriated to the fund during a fiscal year by the number of communities eligible for  
12 allocations during that fiscal year.

13 (b) By February 1, the department shall determine the amount of appropriations needed  
14 to provide an allocation of \$25,000 under (a) of this section for each unincorporated community  
15 for the next fiscal year. The department shall request the legislature for an appropriation to the  
16 unincorporated community capital project matching grant fund of at least that amount.

17 (c) Subject to (d) and (e) of this section, an incorporated nonprofit entity or a  
18 Native village council may on behalf of each unincorporated community draw amounts from that  
19 community's grant account within the unincorporated community capital project matching grant  
20 fund for planning, design, and construction of capital projects or capital improvements, as defined  
21 in AS 37.07.120. In accepting a draw, the incorporated entity or council covenants with the state  
22 that it will operate and maintain the capital improvement for which the draw is used for the  
23 practical life of the capital improvement, and that the incorporated entity or council will not rely  
24 on the state to operate or maintain the capital improvement or pay for its operation or  
25 maintenance. This requirement does not apply to use of money from a draw for repair or  
26 improvement of an existing facility that is operated or maintained by the state at the time that  
27 the draw is made if the repair or improvement for which the draw is used will not substantially  
28 increase the operating or maintenance costs to the state. The incorporated entity or council, its  
29 agents, contractors, and subcontractors shall comply with the hiring preferences under AS 36.10  
30 in hiring employees to be paid wholly or in part with money from a draw.

31 (d) The department, with advice from the Department of Law, shall determine whether

1 there is in each unincorporated community an incorporated nonprofit entity or a Native village  
2 council that will agree to receive and spend money allocated to the community under (a) of this  
3 section. If there is more than one qualified entity in the community, the department shall  
4 authorize the entity that the department finds most qualified to make draws from the allocation  
5 and spend the money. The department may not pay the money to a Native village council unless  
6 the council waives immunity from suit for claims arising out of activities of the council related  
7 to the draw. A waiver of immunity from suit under this subsection must be on a form provided  
8 by the Department of Law. If there is no qualified incorporated nonprofit entity or Native village  
9 council in an unincorporated community that is willing to receive money from an allocation  
10 under (a) of this section, draws may not be made from the allocation for that unincorporated  
11 community and the amount allocated lapses into the general fund. Neither this subsection nor  
12 any action taken under it enlarges or diminishes the governmental authority or jurisdiction of a  
13 Native village council.

14 (e) For each draw made under (c) of this section, the incorporated nonprofit entity or  
15 Native village council shall contribute a local share of the cost of the capital projects or  
16 improvements for which the draw is made. The local share equals (1) five percent of the amount  
17 of the project for which the draw is used if the draw is made before July 1, 1994; or (2) 10  
18 percent of the amount of the project for which the draw is used if the draw is made after June 30,  
19 1994. The local share may be satisfied from federal or local money, locally contributed labor,  
20 materials or equipment the value of which shall be determined by the department, or money from  
21 another nonstate source. The local share may not be satisfied with money from appropriations,  
22 allocations, entitlements, grants, or other payments from the state.

23 (f) An incorporated nonprofit entity or a Native village council shall repay to the  
24 department money drawn from a grant account if substantial, ongoing work on the project or  
25 improvement is not started within five years after the effective date of the appropriation from  
26 which the draw is funded. Money repaid shall be deposited into the general fund. Money from  
27 an allocation to a grant account that has not been drawn out by an incorporated nonprofit entity  
28 or Native village council within five years after the effective date of the appropriation from  
29 which the allocation is funded lapses into the general fund.

30 (g) The department may adopt regulations under the Administrative Procedure Act  
31 (AS 44.62) that impose additional requirements or procedures to implement, interpret, make

1 specific, or otherwise carry out the provisions of this section. The department shall adopt  
2 regulations providing for periodic audits of the use of grant money under this section. The audits  
3 must include a review of the department's determination of the value of locally contributed labor  
4 under (e) of this section and a review of the adequacy of the department's verification of the  
5 actual use of locally contributed labor on a project. Regulations adopted under this subsection  
6 shall comply with AS 37.05 (Fiscal Procedures Act), AS 37.07 (Executive Budget Act), and  
7 requirements of the federal government for participation in federal programs.

8 (h) The limitations of AS 44.47.140 do not apply to grants made under this section.

9 \* Sec. 4. Notwithstanding AS 29.60.500(c), enacted in sec. 2 of this Act, a municipality may not  
10 make a draw from its grant account within the municipal project matching grant fund until after June 30,  
11 1992. Notwithstanding AS 44.47.195(c), enacted in sec. 3 of this Act, an incorporated nonprofit entity  
12 or a Native village council may not make a draw from an unincorporated community's grant account  
13 within the unincorporated community capital project matching grant fund until after June 30, 1992.

Adopted 5-19-91  
with latitude AA-3-  
to make line  
changes  
Amend #1  
7-GS0073V.1  
Cook  
05/16/91

AMENDMENT

OFFERED IN THE SENATE

BY SENATOR ADAMS

TO: CSSB 141 (FINANCE)

Page 4, lines 5 and 6:

Delete "or"

Delete ". The"

Insert ", or money received by the municipality under AS 29.60.010 - 29.60.375. Except for money received under AS 29.60.010 - 29.60.375, the"

Page 5, lines 30 and 31:

Delete "or"

Delete ". The"

Insert ", or money received by the municipality under AS 29.60.010 - 29.60.375. Except for money received under AS 29.60.010 - 29.60.375, the"

Page 7, line 19:

Delete "or"

Delete ". The"

Insert ", or money received by the municipality under AS 29.60.010 - 29.60.375. Except for money received under AS 29.60.010 - 29.60.375, the"

Page 8, lines 13 and 14:

Delete "or"

Delete ". The"

Insert ", or money received by the municipality under AS 29.60.010 - 29.60.375. Except for money received under AS 29.60.010 - 29.60.375, the"

# STATE OF ALASKA

OFFICE OF THE GOVERNOR  
OFFICE OF MANAGEMENT AND BUDGET  
OFFICE OF THE DIRECTOR

WALTER J. HICKEL, GOVERNOR

P.O. BOX AM  
JUNEAU, ALASKA 99811-0199  
PHONE: (907)-465-3658  
FAX: (907)-465-2090

April 18, 1991

Senator Steve Frank  
Chairman, Community and Regional Affairs Committee  
Alaska State Legislature  
P.O. Box V (MS 3100)  
Juneau, Alaska 99811

Dear Senator Frank:

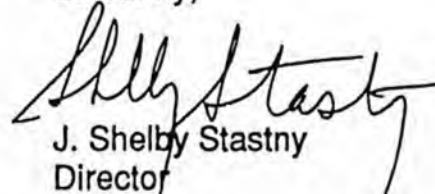
In response to your request for clarification, the purpose of this letter is to reiterate that the capital project matching grant program proposed by Governor Hickel in Senate Bill No. 141 (SB 141) is not intended to supplant any existing State grant program used for the funding of capital projects.

As explained informally as well as in our committee testimony to date, neither the intent nor the provisions of SB 141 call for the repeal or abandonment of any existing grant programs.

The intent of SB 141 is to provide a sensible program approach to supporting the kinds of community-based capital projects that traditionally have appeared on communities' annual "wish" lists; and to support them in a manner consistent with Governor Hickel's desires for local selection of such projects, community and State sharing in their costs, and effective leveraging of State capital project funds.

I trust that this makes clear Governor Hickel's intent regarding SB 141. Please let me know if you or other members of the Senate Community and Regional Affairs Committee have additional questions or would like any additional information.

Sincerely,



J. Shelby Stastny  
Director

WORK DRAFT

Finance CS

WORK DRAFT

5/16/91  
SFC

WORK DRAFT  
(Burchett)  
7-GS0073J ✓  
Cook  
5/15/91

- 1) Move from Title 37 to Title 29
- 2) Delete old section 1 (regulation)
- 3) Add purpose section
- 4) Effective date 7/1/92
- 5) Minor technical / conforming amendments per OMB

**CS FOR SENATE BILL NO. 141 (FINANCE)**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**SEVENTEENTH LEGISLATURE - FIRST SESSION**

**BY THE SENATE FINANCE COMMITTEE**

Offered:  
Referred:

Sponsor(s): **SENATE RULES/GOVERNOR**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act establishing a capital project matching grant program for municipalities and a  
 2 capital project matching grant program for unincorporated communities; relating to the  
 3 adoption of regulations involving the administration of certain grants; and providing for  
 4 an effective date."

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 \*SECTION 1. PURPOSE. (a) The legislature recognizes the continued  
 7 need for wholly state funded capital projects that are (1) of regional  
 8 or statewide significance, (2) which address basic needs, such as  
 9 education projects constructed under AS 14.11 and village safe  
 10 water projects, or (3) for which costs will exceed the amount  
 11 available to a municipality or community under the capital project  
 12 matching grant programs. The legislature also recognizes the need  
 13 for continued legislatively directed funding of other projects in  
 14 municipalities and unincorporated communities in addition to that  
 available under the capital project matching grant programs.

(b) It is the purpose of this Act to provide a capital project funding system that is equitable to  
 municipalities and communities throughout the state, particularly for small projects of a local nature, and

1 to provide a mechanism for local government to initiate and prioritize the construction of capital projects  
2 and to participate in funding those projects.

3 \* Sec. 2. AS 29.60 is amended by adding a new section to read:

4 ARTICLE 7. CAPITAL PROJECT MATCHING GRANTS.

5 Sec. 29.60.500. MUNICIPAL CAPITAL PROJECT MATCHING GRANT PROGRAM.

6 (a) The municipal capital project matching grant fund is established in the Department of  
7 Administration consisting of appropriations to the fund. Appropriations do not lapse except as  
8 provided under (f) of this section. Interest earned on money in the fund shall be deposited by  
9 the department into the general fund. Appropriations shall be allocated by the department each  
10 fiscal year to individual grant accounts within the fund for each municipality. The amount  
11 allocated to a grant account is determined by multiplying the total amount appropriated to the  
12 fund during a fiscal year by a fraction,

13 (1) the numerator of which equals

14 (A) for a municipality with a population under 1,000, the amount equal  
15 to that population multiplied by 1.5;

16 (B) for a municipality with a population of at least 1,000 but less than  
17 5,000, the amount equal to that population multiplied by 1.4;

18 (C) for a municipality with population of at least 5,000 but not greater  
19 than 10,000, the amount equal to that population multiplied by 1.2; or

20 (D) for a municipality with a population of over 10,000, the amount equal  
21 to that population; and

22 (2) the denominator of which equals the sum of the numerators calculated for all  
23 municipalities under (1)(A) - (D) of this subsection.

24 (b) The minimum amount allocated to the grant account of a municipality each fiscal  
25 year under (a) of this section equals \$25,000. The department shall reduce allocations under (a)  
26 of this section on a pro rata basis based upon the population of the municipalities if necessary  
27 to fund the minimum amount for each municipality. If appropriations are not sufficient to fully  
28 fund minimum amounts, the amount available shall be equally allocated to each municipality.

29 (c) Subject to (d) and (e) of this section, each municipality may draw amounts from its  
30 grant account within the municipal project matching grant fund for planning, design, and  
31 construction of capital projects or capital improvements, as defined in AS 37.07.120. In

1 accepting a draw, the municipality covenants with the state that it will operate and maintain the  
2 capital improvement for which the draw is used for the practical life of the capital improvement,  
3 and that the municipality will not rely on the state to operate or maintain the capital improvement  
4 or pay for its operation or maintenance. This requirement does not apply to use of money from  
5 a draw for repair or improvement of an existing facility that is operated or maintained by the  
6 state at the time that the draw is made if the repair or improvement for which the draw is used  
7 will not substantially increase the operating or maintenance costs to the state. The municipality,  
8 its agents, contractors, and subcontractors shall comply with the hiring preferences under  
9 AS 36.10 in hiring employees to be paid wholly or in part with money from a draw.

10 (d) For each draw made under (c) of this section, the municipality shall contribute a local  
11 share of the cost of the capital projects or improvements for which the draw is made. The  
12 amount of the local share equals the local share factor multiplied by the amount of the draw.  
13 For purposes of this subsection, the

14 (1) local share factor equals the local share percentage divided by the state share  
15 percentage, except that

16 (A) if the product of the population factor and the local wealth factor is  
17 greater than or equal to 1.0, the local share factor equals 3/7th; or

18 (B) if the local wealth factor is 0, the local share factor equals 5/95th;

19 (2) local share percentage equals the population factor multiplied by the local  
20 wealth factor;

21 (3) state share percentage equals one minus the local share percentage;

22 (4) population factor equals

23 (A) 0.1 if the population of the municipality is less than 1,000;

24 (B) 0.3 if the population of the municipality is at least 1,000 but less than  
25 5,000;

26 (C) 0.7 if the population of the municipality is at least 5,000 but not more  
27 than 10,000; or

28 (D) 1.0 if the population of the municipality is more than 10,000;

29 (5) local wealth factor equals the amount obtained by dividing the per capita  
30 taxable real and personal property valuation of the municipality by the statewide average per  
31 capita taxable real and personal property valuation of all municipalities in the state.

1 (e) The amount of the local share calculated under (d) of this section shall be adjusted  
 2 if necessary so that it does not exceed 30 percent of the amount of the project for which the draw  
 3 is used and is not less than five percent of the amount of the project. The local share may be  
 4 satisfied with federal or municipal funds, locally contributed labor, materials or equipment the  
 5 value of which shall be determined by the department, or money from another nonstate source.  
 6 The local share may not be satisfied with money from appropriations, allocations, entitlements,  
 7 grants, or other payments from the state.

Ad: Comm

8 (f) A municipality shall repay to the department money drawn from a grant account if  
 9 substantial, ongoing work on the project or improvement is not started within five years after the  
 10 effective date of the appropriation from which the draw is funded. Money repaid shall be  
 11 deposited into the general fund. Money from an allocation to a grant account that has not been  
 12 drawn out by the municipality within five years after the effective date of the appropriation from  
 13 which the allocation is funded lapses into the general fund.

14 (g) The department may adopt regulations under the Administrative Procedure Act  
 15 (AS 44.62) that impose additional requirements or procedures to implement, interpret, make  
 16 specific, or otherwise carry out the provisions of this section. The department shall adopt  
 17 regulations providing for periodic audits of the use of grant money under this section. The audits  
 18 must include a review of the department's determination of the value of locally contributed labor  
 19 under (e) of this section and a review of the adequacy of the department's verification of the  
 20 actual use of locally contributed labor on a project. Regulations adopted under this subsection  
 21 shall comply with this section, AS 37.07 (Executive Budget Act), and requirements of the federal  
 22 government for participation in federal programs.

23 (h) For purposes of this section, the population of a borough shall exclude the population  
 24 of each city in the borough and the per capita taxable real and personal property valuation of a  
 25 borough shall exclude the property valuation of each city in the borough. The determination of  
 26 population and per capita taxable real and personal property valuation for a municipality shall  
 27 be based upon data used by the Department of Community and Regional Affairs under  
 28 AS 14.17.140, AS 29.45.110, and AS 29.60.140 - 29.60.150.

AR: Comm

29 (i) In this section,  
 30 (1) "appropriation" has the meaning given in AS 37.07.120;  
 31 (2) "department" means the Department of Administration.

1 \* Sec. 3. AS 29.60.500(d) is amended to read:

2 (d) For each draw made under (c) of this section, the municipality shall contribute a local  
3 share of the cost of the capital projects or improvements for which the draw is made. The  
4 amount of the local share equals the local share factor multiplied by the amount of the draw.  
5 For purposes of this subsection, the

6 (1) local share factor equals the local share percentage divided by the state share  
7 percentage, except that

8 (A) if the product of the population factor and the local wealth factor is  
9 greater than or equal to 1.0, the local share factor equals 1.0 [3/7TH]; or

10 (B) if the local wealth factor is 0, the local share factor equals 1/9th  
11 [5/95TH];

12 (2) local share percentage equals the population factor multiplied by the local  
13 wealth factor;

14 (3) state share percentage equals one minus the local share percentage;

15 (4) population factor equals

16 (A) 0.1 if the population of the municipality is less than 1,000;

17 (B) 0.3 if the population of the municipality is at least 1,000 but less than  
18 5,000;

19 (C) 0.7 if the population of the municipality is at least 5,000 but not more  
20 than 10,000; or

21 (D) 1.0 if the population of the municipality is more than 10,000;

22 (5) local wealth factor equals the amount obtained by dividing the per capita  
23 taxable real and personal property valuation of the municipality by the statewide average per  
24 capita taxable real and personal property valuation of all municipalities in the state.

25 \* Sec. 4. AS 29.60.500(e) is repealed and reenacted to read:

26 (e) The amount of the local share calculated under (d) of this section shall be adjusted  
27 if necessary so that it does not exceed 50 percent of the amount of the project for which the draw  
28 is used and is not less than 10 percent of the amount of the project. The local share may be  
29 satisfied with federal or municipal funds, locally contributed labor, materials or equipment the  
30 value of which shall be determined by the department, or money from another nonstate source.  
31 The local share may not be satisfied with money from appropriations, allocations, entitlements,

1 grants, or other payments from the state.

2 \* Sec. 5. AS 44.47 is amended by adding a new section to article 3 to read:

3 Sec. 44.47.195. UNINCORPORATED COMMUNITY CAPITAL PROJECT MATCHING  
4 GRANT PROGRAM. (a) The unincorporated community capital project matching grant fund  
5 is established in the department consisting of appropriations to the fund. Appropriations do not  
6 lapse except as provided under (f) of this section. Interest earned on money in the fund shall be  
7 deposited by the department into the general fund. Appropriations shall be allocated by the  
8 department each fiscal year to individual grant accounts within the fund for each unincorporated  
9 community that is entitled to receive state aid under AS 29.60.140 during that fiscal year. The  
10 amount allocated to a grant account is determined by dividing the total amount appropriated to  
11 the fund during a fiscal year by the number of communities eligible for allocations during that  
12 fiscal year.

13 (b) By February 1, the department shall determine the amount of appropriations needed  
14 to provide an allocation of \$25,000 under (a) of this section for each unincorporated community  
15 for the next fiscal year. The department shall request the legislature for an appropriation to the  
16 unincorporated community capital project matching grant fund of at least that amount.

17 (c) Subject to (d) and (e) of this section, an incorporated nonprofit entity or a  
18 Native village council may on behalf of each unincorporated community draw amounts from that  
19 community's grant account within the unincorporated community capital project matching grant  
20 fund for planning, design, and construction of capital projects or capital improvements, as defined  
21 in AS 37.07.120. In accepting a draw, the incorporated entity or council covenants with the state  
22 that it will operate and maintain the capital improvement for which the draw is used for the  
23 practical life of the capital improvement, and that the incorporated entity or council will not rely  
24 on the state to operate or maintain the capital improvement or pay for its operation or  
25 maintenance. This requirement does not apply to use of money from a draw for repair or  
26 improvement of an existing facility that is operated or maintained by the state at the time that  
27 the draw is made if the repair or improvement for which the draw is used will not substantially  
28 increase the operating or maintenance costs to the state. The incorporated entity or council, its  
29 agents, contractors, and subcontractors shall comply with the hiring preferences under AS 36.10  
30 in hiring employees to be paid wholly or in part with money from a draw.

31 (d) The department, with advice from the Department of Law, shall determine whether

1 there is in each unincorporated community an incorporated nonprofit entity or a Native village  
 2 council that will agree to receive and spend money allocated to the community under (a) of this  
 3 section. If there is more than one qualified entity in the community, the department shall  
 4 authorize the entity that the department finds most qualified to make draws from the allocation  
 5 and spend the money. The department may not pay the money to a Native village council unless  
 6 the council waives immunity from suit for claims arising out of activities of the council related  
 7 to the draw. A waiver of immunity from suit under this subsection must be on a form provided  
 8 by the Department of Law. If there is no qualified incorporated nonprofit entity or Native village  
 9 council in an unincorporated community that is willing to receive money from an allocation  
 10 under (a) of this section, draws may not be made from the allocation for that unincorporated  
 11 community and the amount allocated lapses into the general fund. Neither this subsection nor  
 12 any action taken under it enlarges or diminishes the governmental authority or jurisdiction of a  
 13 Native village council.

AA:  
 Concern

14 (e) For each draw made under (c) of this section, the incorporated nonprofit entity or  
 15 Native village council shall contribute a local share of the cost of the capital projects or  
 16 improvements for which the draw is made. The local share equals five percent of the amount  
 17 of the project for which the draw is used. The local share may be satisfied from federal or local  
 18 money, locally contributed labor, materials or equipment the value of which shall be determined  
 19 by the department, or money from another nonstate source. The local share may not be satisfied  
 20 with money from appropriations, allocations, entitlements, grants, or other payments from the  
 21 state.

22 (f) An incorporated nonprofit entity or a Native village council shall repay to the  
 23 department money drawn from a grant account if substantial, ongoing work on the project or  
 24 improvement is not started within five years after the effective date of the appropriation from  
 25 which the draw is funded. Money repaid shall be deposited into the general fund. Money from  
 26 an allocation to a grant account that has not been drawn out by an incorporated nonprofit entity  
 27 or Native village council within five years after the effective date of the appropriation from  
 28 which the allocation is funded lapses into the general fund.

