

Introduced by:

Mayor, Elam

Date:

02/27/24

Action:

Vote:

# LAYDOWN

## KENAI PENINSULA BOROUGH RESOLUTION 2024-008

### **A RESOLUTION REQUESTING THE STATE LEGISLATURE TRANSFER A GRANT AWARDED TO THE KENAI PENINSULA BOROUGH FOR CONSTRUCTION OF A SCHOOL FACILITY IN KACHEMAK-SELO FROM THE DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT TO THE DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT**

**WHEREAS,** the process to build a new school facility for the Kachemak-Selo community began in 2012 when Kachemak-Selo residents submitted a petition to KPBSD Board of Education requesting improved school facilities; and

**WHEREAS,** in 2016, following the enactment of Senate Bill 138, the Kenai Peninsula Borough (KPB) was awarded a grant by the State of Alaska (State) through the Department of Education and Early Development (DEED) for the planning, design, construction and equipping of a new K-12 school facility in Kachemak-Selo under AS 14.11.005; and

**WHEREAS,** the State initially approved an eligible amount of \$16,719,236 including a State grant of \$10,867,503 and a required local match of \$5,851,733 pursuant to AS 14.11.008; and

**WHEREAS,** DEED reduced the grant award to \$10,010,000 due to student population projections; and

**WHEREAS,** pursuant to AS 14.11.008, DEED requires a 35 percent match of \$5,390,000 through cash, in-kind or a combined contribution; and

**WHEREAS,** Ordinance 2018-19-02 approved and appropriated the DEED grant subject to voters' approval of the ballot proposition in Ordinance 2018-21 seeking voter approval to issue \$5,450,000 of general obligation bonds to pay the required local match;

**WHEREAS,** the ballot proposition to pay the local required match failed at the regular election on October 2, 2018; and

**WHEREAS,** the KPB then pursued a performance period extension of seven years to secure the required 35 percent match; and

**WHEREAS,** Ordinance 2018-19-25, accepted and appropriated the State funds and authorized the Mayor to execute the grant agreement in order to pursue an extension per DEED requirements; and

**WHEREAS,** the deadline to obtain local funds is currently June 29, 2024; and

**WHEREAS,** in its Fiscal Year 2023 budget the KPB appropriated \$3,000,000 in local match funds for the Kachemak-Selo School Facility Construction Project; and

**WHEREAS,** the KPB Administration is actively pursuing a facility campus through a land purchase agreement that will go before the Assembly for acquisition approval; and

**WHEREAS,** due to unique circumstances and challenges related to providing a K-12 school facility in Kachemak-Selo, the KPB requests the State Legislature transfer the grants funds from DEED to the Department of Commerce, Community & Economic Development (DCCED); and

**WHEREAS,** the remote location, with no dedicated legal access and seasonally limited access by water, combined with DEED standards and requirements for building a school, results in high construction and equipping costs; and

**WHEREAS,** the KPB is limited in its ability to satisfy the DEED local match requirements and is unable to build a school facility in Kachemak-Selo that meets the DEED school design and construction standards; and

**WHEREAS,** transferring the grant funds to DCCED would remove the required 35 percent local match and allow the KPB to construct a community center facility that will be used for educational purposes; and

**WHEREAS,** transferring the grant funds to DCCED is in the best interests of the Kachemak-Selo K-12 aged students and the community by ensuring the ability to move forward with construction of a community center that serves the area's community and educational needs; and

**WHEREAS,** transferring the grant funds to DCCED is in the best interests of KPB constituents in that it will provide a mechanism to construct a community center that can be used for educational purposes in manner that is cost effective while still providing an appropriate educational environment;

**NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:**

**SECTION 1.** That the Assembly requests the Alaska State Legislature transfer grant GR-17-001 (Kachemak Selo New K-12 School Construction) from the Department of Education and Early Development (DEED) to the Department of Commerce, Community & Economic Development (DCCED).

**SECTION 2.** The Mayor is hereby authorized to execute all documents and make all agreements deemed necessary to effectuate the intent of this resolution.

**SECTION 3.** That the Clerk will provide a copy of this resolution to the State Legislature.

**SECTION 4.** This resolution shall become effective immediately.

**ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 27TH DAY FEBRUARY 2024.**

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Brent Johnson, Assembly President

ATTEST:

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Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent: