

Community Development Grants**FY2005 Request: \$9,375,000**
Reference No: 38943

AP/AL: Appropriation
Category: Housing/Social Services
Location: Statewide
House District: Statewide (HD 1-40)
Estimated Project Dates: 07/01/2004 - 06/30/2009

Project Type: Health and Safety
Recipient: Various
Contact: Gene Kane
Contact Phone: (907)269-4578

Brief Summary and Statement of Need:

Multiple federally-funded programs, enabling DCED to provide grants to communities and non-profit organizations for community development.

Funding:	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	Total
AHFC Div	\$17,900						\$17,900
ASLC Bonds		\$175,000	\$175,000	\$175,000	\$157,100		\$682,100
ASLC Div	\$157,100						\$157,100
Fed Rcpts	\$9,200,000	\$9,200,000	\$9,200,000	\$9,200,000	\$9,200,000		\$46,000,000
Total:	\$9,375,000	\$9,375,000	\$9,375,000	\$9,375,000	\$9,357,100	\$0	\$46,857,100

<input checked="" type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
2% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
Totals:	0	0

Additional Information / Prior Funding History:

Refer to the funding matrix in the detailed description.

Project Description/Justification:

Specific federally-funded programs:

1. Alaska's Floodplain and Erosion Management Program: This program's mission is to reduce public and private sector damage and losses from flooding and erosion. This is accomplished by providing communities that participate in the National Flood Insurance Program (NFIP) with technical assistance and grants for the initial planning and subsequent construction of flood mitigation projects.

DCED and the Federal Emergency Management Agency's (FEMA) Flood Mitigation Assistance Program (FMAP) personnel are actively working with the communities on every phase of a potential project -- applying for a planning grant, approving the resulting plan, approving a construction grant, approving a completed project.

This program has existed since 1997. From FY2000 through FY2003 the average total funding was \$400,000, with FEMA providing \$300,000 and requiring \$100,000 (25 percent match) from the State. In FY2004, DCED's application to FEMA requesting federal funding was denied -- of all 50 states, FEMA selected only 5 states.

DCED will again submit an application to FEMA for the funding of this program in FY2005 and anticipates \$300,000 in federal funding with a State match requirement of \$100,000.

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2. Mini-Grants: This program provides grants to rural communities for projects that develop, expand, and/or diversify a community's economy. Typical projects are the development of a community economic plan or strategy; feasibility studies for infrastructure projects; design and engineering studies; business plans for community cooperatives; upgrades to tourism infrastructure such as recreational vehicle facilities; and upgrades to marine facilities and/or educational facilities.

The program has existed since the mid 1980's. From FY2000 through FY2004 the average total funding from the U.S. Department of Agriculture (USDA) has been between \$200,000 to \$250,000 and requiring a \$50,000 (20 percent match) from the State. Also, since FY2000 the federal agency Denali Commission (DC) has provided an additional \$500,000 and requires no State match.

For FY2005 DCED anticipates \$300,000 in federal funding from the USDA with an Alaska Student Loan Corporation Bond match requirement of \$75,000 and an additional \$500,000 from the Denali Commission requiring no State match.

3. Multi-Use Facilities Grants: Established in FY2004 this program provides grants to communities for the construction and/or remodeling of multi-use facilities in ten rural Alaska communities. The program's total funding of \$7,677,032 was provided by the federal Denali Commission (DC) (approved through an RPL). Though no State match is required, communities are required to contribute 10 to 25 percent of the cost of a project. For FY2005 DCED anticipates \$7,800,000 in federal funding. A State match will not be required.

The Multi-Use Facilities Grants replaces the Communities Priorities Grants program that was established in FY2002 and that provided grants for community infrastructure projects. In fiscal year 2003 the federal Denali Commission (DC) provided \$2,200,000 in federal funding. Though anticipated for FY2004, the program was deleted and the Multi-Use Facilities Grant program was increased.

5. Accelerated Infrastructure Development Grants: Established in FY2003, this program provides funding for the development of community profile maps for unmapped communities. Communities within the Aleutians East Borough and the Lake and Peninsula Borough are currently eligible and other eligible regions will be identified throughout FY2004.

Since its inception, the programs annual funding has been \$300,000 provided in total by the federal Denali Commission (DC). For FY2005 DCED anticipates \$300,000 in federal funding. A State match will not be required.

Summary of Anticipated Funding by Federal Agency

Fed Agency	Federal	ASLC Bonds	Total
FEMA	\$ 300,000	\$100,000	\$ 400,000
USDA	\$ 300,000	\$ 75,000	\$ 375,000
DC	\$8,600,000	-0-	\$8,600,000
Total	\$9,200,000	\$175,000	\$9,375,000

Funding History

Year	Amount	Legislation
FY 1997	1,280,000	SLA 96 Ch 123 Page 45 Line 33
FY 1998	156,000	SLA 97 Ch 100 Page 42 Line 5
FY 1999	200,000	SLA 98 Ch 139 Page 40 Line 19
FY 2000	350,000	SLA 99 Ch 02 Page 38 Line 29
FY 2001	350,000	SLA 00 Ch 135 Page 3 Line 11
FY 2001	700,000	SLA 00 Ch 135 Page 3 Line 15
FY 2002	6,350,000	SLA 01 Ch 61 Page 3 Line 11
FY 2003	3,130,000	SLA 02 Ch 01 Page 3 Line 30
FY 2004	3,620,000	SLA 03 Ch 82 Page 3 Line 8