29 (g) The department may adopt regulations under the Administrative Procedure Act  
 30 (AS 44.62) that impose additional requirements or procedures to implement, interpret, make  
 31 specific, or otherwise carry out the provisions of this section. The department shall adopt

1 regulations providing for periodic audits of the use of grant money under this section. The audits  
 2 must include a review of the department's determination of the value of locally contributed labor  
 3 under (c) of this section and a review of the adequacy of the department's verification of the  
 4 actual use of locally contributed labor on a project. Regulations adopted under this subsection  
 5 shall comply with AS 37.05 (Fiscal Procedures Act), AS 37.07 (Executive Budget Act), and  
 6 requirements of the federal government for participation in federal programs.

7 (h) The limitations of AS 44.47.140 do not apply to grants made under this section.

8 \* Sec. 6. AS 44.47.195(e) is repealed and reenacted to read:

9 *For each draw made pursuant to (c) of this section, the*  
 10 (e) ~~The~~ *of the cost of the* incorporated nonprofit entity or Native village council shall contribute a local  
 11 share ~~to be used on such~~ *the* capital projects or improvements for which a draw is made. The local  
 12 share equals 10 percent of the amount of the project for which the draw is used. The local share  
 13 may be satisfied from federal or local money, locally contributed labor, materials or equipment  
 14 the value of which shall be determined by the department, or money from another nonstate  
 15 source. The local share may not be satisfied with money from appropriations, allocations,  
 16 entitlements, grants, or other payments from the state.

16 \* Sec. 7. Sections 1, 2, and 5 of this Act take effect July 1, 1992.

17 \* Sec. 8. Sections 3, 4, and 6 of this Act take effect July 1, 1994.

confirming amendment drafting

5-19-91  
Amend #2  
Failed  
7-GS0073J.2  
Cook  
05/17/91

AMENDMENT

OFFERED IN THE SENATE  
TO: CSSB 141(FINANCE)

BY SENATOR ADAMS

Page 2, line 25, after "\$25,000":

Insert "plus an area cost-of-living differential calculated under AS 29.60.290(b)"

Page 6, line 14, after "\$25,000":

Insert "plus an area cost-of-living differential calculated using the method under AS 29.60.290(b) for determining the area cost-of-living differential for municipalities"

Office of the Governor  
State of Alaska

CAPITAL PROJECTS MATCHING GRANTS PROGRAM

(CSSB 141 - Finance)

RESPONSES TO CONCERNS

General

- ***The current system for funding discretionary capital project grants works fine, and in many cases already includes local financial participation.***

While some capital projects proposed by communities do include local financial participation, State funding dollars would go much farther if all such projects included local matching funds. Also, it is not true to say that the current system for funding discretionary projects works fine. The process is frequently haphazard, with projects selected as often for political reasons as for their merit or real need, and makes it difficult for communities to conduct effective planning.

- ***The proposed program takes discretion away from legislators and gives it to the Administration (through its ability to promulgate regulations).***

The proposed program limits legislative discretion only in the narrowest sense; i.e., on relatively small and routine projects, the planning, prioritization and timing of which are most efficiently and effectively undertaken at the local level. As specified explicitly by the Legislature itself (in the opening intent section of CSSB 141-Finance), appropriations for major capital projects for communities and regions would continue to be identified and prioritized by the Legislature.

- ***What commitment is there from the Governor that this matching grant proposal will work, when other programs predicated on local participation are not being adequately funded or are being cut back (e.g., education foundation formula, municipal assistance, revenue sharing, etc.)?***

The proposed matching grant program is one of the highest priorities of this administration. While funding for all programs is subject to the availability of revenue for appropriation, funding for this program will be strongly supported by the Governor because of the program's evident effectiveness in optimizing local capital development decisions and leveraging of State development funding.

### Formula Programs

- ***The proposed program would create yet another formula program, at a time when formula-driven costs are increasing and needs for existing formula programs are not being met.***

The proposed matching grant program is different from other "formula" programs because its funding level would be completely discretionary, subject to the desires of the Legislature and the Governor. It therefore would not establish a cost center which would grow in uncontrolled fashion, like other, less tractable formula programs. To the contrary, the proposed block grant program would maximize both the efficiency of State funding as well as the efficiency of capital project planning, and in this sense actually help to reduce, rather than compound, the State's growing formula programs "problem".

- ***Other formulas will be affected by the projects built with matching grant funds.***

Projects built with matching grant funds will not affect other formula programs any more or less than projects undertaken through the current discretionary approach. If anything, the improved planning made possible through the proposed matching grant program will help to reduce the extent and magnitude of unintended and unforeseen impacts of capital projects on other formula programs.

### Fairness

- ***Basing grant amounts on population overlooks disparities among communities' needs, especially between urban and rural communities.***

Grant amounts in the proposed program are not based solely on population. Rather, community populations are adjusted through the use of a set of numerical factors in the grant allocation formula, specifically to account for: (1) the generally higher unit costs of capital projects in smaller and more rural communities; (2) the relatively smaller debt capacity of smaller communities, compared to larger communities; and, (3) the relatively limited ability of

smaller communities to enjoy the economies of scale enjoyed by larger communities in undertaking capital projects and improvements.

Very small, unincorporated communities do receive a fixed grant allocation amount under the proposed program. It is important to note, however, that the proposed program is not designed or intended to address the larger set of unmet major community and regional capital development needs in the state, either in incorporated or unincorporated areas. The need for using other mechanisms to address these larger needs is, at the Legislature's request, specifically noted in the intent section of the enabling legislation for this program (CSSB 141-Finance, Section 1).

- ***The proposed program will be unfair to those communities which already have bonded to meet their capital needs.***

To some degree this may be true. How much of a real problem it may be, however, is debatable. For the most part, the proposed program would fund relatively small community capital projects, of the type for which a community would not likely undertake bonding anyway.

- ***The proposed minimum local matching share requirement for unincorporated communities is too low, and thus is unfair to larger communities.***

The administration does not agree with this criticism of the proposed program. As a class, unincorporated communities fail to enjoy many of the advantages of larger communities, especially those deriving from the benefits of economies of scale and access to capital (both human as well as financial). Those in rural areas of the state also face notably higher unit costs for construction and development projects.

### **Fiscal Capacity**

- ***The proposed program is another case (like the Governor's veto of the municipal pooling proposal) where the fiscal capacity of local communities is being ignored by the Administration; we are pushing more responsibilities down to local governments, but not doing anything to enhance their fiscal capacities.***

Community differences regarding fiscal capacity are explicitly addressed in the proposed program, both in the program's grant allocation formula as well as in its matching grant requirement formula. It is difficult to see how such explicit consideration, within the overall context of a block grant program which not only provides capital project funding to communities but also allows them to direct those funds to areas and projects where they

themselves feel their needs are greatest, constitutes "not doing anything" to enhance community fiscal capacities.

- ***The proposed bill's provisions precluding the use of any State-provided funds as local match funds (except for municipal assistance and revenue sharing appropriations) ignores the fact that many local governments receive money from the State that should not be thusly restricted (e.g., reimbursements for cash payments for school construction, reimbursements for school construction debt, shared taxes such as the fisheries and aviation fuel taxes, national forest receipts, et al.).***

Identification of these sources of funds, which arguably may be viewed as communities' "own" money, is neither difficult nor necessarily an impediment to establishing the proposed program. As in the case of allowing land to be used as an in-kind item for meeting the local match requirement, the administration will propose an amendment to CSSB 141 - Finance to allow the use of such shared taxes and reimbursements of funds as matching funds sources.

- ***Using assessed valuation as a measure of local ability to pay often overestimates the ability of a community to provide matching funds, especially in smaller rural communities.***

To some degree this is true. That is why the proposed program allows the use of in-kind items (e.g., labor, materials, equipment, and also, as will be proposed, land, shared taxes and reimbursements) as allowable sources or types of matching funds.

- ***Grant-recipient communities will not be allowed to retain interest earnings on their grant money.***

This is true under current provisions of the proposed program; however, the administration will propose an amendment to CSSB 141 - Finance to allow communities to retain the interest.

### Eligibility

- ***Small communities and villages that do not participate in revenue sharing will not be eligible for matching grants.***

Revenue sharing is extended to all communities in the state comprising more than 25 individuals. All of these communities would receive block grant funding under the proposed program. Communities who elect not to

participate in revenue sharing (and thus, in the proposed grant program), would enjoy the same access to the Governor and the Legislature for soliciting funding or assistance which they enjoy at present.

- ***The level of funding proposed for the program determines whether a given project is eligible for the program.***

Under any block grant program, unless other specific eligibility provisions apply, a project is neither "eligible" or "ineligible" for funding; it is simply either affordable or not - - if not, supplementary funding must be found. The proposed program proposes no such eligibility criteria for projects; rather it allows funding to be used for any type of capital project, as currently defined in law.

### **Matching Requirements**

- ***Small rural communities, in particular, will have difficulties in meeting their match requirements, even with the use of in-kind contributions.***

This should not be the case, at least not often. The proposed program is intended for relatively small capital projects (not for larger area-wide or regional projects), so meeting the matching requirements should not be overly difficult, even for small rural communities. This is especially true if the program's in-kind match provisions are taken into consideration, and all the more true if land or other forms of shared state revenues (shared taxes, school debt reimbursement, etc.) were to be allowed as an in-kind match.

- ***The proposed bill does not allow the use of land to satisfy local matching requirements; even if it did, however, many small communities and villages do not have land which they can use to meet their match requirements.***

This is true at present (4/27/92); however, the administration will propose an amendment to allow land to be used as an in-kind matching contribution.

- ***It's not realistic to assume that small communities and villages will be able to count on contributed labor as a means of meeting their match requirements.***

The program does not assume that small communities and villages will be able to depend on a steady supply of manpower. It does assume, however, that, no matter how small, communities will be able to provide a mix of cash, contributed materials, equipment and supplies, and contributed manpower, sufficient to meet their matching funds requirements. Considering that (1) smaller projects are the focus of the proposed program, (2) matching funds,

like the State grant funds themselves, can be accumulated over time, (3) a variety of forms of in-kind contributions can be used, and (4) the match requirements for the smallest communities is initially only 5 percent, the proposed program's match requirements should not be viewed as especially burdensome.

- ***The State (DOA, DCRA) will encounter major difficulties in attempting to place a value on manpower, materials, etc., which may be contributed by communities to meet their match requirements.***

The departments of Administration and Community and Regional Affairs anticipate no major difficulties in assigning such values, as valuations of in-kind contributions for grant projects are routinely conducted by state government. There should be no difficulty in adopting or adapting statewide or regional prevailing wage standards through (e.g.) the Department of Labor, or materials cost standards through (e.g.) the Department of Transportation and Public Facilities for such purposes, or other such benchmarks.

#### **Borough/Municipal Powers**

- ***The differing powers and limitations of boroughs and municipalities will make it difficult to decide whether one or the other, or both, should be the proper grant recipient.***

There is some truth to this, as boroughs and municipalities of different classes do possess different powers and limitations. It should be remembered, however, that one of the most important aspects of the proposed program is to permit local selection of capital projects - - primarily, on the basis that communities know best their own needs and development requirements, and are in the best position to choose the timing of their projects as well as the best manner of utilizing their financial and human resources to develop those projects. Part of this increased freedom of choice is, of course, the responsibility of having to make those choices.

If communities want this freedom of choice (they say they do), then they will need to work out for themselves the best approaches to cooperatively developing their projects. Certainly, nothing in the proposed program limits communities or boroughs in their freedom to make these choices, or in their flexibility regarding methods of working together for such purposes. (The Alaska Constitution is actually quite permissive in this regard - - see Article X, Section Thirteen: Agreements, Transfer Of Powers.) Additionally, the State will be available to assist communities and boroughs in formulating such cooperative agreements and approaches, if requested.

- ***Some boroughs and municipalities may be restricted in the manner of projects or procurements which they are able to undertake.***

It is not clear whether any such restrictions may exist or not. In the event that they may, however, the administration will propose an amendment to CSSB 141 - Finance stipulating that (as proposed by the Alaska Municipal League) monies received by a borough under this program may be spent on any capital project or capital improvement related to functions that a borough is legally empowered to exercise.

- ***The proposed program may put too much power into the hands of the State's municipalities.***

This is unlikely, as the proposed program deals primarily with relatively smaller capital projects. Given that major capital projects would be funded through other mechanisms, and that boroughs and municipalities would be encouraged under the program to work together in the selection, planning and implementation of projects, it seems more likely that the proposed program would tend to engender or reinforce an equitable sharing of local roles and responsibilities.

### Funding

- ***The possibility exists that, in any given year, inadequate funding levels for the program may result in no projects at all getting built; i.e., communities may have to "bank" their grant awards until sufficiently large amounts of funding can be accumulated.***

The possibility of inadequate funding levels for capital projects, such as it is, is neither increased nor diminished by the proposed program.

- ***The amount of funding proposed for unincorporated communities is too little to be useful (i.e., minimum grant of \$25 thousand a piece).***

The administration will propose an amendment to CSSB 141 - Finance changing the proposed minimum grant amount from \$25 thousand to \$50 thousand.

### Costs

- ***The administrative costs of the proposed program will be excessive.***

There is nothing in the background discussions surrounding this program, or in the preparation of the program's fiscal notes, to indicate that administrative

costs will be "excessive". Current estimates by the departments of Administration and Community and Regional Affairs indicate an annual administrative cost level of less than \$300 thousand. (See fiscal notes to CSSB 141-Finance.)

- ***Funding grant projects in all municipalities and unincorporated communities will create a large deferred maintenance problem, statewide, because communities will not have enough money to provide maintenance.***

It is not expected that the proposed program will either diminish or exacerbate existing problems of deferred facilities maintenance. Since communities will be contributing their own money to projects under this program, however, and since the program will enhance communities' abilities to adequately plan for projects, it is expected that the maintenance costs of new facilities will tend to receive their proper attention before construction is undertaken.

**Governor Hickel's Proposed  
Capital Project Matching Grants Program  
(Senate Bill 141)**

**HIGHLIGHTS**

**PURPOSE:**

- Establishes a statewide community-based block grant program for local capital projects, whereby communities provide matching funds.
- Allows local selection of capital projects, based on local understanding of needs and preferences regarding the commitment and utilization of resources.
- Encourages the selection of high-quality capital projects by establishing a local stake in their success.
- Leverages the effectiveness of State funds by making limited capital budget dollars go farther.

**KEY ELEMENTS:**

- Grant funds are allocated annually to communities according to population, with weighting for cost of living differences and for differentials in economies of scale (based on community size).
- Community local financial share requirements are based on population and per capita local wealth (assessed valuation), with weighting for differentials in fiscal capacity and access to financial resources (based on community size).
- The maximum local financial share required is 30 percent of total project cost, rising to 50 percent after two years.
- The minimum local financial share required is 5 percent of total project cost, rising to 10 percent after two years.
- The minimum grant allocation for a community is \$25,000.
- Communities may carry their annual grant amounts forward for five years, to accumulate funds for larger projects.
- The program applies to all municipalities in Alaska and to all unincorporated communities participating in the State's revenue sharing program.

CS SB 141 (Fin)  
Capital Project Matching Grant Program

3/19/92

TABLE 1 - MUNICIPALITIES

PROGRAM FUNDING LEVEL: \$62,092,173

MINIMUM GRANT: \$50,000

Municipal Appropriation (\$000): 58,192.173  
Minimum State Share (\$000): 50,000  
Maximum Local Share (%): 30%  
Minimum Local Share (%): 5%

Population Under 1,000 1,000- 5,000- Over  
Factors: 1,000 4,999 10,000 10,000  
For Grant Allocation: 1.5 1.4 1.2 1.0  
For Local Share %: 0.1 0.3 0.7 1.0

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
Municipality	Population	Allocation Population Factor	Local Share % Population Factor	DCRA Assessed Full Value (\$)	Per Capita Value (\$)	Local Wealth Factor	Locality Generated Revenue (\$)	LOCAL SHARE %	LOCAL SHARE \$000	STATE SHARE %	STATE SHARE \$000	Leverage Ratio
Akiak	285	1.5	.1	10,289,398	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Alekanuk	544	1.5	.1	10,641,069	36,105	0.507		5.1%	4,079	94.9%	76,434	1.05
Aleknagik	185	1.5	.1	6,679,408	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
<b>Alutians East Borough:</b>	-30	1.5	.1	5,387,400	-179,580	-2.520	2,923,085	5.0%	2,632	95.0%	50,000	1.05
Alutan	589	1.5	.1	8,416,200	14,289	0.201	374,225	5.0%	4,356	95.0%	82,757	1.05
Cold bay	148	1.5	.1	4,209,500	28,443	0.399	29,094	5.0%	2,632	95.0%	50,000	1.05
False Pass	68	1.5	.1	1,689,800	24,850	0.349	4,275	5.0%	2,632	95.0%	50,000	1.05
King Cove	811	1.5	.1	26,556,600	32,745	0.460	1,015,452	5.0%	5,997	95.0%	113,949	1.05
Sand Point	878	1.5	.1	37,939,600	43,211	0.606	1,454,111	6.1%	7,963	93.9%	123,362	1.06
Alakakot	170	1.5	.1	6,137,834	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Anchorage, Municipality of	237,907	1.0	1.0	10,266,917,469	43,155	0.606		30.0%	9,440,504	70.0%	22,027,842	1.43
Angoon	690	1.5	.1	24,912,385	36,105	0.507		5.1%	5,174	94.9%	96,948	1.05
Aniak	540	1.5	.1	19,496,649	36,105	0.507		5.1%	2,668	94.9%	75,872	1.05
Anvik	82	1.5	.1	2,960,602	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Atka	87	1.5	.1	3,141,127	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Bethel	4,674	1.4	.3	180,576,300	38,634	0.542		16.3%	116,858	83.7%	611,925	1.19
Bettles	36	1.5	.1	1,299,777	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Brevig Mission	198	1.5	.1	7,148,771	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
<b>Bristol Bay Borough:</b>	1,410	1.4	.3	160,700,800	113,972	1.599		30.0%	79,114	70.0%	184,599	1.43
Chelomak	320	1.5	.1	11,553,570	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Chevak	598	1.5	.1	21,590,733	36,105	0.507		5.1%	4,484	94.9%	84,021	1.05
Chuathbaluk	97	1.5	.1	3,502,176	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Clark's point	60	1.5	.1	2,166,294	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Collman cove	186	1.5	.1	6,715,512	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Cordova	2,504	1.4	.3	148,800,860	59,425	0.834		25.0%	109,375	75.0%	327,826	1.33
Craig	1,637	1.4	.3	50,794,100	31,029	0.435		13.1%	32,202	86.9%	214,318	1.15
Delta Junction	736	1.5	.1	31,081,000	42,230	0.593		5.9%	6,514	94.1%	103,411	1.06
<b>Donali Borough:</b>	1,155	1.4	.3	59,601,400	51,672	0.725	36,885	21.8%	42,039	78.2%	151,214	1.28
Anderson	628	1.5	.1	9,852,400	15,689	0.220	120,840	5.0%	4,644	95.0%	88,236	1.05
Dillingham	2,017	1.4	.3	123,842,000	61,399	0.862		25.8%	92,050	74.2%	264,068	1.35
Diomede	178	1.5	.1	6,426,673	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Eagle	168	1.5	.1	7,972,800	47,457	0.666		6.7%	3,567	93.3%	50,000	1.07
Eek	284	1.5	.1	10,253,793	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05

CS SB 141 (Fin)  
Capital Project Matching Grant Program

3/18/92

**TABLE 1 - MUNICIPALITIES**

PROGRAM FUNDING LEVEL: \$62,092,173

MINIMUM GRANT: \$50,000

Municipal Appropriation (\$000): 58,192.173  
Minimum State Share (\$000): 50,000  
Maximum Local Share (%): 30%  
Minimum Local Share (%): 5%

Population Factors:	Under 1,000	1,000-4,999	5,000-10,000	Over 10,000
For Grant Allocation:	1.5	1.4	1.2	1.0
For Local Share %:	0.1	0.3	0.7	1.0

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
Municipality	Allocation Population	Population Factor	Local Share % Population Factor	DCRA Assessed Full Value (\$)	Per Capita Value (\$)	Local Wealth Factor	Locality Generated Revenue (\$)	LOCAL SHARE %	STATE SHARE %	LOCAL SHARE \$000	STATE SHARE \$000	Leverage Ratio
Ekwook	77	1.5	.1	2,780,078	36,105	0.507		5.1%	2.668	94.9%	50,000	1.05
Elm	284	1.5	.1	9,531,685	36,105	0.507		5.1%	2.668	94.9%	50,000	1.05
Emmonak	842	1.5	.1	23,179,349	36,105	0.507		5.1%	4.814	94.9%	90,203	1.05
Fairbanks North Star Borough:	45,421	1.0	1.0	1,975,019,110	43,483	0.610	39,212,148	30.0%	1,802.373	70.0%	4,205.537	1.43
Fairbanks	30,843	1.0	1.0	1,029,283,200	33,372	0.468	8,213,332	30.0%	1,223.896	70.0%	2,855.758	1.43
North Pole	1,456	1.4	.3	170,861,800	117,350	1.647	1,444,538	30.0%	81.695	70.0%	190.621	1.43
Fort Yukon	718	1.5	.1	25,923,322	36,105	0.507		5.1%	5.384	94.9%	100.882	1.05
Galena	833	1.5	.1	19,965,100	23,968	0.336		5.0%	6.160	95.0%	117.040	1.05
Gambell	525	1.5	.1	18,965,075	36,105	0.507		5.1%	3.937	94.9%	73.764	1.05
Golovin	142	1.5	.1	5,126,897	36,105	0.507		5.1%	2.668	94.9%	50,000	1.05
Goodnews Bay	241	1.5	.1	8,701,282	36,105	0.507		5.1%	2.668	94.9%	50,000	1.05
Grayling	208	1.5	.1	7,509,820	36,105	0.507		5.1%	2.668	94.9%	50,000	1.05
Haines Borough:	947	1.5	.1	61,219,700	64,646	0.907	774,984	9.1%	13.275	90.9%	133.057	1.10
Haines	1,265	1.4	.3	58,207,400	46,014	0.646	1,471,595	19.4%	39.789	80.6%	165.615	1.24
Holy Cross	277	1.5	.1	10,001,059	36,105	0.507		5.1%	2.668	94.9%	50,000	1.05
Hoonah	795	1.5	.1	22,813,100	28,686	0.403		5.0%	5.879	95.0%	111.701	1.05
Hooper Bay	845	1.5	.1	5,618,100	6,649	0.093		5.0%	6.249	95.0%	118.726	1.05
Hughes	66	1.5	.1	2,382,924	36,105	0.507		5.1%	2.668	94.9%	50,000	1.05
Huslia	224	1.5	.1	8,087,499	36,105	0.507		5.1%	2.668	94.9%	50,000	1.05
Hydaburg	384	1.5	.1	5,736,300	14,938	0.210		5.0%	2.840	95.0%	53.953	1.05
Juneau, City and Borough of	28,965	1.0	1.0	1,479,741,100	51,087	0.717		30.0%	1,149.374	70.0%	2,681.873	1.43
Kake	700	1.5	.1	16,951,200	24,216	0.340		5.0%	5.176	95.0%	98.353	1.05
Kaitag	240	1.5	.1	8,665,177	36,105	0.507		5.1%	2.668	94.9%	50,000	1.05
Kasaan	54	1.5	.1	1,949,665	36,105	0.507		5.1%	2.668	94.9%	50,000	1.05
Kenai Peninsula Borough:	23,676	1.0	1.0	2,579,297,890	108,941	1.529	55,852,460	30.0%	939.499	70.0%	2,192.164	1.43
Homer	3,937	1.4	.3	238,375,000	60,547	0.850	5,944,659	25.5%	176.327	74.5%	515.436	1.34
Kachemak	365	1.5	.1	19,117,400	52,376	0.735	0	7.3%	4.068	92.7%	51.284	1.08
Kenai	6,327	1.2	.7	291,192,200	46,024	0.646	4,339,958	30.0%	303.033	70.0%	707.078	1.43
Seldovia	316	1.5	.1	19,007,900	60,152	0.844	342,428	8.4%	4.610	91.6%	50,000	1.09
Seward	2,699	1.4	.3	169,597,100	62,837	0.882	6,381,609	26.5%	127.096	73.5%	353.356	1.36
Soldotna	3,482	1.4	.3	208,294,200	59,820	0.839	4,283,571	25.2%	153.446	74.8%	455.867	1.34
Ketchikan Gateway Borough:	5,196	1.2	.7	415,626,500	79,990	1.122	9,816,669	30.0%	248.864	70.0%	580.682	1.43
Ketchikan	8,263	1.2	.7	486,242,200	58,846	0.826	11,632,985	30.0%	395.759	70.0%	923.437	1.43

CS SB 141 (Fin)  
Capital Project Matching Grant Program

3/19/92

**TABLE 1 - MUNICIPALITIES**

PROGRAM FUNDING LEVEL: \$62,092,173

MINIMUM GRANT: \$50,000

Municipal Appropriation (\$000): 58,192,173  
 Minimum State Share (\$000): 50,000  
 Maximum Local Share (%): 30%  
 Minimum Local Share (%): 5%

Population Factors:	Under 1,000	1,000-4,999	5,000-10,000	Over 10,000
For Grant Allocation:	1.5	1.4	1.2	1.0
For Local Share %:	0.1	0.3	0.7	1.0

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
Municipality	Population	Allocation Population Factor	Local Share % Population Factor	DCRA Assessed Full Value (\$)	Per Capita Value (\$)	Local Wealth Factor	Locally Generated Revenue (\$)	LOCAL SHARE %	LOCAL SHARE \$000	STATE SHARE %	STATE SHARE \$000	Leverage Ratio
Saxman	360	1.5	.1	13,946,300	37,795	0.530	475,060	5.3%	2,904	94.7%	51,846	1.06
Klawock	768	1.5	.1	11,993,800	15,823	0.222		5.0%	5,605	95.0%	106,502	1.05
<b>Kodiak Island Borough:</b>	<b>7,367</b>	<b>1.2</b>	<b>.7</b>	<b>251,560,700</b>	<b>34,147</b>	<b>0.478</b>	<b>11,181,091</b>	<b>30.0%</b>	<b>352,844</b>	<b>70.0%</b>	<b>823,303</b>	<b>1.43</b>
Akiok	77	1.5	.1	662,700	8,606	0.121	4,691	5.0%	2,632	95.0%	50,000	1.05
Kodiak	7,229	1.2	.7	465,395,500	64,379	0.903	9,156,664	30.0%	346,235	70.0%	807,881	1.43
Larsen Bay	147	1.5	.1	4,466,500	30,384	0.426	24,706	5.0%	2,632	95.0%	50,000	1.05
Old Harbor	284	1.5	.1	4,624,800	16,285	0.226	28,805	5.0%	2,632	95.0%	50,000	1.05
Ouzinkie	209	1.5	.1	2,609,200	12,484	0.175	28,412	5.0%	2,632	95.0%	50,000	1.05
Port Lions	222	1.5	.1	8,149,100	36,708	0.515	58,582	5.2%	2,715	94.8%	50,000	1.05
Kotlik	499	1.5	.1	18,016,348	36,105	0.507		5.1%	3,742	94.9%	70,111	1.05
Koyuk	253	1.5	.1	9,134,541	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Koyukuk	126	1.5	.1	4,549,218	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Kupreanof	23	1.5	.1	830,413	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Kwethluk	558	1.5	.1	20,146,537	36,105	0.507		5.1%	4,184	94.9%	78,401	1.05
<b>Lake and Peninsula Borough:</b>	<b>1,023</b>	<b>1.4</b>	<b>.3</b>	<b>44,049,500</b>	<b>43,059</b>	<b>0.604</b>	<b>170,608</b>	<b>18.1%</b>	<b>29,654</b>	<b>81.9%</b>	<b>133,932</b>	<b>1.22</b>
Chignik	188	1.5	.1	12,649,800	67,286	0.944	45,062	9.4%	5,213	90.6%	50,000	1.10
Newhalen	160	1.5	.1	3,343,300	20,896	0.293	14,648	5.0%	2,632	95.0%	50,000	1.05
Nonalton	178	1.5	.1	3,538,900	19,881	0.279	28,470	5.0%	2,632	95.0%	50,000	1.05
Port Heiden	119	1.5	.1	2,770,500	23,282	0.327	2,250	5.0%	2,632	95.0%	50,000	1.05
Lower Kalskag	300	1.5	.1	10,831,472	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Manokotak	404	1.5	.1	14,586,382	36,105	0.507		5.1%	3,029	94.9%	56,764	1.05
Marshall	273	1.5	.1	9,856,639	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
<b>Matanuska-Susitna Borough:</b>	<b>33,946</b>	<b>1.0</b>	<b>1.0</b>	<b>1,454,712,620</b>	<b>42,854</b>	<b>0.601</b>	<b>22,124,058</b>	<b>30.0%</b>	<b>1,347,028</b>	<b>70.0%</b>	<b>3,143,065</b>	<b>1.43</b>
Houston	815	1.5	.1	32,912,700	40,384	0.567	36,748	5.7%	6,879	94.3%	114,511	1.06
Palmer	3,008	1.4	.3	108,007,400	35,907	0.504	3,019,489	15.1%	70,130	84.9%	393,811	1.18
Wasilla	4,028	1.4	.3	229,966,200	57,092	0.801	1,043,694	24.0%	166,850	76.0%	527,350	1.32
McGrath	528	1.5	.1	19,063,390	36,105	0.507		5.1%	3,959	94.9%	74,186	1.05
Mekoryuk	177	1.5	.1	6,390,568	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Mellakata	1,469	1.4	.3	0	0	0.000		5.0%	10,122	95.0%	192,323	1.05
Mountain Village	674	1.5	.1	24,334,706	36,105	0.507		5.1%	5,054	94.9%	94,700	1.05
Napaklak	323	1.5	.1	11,661,884	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Napaskiak	328	1.5	.1	11,842,409	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Nenana	504	1.5	.1	15,150,700	30,061	0.422		5.0%	3,727	95.0%	70,814	1.05

CS SB 141 (Fin)  
Capital Project Matching Grant Program

3/19/92

**TABLE 1 - MUNICIPALITIES**

PROGRAM FUNDING LEVEL: \$42,092,173

MINIMUM GRANT: \$1,000

Municipal Appropriation (\$000): 58,182.173  
Minimum State Share (\$000): 50,000  
Maximum Local Share (%): 30%  
Minimum Local Share (%): 5%

Population Factors:	Under 1,000	1,000-4,999	5,000-10,000	Over 10,000
For Grant Allocation:	1.5	1.4	1.2	1.0
For Local Share %:	0.1	0.3	0.7	1.0

(A) Municipality	(B) Population	(C) Allocation Population Factor	(D) Local Share % Population Factor	(E) DCRA Assessed Full Value (\$)	(F) Per Cap's Value (\$)	(G) Local Wealth Factor	(H) Locality Generated Revenue (\$)	(I) LOCAL SHARE %	(J) \$000	(K) STATE SHARE %	(L) \$000	(M) Leverage Ratio
New Stuyahok	301	1.5	.1	14,117,018	36,105	0.507		5.1%	2,932	94.9%	54,937	1.05
Niginmute	153	1.5	.1	5,524,065	32,642	0.458		5.0%	2,632	95.0%	50,000	1.05
Nikolai	100	1.5	.1	3,935,435	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Nome	4,550	1.4	.3	130,773,500	28,685	0.403		12.1%	81,976	87.9%	596,868	1.14
<b>North Slope Borough:</b>	<b>2,635</b>	<b>1.4</b>	<b>.3</b>	<b>12,309,873,060</b>	<b>4,705,834</b>	<b>66.036</b>	<b>172,065,500</b>	<b>30.0%</b>	<b>147,847</b>	<b>70.0%</b>	<b>344,977</b>	<b>1.43</b>
Anaktuvuk Pass	259	1.5	.1	2,381,200	9,194	0.129	5,350	5.0%	2,632	95.0%	50,000	1.05
Atkasuk	216	1.5	.1	1,534,200	7,103	0.100	4,136	5.0%	2,632	95.0%	50,000	1.05
Barrow	3,460	1.4	.3	68,662,200	19,793	0.278	585,653	8.3%	41,284	91.7%	454,165	1.09
Kaktovik	224	1.5	.1	2,706,300	12,082	0.170	657,249	5.0%	2,632	95.0%	50,000	1.05
Nulqut	354	1.5	.1	11,217,100	31,687	0.445	76,615	5.0%	2,618	95.0%	49,738	1.05
Point Hope	639	1.5	.1	3,504,500	5,484	0.077	132,571	5.0%	4,725	95.0%	89,782	1.05
Wainwright	462	1.5	.1	3,740,100	7,602	0.107	106,877	5.0%	3,638	95.0%	69,128	1.05
<b>Northwest Arctic Borough:</b>	<b>80</b>	<b>1.5</b>	<b>.1</b>	<b>236,150,000</b>	<b>2,623,889</b>	<b>36.821</b>	<b>1,292,269</b>	<b>30.0%</b>	<b>21,429</b>	<b>70.0%</b>	<b>50,000</b>	<b>1.43</b>
Ambler	311	1.5	.1	3,468,100	11,155	0.157	69,456	5.0%	2,632	95.0%	50,000	1.05
Buckland	318	1.5	.1	3,145,300	9,891	0.139	100,467	5.0%	2,632	95.0%	50,000	1.05
Deering	157	1.5	.1	1,867,700	11,886	0.167	129,400	5.0%	2,632	95.0%	50,000	1.05
Kiana	385	1.5	.1	5,055,900	13,132	0.184	74,518	5.0%	2,847	85.0%	54,084	1.05
Kivalina	317	1.5	.1	3,388,600	10,660	0.150	421,744	5.0%	2,632	95.0%	50,000	1.05
Kobuk	110	1.5	.1	1,102,900	10,026	0.141	64,680	5.0%	2,632	95.0%	50,000	1.05
Kolzebua	3,075	1.4	.3	79,650,100	25,902	0.363	1,983,130	10.9%	49,273	89.1%	402,582	1.12
Noorvik	531	1.5	.1	6,457,500	12,161	0.171	147,264	5.0%	3,927	95.0%	74,608	1.05
Selawik	596	1.5	.1	7,930,700	13,307	0.187	108,580	5.0%	4,407	95.0%	83,740	1.05
Shungnak	223	1.5	.1	2,963,300	13,288	0.186	98,974	5.0%	2,632	95.0%	50,000	1.05
Nulato	359	1.5	.1	12,961,661	36,105	0.507		5.1%	2,692	94.9%	50,441	1.05
Nunapitchuk	378	1.5	.1	13,647,654	36,105	0.507		5.1%	2,834	94.9%	53,110	1.05
Pelican	265	1.5	.1	13,651,000	51,513	0.723		7.2%	3,896	92.8%	50,000	1.08
Petersburg	3,680	1.4	.3	180,170,200	48,959	0.687		20.6%	125,083	79.4%	481,789	1.26
Pilot Station	470	1.5	.1	16,969,306	36,105	0.507		5.1%	3,524	94.9%	66,037	1.05
Platinum	64	1.5	.1	2,310,714	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Port Alexander	119	1.5	.1	4,296,484	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Quinhagak	501	1.5	.1	18,088,558	36,105	0.507		5.1%	3,757	94.9%	70,392	1.05
Ruby	170	1.5	.1	6,137,834	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Russian Mission	246	1.5	.1	8,881,807	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05

CS SB 141 (Fin)  
Capital Project Matching Grant Program

3/19/92

**TABLE 1 - MUNICIPALITIES**

PROGRAM FUNDING LEVEL: \$42,092,173

MINIMUM GRANT: \$50,000

Municipal Appropriation (\$000): 58,192.173  
 Minimum State Share (\$000): 50,000  
 Maximum Local Share (%): 30%  
 Minimum Local Share (%): 5%

Population Factors:	Under 1,000	1,000-4,999	5,000-10,000	Over 10,000
For Grant Allocation:	1.5	1.4	1.2	1.0
For Local Share %:	0.1	0.3	0.7	1.0

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
Municipality	Population	Allocation Population Factor	Local Share % Population Factor	DCRA Assessed Full Value (\$)	Per Capita Value (\$)	Local Wealth Factor	Locally Generated Revenue (\$)	LOCAL SHARE %	LOCAL SHARE \$000	STATE SHARE %	STATE SHARE \$000	Leverage Ratio
Savoonga	645	1.6	.1	19,677,174	36,105	0.507		5.1%	4,087	94.9%	76,575	1.05
Scammon Bay	343	1.5	.1	12,383,983	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Shageluk	139	1.5	.1	5,018,582	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Shaktolik	204	1.5	.1	7,365,401	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Sheldon Point	109	1.5	.1	3,935,435	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Shishmaref	456	1.5	.1	16,463,837	36,105	0.507		5.1%	3,419	94.9%	64,070	1.05
Sitka, City and Borough of	8,598	1.2	.7	492,698,800	57,371	0.805		30.0%	411,324	70.0%	939,757	1.43
Skagway	692	1.5	.1	63,040,300	91,099	1.278		12.8%	14,251	87.2%	97,229	1.15
St. George	178	1.5	.1	6,426,673	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
St. Mary's	441	1.5	.1	4,459,300	10,112	0.142		5.0%	3,261	95.0%	61,962	1.05
St. Michael	295	1.5	.1	10,650,947	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
St. Paul	763	1.5	.1	27,548,043	36,105	0.507		5.1%	5,721	94.9%	107,204	1.05
Stebbins	442	1.5	.1	15,958,368	36,105	0.507		5.1%	3,314	94.9%	62,103	1.05
Tanana	407	1.5	.1	11,245,600	27,630	0.388		5.0%	3,010	95.0%	57,185	1.05
Teller	151	1.5	.1	5,451,841	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Tenakee Springs	94	1.5	.1	3,393,861	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Thorne Bay	581	1.5	.1	20,976,950	36,105	0.507		5.1%	4,357	94.9%	81,633	1.05
Togiak	738	1.5	.1	26,645,420	36,105	0.507		5.1%	5,534	94.9%	103,682	1.05
Toksook Bay	420	1.5	.1	15,164,060	36,105	0.507		5.1%	3,149	94.9%	59,012	1.05
Tukusok	358	1.5	.1	12,925,556	36,105	0.507		5.1%	2,685	94.9%	50,300	1.05
Tununak	315	1.5	.1	10,282,230	32,642	0.458		5.0%	2,632	95.0%	50,000	1.05
Unalakleet	714	1.5	.1	25,778,903	36,105	0.507		5.1%	5,354	94.9%	100,320	1.05
Unalaska	3,450	1.4	.3	256,060,843	74,221	1.042		30.0%	193,576	70.0%	451,678	1.43
Upper Kalskag	172	1.5	.1	6,210,044	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Valdez	4,360	1.4	.3	1,213,710,678	278,374	3.906		30.0%	244,635	70.0%	570,816	1.43
Wales	161	1.5	.1	5,812,890	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
White Mountain	180	1.5	.1	6,498,883	36,105	0.507		5.1%	2,668	94.9%	50,000	1.05
Whitler	279	1.5	.1	19,803,750	70,981	0.996		10.0%	5,531	90.0%	50,000	1.11
Wrangell	2,479	1.4	.3	134,546,700	54,275	0.762		22.8%	96,118	77.2%	324,553	1.30
Yakutat	534	1.5	.1	21,548,100	40,352	0.566		5.7%	4,504	94.3%	75,029	1.06
<b>TOTAL:</b>	<b>162</b>	<b>551,252.</b>		<b>\$39,282,997,717</b>			<b>\$381,136,403</b>	<b>26%</b>	<b>20,741,591</b>	<b>74%</b>	<b>59,192,173</b>	<b>1.36</b>

STATEWIDE AVERAGE:

\$71,261 1.000

CS SB 141 (Fin)  
Capital Project Matching Grant Program

3/19/92

**TABLE 1 - MUNICIPALITIES**

PROGRAM FUNDING LEVEL: \$62,092,173

MINIMUM GRANT: \$50,000

Municipal Appropriation (\$000):	58,192.173					
Minimum State Share (\$000):	50,000					
Maximum Local Share (%):	30%					
Minimum Local Share (%):	5%					
		<i>Population</i>	<i>Under</i>	<i>1,000-</i>	<i>5,000-</i>	<i>Over</i>
		<i>Factors:</i>	<i>1,000</i>	<i>4,999</i>	<i>10,000</i>	<i>10,000</i>
		<i>For Grant Allocation:</i>	1.5	1.4	1.2	1.0
		<i>For Local Share %:</i>	0.1	0.3	0.7	1.0

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
Municipality	Population	Allocation Population Factor	Local Share % Population Factor	DCRA Assessed Full Value (\$)	Per Capita Value (\$)	Local Wealth Factor	Locally Generated Revenue (\$)	LOCAL SHARE %	\$000	STATE SHARE %	\$000	Leverage Ratio

**NOTES:**

Col. A - Excludes unincorporated communities outside boroughs, and five incorporated communities of uncertain dissolution status (Aklachak, Akmautluak, Kasigluk, Newtok, and Platinum).

Col. B - Population figures shown are those used by DCRA for the FY 91 State revenue sharing program.

Col. E - Taxable property full and true value, including oil and gas property, as established by DCRA (State Assessor).

Communities showing a per capita value of \$32,642 are communities with population less than 750 people whose full value (Col. E) has not been assessed. DCRA establishes full values for these communities by calculating a weighted average per capita full valuation for all communities of less than 750 population for which assessments have been made, and multiplying that per capita full value by the populations of the former set of unassessed communities to produce full values for them. Generally, but not exclusively, these unassessed communities lie within the Unorganized Borough, while the set of assessed communities of population less than 750 lies within organized boroughs.

Col. G - Equals per capita value (Col. F) divided by statewide average per capita value.

Col. H - Locally generated revenues used by DCRA for FY 93 revenue sharing program.

Col. I - Equals product of local share population factor (Col. D) and local wealth factor (Col. G). The minimum and maximum local shares (percentages) of project cost are shown with the assumptions above the table.

Col. K - Equals 1 minus the local share (Col. I).

Col. L - Equals pro rata share of Municipal Appropriation (shown above table), based on local population, after application of Minimum State Share requirement (also above table).

Col. M - Equals sum of local share (Col. I) and State share (Col. K), divided by State share (Col. K).

Source: Office of the Governor, OMB/JF

File: CSSB 141 (Fin)

CSSB 141 (Fin)  
Capital Project Matching Grant Program

**TABLE 2 - UNINCORPORATED COMMUNITIES**

TOTAL APPROPRIATION: \$43,377,163

MINIMUM GRANT: \$50,000

Allocation (State Share): \$50,000

	State Share	Local Share	Local Match %
Arctic Village.....	\$50,000	\$2,632	5.0%
Beaver.....	50,000	2,632	5.0%
Birch Creek.....	50,000	2,632	5.0%
Central.....	50,000	2,632	5.0%
Chaikytik.....	50,000	2,632	5.0%
Chenega.....	50,000	2,632	5.0%
Chicken.....	50,000	2,632	5.0%
Chistochina.....	50,000	2,632	5.0%
Chitina.....	50,000	2,632	5.0%
Chuloonawik.....	50,000	2,632	5.0%
Circle.....	50,000	2,632	5.0%
Copper Center.....	50,000	2,632	5.0%
Council.....	50,000	2,632	5.0%
Crooked Creek.....	50,000	2,632	5.0%
Deftana.....	50,000	2,632	5.0%
Dot Lake.....	50,000	2,632	5.0%
Dot Lake Services.....	50,000	2,632	5.0%
Dry Creek.....	50,000	2,632	5.0%
Eagle Village.....	50,000	2,632	5.0%
Edna Bay.....	50,000	2,632	5.0%
Ekuk.....	50,000	2,632	5.0%
Elfin Cove.....	50,000	2,632	5.0%
Evansville.....	50,000	2,632	5.0%
Four Mile Road Community.....	50,000	2,632	5.0%
Gakona.....	50,000	2,632	5.0%
Glenallen.....	50,000	2,632	5.0%
Gulkana.....	50,000	2,632	5.0%
Gustavus.....	50,000	2,632	5.0%
Hamilton.....	50,000	2,632	5.0%
Healy Lake.....	50,000	2,632	5.0%
Hollis.....	50,000	2,632	5.0%
Hyder.....	50,000	2,632	5.0%
Kenny Lake.....	50,000	2,632	5.0%
King Island.....	50,000	2,632	5.0%
Kipruk.....	50,000	2,632	5.0%
Kukwan.....	50,000	2,632	5.0%
Kotiganak.....	50,000	2,632	5.0%
Kongiganak.....	50,000	2,632	5.0%
Kwigillingok.....	50,000	2,632	5.0%
Lime Village.....	50,000	2,632	5.0%
Lvengood.....	50,000	2,632	5.0%
Manley Hot Springs.....	50,000	2,632	5.0%
McCarthy.....	50,000	2,632	5.0%
Mendota.....	50,000	2,632	5.0%
Mertasta.....	50,000	2,632	5.0%
Minchumina.....	50,000	2,632	5.0%
Minto.....	50,000	2,632	5.0%
Myers Chuck.....	50,000	2,632	5.0%
Nikolski.....	50,000	2,632	5.0%
Northway.....	50,000	2,632	5.0%
Oscarville.....	50,000	2,632	5.0%

	State Share	Local Share	Local Match %
Panguingue Creek.....	\$50,000	\$2,632	5.0%
Paxson.....	50,000	2,632	5.0%
Piika's Point.....	50,000	2,632	5.0%
Point Baker.....	50,000	2,632	5.0%
Port Protection.....	50,000	2,632	5.0%
Portage Creek.....	50,000	2,632	5.0%
Rampart.....	50,000	2,632	5.0%
Red Devil.....	50,000	2,632	5.0%
Slana.....	50,000	2,632	5.0%
Sleetmute.....	50,000	2,632	5.0%
Solomon.....	50,000	2,632	5.0%
Stevens Village.....	50,000	2,632	5.0%
Stony River.....	50,000	2,632	5.0%
Takotna.....	50,000	2,632	5.0%
Tanacross.....	50,000	2,632	5.0%
Taitllek.....	50,000	2,632	5.0%
Tazlina.....	50,000	2,632	5.0%
Teida.....	50,000	2,632	5.0%
Tellin.....	50,000	2,632	5.0%
Tru.....	50,000	2,632	5.0%
Tolsona.....	50,000	2,632	5.0%
Tonsina.....	50,000	2,632	5.0%
Tuntutuilak.....	50,000	2,632	5.0%
Twin Hills.....	50,000	2,632	5.0%
Venetke.....	50,000	2,632	5.0%
Whale Pass.....	50,000	2,632	5.0%
Wiseman.....	50,000	2,632	5.0%
<b>Total:</b>	<b>\$3,900,000</b>	<b>\$206,263</b>	

Office of the Governor, OMB/JF



217 Second Street, Suite 200 • Juneau, Alaska 99801 • Tel (907) 586-1325, Fax (907) 463-5480

May 16, 1991

The Honorable Walter J. Hickel  
Governor  
State of Alaska  
P.O. Box A  
Juneau, Alaska 99811

Dear Governor Hickel:

The Alaska Municipal League has reviewed your community matching capital grants and debt retirement fund legislation - SB 140, SB 141, HB 251, HB 252, and HJR 38. The legislation would directly affect municipalities and the AML supports some of the concepts contained in the legislation. However, the AML will need additional time to review the proposals, to provide comments or suggest amendments, or to take a formal position. The AML Board of Directors also voted to make the review of the concepts embodied in these legislative proposals a priority of the Task Force on Governmental Roles assuming HCR 17 passes and is adequately funded.

For your information, I have enclosed a copy of some initial comments given to the AML Board by the AML Legislative Committee on the matching grant and debt fund proposals. I have also enclosed a copy of a letter from the Alaska Municipal Management Association (AMMA) regarding SB 141.

The matching grant and debt fund proposals address several AML policies outlined in our 1991 Policy Statement. The community matching capital grant program coincides with AML's support of block grants for a portion of state funding of local capital projects (*1991 Alaska Municipal League Policy Statement*, I.A.4). To the extent that it would enable decisions regarding local capital project priorities to be made at the local level and thus allow better coordination and increased efficiency in the use of these funds, AML supports the general concept.

AML is quite concerned, however, that this program not be considered, either now or in the future, as a replacement for existing programs that fund major capital projects, among them schools, water and sewer systems, hospitals, harbors and ports, airports, and roads. Because of their magnitude, these types of needs cannot, and should not, be addressed by the matching grant program your administration has proposed. Nor should such a program be the sole source of funds for vital projects in Alaska's small cities, which would be unable to accumulate enough funds for such projects under the terms of this program. There are other concerns and questions raised by the proposals.

AML supports the debt retirement fund proposal to the extent it addresses the state's obligation to fund outstanding school debt. As you and your administration are aware, the state's share of debt incurred by municipal governments for the construction of schools under the debt reimbursement program in effect until the passage of HB 37 during 1990 amounts to over \$800 million from FY 1991 through FY 2005. The Alaska Debt Retirement Fund,

TAXATION AND FINANCE SUBCOMMITTEE REPORT  
APRIL 10-11, 1991

REPORT ON PENDING LEGISLATION

Members in attendance: Raymond Stoney, Assembly Member, Northwest Arctic Borough  
Kevin Walker, Council Member, City of Kenai  
Craig Duncan, Treasurer, City and Borough of Juneau  
Brian Porter, Assembly Member, Municipality of Anchorage  
Nathan Kotch, Council Member, City of Kotzebue  
Alvin Hall, Director of Accounting, Ketchikan Gateway Borough  
Judi Slajer, Chief Financial Officer, Fairbanks North Star Borough

Senate Bills 141 & 142: Capital Projects Matching Grants

The Subcommittee reviewed the data presented by Shelby Stastny, Director of Management and Budget, and the comments/reactions of members of the Legislative Committee. The Subcommittee supports the concept of sharing the cost of construction for certain capital projects with the State of Alaska. The premise that the community which contributes will be more responsible, in both setting community-wide priorities and providing on-going operations, is a concept that is generally accepted as "good". It is noted, however, that these funds should not be expected to be a replacement funding source with which to construct state facilities -- those facilities for which there is clear responsibility for the state to construct and maintain.

In keeping with the AML policy to support a block grant approach to capital project funding, it is the opinion of the Subcommittee that the AML should work with the Legislature to shape these bills so that the program meets the concerns raised by local government. The following is a list of "pros" and "cons" which need to be considered in shaping this legislation to be useful.

PROS: Provides an opportunity for local government to leverage local and federal dollars  
Provides local control on how capital funds are spent  
Local communities can decide priorities  
Takes the establishment of priorities out of the hands of the Legislature, which occasionally responds to special interest pressures

for capacity to pay the local match. No recognition is given to "need", either on a regional or statewide basis.

The formula will allow cities within boroughs to receive the dollars, as well as the borough receiving the dollars. The borough's population excludes the cities. In the real world, the population of the borough does not exclude the cities as the boroughs have areawide responsibilities, even within the cities. Therefore, the distribution of funds within a borough may not be equitable. This inequitable distribution may be a factor in discouraging cooperation among these governments in arriving at community-wide project allocations (community-wide priorities)

The limitation on powers of a second class borough may need to be addressed so that the borough can sub-grant dollars for a project which is not within the legal authority structure of the borough. An example may be a nursing home that needs to be constructed, and the borough does not have nursing home or elderly care facilities powers. How can the borough pass on these capital dollars to the correct agency to build the new nursing home? Who is responsible for the accounting to the state if the money can be passed through?

The larger communities, under the formula, are entitled to considerable dollars. Will this capital projects funding program increase the local government's likelihood of constructing unneeded facilities?

Program administration will be a nightmare. The state will need to track on each community receiving funds, each project which is approved by the community, the timing and type of the match, etc. The fiscal note on these bills may be considerably light.

Regulations under designated grants have been resisted in the past to avoid past problems of unnecessary red tape, project delay, and project funding diluted by state administrative costs. Section 2 allows for the promulgation of regulations with little restriction.

Clarification is needed to allow municipalities to use general pass-through dollars (municipal assistance and revenue sharing) for local match.

# ALASKA MUNICIPAL MANAGEMENT ASSOCIATION

217 Second Street, Suite 200, Juneau, Alaska 99801, (907) 586-1325

April 30, 1991

The Honorable Walter J. Hickel  
Governor  
State of Alaska  
P.O. Box A  
Juneau, Alaska 99811

The Honorable Dick Eliason, President  
Alaska State Senate  
P.O. Box V  
Juneau, Alaska 99811

The Honorable Ben Grussendorf, Speaker  
Alaska House of Representatives  
P.O. Box V  
Juneau, Alaska 99811

Re: CS for Senate Bill No. 141 (An Act establishing a capital project matching grant program for municipalities and unincorporated communities)

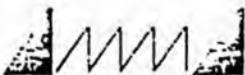
Gentlemen:

Although the conventional wisdom indicates that SB 141 is not expected to pass through the legislature this year, the Alaska Municipal Management Association (AMMA), an organization of Alaska city and borough managers and administrators, urges timely consideration of this bill.

In expressing our support, however, it is important to note that the AMMA views this bill as an equitable means of distributing certain capital project funds, not all capital project funds. The funds appropriated under this bill should supplement other state capital funds used for large state projects and regional capital programs.

We support the concepts included in this legislation because it would

- Eliminate "free rides" and establish some economic criteria to segregate "wants" from "needs" in the formulation of local capital improvement plans;
- Enable locally elected officials to establish the priorities for capital projects;
- Provide another tool for local governments to help attract federal and private financing for capital projects;
- Implement more equality in the distribution of state grants; and
- Enable our senators and representatives to concentrate on more important public policy issues, rather than consuming so much time in listening to every interest group that wants a grant and defending decisions made in allocating the limited grant dollars available.

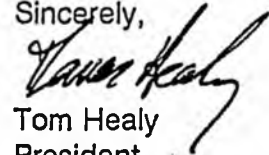


Governor Walter J. Hickel  
Senator Dick Eliason  
Representative Ben Grussendorf  
April 30, 1991  
page 3

5. Large Project Financing. Prohibit use of these grant funds for financing large and expensive projects such as those for schools and hospitals. These projects should be financed by separate state categorical grant programs.

We thank you for your consideration.

Sincerely,



Tom Healy  
President

cc: Shelby J. Stastny  
✓ Scott A. Burgess

*\$40m appropriation*

TABLE 1

**MUNICIPAL MATCHING GRANT PROGRAM**

Local Share % = Col. D x Col. Fa

Total State Funds (\$000):	38,050.0	Population Factors:	Under 1,000	1,000-4,999	5,000-10,000	Over 10,000
Minimum State Share (\$000):	25.0					
Maximum Local Share (%):	30%	For Grant Allocation:	1.5	1.4	1.2	1.0
Minimum Local Share (%):	5%	For Local Share %:	0.1	0.3	0.7	1.0

(A) Community	(B) Population	(C) Allocation Population Factor	(D) Local Share % Population Factor	(E) DCRA Assessed Full Value (\$)	(F) Per Capita Value (\$)	(Fa) Local Wealth Factor	(H) LOCAL SHARE %	(I) \$000	(J) STATE SHARE %	(K) STATE SHARE \$000	(L) Leverage Ratio
Akhlok	83	1.5	.1	1,758,000	18,903	0.267	5.0%	1,316	95.0%	25,000	1.05
Aklak	259	1.5	.1	8,454,191	32,642	0.460	5.0%	1,321	95.0%	25,093	1.05
Akutan	432	1.5	.1	10,816,600	25,038	0.353	5.0%	2,203	95.0%	41,854	1.05
Alakanuk	565	1.5	.1	18,442,540	32,642	0.460	5.0%	2,881	95.0%	54,739	1.05
Aleknagik	159	1.5	.1	5,190,025	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Aleutians East Borough	68	1.5	.1	2,252,298	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Allakaket	202	1.5	.1	6,593,616	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Ambler	309	1.5	.1	3,469,100	11,227	0.158	5.0%	1,576	95.0%	29,937	1.05
Anaktuvuk Pass	254	1.5	.1	1,588,000	6,252	0.088	5.0%	1,316	95.0%	25,000	1.05
Anchorage, Municipality of	222,950	1.0	1.0	9,836,722,410	44,121	0.622	30.0%	6,141,566	70.0%	14,330,321	1.43
Anderson	635	1.5	.1	20,727,457	32,642	0.460	5.0%	3,238	95.0%	61,521	1.05
Angoon	685	1.5	.1	22,359,540	32,642	0.460	5.0%	3,493	95.0%	66,365	1.05
Aniak	558	1.5	.1	18,214,049	32,642	0.460	5.0%	2,845	95.0%	54,061	1.05
Arvik	89	1.5	.1	2,905,108	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Atka	90	1.5	.1	2,937,750	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Atkasuk	225	1.5	.1	1,925,000	8,556	0.121	5.0%	1,316	95.0%	25,000	1.05
Barrow	3,379	1.4	.3	49,341,100	14,602	0.206	6.2%	20,102	93.8%	305,334	1.07
Bethel	4,390	1.4	.3	181,980,500	41,453	0.585	17.5%	84,353	82.5%	396,690	1.21
Bettles	45	1.5	.1	1,468,875	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Brevig Mission	197	1.5	.1	6,430,408	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Bristol Bay Borough	1,451	1.4	.3	117,937,900	81,280	1.146	30.0%	56,192	70.0%	131,116	1.43
Buckland	302	1.5	.1	3,145,300	10,415	0.147	5.0%	1,540	95.0%	29,259	1.05
Chelomak	299	1.5	.1	9,759,858	32,642	0.460	5.0%	1,525	95.0%	28,968	1.05
Chevak	594	1.5	.1	19,389,149	32,642	0.460	5.0%	3,029	95.0%	57,549	1.05
Chignik	128	1.5	.1	8,709,200	68,041	0.959	9.6%	2,653	90.4%	25,000	1.11
Chuathbaluk	127	1.5	.1	4,145,491	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Clark's point	87	1.5	.1	2,839,825	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Coffman cove	195	1.5	.1	6,365,125	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Cold bay	158	1.5	.1	8,482,400	53,686	0.757	7.6%	2,047	92.4%	25,000	1.08
Cordova	2,619	1.4	.3	122,992,900	46,962	0.662	19.9%	58,668	80.1%	236,659	1.25
Craig	1,231	1.4	.3	40,178,500	32,639	0.460	13.8%	17,818	86.2%	111,236	1.16

*This is amount that would appear in SB 142*

*5/16/91  
SFC*

TABLE 1

MUNICIPAL MATCHING GRANT PROGRAM

Local Share % = Col. D x Col. Fa

Total State Funds (\$000): 38,050.0  
 Minimum State Share (\$000): 25.0  
 Maximum Local Share (%): 30%  
 Minimum Local Share (%): 5%

Population Factors:	Under 1,000	1,000-4,999	5,000-10,000	Over 10,000
For Grant Allocation:	1.5	1.4	1.2	1.0
For Local Share %:	0.1	0.3	0.7	1.0

(A) Community	(B) Population	(C) Allocation Population Factor	(D) Local Share % Population Factor	(E) DCRA Assessed Full Value (\$)	(F) Per Capita Value (\$)	(Fa) Local Wealth Factor	(H) LOCAL SHARE %	(I) \$/000	(J) STATE SHARE %	(K) \$/000	(L) Leverage Ratio
Deering	165	1.5	.1	1,867,700	11,319	0.160	5.0%	1.316	95.0%	25,000	1.05
Delta Junction	1,185	1.4	.3	27,731,800	23,402	0.330	9.9%	11.765	90.1%	107,079	1.11
Denali Borough	1,346	1.4	.3	74,435,000	55,301	0.780	23.4%	37.141	76.6%	121,628	1.31
Dillingham	2,232	1.4	.3	118,601,000	53,137	0.749	22.5%	58.480	77.5%	201,689	1.29
Diomedea	184	1.5	.1	6,006,066	32,642	0.460	5.0%	1.316	95.0%	25,000	1.05
Eagle	174	1.5	.1	8,388,300	48,209	0.680	6.8%	1.823	93.2%	25,000	1.07
Eek	279	1.5	.1	9,107,024	32,642	0.460	5.0%	1.423	95.0%	27,031	1.05
Ekwok	122	1.5	.1	3,982,283	32,642	0.460	5.0%	1.316	95.0%	25,000	1.05
Elim	294	1.5	.1	9,596,649	32,642	0.460	5.0%	1.499	95.0%	28,484	1.05
Emmonak	675	1.5	.1	22,033,123	32,642	0.460	5.0%	3.442	95.0%	65,397	1.05
Fairbanks	28,251	1.0	1.0	1,071,624,900	37,832	0.535	30.0%	778.226	70.0%	1,815,860	1.43
Fairbanks North Star Borough	42,500	1.0	1.0	2,142,124,000	50,403	0.711	30.0%	1,170.740	70.0%	2,731,727	1.43
False Pass	69	1.5	.1	2,252,298	32,642	0.460	5.0%	1.316	95.0%	25,000	1.05
Fort Yukon	642	1.5	.1	20,955,948	32,642	0.460	5.0%	3.274	95.0%	62,199	1.05
Galena	928	1.5	.1	19,585,100	21,105	0.298	5.0%	4.732	95.0%	89,908	1.05
Gambell	520	1.5	.1	16,973,665	32,642	0.460	5.0%	2.652	95.0%	50,380	1.05
Golovin	154	1.5	.1	5,026,816	32,642	0.460	5.0%	1.316	95.0%	25,000	1.05
Goodnews Bay	230	1.5	.1	7,507,583	32,642	0.460	5.0%	1.316	95.0%	25,000	1.05
Grayling	228	1.5	.1	7,442,399	32,642	0.460	5.0%	1.316	95.0%	25,000	1.05
Haines	1,160	1.4	.3	51,001,530	43,967	0.620	18.6%	23.949	81.4%	164,820	1.23
Haines Borough	1,685	1.4	.3	52,886,703	31,387	0.443	13.3%	23.311	86.7%	152,260	1.15
Holy Cross	276	1.5	.1	9,009,091	32,642	0.460	5.0%	1.407	95.0%	26,740	1.05
Homer	4,338	1.4	.3	205,761,350	47,432	0.669	20.1%	98.394	79.9%	391,992	1.25
Hoonah	894	1.5	.1	21,586,000	24,145	0.340	5.0%	4.559	95.0%	86,614	1.05
Hooper Bay	807	1.5	.1	5,203,800	6,448	0.091	5.0%	4.115	95.0%	78,185	1.05
Houston	738	1.5	.1	33,028,500	44,754	0.631	6.3%	4.816	93.7%	71,500	1.07
Hughes	75	1.5	.1	2,448,125	32,642	0.460	5.0%	1.316	95.0%	25,000	1.05
Huslia	225	1.5	.1	7,344,374	32,642	0.460	5.0%	1.316	95.0%	25,000	1.05
Hydaburg	457	1.5	.1	9,024,100	19,746	0.278	5.0%	2.330	95.0%	44,276	1.05
Juneau, City and Borough of	29,946	1.0	1.0	1,247,450,700	41,657	0.587	30.0%	824.917	70.0%	1,924,807	1.43
Kachemak	418	1.5	.1	17,954,400	42,953	0.606	6.1%	2.611	93.9%	40,497	1.06

TABLE 1

## MUNICIPAL MATCHING GRANT PROGRAM

Local Share % = Col. D x Col. Fa

Total State Funds (\$000):	38,050.0	<i>Population</i>	Under	1,000-	5,000-	Over
Minimum State Share (\$000):	25.0	<i>Factors:</i>	1,000	4,999	10,000	10,000
Maximum Local Share (%):	30%	<i>For Grant Allocation:</i>	1.5	1.4	1.2	1.0
Minimum Local Share (%):	5%	<i>For Local Share %:</i>	0.1	0.3	0.7	1.0

(A)	(B)	(C)	(D)	(E)	(F)	(Fa)	(H)	(I)	(J)	(K)	(L)
Community	Population	Allocation Population Factor	Local Share % Population Factor	DCRA Assessed Full Value (\$)	Per Capita Value (\$)	Local Share Factor	LOCAL SHARE %	LOCAL SHARE \$000	STATE SHARE %	STATE SHARE \$000	Leverage Ratio
Kake	678	1.5	.1	16,843,800	24,843	0.350	5.0%	3,457	95.0%	65,687	1.05
Kaktovik	224	1.5	.1	2,219,300	9,908	0.140	5.0%	1,316	95.0%	25,000	1.05
Kaitag	268	1.5	.1	8,747,966	32,642	0.460	5.0%	1,367	95.0%	25,965	1.05
Kasaan	68	1.5	.1	2,252,275	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Kenai	6,543	1.2	.7	281,331,400	42,997	0.606	30.0%	216,814	70.0%	505,899	1.43
Kenai Peninsula Borough	21,886	1.0	1.0	2,419,659,910	110,557	1.559	30.0%	602,890	70.0%	1,406,743	1.43
Ketchikan	7,730	1.2	.7	438,590,300	56,739	0.800	30.0%	256,147	70.0%	597,677	1.43
Ketchikan Gateway Borough	4,592	1.4	.3	367,375,500	80,003	1.128	30.0%	177,833	70.0%	414,944	1.43
Kiana	414	1.5	.1	5,051,900	12,203	0.172	5.0%	2,111	95.0%	40,110	1.05
King Cove	790	1.5	.1	29,189,900	36,949	0.521	5.2%	4,207	94.8%	76,538	1.05
Kivalina	298	1.5	.1	3,388,600	11,371	0.160	5.0%	1,520	95.0%	28,871	1.05
Klawock	897	1.5	.1	9,194,000	10,250	0.145	5.0%	4,574	95.0%	86,905	1.05
Kobuk	87	1.5	.1	1,102,900	12,677	0.179	5.0%	1,316	95.0%	25,000	1.05
Kodiak	6,774	1.2	.7	438,936,900	64,797	0.914	30.0%	224,468	70.0%	523,760	1.43
Kodiak Island Borough	7,716	1.2	.7	185,178,500	23,999	0.338	23.7%	185,190	76.3%	596,594	1.31
Kotlik	452	1.5	.1	14,754,032	32,642	0.460	5.0%	2,305	95.0%	43,792	1.05
Kotzebue	3,705	1.4	.3	103,226,300	27,961	0.393	11.8%	44,730	88.2%	334,792	1.13
Koyuk	224	1.5	.1	7,311,733	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Koyukuk	138	1.5	.1	4,504,550	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Kupreanof	52	1.5	.1	1,697,367	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Kwethluk	541	1.5	.1	17,659,140	32,642	0.460	5.0%	2,759	95.0%	52,414	1.05
Lake and Peninsula Borough	1,188	1.4	.3	41,579,700	34,708	0.489	14.7%	18,629	85.3%	108,254	1.17
Larsen Bay	149	1.5	.1	3,268,300	21,935	0.309	5.0%	1,316	95.0%	25,000	1.05
Lower Kalskag	273	1.5	.1	8,911,174	32,642	0.460	5.0%	1,392	95.0%	26,449	1.05
Manokotak	370	1.5	.1	12,077,416	32,642	0.460	5.0%	1,887	95.0%	35,847	1.05
Marshall	294	1.5	.1	9,596,649	32,642	0.460	5.0%	1,499	95.0%	28,484	1.05
Matanuska-Susitna Borough	30,917	1.0	1.0	1,447,950,990	46,833	0.660	30.0%	851,665	70.0%	1,987,219	1.43
McGrath	533	1.5	.1	17,398,007	32,642	0.460	5.0%	2,718	95.0%	51,639	1.05
Mekoryuk	190	1.5	.1	6,201,916	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Mountain Village	742	1.5	.1	24,220,115	32,642	0.460	5.0%	3,784	95.0%	71,888	1.05
Napakiak	315	1.5	.1	10,282,124	32,642	0.460	5.0%	1,606	95.0%	30,518	1.05

TABLE 1

**MUNICIPAL MATCHING GRANT PROGRAM**

Local Share % = Col. D x Col. Fa

Total State Funds (\$000): 38,050.0  
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 Maximum Local Share (%): 30%  
 Minimum Local Share (%): 5%

Population Factors:	Under 1,000	1,000-4,999	5,000-10,000	Over 10,000
For Grant Allocation:	1.5	1.4	1.2	1.0
For Local Share %:	0.1	0.3	0.7	1.0

(A)	(B)	(C)	(D)	(E)	(F)	(Fa)	(H)	(I)	(J)	(K)	(L)
Community	Population	Allocation Population Factor	Local Share Population Factor	DCRA Assessed Full Value (\$)	Per Capita Value (\$)	Local Wealth Factor	LOCAL SHARE %	\$000	STATE SHARE %	\$000	Leverage Ratio
Napaskiak	331	1.5	.1	10,804,391	32,642	0.460	5.0%	1.688	95.0%	32,069	1.05
Nonana	555	1.5	.1	16,186,800	29,165	0.411	5.0%	2.830	95.0%	53,771	1.05
New Stuyahok	374	1.5	.1	12,207,982	32,642	0.460	5.0%	1.907	95.0%	36,235	1.05
Newhalen	168	1.5	.1	3,602,800	21,445	0.302	5.0%	1.316	95.0%	25,000	1.05
Nikolai	113	1.5	.1	3,688,508	32,642	0.460	5.0%	1.316	95.0%	25,000	1.05
Nome	4,303	1.4	.3	137,990,000	32,058	0.452	13.6%	61.024	86.4%	288,829	1.16
Nondalton	229	1.5	.1	3,804,400	16,613	0.234	5.0%	1.316	95.0%	25,000	1.05
Noorvik	600	1.5	.1	6,457,500	10,763	0.152	5.0%	3.059	95.0%	58,130	1.05
North Pole	1,610	1.4	.3	184,583,000	114,648	1.617	30.0%	62.350	70.0%	145,483	1.43
North Slope Borough	2,285	1.4	.3	11,883,976,500	5,200,865	73.335	30.0%	88.490	70.0%	206,478	1.43
Northwest Arctic Borough	315	1.5	.1	4,110,500	13,049	0.184	5.0%	1.606	95.0%	30,518	1.05
Nulqsut	324	1.5	.1	11,996,900	37,027	0.522	5.2%	1.729	94.8%	31,390	1.06
Nulato	362	1.5	.1	11,816,282	32,642	0.460	5.0%	1.846	95.0%	35,072	1.05
Nunapitchuk	372	1.5	.1	12,142,699	32,642	0.460	5.0%	1.897	95.0%	36,041	1.05
Old Harbor	322	1.5	.1	6,787,400	17,073	0.253	5.0%	1.642	95.0%	31,197	1.05
Ouzinkio	204	1.5	.1	3,245,100	15,907	0.224	5.0%	1.316	95.0%	25,000	1.05
Palmer	2,988	1.4	.3	104,192,300	34,870	0.482	14.8%	46.718	85.2%	270,003	1.17
Pelican	251	1.5	.1	10,440,800	41,587	0.587	5.9%	1.558	94.1%	25,000	1.06
Petersburg	3,440	1.4	.3	162,441,900	47,221	0.666	20.0%	77.592	80.0%	310,846	1.25
Pilot Station	455	1.5	.1	14,851,957	32,642	0.460	5.0%	2.320	95.0%	44,082	1.05
Point Hope	610	1.5	.1	7,034,600	11,532	0.163	5.0%	3.110	95.0%	59,099	1.05
Port Alexander	119	1.5	.1	3,884,358	32,642	0.460	5.0%	1.316	95.0%	25,000	1.05
Port Heiden	121	1.5	.1	2,675,400	22,111	0.312	5.0%	1.316	95.0%	25,000	1.05
Port Lions	300	1.5	.1	6,969,600	23,232	0.328	5.0%	1.530	95.0%	29,065	1.05
Quint'vegak	499	1.5	.1	16,288,190	32,642	0.460	5.0%	2.544	95.0%	48,345	1.05
Ruby	243	1.5	.1	7,931,924	32,642	0.460	5.0%	1.316	95.0%	25,000	1.05
Russian Mission	266	1.5	.1	8,682,683	32,642	0.460	5.0%	1.356	95.0%	25,771	1.05
Sand Point	893	1.5	.1	39,039,700	39,315	0.554	5.5%	5.646	94.5%	96,206	1.06
Savoonga	511	1.5	.1	16,679,890	32,642	0.460	5.0%	2.606	95.0%	49,508	1.05
Saxman	308	1.5	.1	13,305,600	43,200	0.609	6.1%	1.936	93.9%	29,840	1.06
Scammon Bay	306	1.5	.1	9,988,349	32,642	0.460	5.0%	1.560	95.0%	29,646	1.05

TABLE 1

**MUNICIPAL MATCHING GRANT PROGRAM**

Local Share % = Col. D x Col. Fa

Total State Funds (\$000):	38,050.0	<i>Population</i>	Under	1,000-	5,000-	Over
Minimum State Share (\$000):	25.0	<i>Factors:</i>	1,000	4,999	10,000	10,000
Maximum Local Share (%):	30%	<i>For Grant Allocation:</i>	1.5	1.4	1.2	1.0
Minimum Local Share (%):	5%	<i>For Local Share %:</i>	0.1	0.3	0.7	1.0

(A)	(B)	(C)	(D)	(E)	(F)	(Fa)	(H)	(I)	(J)	(K)	(L)
Community	Population	Allocation Factor	Local Share % Factor	DCRA Assessed Full Value (\$)	Per Capita Value (\$)	Local Wealth Factor	LOCAL SHARE %	\$000	STATE SHARE %	\$000	Leverage Ratio
Selawik	672	1.5	.1	7,930,700	11,802	0.166	5.0%	3,427	95.0%	65,106	1.05
Seldovia	565	1.5	.1	21,069,400	37,326	0.526	5.3%	3,041	94.7%	54,739	1.06
Seward	2,829	1.4	.3	139,627,200	49,356	0.696	20.9%	67,456	79.1%	255,635	1.26
Shageluk	152	1.5	.1	4,961,533	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Shaktolik	197	1.5	.1	6,430,408	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Sheldon Point	131	1.5	.1	4,276,058	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Shishmaref	430	1.5	.1	14,035,916	32,642	0.460	5.0%	2,193	95.0%	41,660	1.05
Shungnak	214	1.5	.1	2,963,300	13,847	0.195	5.0%	1,316	95.0%	25,000	1.05
Sitka, City and Borough of	8,257	1.2	.7	446,849,500	54,118	0.763	30.0%	273,610	70.0%	638,424	1.43
Skagway	704	1.5	.1	54,411,100	77,288	1.090	10.9%	8,342	89.1%	68,206	1.12
Soldotna	3,733	1.4	.3	200,457,100	53,690	0.757	22.7%	99,145	77.3%	337,322	1.29
St. George	188	1.5	.1	6,136,633	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
St. Mary's	491	1.5	.1	4,184,700	8,523	0.120	5.0%	2,504	95.0%	47,570	1.05
St. Michael	303	1.5	.1	9,890,424	32,642	0.460	5.0%	1,545	95.0%	29,356	1.05
St. Paul	586	1.5	.1	19,129,015	32,642	0.460	5.0%	2,988	95.0%	56,774	1.05
Stebbins	394	1.5	.1	12,860,816	32,642	0.460	5.0%	2,009	95.0%	38,172	1.05
Tanana	414	1.5	.1	11,511,900	27,807	0.392	5.0%	2,111	95.0%	40,110	1.05
Teller	237	1.5	.1	7,736,074	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Tenakee Springs	108	1.5	.1	3,525,300	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Thomas Bay	525	1.5	.1	17,136,874	32,642	0.460	5.0%	2,677	95.0%	50,864	1.05
Togiak	713	1.5	.1	23,273,507	32,642	0.460	5.0%	3,636	95.0%	69,078	1.05
Toksook Bay	446	1.5	.1	14,558,182	32,642	0.460	5.0%	2,274	95.0%	43,210	1.05
Tuluksak	357	1.5	.1	11,653,074	32,642	0.460	5.0%	1,820	95.0%	34,588	1.05
Unalakleet	740	1.5	.1	24,154,832	32,642	0.460	5.0%	3,773	95.0%	71,694	1.05
Unalaska	2,265	1.4	.3	116,125,240	51,269	0.723	21.7%	56,681	78.3%	204,671	1.28
Upper Kalskag	149	1.5	.1	4,863,608	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Valdez	7,193	1.2	.7	1,370,370,900	190,515	2.686	30.0%	238,353	70.0%	556,156	1.43
Wainwright	512	1.5	.1	3,692,900	7,213	0.102	5.0%	2,611	95.0%	49,605	1.05
Wales	161	1.5	.1	5,255,308	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Wasilla	3,342	1.4	.3	228,384,700	68,338	0.964	28.9%	122,797	71.1%	301,991	1.41
White Mountain	180	1.5	.1	5,875,500	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05

TABLE 1

**MUNICIPAL MATCHING GRANT PROGRAM**

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Total State Funds (\$000): 38,050.0  
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 Maximum Local Share (%): 30%  
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Population Factors:	Under 1,000	1,000-4,999	5,000-10,000	Over 10,000
For Grant Allocation:	1.5	1.4	1.2	1.0
For Local Share %:	0.1	0.3	0.7	1.0

(A) Community	(B) Population	(C) Allocation Population Factor	(D) Local Share % Population Factor	(E) DCRA Assessed Full Value (\$)	(F) Per Capita Value (\$)	(Fa) Local Wealth Factor	(H) LOCAL SHARE %	(I) \$000	(J) STATE SHARE %	(K) \$000	(L) Leverage Ratio
Whitler	299	1.5	.1	18,415,600	61,591	0.868	8.7%	2,755	91.3%	28,968	1.10
Wrangell	2,630	1.4	.3	110,198,000	41,900	0.591	17.7%	51,197	82.3%	237,653	1.22
Yakutat	527	1.5	.1	19,792,100	37,556	0.530	5.3%	2,855	94.7%	51,058	1.06
<b>TOTAL:</b>	<b>158</b>			<b>\$37,413,729,446</b>			<b>26%</b>	<b>13,486,397</b>	<b>74%</b>	<b>38,050,000</b>	<b>1.35</b>

STATEWIDE AVERAGE:

\$70,919 1.000

**TABLE 1**

**MUNICIPAL MATCHING GRANT PROGRAM**

Local Share % = Col. D x Col. Fa

Total State Funds (\$000):	38,050.0	<i>Population</i>	Under	1,000-	5,000-	Over
Minimum State Share (\$000):	25.0	<i>Factors:</i>	1,000	4,999	10,000	10,000
Maximum Local Share (%):	30%	<i>For Grant Allocation:</i>	1.5	1.4	1.2	1.0
Minimum Local Share (%):	5%	<i>For Local Share %:</i>	0.1	0.3	0.7	1.0

(A)	(B)	(C)	(D)	(E)	(F)	(Fa)	(H)	(I)	(J)	(K)	(L)
Community	Population	Allocation Population Factor	Local Share % Population Factor	DCRA Assessed Full Value (\$)	Per Capita Value (\$)	Local Wealth Factor	LOCAL SHARE %	STATE SHARE % \$000	STATE SHARE % \$000	Leverage Ratio	

**NOTES:**

Col. A - Excludes unincorporated communities outside boroughs, Metlakatla, and seven incorporated communities of uncertain dissolution status (Akiachak, Almatluak, Kasigluk, Newtok, Nightmute, Platinum and Tununak).

Col. B - Population figures shown are those used by DCRA for the FY 91 State revenue sharing program.

Col. E - Taxable property full and true value, including oil and gas property, as established by DCRA (State Assessor).

Communities showing a per capita value of \$32,642 are communities with population less than 750 people whose full value (Col. D) has not been assessed. DCRA establishes full values for these communities by calculating a weighted average per capita full valuation for all communities of less than 750 population for which assessments have been made, and multiplying that per capita full value by the populations of the former set of unassessed communities to produce full values for them. Generally, but not exclusively, these unassessed communities lie within the Unorganized Borough, while the set of assessed communities of population less than 750 lies within organized boroughs.

Col. F -

Col. G - Equals local per capita value (Col. E) divided by the statewide average per capita value (bottom of Col. E).

Col. I - Equals product of population factor (Col. C) and local wealth factor (Col. F). The minimum and maximum local shares (percentages) of project cost are shown with the assumptions above the table.

Col. J - Equals 1 minus the local share (Col. G).

Col. K - Equals pro rata share of Total State Funds, based on local population, net of instances where the Minimum State Share (shown above table) is applied.

Col. L - Equals 1 divided by the state share percentage (Col. I).

Source: OMB/JF

File: CAPITAL4.XLS

TABLE 2

### UNINCORPORATED COMMUNITY MATCHING GRANT PROGRAM

Allocation (State Share): \$25,000

	State Share	Local Share	Local Match %
Arctic Village	\$25,000	\$1,316	5.0%
Beaver	25,000	1,316	5.0%
Birch Creek	25,000	1,316	5.0%
Conral	25,000	1,316	5.0%
Chalkyitsik	25,000	1,316	5.0%
Chenega	25,000	1,316	5.0%
Chicken	25,000	1,316	5.0%
Chistochina	25,000	1,316	5.0%
Chitina	25,000	1,316	5.0%
Chuloonawik	25,000	1,316	5.0%
Circle	25,000	1,316	5.0%
Copper Center	25,000	1,316	5.0%
Council	25,000	1,316	5.0%
Crooked Creek	25,000	1,316	5.0%
Deltana	25,000	1,316	5.0%
Dot Lake	25,000	1,316	5.0%
Dot Lake Services	25,000	1,316	5.0%
Dry Creek	25,000	1,316	5.0%
Eagle Village	25,000	1,316	5.0%
Edna Bay	25,000	1,316	5.0%
Ekuk	25,000	1,316	5.0%
Elfin Cove	25,000	1,316	5.0%
Evansville	25,000	1,316	5.0%
Four Mile Road Community	25,000	1,316	5.0%
Gakona	25,000	1,316	5.0%
Glenallen	25,000	1,316	5.0%
Gulkana	25,000	1,316	5.0%
Gustavus	25,000	1,316	5.0%
Hamilton	25,000	1,316	5.0%
Healy Lake	25,000	1,316	5.0%
Hollis	25,000	1,316	5.0%
Hyder	25,000	1,316	5.0%
Kenny Lake	25,000	1,316	5.0%
King Island	25,000	1,316	5.0%
Kipnuk	25,000	1,316	5.0%
Klukwan	25,000	1,316	5.0%
Koliganek	25,000	1,316	5.0%
Kongiganak	25,000	1,316	5.0%
Kwigillingok	25,000	1,316	5.0%
Lime Village	25,000	1,316	5.0%
Livengood	25,000	1,316	5.0%
Manley Hot Springs	25,000	1,316	5.0%
McCarthy	25,000	1,316	5.0%
Mendotna	25,000	1,316	5.0%
Mentasta	25,000	1,316	5.0%
Minchumina	25,000	1,316	5.0%
Minto	25,000	1,316	5.0%
Myers Chuck	25,000	1,316	5.0%
Nikolski	25,000	1,316	5.0%
Northway	25,000	1,316	5.0%
Oscarville	25,000	1,316	5.0%

	State Share	Local Share	Local Match %
Panguingue Creek	\$25,000	\$1,316	5.0%
Paxson	25,000	1,316	5.0%
Pitka's Point	25,000	1,316	5.0%
Point Baker	25,000	1,316	5.0%
Port Protection	25,000	1,316	5.0%
Portage Creek	25,000	1,316	5.0%
Rampart	25,000	1,316	5.0%
Red Devil	25,000	1,316	5.0%
Siana	25,000	1,316	5.0%
Sleetmute	25,000	1,316	5.0%
Solomon	25,000	1,316	5.0%
Stevens Village	25,000	1,316	5.0%
Stony River	25,000	1,316	5.0%
Takolna	25,000	1,316	5.0%
Tanacross	25,000	1,316	5.0%
Tatitlek	25,000	1,316	5.0%
Tazilna	25,000	1,316	5.0%
Telida	25,000	1,316	5.0%
Tellin	25,000	1,316	5.0%
Tok	25,000	1,316	5.0%
Tolsona	25,000	1,316	5.0%
Tonsina	25,000	1,316	5.0%
Tuntutullak	25,000	1,316	5.0%
Twin Hills	25,000	1,316	5.0%
Venetie	25,000	1,316	5.0%
Whale Pass	25,000	1,316	5.0%
Wiseman	25,000	1,316	5.0%
Total:	\$1,950,000	\$102,632	

*Office of the Governor, Office of Management and Budget*

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. CSSB 141

Revision Date: \_\_\_\_\_ Department Affected: Community & Regional Affairs

Title: Capital Project Matching Fund BRU: Employment/Training/Rural Development  
Program

Component: Block Grant CIP

Sponsor: Governor's Office

Requestor: \_\_\_\_\_

COMPONENT SERIAL NO. 

6	8	2	
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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	54.7	56.6	58.5	60.4	62.3	64.3
TRAVEL	5.0	2.0	2.0	2.0	2.0	2.0
CONTRACTUAL	8.5					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	68.2	58.6	60.5	62.4	64.3	66.3

CAPITAL						
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REVENUE						
FUND SOURCE:						

FUNDING: (Thousands of Dollars)

GENERAL FUND	68.2	58.6	60.5	62.4	64.3	66.3
FEDERAL FUNDS						
OTHER						
FUND SOURCE:						
TOTAL						

POSITIONS:

FULL-TIME	1	1	1	1	1	1
PART-TIME						
TEMPORARY						

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)  
  
SEE ATTACHED.

Prepared By: Remond Henderson, Director *Remond Henderson* Phone: 465-4708

Division: Administrative Services Date: 12/12/91

Approved by Commissioner: Remond Henderson for Edgar B. Batekford

Agency: Community & Regional Affairs Date: 12/12/91



**FISCAL NOTE**

**STATE OF ALASKA  
1992 LEGISLATIVE SESSION**

**BILL NO.** CSSB 141

Revision Date: \_\_\_\_\_ Department Affected: Community & Regional Affairs  
 Title: Capital Project Matching Fund BRU: Administration and Support  
 \_\_\_\_\_ Program \_\_\_\_\_ Component: Administrative Services  
 Sponsor: Governor's Office  
 Requestor: \_\_\_\_\_ **COMPONENT SERIAL NO.**

6	8	4	
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**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	17.0	17.5	18.1	18.5	19.1	19.6
TRAVEL						
CONTRACTUAL	1.5					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>18.5</b>	<b>17.5</b>	<b>18.1</b>	<b>18.5</b>	<b>19.1</b>	<b>19.6</b>

<b>CAPITAL</b>						
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<b>REVENUE FUND SOURCE:</b>						
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**FUNDING: (Thousands of Dollars)**

GENERAL FUND	18.5	17.5	18.1	18.5	19.1	19.6
FEDERAL FUNDS						
OTHER FUND SOURCE:						
<b>TOTAL</b>						

**POSITIONS:**

FULL-TIME						
PART-TIME	1	1	1	1	1	1
TEMPORARY						

Estimate of current year impact: \_\_\_\_\_

**ANALYSIS: (Attach a separate page if necessary.)**

SEE ATTACHED

Prepared By: Remond Henderson, Director *Remond Henderson* Phone: 465-4708  
 Division: Administrative Services Date: 12/12/91  
 Approved by Commissioner: Remond Henderson for Edgard Blatchford  
 Agency: Community & Regional Affairs Date: 12/12/91

Position Title Accounting Clerk III		No. of Positions 1	Range / Step 10A	Barg. Unit GGU
Time Status Part-time	Staff Months 6	Location Juneau	Election District 4	
<b>TYPE OF EXPENDITURE</b>		<b>Amount</b>	<b>Justification</b>  A half-time Accounting Clerk III is needed for the new matching block grant program. Careful and close monitoring of all grants will be vital to ensure that all activities and expenditures are in agreement with the grant language and expenditure plan.  The position will process encumbrances and payments for grants. New grants will be examined to ensure that they are in compliance with state rules and regulations and that required documentation is provided. Funding codes will be determined and verified in AKSAS to ensure that funds are available, that staff are using the correct collocation codes, and that submitted grants fall within the cost limitation of programs set up.	
Salary		12,543		
Benefits		4,487		
Premium Pay				
Other				
Total Personal Services		17,030		
Travel				
Contractual		1,500		
Commodities				
Equipment				
Other				
Total Cost		18,530		
<b>FUNDING SOURCE FOR TOTAL COST</b>				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004	18,530		
I-A Receipts	1007			
CIP Receipts	1061			
Other				

**Request For  
New Position**

AGENCY Community and Regional Affairs  
BRU Administration and Support  
COMPONENT Administrative Services

**FY** 93

Page 2 of 2

Revised Date: \_\_\_\_\_

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. CSSB 141 FIN

Revision Date: December 9, 1991  
 Title: Capital project matching grant program - regulations  
 Sponsor: Rules  
 Requestor: Governor  
 Expenditures/Revenues: (Thousands of Dollars)

Department Affected: Administration  
 BRU: Administrative Services  
 Component: Administrative Services

COMPONENT SERIAL NO: 0 0 4 6

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONNEL SERVICES	112.0	166.4	174.7	183.4	192.6	202.2
TRAVEL	6.0	6.5	6.6	7.0	7.0	7.5
CONTRACTURAL	2.8	2.8	2.8	2.8	2.8	2.8
SUPPLIES	.5	.5	.6	.6	.6	.6
EQUIPMENT	12.0	1.5	1.5	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
<b>TOTAL OPERATING</b>	<b>133.3</b>	<b>177.7</b>	<b>186.2</b>	<b>193.8</b>	<b>203</b>	<b>213.1</b>

<b>CAPITAL</b>	0	0	0	0	0	0
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<b>REVENUE</b>	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	133.3	177.7	186.2	193.8	203	213.1
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
<b>TOTAL</b>	<b>133.3</b>	<b>177.7</b>	<b>186.2</b>	<b>193.8</b>	<b>203</b>	<b>213.1</b>

POSITIONS:

FULL-TIME	3	3	3	3	3	3
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

The expenditure detail on page one is based on the addition of three new positions and the upgrading of one of the two existing positions in the Municipal Grants Section.

CONTINUED ON ATTACHED PAGE

Prepared by: Kevin Brooks *Kevin Brooks*  
 Division: Administrative Services

Phone: 465-2277  
 Date: 12/9/91

Approved by Commissioner: Nancy Bear Usura *Nancy Bear Usura*  
 Agency Administration

Date: 12/9/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

The three new positions are an Internal Auditor III, a Grant Administrator II, and an Accounting Clerk III. The existing Administrative Officer II would be upgraded to an Administrative Officer III.

The Municipal Grants Section currently is responsible for the administration of all the grants appropriated under AS 37.05.315. The work of the section includes making grant payments and keeping track of grantee expenditures. Currently, no audit work is being done by the section.

This bill proposes to create a new grant program and adopt and implement regulations for the new program. In order to carry out this mission, the Municipal Grants Section would need a position to do audit work and additional administrative personnel to handle the more complex grant contracts and reports. Writing the regulations called for in the bill would also be the responsibility of the Municipal Grants Section.

It is not anticipated that the total of capital appropriations will be affected by the bill. There will likely be a significant impact on local governments and economies because of the matching requirements that are a part of the bill.

Personal services funding in FY 93 reflects only 3 months for the Internal Auditor position. It is not anticipated that audits will be required until the 4th quarter of the fiscal year.

FISCAL NOTE

STATE OF ALASKA  
1991 LEGISLATIVE SESSION

BILL NO. SB 141

Revision Date: \_\_\_\_\_ Department Affected: Community & Regional Affairs

Title: Capital Project Matching Fund BRU: Employment/Training/Rural Development

Program \_\_\_\_\_ Component: Block Grant CIP

Sponsor: Governor's Office

Requestor: \_\_\_\_\_ COMPONENT SERIAL NO. 

6	8	2	
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	52.7	54.6	56.7	58.7	60.7	62.8
TRAVEL	5.0	2.0	2.0	2.0	2.0	2.0
CONTRACTUAL	8.5					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>66.2</b>	<b>56.6</b>	<b>58.7</b>	<b>60.7</b>	<b>62.7</b>	<b>64.8</b>

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	66.2	56.6	58.7	60.7	62.7	64.8
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

POSITIONS:

FULL-TIME	1	1	1	1	1	1
PART-TIME						
TEMPORARY						

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

SEE ATTACHED

Prepared By: Remond Henderson, Director *Remond Henderson* Phone: 465-4708

Division: Administrative Services Date: 5/10/91

Approved by Commissioner: *[Signature]* for S. Blalock

Agency: Community & Regional Affairs Date: 5/10/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

Position Title Grant Administrator II		No. of Positions 1	Range / Step 17 A	Barg. Unit GGU
Time Status Full-time	Staff Months 12	Location Juneau		Election District 4
TYPE OF EXPENDITURE		Justification		
Salary		A Grant Administrator II is needed for the new matching block grant program.		
Benefits		This position will:		
Premium Pay		(1) negotiate, write, and administer grant agreements which includes identifying specific project requirements (permits, site control, match, etc.);		
Other		(2) prepare grant closures and ensure that the terms and conditions of the grant agreements and match have been met and that all funds are expended in accordance with state law and departmental policy;		
Total Personal Services		(3) conduct in-depth review of progress and financial reports submitted by grantees and resolve any problems;		
Travel		(4) travel on-site to conduct programmatic and fiscal monitoring;		
Contractual		(5) train and conduct workshops on local administration of grants and assist with fiscal accountability.		
Commodities				
Equipment				
Other				
Total Cost				
FUNDING SOURCE FOR TOTAL COST				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004			
I-A Receipts	1007			
CIP Receipts	1061			
Other				

**Request For  
New Position**

AGENCY Community and Regional Affairs

BRU Employment/Training/Rural Development

COMPONENT Block Grant CIP

**FY** 92

Page 2 of 2  
Revised Date: \_\_\_\_\_

FISCAL NOTE

STATE OF ALASKA  
1991 LEGISLATIVE SESSION

BILL NO. SB 141

Revision Date: \_\_\_\_\_ Department Affected: Community & Regional Affairs  
 Title: Capital Project Matching Fund BRU: Administration and Support  
 Program \_\_\_\_\_ Component: Administrative Services  
 Sponsor: Governor's Office  
 Requestor: \_\_\_\_\_ COMPONENT SERIAL NO. 

6	8	4	
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	16.6	16.9	17.2	17.5	17.8	18.1
TRAVEL						
CONTRACTUAL	1.5					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>18.1</b>	<b>16.9</b>	<b>17.2</b>	<b>17.5</b>	<b>17.8</b>	<b>18.1</b>

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	18.1	16.9	17.2	17.5	17.8	18.1
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

POSITIONS:

FULL-TIME						
PART-TIME	1	1	1	1	1	1
TEMPORARY						

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

SEE ATTACHED

Prepared By: Remond Henderson, Director *Remond Henderson* Phone: 465-4708  
 Division: Administrative Services Date: 5/10/91  
 Approved by Commissioner: \_\_\_\_\_ *S. E. Ketchum*  
 Agency: Community and Regional Affairs Date: 5/10/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

Position Title Accounting Clerk III		No. of Positions 1	Range / Step 10 A	Barg. Unit GGU
Time Status Part-time	Staff Months 6	Location Juneau		Election District 4
<b>TYPE OF EXPENDITURE</b>		<b>Amount</b>		
Salary		11,500		
Benefits		5,145		
Premium Pay				
Other				
Total Personal Services		16,645		
Travel				
Contractual		1,500		
Commodities				
Equipment				
Other				
Total Cost		18,145		
<b>FUNDING SOURCE FOR TOTAL COST</b>				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004	18,145		
I-A Receipts	1007			
CIP Receipts	1061			
Other				

**Justification**  
A half-time Accounting Clerk III is needed for the new matching block grant program. Careful and close monitoring of all grants will be vital to ensure that all activities and expenditures are in agreement with the grant language and expenditure plan.

The position will process encumbrances and payments for grants. New grants will be examined to ensure that they are in compliance with state rules and regulations and that required documentation is provided. Funding codes will be determined and verified in AKSAS to ensure that funds are available, that staff are using the correct collocation codes, and that submitted grants fall within the cost limitation of programs set up.

**Request For  
New Position**

AGENCY Community & Regional Affairs  
BRU Administration and Support  
COMPONENT Administrative Services

**FY** 92

Page 2 of 2  
Revised Date: \_\_\_\_\_

FISCAL NOTE

STATE OF ALASKA  
1991 LEGISLATIVE SESSION

No. 1

Bill Version: SB 141

(S) Publish Date: 2/25/91

Revision Date: \_\_\_\_\_

Title: Capital project matching grant program--regulations.

Sponsor: Rules

Requestor: Governor

Department Affected: Administration

BRU: Administrative Services

Component: Administrative Services

Expenditures/Revenues: (Thousands of Dollars)

COMPONENT SERIAL NO.

0	0	4	6
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OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	116.1	159.0	161.0	163.0	165.0	167.0
TRAVEL	6.0	6.0	6.5	6.5	7.0	7.0
CONTRACTUAL	2.8	2.8	2.8	2.8	2.8	2.8
SUPPLIES	.5	.5	.5	.6	.6	.6
EQUIPMENT	10.0	1.5	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	135.4	169.8	170.8	172.9	175.4	177.4

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	135.4	169.8	170.8	172.9	175.4	177.4
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	135.4	169.8	170.8	172.9	175.4	177.4

POSITIONS:

FULL-TIME	3	3	3	3	3	3
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact: None.

ANALYSIS: (Attach a separate page if necessary.)

The expenditure detail on page one is based on the addition of three new positions and the upgrading of two existing positions in the Municipal Grants Section.

CONTINUED ON ATTACHED PAGE

Changes in SB 141 (CRA) reflect NO FISCAL CHANGE from the original fiscal note. This fiscal note is appropriate 4/23/91 date Kick Solie Comte Aide (initial) KS

Prepared by: Kevin Brooks  
Division: Administrative Services

Phone: 465-  
Date: \_\_\_\_\_

Approved by Commissioner: Millett Keller  
Agency: Administration

Date: 02-21-91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

The three new positions are an Internal Auditor III, a Grant Administrator II, and a Grant Administrator I. The two existing positions, an Administrative Officer II and Accounting Clerk III would be upgraded to Administrative Officer III and Accounting Technician I, respectively.

The Municipal Grants Section currently is responsible for the administration of all the grants appropriated under AS 37.05.315. The work of the section includes making grant payments and keeping track of grantee expenditures. Currently, no audit work is being done.

This bill proposes to create a new grant program and have the Department of Administration adapt regulations for its existing grant program, as well as the program being created. In order to carry out this mission, the Municipal Grants Section would need a position to do audit work and additional administrative personnel to handle the more complex grant contracts and reports. Writing the regulations called for in the bill would also be the responsibility of the Municipal Grants Section.

It is not anticipated that the total of capital appropriations will be affected by the bill. There will likely be a significant impact on local governments and economies because of the matching requirements that are a part of the bill.

FISCAL NOTE

No. 2

Bill Version: SB 141

(S) Publish Date: 2/25/91

STATE OF ALASKA  
1991 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_ Department Affected: Community & Regional Affairs

Title: Capital Project Matching Fund BRU: Community Development

Program \_\_\_\_\_ Component: Block Grants

Sponsor: Governor's Office

Requestor: \_\_\_\_\_ COMPONENT SERIAL NO. 

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	69.3	71.5	73.9	76.2	78.5	80.9
TRAVEL	5.0	2.0	2.0	2.0	2.0	2.0
CONTRACTUAL	10.0					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>84.3</b>	<b>73.5</b>	<b>75.9</b>	<b>78.2</b>	<b>80.5</b>	<b>82.9</b>

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	84.3	73.5	75.9	78.2	80.5	82.9
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

POSITIONS:

FULL-TIME	1	1	1	1	1	1
PART-TIME	1	1	1	1	1	1
TEMPORARY						

Estimate of current year impact:

<p>ANALYSIS: (Attach a separate page if necessary.)</p> <p>See attached.</p>	<p>Changes in <u>SB 141</u> (CRA) reflect NO FISCAL CHANGE from the original fiscal note. This fiscal note is appropriate.</p> <p><u>4/23/91</u> date <u>Kick Solie</u> Comte Aide (initial)</p>
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Prepared By: Remond Henderson, Director Phone: 465-4708

Division: Administrative Services Date: 2/25/91

Approved by Commissioner: Remond Henderson for EDGAR BLATCHFORD

Agency: Community & Regional Affairs Date: 2/25/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

## Department of Community and Regional Affairs

### FISCAL NOTE: ANALYSIS ATTACHMENT Capital Project Matching Fund Program

#### **Assumptions:**

This bill would create a new program in the Department, essentially a matching block grant program. Eligible participants in this program would be the same group of "unincorporated community" entities who are eligible for State Revenue Sharing payments as set out in AS 29.60.140.

Each year, subject to appropriation, these unincorporated community entities could each receive an "allocation" which would be kept in an account administered by the Department. An entity could draw against this account based on the provision of a locally-generated match amount of 10%. The law provides for the Department to adopt regulations to implement this program.

It is assumed this new program would function administratively in a manner similar to the department's Rural Development Assistance program and Community Development Block Grant program. This would include an annual application cycle with review and appeals periods, and general monitoring of expenditure of program funds. Currently, there are about 86 unincorporated communities that would be theoretically eligible for this program. It is assumed that approximately 60 entities would undertake the effort to "open" a program account. Of these, it is assumed that between 25 and 50 entities would have active grants drawing against their respective accounts.

#### **Positions:**

The case load reflected in the above assumptions would require the addition of one Grants Administrator II position (Rural Development Division) and one half-time Accounting Clerk III position (Division of Administrative Services).

#### **Other Expenditures:**

There would be some start-up costs associated with the technical assistance to help communities participate effectively in this new program. These costs would include the updating and re-publication of the Department's guidebooks on capital project planning which help communities in their local efforts to select and plan for needed capital facilities. There would also be costs associated with staff travel to present regional or community workshops on capital project planning and the new program.

**Information Packet  
For  
Senate Finance Committee**

**CAPITAL PROJECT MATCHING GRANT PROGRAM**

**CS For Senate Bill No. 141 (CRA)**

**&**

**Senate Bill No. 142**

**May 10, 1991**

**Office of Management and Budget  
Office of the Governor  
State of Alaska**

Capital Project Matching Grant Program  
Office of the Governor

**CS SB 141 (CRA) - SECTIONAL ANALYSIS**

**SECTION ONE**

This section of the bill amends AS 37.05.318 to allow the promulgation of regulations and guidelines for existing grant programs for municipalities, unincorporated communities and named recipients, as well as for the municipal capital project matching grant program established under this bill.

**SECTION TWO**

Section 2 of the bill establishes the capital project matching grant program for municipalities, establishes a fund for the receipt and tracking of grant awards, describes how appropriations to the program will be allocated among grantees, and sets out the formula for determining grantees' local matching shares.

"Municipality", as referred to in the bill, is intended to include all political subdivisions incorporated under the laws of Alaska that are home rule or general law cities, home rule or general law boroughs, or unified municipalities, per AS 29.71.800(13).

Under the approach taken in the bill, incorporated boroughs are the instrumentalities for receiving and administering grants for projects affecting unincorporated communities that lie within borough boundaries.

Subsection (a)

This section establishes the grant program for municipalities, as well as a fund for holding and administering grants to municipalities, within the Department of Administration.

The section stipulates that the amount annually appropriated to the municipal fund will be allocated to municipal grantees pro rata on the basis of their weighted populations (i.e., after each municipality's population has been weighted by a set of population-based factors specified in this section), and credited to individual accounts for them within the fund. The weighting factors are employed to account for: (1) the generally higher unit costs of capital projects in smaller and more rural communities; (2) the relatively smaller debt capacity of smaller communities, compared to larger communities; and, (3) the relatively limited ability of smaller communities to enjoy the economies of scale enjoyed by larger communities in undertaking capital projects and improvements.

Annual grant awards will accumulate in the grantees' accounts, subject to the limitations in subsection (f). Interest earnings on the amounts included in grantee accounts will accrue to the general fund.

The section also establishes the requirement that each time a grantee wishes to draw funds against its allocation, for a project or projects which it has identified, it must make a matching contribution per the formula set out in subsection (d).

Subsection (b)

This subsection stipulates that the minimum grant to a municipality under this program will be \$25 thousand per year, subject to the actual level of appropriation for the municipal program.

Subsection (c)

This subsection essentially stipulates that grantees will be responsible for providing for the maintenance and operating costs of the projects or facilities financed by grants under this program, unless the State already has the responsibility and the cost of such will not rise substantially due to the effects of the grant project. This is the same requirement used in the State's current revenue sharing program.

This subsection also requires grantees and their contractors to adhere to the established hiring preferences and requirements for economically distressed or disadvantaged individuals, zones and geographic areas set out by the Department of Labor under AS 36.10.

Subsection (d)

The formula set out in this section calculates the local share, in dollars, required to match each draw that the municipal grantee makes on its grant balance. The general effect of the formula is that the larger a municipal grantee is in terms of its population, and the wealthier it is in terms of its per capita real and personal property valuation, the larger is its required local share for any draw of its grant funds; and vice versa.

The basic relationship reflected in the formula is that for each project, portion of a project, or group of projects - - i.e., for each use to which grant awards are put by a municipality - - the municipality should put up a share, and the State should put up a share. In practice, the State's share would be the amount of any particular draw by a grantee against its outstanding grant balance, and the grantee's share for that draw would be the local share defined in this subsection.

The ratio of the local share to the State share, for any given draw, is defined in this subsection as the grantee's local share factor. That is:

$$\text{Local Share Factor} = \frac{\text{Local Share (as a \%)}}{\text{State Share (as a \% )}}$$

The local share factor multiplied by the dollar amount of the given draw therefore equals the dollar amount due from the grantee as the local share for that draw, as shown below:

$$\text{Since: } \frac{\text{Local Share (in \$)}}{\text{State Share (in \$)}^*} = \frac{\text{Local Share (as a \%)}}{\text{State Share (as a \% )}}$$

$$\text{Then: } \text{Local Share (in \$)} = \frac{\text{Local Share (as a \%)}}{\text{State Share (as a \% )}} \times \text{State Share (in \$)}^*$$

$$^* \text{ State Share (in \$)} = \text{Draw Amount}$$

Since the State share in dollars is known (the draw amount), and since, the local share and the State share must, when expressed as percentages, add up to 1, the major part of the local share formula is involved with determining the grantee's local share expressed as a percentage of the total proposed outlay - - i.e., with determining the grantee's local share percentage.

Calculation of the local share percentage is straightforward: it equals the product of the municipal grantee's population factor and its local wealth factor. Population factors for municipalities are designated in this subsection, according to municipal population sizes. The local wealth factor for a grantee is simply the grantee's per capita real and personal property valuation divided by the statewide average for all municipalities - - i.e., the grantee's per capita wealth relative to that of other municipalities, where the statewide average local wealth factor is 1.0.

**Subsection (e)**

This subsection stipulates that the effective local share percentage for any grantee will not exceed 30 percent or be lower than 5 percent (changing after two years to 50 percent and 10 percent, respectively, per Section 3 of the bill and the effective date provisions in Section 7 of the bill). It also stipulates that contributed labor, material, equipment, etc., as well as money from non-state sources, may constitute the local share.

**Subsection (f)**

This subsection stipulates that, once a draw has been made, progress on the project or projects for which the draw was made must be begun within five years of the draw, or else the drawn money must be returned to the grantee's account in the municipal grant fund, where it will remain available for later use by the grantee. It also stipulates that if a grantee makes no draws against a particular annual grant appropriation or allocation for five years, the money lapses into the general fund.

**Subsection (g)**

This subsection allows the Department of Administration to promulgate regulations, require reports, conduct audits, etc., for purposes of conducting the program and carrying out the provisions of this section of the bill. Specifically, this subsection requires that such audits must address the department's method used to value any contributed labor used to satisfy the local share, as well as its method of confirming that such contributed labor actually was used.

**Subsection (h)**

This subsection stipulates that if the grantee is an organized borough, the population and valuation data used in its local share formula calculation are to be net of the population and valuation components attributable to any incorporated municipality located within the borough. This reflects the approach taken in the design of this program that incorporated boroughs would be the instrumentalities responsible for receiving and administering grants for projects affecting unincorporated communities which are located within organized boroughs.

This subsection also stipulates that the population data and local valuation data used for municipal grantees shall be the same as that compiled and developed by the Department of Community and Regional Affairs for the State revenue sharing program.

**Subsection (i)**

This subsection contains definitions essential for interpreting the provisions of Section 1 of the bill.

### SECTION THREE

This section of the bill changes the maximum and minimum local share percentages from 30 percent and 5 percent, respectively, to 50 percent and 10 percent. Per the provisions of Section 7 of the bill, the provisions of this section become effective two years after the program goes into effect (i.e., two years after the effective date of Section 2 of the bill).

### SECTION FOUR

Section 4 of the bill establishes the capital project matching grant program for unincorporated communities, establishes a fund for the receipt and tracking of grant awards, and describes how appropriations to the program will be allocated among grantees.

"Unincorporated Community" is defined in the bill as any place in the unorganized borough that is not incorporated as a city and in which 25 or more persons reside as a social unit, per AS 29.60.140(b). This is the definition used in the Department of Community and Regional Affairs' state revenue sharing program.

#### Subsection (a)

This section establishes the grant program for unincorporated communities located in the unorganized borough, as well as a fund for holding and administering grants to those communities, within the Department of Community and Regional Affairs.

The section stipulates that the amount annually appropriated to the unincorporated community fund will be allocated to grantees pro rata on the basis of the number of unincorporated communities participating in the program, and credited to individual accounts for them within the fund. Annual grant awards will accumulate in grantees' accounts, subject to the limitations in subsection (f). Interest earnings on the amounts included in grantee accounts will accrue to the general fund.

#### Subsection (b)

This subsection requires the Department of Community and Regional Affairs to determine the minimum appropriation needs of the program by February 1 of each year, and to request an annual appropriation for at least that amount.

**Subsection (c)**

This subsection allows nonprofit corporations and Native village councils to serve as the grantee for unincorporated communities participating in this program. The subsection also essentially stipulates that grantees will be responsible for providing for the maintenance and operating costs of the projects or facilities financed by grants under this program, unless the State already has the responsibility and the cost of such will not rise substantially due to the effects of the grant project. This is the same requirement used in the State's current revenue sharing program.

This subsection also requires grantees and their contractors to adhere to the established hiring preferences and requirements for economically distressed or disadvantaged individuals, zones and geographic areas set out by the Department of Labor under AS 36.10.

**Subsection (d)**

This subsection essentially sets out the procedures which the Department of Community and Regional Affairs must use in identifying potential grant recipients for unincorporated communities. The procedures and limitations entailed are those currently required in the State revenue sharing program.

**Subsection (e)**

This subsection stipulates that the required local share for unincorporated communities under this program is 5 percent of the sum of the local share and the draw taken (changing after two years to 10 percent, per Section 5 of the bill and the effective date provisions in Section 7 of the bill). It also stipulates that contributed labor, material, equipment, etc., as well as money from non-state sources, may constitute the local share.

**Subsection (f)**

This subsection stipulates that if a grantee makes no draws against a particular annual grant appropriation or allocation for five years, the money lapses into the general fund. It also stipulates that, once a draw has been made, progress on the project or projects for which the draw was made must be begun within five years of the draw, or else the drawn money must be returned to the grantee's account in the unincorporated community grant fund, where it will remain available for later use by the grantee.

**Subsection (g)**

This subsection allows the Department of Community and Regional Affairs to promulgate regulations, require reports, conduct audits, etc., for purposes of conducting the program and carrying out the provisions of this section of the bill. Specifically, this subsection requires that such audits must address the department's method used to value any contributed labor used to satisfy the

local share, as well as its method of confirming that such contributed labor actually was used.

Subsection (h)

This subsection stipulates that the program cost ceiling set in AS 44.47.140 does not apply to the unincorporated community matching grant program established under this bill.

## **SECTION FIVE**

This section of the bill changes the required local share percentage for unincorporated communities from 5 percent to 10 percent. Per the provisions of Section 7 of the bill, the provisions of this section become effective two years after the program goes into effect (i.e., two years after the effective date of Section 4 of the bill).

## **SECTION SIX**

This section provides that all sections of the bill carry an immediate effective date, except the two sections which increase (after two years) the maximum and minimum required local share for municipalities, and the required local share for unincorporated communities.

## **SECTION SEVEN**

This section provides that the two sections of the bill which increase the required local shares for municipalities and unincorporated communities will take effect two years after the rest of the bill - - i.e., that the increases will take effect after the programs' first two years.

TABLE 1

**MUNICIPAL MATCHING GRANT PROGRAM**

Local Share % = Col. D x Col. Fa

Total State Funds (\$000):	58,050.0
Minimum State Share (\$000):	25.0
Maximum Local Share (%):	30%
Minimum Local Share (%):	5%

Population Factors:	Under 1,000	1,000-4,999	5,000-10,000	Over 10,000
For Grant Allocation:	1.5	1.4	1.2	1.0
For Local Share %:	0.1	0.3	0.7	1.0

(A) Community	(B) Population	(C) Allocation Factor	(D) Local Share Factor	(E) I/CRA Assessed Full Value (\$)	(F) Per Capita Value (\$)	(Fa) Local Wealth Factor	(H) LOCAL SHARE %	(I) \$000	(J) STATE SHARE %	(K) \$000	(L) Leverage Ratio
Aktvik	93	1.5	.1	1,758,000	18,903	0.267	5.0%	1,316	95.0%	25,000	1.05
Alduk	254	1.5	.1	8,454,191	32,642	0.460	5.0%	2,029	95.0%	38,542	1.05
Akutan	432	1.5	.1	10,816,600	25,038	0.353	5.0%	3,384	95.0%	64,287	1.05
Alakanuk	565	1.5	.1	18,442,540	32,642	0.460	5.0%	4,425	95.0%	84,079	1.05
Aleknagik	159	1.5	.1	5,190,025	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Aleutians East Borough	69	1.5	.1	2,252,298	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Alitka	202	1.5	.1	6,593,616	32,642	0.460	5.0%	1,582	95.0%	30,060	1.05
Ambler	308	1.5	.1	3,469,100	11,227	0.158	5.0%	2,420	95.0%	45,983	1.05
Anaktuvuk Pass	254	1.5	.1	1,588,000	6,252	0.088	5.0%	1,989	95.0%	37,798	1.05
Anchorage, Municipality of	222,950	1.0	1.0	9,836,722,410	44,121	0.622	30.0%	9,465,637	70.0%	22,086,486	1.43
Anderson	635	1.5	.1	20,727,457	32,642	0.460	5.0%	4,973	95.0%	94,496	1.05
Angoon	686	1.5	.1	22,359,540	32,642	0.460	5.0%	5,365	95.0%	101,936	1.05
Aniak	558	1.5	.1	18,214,049	32,642	0.460	5.0%	4,370	95.0%	83,037	1.05
Arvik	89	1.5	.1	2,905,108	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Atka	90	1.5	.1	2,937,750	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Aqtasuk	225	1.5	.1	1,925,000	8,556	0.121	5.0%	1,762	95.0%	33,483	1.05
Barrow	3,379	1.4	.3	49,341,100	14,602	0.206	6.2%	30,882	83.8%	469,217	1.07
Bethel	4,390	1.4	.3	181,980,500	41,453	0.585	17.5%	129,628	82.5%	609,607	1.21
Bettles	45	1.5	.1	1,468,875	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Brevig Mission	197	1.5	.1	6,430,408	32,642	0.460	5.0%	1,543	95.0%	29,316	1.05
Bristol Bay Borough	1,451	1.4	.3	117,937,900	81,280	1.141	30.0%	86,353	70.0%	201,490	1.43
Buckland	302	1.5	.1	3,145,300	10,415	0.147	5.0%	2,265	95.0%	44,941	1.05
Chelbimak	299	1.5	.1	9,759,858	32,642	0.460	5.0%	2,342	95.0%	44,495	1.05
Chevak	594	1.5	.1	19,389,149	32,642	0.460	5.0%	4,652	95.0%	89,394	1.05
Chignik	128	1.5	.1	8,709,200	63,041	0.959	9.6%	2,653	90.4%	25,000	1.11
Chuathbaluk	127	1.5	.1	4,145,491	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Clark's point	87	1.5	.1	2,839,825	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Coffman cove	195	1.5	.1	6,365,125	32,642	0.460	5.0%	1,527	95.0%	29,018	1.05
Cold bay	158	1.5	.1	8,482,400	53,686	0.757	7.6%	2,047	92.4%	25,000	1.08
Cordova	2,619	1.4	.3	122,992,900	46,962	0.662	19.9%	90,158	80.1%	363,681	1.25
Craig	1,231	1.4	.3	40,178,500	32,639	0.460	13.8%	27,382	86.2%	170,940	1.16

TABLE 1

**MUNICIPAL MATCHING GRANT PROGRAM**

Local Share % = Col. D x Col. Fa

Total State Funds (\$000): 58,050.0  
 Minimum State Share (\$000): 25.0  
 Maximum Local Share (%): 30%  
 Minimum Local Share (%): 5%

Population Factors:	Under 1,000	1,000-4,999	5,000-10,000	Over 10,000
For Grant Allocation:	1.5	1.4	1.2	1.0
For Local Share %:	0.1	0.3	0.7	1.0

(A)	(B)	(C)	(D)	(E)	(F)	(Fa)	(H)	(I)	(J)	(K)	(L)
Community	Population	DCRA Assessed Full Value (\$)	Local Share Factor	DCRA Assessed Full Value (\$)	Per Capita Value (\$)	Local Share Factor	LOCAL SHARE %	LOCAL SHARE \$000	STATE SHARE %	STATE SHARE \$000	Leverage Ratio
Deering	185	1,867,700	1.5	1,867,700	11,319	0.160	5.0%	1,316	95.0%	25,000	1.05
Delta Junction	1,185	27,731,800	1.4	27,731,800	23,402	0.330	9.9%	18,080	90.1%	164,552	1.11
Densil Borough	1,348	74,435,000	1.4	74,435,000	55,301	0.780	23.4%	57,076	76.6%	186,909	1.31
Dillingham	2,232	118,601,000	1.4	118,601,000	53,137	0.749	22.5%	89,868	77.5%	309,942	1.29
Diomed	184	6,006,068	1.5	6,006,068	32,642	0.460	5.0%	1,441	95.0%	27,381	1.05
Eagle	174	8,389,300	1.5	8,389,300	48,209	0.680	6.8%	1,880	93.2%	25,803	1.07
Eek	279	9,107,024	1.5	9,107,024	32,642	0.460	5.0%	2,185	95.0%	41,519	1.05
Ekeok	122	3,982,283	1.5	3,982,283	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Elim	294	9,596,649	1.5	9,596,649	32,642	0.460	5.0%	2,303	95.0%	43,751	1.05
Emmonak	675	22,033,123	1.5	22,033,123	32,642	0.460	5.0%	5,287	95.0%	100,448	1.05
Fairbanks	28,251	1,071,624,900	1.0	1,071,624,900	37,932	0.535	30.0%	1,199,434	70.0%	2,798,678	1.43
Fairbanks North Star Borough	42,500	2,142,124,000	1.0	2,142,124,000	50,403	0.711	30.0%	1,804,394	70.0%	4,210,252	1.43
False Pass	89	2,252,298	1.5	2,252,298	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Fort Yukon	642	20,955,948	1.5	20,955,948	32,642	0.460	5.0%	5,028	95.0%	95,537	1.05
Galena	928	19,585,100	1.5	19,585,100	21,105	0.298	5.0%	7,268	95.0%	138,098	1.05
Gambell	520	16,973,665	1.5	16,973,665	32,642	0.460	5.0%	4,073	95.0%	77,382	1.05
Golovin	154	5,026,816	1.5	5,026,816	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Goodnews Bay	230	7,507,583	1.5	7,507,583	32,642	0.460	5.0%	1,801	95.0%	34,227	1.05
Grayling	228	7,442,299	1.5	7,442,299	32,642	0.460	5.0%	1,786	95.0%	33,929	1.05
Haines	1,160	51,001,500	1.4	51,001,500	43,967	0.620	18.6%	36,804	81.4%	161,081	1.23
Haines Borough	1,685	52,886,700	1.4	52,886,700	31,387	0.443	13.3%	35,822	86.7%	233,984	1.15
Holy Cross	276	9,009,099	1.5	9,009,099	32,642	0.460	5.0%	2,162	95.0%	41,072	1.05
Ikroavik	4,338	205,761,300	1.4	205,761,300	47,432	0.669	20.1%	151,205	79.9%	602,386	1.25
Ikroavik	894	21,586,000	1.5	21,586,000	24,145	0.340	5.0%	7,002	95.0%	133,038	1.05
Hooper Bay	807	5,203,800	1.5	5,203,800	6,448	0.091	5.0%	6,321	95.0%	120,091	1.05
Houston	738	33,028,500	1.5	33,028,500	44,754	0.631	6.3%	7,397	93.7%	109,823	1.07
Hughes	75	2,448,125	1.5	2,448,125	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Huslia	225	7,344,374	1.5	7,344,374	32,642	0.460	5.0%	1,762	95.0%	33,483	1.05
Hydaburg	457	9,024,100	1.5	9,024,100	19,746	0.278	5.0%	3,579	95.0%	68,007	1.05
Juneau, City and Borough of	29,946	1,247,450,700	1.0	1,247,450,700	41,657	0.587	30.0%	1,271,397	70.0%	2,966,593	1.43
Kachemak	418	17,954,400	1.5	17,954,400	42,953	0.606	6.1%	4,010	93.9%	62,203	1.06

TABLE 1

**MUNICIPAL MATCHING GRANT PROGRAM**

Local Share % = Col. D x Col. Fa

Total State Funds (\$000):	58,050.0	Population	Under	1,000-	5,000-	Over
Minimum State Share (\$000):	25.0	Factors:	1,000	4,999	10,000	10,000
Maximum Local Share (%):	30%	For Grant Allocation:	1.5	1.4	1.2	1.0
Minimum Local Share (%):	5%	For Local Share %:	0.1	0.3	0.7	1.0

(A)	(B)	(C)	(D)	(E)	(F)	(Fa)	(H)	(I)	(J)	(K)	(L)
Community	Population	Allocation Population Factor	Local Share % Population Factor	DCRA Assessed Full Value (\$)	Per Capita Value (\$)	Local Share % Population Factor	LOCAL SHARE %	LOCAL SHARE \$000	STATE SHARE %	STATE SHARE \$000	Leverage Ratio
Kake	678	1.5	.1	16,843,800	24,843	0.350	5.0%	5,310	95.0%	100,895	1.05
Kalukvik	224	1.5	.1	2,219,300	9,908	0.140	5.0%	1,754	95.0%	33,334	1.05
Kalakag	268	1.5	.1	8,747,966	32,642	0.460	5.0%	2,009	95.0%	39,882	1.05
Kasaan	69	1.5	.1	2,252,275	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Kenai	6,543	1.2	.7	281,331,400	42,997	0.606	30.0%	333,591	70.0%	778,380	1.43
Kenai Peninsula Borough	21,896	1.0	1.0	2,419,659,910	110,557	1.559	30.0%	929,199	70.0%	2,168,131	1.43
Ketchikan	7,730	1.2	.7	438,590,300	56,739	0.800	30.0%	394,110	70.0%	919,590	1.43
Ketchikan Gateway Borough	4,592	1.4	.3	367,375,500	80,003	1.128	30.0%	273,282	70.0%	637,658	1.43
Kiana	414	1.5	.1	5,051,900	12,203	0.172	5.0%	3,243	95.0%	61,608	1.05
King Cove	790	1.5	.1	29,189,900	36,949	0.521	5.2%	6,462	94.8%	117,562	1.05
Kivalina	298	1.5	.1	3,388,600	11,371	0.160	5.0%	2,334	95.0%	44,346	1.05
Klawock	897	1.5	.1	9,194,000	10,250	0.145	5.0%	7,026	95.0%	133,485	1.05
Kobuk	87	1.5	.1	1,102,900	12,677	0.179	5.0%	1,316	95.0%	25,000	1.05
Kodiak	6,774	1.2	.7	438,936,900	64,797	0.914	30.0%	345,369	70.0%	895,860	1.43
Kodiak Island Borough	7,716	1.2	.7	185,178,500	23,999	0.338	23.7%	284,935	76.3%	917,924	1.31
Kotlik	452	1.5	.1	14,754,032	32,642	0.460	5.0%	3,540	95.0%	67,263	1.05
Kotzebue	3,705	1.4	.3	103,226,300	27,861	0.383	11.0%	68,738	88.2%	514,486	1.13
Koyuk	224	1.5	.1	7,311,733	32,642	0.460	5.0%	1,754	95.0%	33,334	1.05
Koyukuk	138	1.5	.1	4,504,550	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Kupreanof	52	1.5	.1	1,697,367	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Kwethluk	541	1.5	.1	17,659,140	32,642	0.460	5.0%	4,237	95.0%	80,507	1.05
Lake and Peninsula Borough	1,198	1.4	.3	41,579,700	34,708	0.469	14.7%	28,627	85.3%	166,358	1.17
Larsen Bay	149	1.5	.1	3,268,300	21,935	0.308	5.0%	1,316	95.0%	25,000	1.05
Lower Kalskag	273	1.5	.1	8,911,174	32,642	0.460	5.0%	2,138	95.0%	40,626	1.05
Menzokotak	370	1.5	.1	12,077,416	32,642	0.460	5.0%	2,898	95.0%	55,061	1.05
Marshall	294	1.5	.1	9,596,649	32,642	0.460	5.0%	2,303	95.0%	43,751	1.05
Matanuska-Susitna Borough	30,917	1.0	1.0	1,447,950,990	46,833	0.660	30.0%	1,312,622	70.0%	3,062,785	1.43
McGrath	533	1.5	.1	17,398,007	32,642	0.460	5.0%	4,175	95.0%	79,317	1.05
Mekoryuk	190	1.5	.1	6,201,916	32,642	0.460	5.0%	1,488	95.0%	28,274	1.05
Mountain Village	742	1.5	.1	24,220,115	32,642	0.460	5.0%	5,812	95.0%	110,419	1.05
Napakiaak	315	1.5	.1	10,282,124	32,642	0.460	5.0%	2,467	95.0%	46,876	1.05

TABLE 1

**MUNICIPAL MATCHING GRANT PROGRAM**

Local Share % = Col. D x Col. Fa

Total State Funds (\$000): 58,050.0  
 Minimum State Share (\$000): 25.0  
 Maximum Local Share (%): 30%  
 Minimum Local Share (%): 5%

Population Factors:	Under 1,000	1,000-4,999	5,000-10,000	Over 10,000
For Grant Allocation:	1.5	1.4	1.2	1.0
For Local Share %:	0.1	0.3	0.7	1.0

(A)	(B)	(C)	(D)	(E)	(F)	(Fa)	(H)	(I)	(J)	(K)	(L)
Community	Population	Allocation Population Factor	Local Share % Population Factor	DCRA Assessed Full Value (\$)	Per Capita Value (\$)	Local Wealth Factor	LOCAL SHARE %	LOCAL SHARE \$000	STATE SHARE %	STATE SHARE \$000	Leverage Ratio
Wapashik	331	1.5	.1	10,804,391	32,642	0.460	5.0%	2,592	95.0%	49,257	1.05
Nenana	555	1.5	.1	16,186,800	29,165	0.411	5.0%	4,347	95.0%	62,591	1.05
New Stuyahok	374	1.5	.1	12,207,982	32,642	0.460	5.0%	2,929	95.0%	55,656	1.05
Newhalen	168	1.5	.1	3,602,800	21,445	0.302	5.0%	1,316	95.0%	25,000	1.05
Atkasook	113	1.5	.1	3,688,508	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Nome	4,303	1.4	.3	137,990,000	32,068	0.452	13.6%	93,778	86.4%	597,526	1.16
Nondalton	229	1.5	.1	3,804,400	16,613	0.234	5.0%	1,794	95.0%	34,078	1.05
Noorvik	600	1.5	.1	6,457,500	10,763	0.152	5.0%	4,699	95.0%	89,287	1.05
North Pole	1,610	1.4	.3	184,583,000	114,648	1.617	30.0%	95,815	70.0%	223,569	1.43
North Slope Borough	2,285	1.4	.3	11,893,976,500	5,200,865	73.335	30.0%	135,986	70.0%	317,301	1.43
Northwest Arctic Borough	315	1.5	.1	4,110,500	13,049	0.184	5.0%	2,467	95.0%	46,876	1.05
Nulikut	324	1.5	.1	11,996,900	37,027	0.522	5.2%	2,656	94.8%	48,215	1.06
Nulato	362	1.5	.1	11,816,282	32,642	0.460	5.0%	2,835	95.0%	53,870	1.05
Nunapitchuk	372	1.5	.1	12,142,699	32,642	0.460	5.0%	2,914	95.0%	55,358	1.05
Old Harbor	322	1.5	.1	5,787,400	17,973	0.253	5.0%	2,522	95.0%	47,918	1.05
Ouzinkie	204	1.5	.1	3,245,100	15,907	0.224	5.0%	1,598	95.0%	30,358	1.05
Palmer	2,988	1.4	.3	104,192,300	34,870	0.492	14.8%	71,794	86.2%	414,922	1.17
Pelican	251	1.5	.1	10,440,800	41,597	0.587	5.9%	2,327	94.1%	37,352	1.06
Petersburg	3,440	1.4	.3	162,441,900	47,221	0.666	20.0%	119,239	80.0%	477,688	1.25
Pilot Station	455	1.5	.1	14,651,957	32,642	0.460	5.0%	3,564	95.0%	67,710	1.05
Point Hope	610	1.5	.1	7,034,600	11,532	0.193	5.0%	4,778	95.0%	90,775	1.05
Port Alexander	119	1.5	.1	3,884,358	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Port Halden	121	1.5	.1	2,675,400	22,111	0.312	5.0%	1,316	95.0%	25,000	1.05
Port Lions	300	1.5	.1	6,969,600	23,232	0.328	5.0%	2,350	95.0%	44,614	1.05
Quinhagak	499	1.5	.1	16,288,190	32,642	0.460	5.0%	3,908	95.0%	74,257	1.05
Ruby	243	1.5	.1	7,931,924	32,642	0.460	5.0%	1,903	95.0%	36,161	1.05
Russian Mission	266	1.5	.1	8,682,683	32,642	0.460	5.0%	2,083	95.0%	39,584	1.05
Sand Point	993	1.5	.1	39,039,700	39,315	0.554	5.5%	8,673	94.5%	147,771	1.06
Savoonga	511	1.5	.1	16,679,890	32,642	0.460	5.0%	4,002	95.0%	76,043	1.05
Saxman	308	1.5	.1	13,305,600	43,200	0.609	6.1%	2,973	93.9%	45,834	1.06
Scammon Bay	306	1.5	.1	9,988,349	32,642	0.460	5.0%	2,397	95.0%	45,537	1.05

TABLE 1

MUNICIPAL MATCHING GRANT PROGRAM

Local Share % = Col. D x Col. Fa

Total State Funds (\$000): 58,060.0  
 Minimum State Share (\$000): 25.0  
 Maximum Local Share (%): 30%  
 Minimum Local Share (%): 5%

Population Factors: Under 1,000, 1,000-4,999, 5,000-10,000, Over 10,000  
 For Grant Allocation: 1.5, 1.4, 1.2, 1.0  
 For Local Share %: 0.1, 0.3, 0.7, 1.0

(A) Community	(B) Population	(C) Local Share % Population Factor	(D) Local Share % Population Factor	(E) DCRA Assessed Full Value (\$)	(F) Per Capita Value (\$)	(Fa) Local Share % Population Factor	(H) LOCAL SHARE %	(I) LOCAL SHARE \$000	(J) STATE SHARE %	(K) STATE SHARE \$000	(L) Leverage Ratio
Selawik	672	1.5	.1	7,930,700	11,802	0.166	5.0%	5,263	95.0%	100,002	1.05
Seldovia	565	1.5	.1	21,089,400	37,326	0.526	5.3%	4,671	94.7%	84,079	1.06
Seward	2,829	1.4	.3	139,627,200	49,356	0.685	20.9%	103,661	79.1%	302,843	1.26
Shageluk	152	1.5	.1	4,961,533	32,642	0.459	5.0%	1,316	95.0%	25,000	1.05
Sheldoonik	197	1.5	.1	6,430,408	32,642	0.460	5.0%	1,543	95.0%	29,316	1.05
Sheldon Point	131	1.5	.1	4,276,058	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Shishmaref	430	1.5	.1	14,035,816	32,642	0.460	5.0%	3,368	95.0%	63,989	1.05
Shungnak	214	1.5	.1	2,963,300	13,847	0.195	5.0%	1,676	95.0%	31,846	1.05
Sitka, City and Borough of	8,257	1.2	.7	446,849,500	54,118	0.763	30.0%	420,979	70.0%	982,284	1.43
Sitka, Borough	704	1.5	.1	54,411,100	77,289	1.080	10.9%	12,814	89.1%	104,764	1.12
Soldotna	3,733	1.4	.3	200,457,100	53,699	0.757	22.7%	152,360	77.3%	518,374	1.29
St. George	188	1.5	.1	6,136,633	32,642	0.460	5.0%	1,472	95.0%	27,977	1.05
St. Mary's	491	1.5	.1	4,184,700	8,523	0.120	5.0%	3,846	95.0%	73,067	1.05
St. Michael	303	1.5	.1	9,890,424	32,642	0.460	5.0%	2,373	95.0%	45,090	1.05
St. Paul	586	1.5	.1	19,128,015	32,642	0.460	5.0%	4,590	95.0%	87,204	1.05
Stebbins	304	1.5	.1	12,860,816	32,642	0.460	5.0%	3,086	95.0%	58,632	1.05
Tanana	414	1.5	.1	11,511,900	27,807	0.392	5.0%	3,243	95.0%	61,608	1.05
Teller	237	1.5	.1	7,736,074	32,642	0.460	5.0%	1,856	95.0%	35,268	1.05
Tenakee Springs	108	1.5	.1	3,525,300	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Thorne Bay	525	1.5	.1	17,136,874	32,642	0.460	5.0%	4,112	95.0%	78,126	1.05
Togiak	713	1.5	.1	23,273,507	32,642	0.460	5.0%	5,584	95.0%	106,103	1.05
Toksook Bay	446	1.5	.1	14,558,182	32,642	0.460	5.0%	3,493	95.0%	66,370	1.05
Tukusuk	357	1.5	.1	11,663,074	32,642	0.460	5.0%	2,796	95.0%	53,126	1.05
Unalakleet	740	1.5	.1	24,154,832	32,642	0.460	5.0%	5,796	95.0%	110,121	1.05
Unalaska	2,265	1.4	.3	116,125,240	51,269	0.723	21.7%	87,104	78.3%	314,524	1.28
Upper Kalskag	149	1.5	.1	4,963,608	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Valdez	7,193	1.2	.7	1,370,370,600	190,515	2.686	30.0%	366,731	70.0%	855,706	1.43
Wainwright	512	1.5	.1	3,682,900	7,213	0.102	5.0%	4,010	95.0%	76,192	1.05
Wales	161	1.5	.1	5,255,308	32,642	0.460	5.0%	1,316	95.0%	25,000	1.05
Wasilla	3,342	1.4	.3	228,384,700	68,338	0.964	28.9%	188,707	71.1%	464,079	1.41
White Mountain	180	1.5	.1	5,875,500	32,642	0.460	5.0%	1,410	95.0%	26,786	1.05

**TABLE 1**

**MUNICIPAL MATCHING GRANT PROGRAM**

Local Share % = Col. D x Col. Fa

Total State Funds (\$000):	58,050.0	Population Factors:	Under 1,000	1,000-4,999	5,000-10,000	Over 10,000
Minimum State Share (\$000):	25.0					
Maximum Local Share (%):	30%	For Grant Allocation:	1.5	1.4	1.2	1.0
Minimum Local Share (%):	5%	For Local Share %:	0.1	0.3	0.7	1.0

(A)	(B)	(C)	(D)	(E)	(F)	(Fa)	(H)	(I)	(J)	(K)	(L)
Community	Population	Allocation Population Factor	Local Share % Population Factor	DCRA Assessed Full Value (\$)	Per Capita Value (\$)	Local Share % Weight Factor	LOCAL SHARE %	\$000	STATE SHARE %	\$000	Leverage Ratio
Whitler	299	1.5	.1	18,415,800	61,591	0.868	8.7%	4,232	91.3%	44,495	1.10
Wingall	2,630	1.4	.3	110,198,000	41,900	0.591	17.7%	78,677	82.3%	365,200	1.22
Yakutat	527	1.5	.1	10,792,100	37,556	0.530	5.3%	4,385	94.7%	78,424	1.06
<b>TOTAL:</b>	<b>189</b>			<b>\$37,413,729,446</b>			<b>26%</b>	<b>20,744,851</b>	<b>74%</b>	<b>58,050,000</b>	<b>1.36</b>

STATEWIDE AVERAGE: \$78,919 1.008

TABLE 1

**MUNICIPAL MATCHING GRANT PROGRAM**

Local Share % = Col. D x Col. Fa

Total State Funds (\$000):	58,050.0	<i>Population</i>	Under	1,000-	5,000-	Over
Minimum State Share (\$000):	25.0	<i>Factors:</i>	1,000	4,999	10,000	10,000
Maximum Local Share (%):	30%	<i>For Grant Allocation:</i>	1.5	1.4	1.2	1.0
Minimum Local Share (%):	5%	<i>For Local Share %:</i>	0.1	0.3	0.7	1.0

(A)	(B)	(C)	(D)	(E)	(F)	(Fa)	(H)	(I)	(J)	(K)	(L)
Community	Population	Allocation Population Factor	Local Share % Population Factor	DCRA Assessed Full Value (\$)	Per Capita Value (\$)	Local Wealth Factor	LOCAL SHARE %	STATE SHARE %	STATE SHARE \$000	Leverage Ratio	

NOTES:

Col. A - Excludes unincorporated communities outside boroughs, Metlakatla, and seven incorporated communities of uncertain dissolution status (Akiachak, Aimaulik, Kasigluk, Newtok, Nightmute, Platinum and Tununak).

Col. B - Population figures shown are those used by DCRA for the FY 91 State revenue sharing program.

Col. E - Taxable property full and true value, including oil and gas property, as established by DCRA (State Assessor).

Communities showing a per capita value of \$32,642 are communities with population less than 750 people whose full value (Col. D) has not been assessed. DCRA establishes full values for these communities by calculating a weighted average per capita full valuation for all communities of less than 750 population for which assessments have been made, and multiplying that per capita full value by the populations of the former set of unassessed communities to produce full values for them. Generally, but not exclusively, these unassessed communities lie within the Unorganized Borough, while the set of assessed communities of population less than 750 lies within organized boroughs.

Col. F -

Col. G - Equals local per capita value (Col. E) divided by the statewide average per capita value (bottom of Col. E).

Col. I - Equals product of population factor (Col. C) and local wealth factor (Col. F). The minimum and maximum local shares (percentages) of project cost are shown with the assumptions above the table.

Col. J - Equals 1 minus the local share (Col. G).

Col. K - Equals pro rata share of Total State Funds, based on local population, net of instances where the Minimum State Share (shown above table) is applied.

Col. L - Equals 1 divided by the state share percentage (Col. I).

Source: OMB/JF

File: CAPITAL4.XLS

**TABLE 2**  
**UNINCORPORATED COMMUNITY**  
**MATCHING GRANT PROGRAM**

Allocation (State Share):           \$25,000

	State Share	Local Share	Local Match %
Arctic Village	\$25,000	\$1,316	5.0%
Beaver	25,000	1,316	5.0%
Birch Creek	25,000	1,316	5.0%
Central	25,000	1,316	5.0%
Chalkyitsik	25,000	1,316	5.0%
Chenega	25,000	1,316	5.0%
Chicken	25,000	1,316	5.0%
Chistochina	25,000	1,316	5.0%
Chitina	25,000	1,316	5.0%
Chuloomnik	25,000	1,316	5.0%
Circle	25,000	1,316	5.0%
Copper Center	25,000	1,316	5.0%
Council	25,000	1,316	5.0%
Crooked Creek	25,000	1,316	5.0%
Deltana	25,000	1,316	5.0%
Dot Lake	25,000	1,316	5.0%
Dot Lake Services	25,000	1,316	5.0%
Dry Creek	25,000	1,316	5.0%
Eagle Village	25,000	1,316	5.0%
Edna Bay	25,000	1,316	5.0%
Ekuk	25,000	1,316	5.0%
Elfin Cove	25,000	1,316	5.0%
Evansville	25,000	1,316	5.0%
Four Mile Road Community	25,000	1,316	5.0%
Gakona	25,000	1,316	5.0%
Glenallen	25,000	1,316	5.0%
Gulkana	25,000	1,316	5.0%
Gustavus	25,000	1,316	5.0%
Hamilton	25,000	1,316	5.0%
Healy Lake	25,000	1,316	5.0%
Holla	25,000	1,316	5.0%
Hyder	25,000	1,316	5.0%
Kenny Lake	25,000	1,316	5.0%
King Island	25,000	1,316	5.0%
Kipruk	25,000	1,316	5.0%
Kulovan	25,000	1,316	5.0%
Koliganek	25,000	1,316	5.0%
Kongiganek	25,000	1,316	5.0%
Kwigillingok	25,000	1,316	5.0%
Lime Village	25,000	1,316	5.0%
Livengood	25,000	1,316	5.0%
Manley Hot Springs	25,000	1,316	5.0%
McCarthy	25,000	1,316	5.0%
Mendeltna	25,000	1,316	5.0%
Mentasta	25,000	1,316	5.0%
Minchumina	25,000	1,316	5.0%
Minto	25,000	1,316	5.0%
Myers Chuck	25,000	1,316	5.0%
Nikolski	25,000	1,316	5.0%
Northway	25,000	1,316	5.0%
Oscarville	25,000	1,316	5.0%

	State Share	Local Share	Local Match %
Panguingue Creek	\$25,000	\$1,316	5.0%
Paxson	25,000	1,316	5.0%
Pitka's Point	25,000	1,316	5.0%
Point Baker	25,000	1,316	5.0%
Port Protection	25,000	1,316	5.0%
Portage Creek	25,000	1,316	5.0%
Rampart	25,000	1,316	5.0%
Red Devil	25,000	1,316	5.0%
Siana	25,000	1,316	5.0%
Sleetmute	25,000	1,316	5.0%
Solomon	25,000	1,316	5.0%
Stevens Village	25,000	1,316	5.0%
Story River	25,000	1,316	5.0%
Takotna	25,000	1,316	5.0%
Tanacross	25,000	1,316	5.0%
Tatitlek	25,000	1,316	5.0%
Tazlina	25,000	1,316	5.0%
Telida	25,000	1,316	5.0%
Tetlin	25,000	1,316	5.0%
Tok	25,000	1,316	5.0%
Tolsona	25,000	1,316	5.0%
Tonsina	25,000	1,316	5.0%
Tuntutuliak	25,000	1,316	5.0%
Twin Hills	25,000	1,316	5.0%
Venetie	25,000	1,316	5.0%
Whale Pass	25,000	1,316	5.0%
Wiseman	25,000	1,316	5.0%
<b>Total:</b>	<b>\$1,950,000</b>	<b>\$102,632</b>	

*Office of the Governor, Office of Management and Budget*

# STATE OF ALASKA

OFFICE OF THE GOVERNOR  
OFFICE OF MANAGEMENT AND BUDGET  
OFFICE OF THE DIRECTOR

WALTER J. HICKEL, GOVERNOR

P.O. BOX AM  
JUNEAU, ALASKA 99811-0199  
PHONE: (907)-465-3658  
FAX: (907)-465-2090

April 18, 1991

Senator Steve Frank  
Chairman, Community and Regional Affairs Committee  
Alaska State Legislature  
P.O. Box V (MS 3100)  
Juneau, Alaska 99811

Dear Senator Frank:

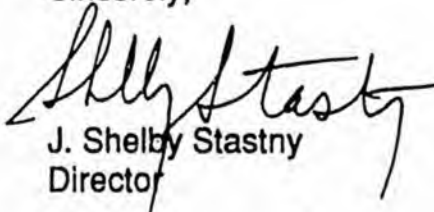
In response to your request for clarification, the purpose of this letter is to reiterate that the capital project matching grant program proposed by Governor Hickel in Senate Bill No. 141 (SB 141) is not intended to supplant any existing State grant program used for the funding of capital projects.

As explained informally as well as in our committee testimony to date, neither the intent nor the provisions of SB 141 call for the repeal or abandonment of any existing grant programs.

The intent of SB 141 is to provide a sensible program approach to supporting the kinds of community-based capital projects that traditionally have appeared on communities' annual "wish" lists; and to support them in a manner consistent with Governor Hickel's desires for local selection of such projects, community and State sharing in their costs, and effective leveraging of State capital project funds.

I trust that this makes clear Governor Hickel's intent regarding SB 141. Please let me know if you or other members of the Senate Community and Regional Affairs Committee have additional questions or would like any additional information.

Sincerely,

  
J. Shelby Stastny  
Director

WALTER J. HICKEL  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

February 25, 1991

The Honorable Richard I. Eliason  
President of the Senate  
P.O. Box V  
Juneau, AK 99811

Dear President Eliason:

In accordance with art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill establishing a capital project matching grant program for municipalities and unincorporated communities.

The capital project matching grant program has two main objectives. One is to encourage a sense of local ownership in capital projects by requiring municipalities and unincorporated communities to participate financially in them. This local participation will help grantees to determine their highest priorities and help ensure that only the most important and cost-effective projects are undertaken. The second objective is to leverage the use of state money in the financing of capital projects, which will be a particularly important policy to adopt given the possibility of declining state revenue in the future.

Essentially, the capital project matching grant program would function as a block grant program for local capital projects, which under this bill would be selected by the grantees. All incorporated and unincorporated communities in Alaska would be entitled to receive a grant under the program, subject to annual appropriations for the program. Under one part of the program, administered by the Department of Administration, every city and borough would receive at least \$25,000 a year. Under the second part of the program, administered by the Department of Community and Regional Affairs, every unincorporated community in the unorganized borough would receive at least \$15,000 a year. Grant entitlements under the program would accumulate from year to year, remaining available to the communities unless no use is made of them for five years.

Annual appropriations for the program would be made to two separate funds established in the bill, one for municipalities and a second for unincorporated communities. Annual grant awards for municipalities would be determined by a pro rata allocation of the annual appropriation amount based on the population of recipient communities; for unincorporated communities located outside municipalities, by a pro rata allocation of the annual

Honorable Richard Eliason - 2 -

appropriation amount based on the number of recipient communities (essentially, the unincorporated communities that participate in the state revenue sharing program).

Each time a municipality draws upon its grant account, the draw would be subject to a local matching requirement based on the grantee's population and relative local per capita wealth (assessed valuation); i.e., the larger and wealthier a municipality is, relative to the statewide average for municipalities, the greater its required matching share would be, and vice versa. The formula for calculating the local share is contained in the bill. The bill also establishes a maximum local share for municipalities of 50 percent of the amount devoted to projects and a minimum local share of 10 percent.

Each time an unincorporated community located outside a municipality draws on its grant account, the draw would be subject to a local matching requirement of 10 percent of the work for which the draw is taken.

For all grant recipients, the local share may be satisfied from federal or municipal money, locally contributed manpower, materials or equipment, or money from any non-state source. The use of state money as the local share is not allowed under the bill, so as not to undercut the fundamental purposes of the program.

The Act would take effect on July 1, 1991. An appropriation bill for the grant programs enacted by the bill is being submitted along with this legislation.

This bill is important because of the precedent it sets in requiring a local stake in capital projects, and because it allows limited state financial resources to support a greater number of needed capital projects and capital improvements than otherwise would be possible. It also is important because it allows local communities to determine the projects which will best suit their local needs. For all of these reasons, I seek and encourage your support for this bill.

Sincerely,



Walter J. Hickel  
Governor