

**Agency: Commerce, Community and Economic Development**

**Grants to Municipalities (AS 37.05.315)**

**Grant Recipient: Craig**

**Project Title:**

**Craig - Prince of Wales Health Care Facility**

**State Funding Requested: \$ 500,000**  
One-Time Need

**House District: 5 - C**

**Brief Project Description:**

The City of Craig and several non-profit health care providers are working toward a shared health care facility. This project has proceeded from concept, planning, and design and is now quickly approaching the permitting and construction phase.

**Funding Plan:**

**Total Cost of Project: \$6,500,000**

	<u>Funding Secured</u>		<u>Other Pending Requests</u>		<u>Anticipated Future Need</u>	
	<i>Amount</i>	<i>FY</i>	<i>Amount</i>	<i>FY</i>	<i>Amount</i>	<i>FY</i>
Denali Commission	\$4,400,000	2006				
Local Funds	\$500,000	2006				
<b>Total</b>	<b>\$4,900,000</b>					

**Detailed Project Description and Justification:**

Complete funding of this phase of the project is critical to maintain a tight construction schedule.

Demands for primary health care, mental health and substance abuse counseling, child and elder care, and public health services are increasing locally. Three Prince of Wales Island non-profits are working together to construct a shared health care facility. Project partners include the Craig Clinic (primary physician medical care), Communities Organized for Health Options (substance abuse and mental health counseling), and the Public Health Nurse (public health services)

When the new health care center is complete the City of Craig will offer Community Connections (at home care for seniors, early childhood intervention services for special needs children, and daily living skills services to handicapped adults) the opportunity to relocate into the old Craig Clinic space. Each of these four providers currently operates out of facilities that are inadequate to meet their long-term needs and there is insufficient local office/clinic space to meet the needs of the providers.

The cost to the project partners to build and operate a single facility is substantially less than if each provider sought its own property and building. Sharing occupancy of a single building will make referrals between the providers easier for patients/clients and will allow patients and clients can take advantage of multiple health care needs at a single site. Project partners have agreed to share restrooms, conference rooms, parking areas, and other common areas to reduce costs and increase collaboration between the providers.

The City of Craig has donated sufficient land to the project.  
The project has the support of Prince of Wales Island communities and the Southeast Alaska Regional Health Consortium (SEARHC).

**Project Timeline:**

Project started in 2005 will start construction in summer 2008, estimate completion fall 2009.

**Entity Responsible for the Ongoing Operation and Maintenance of this Project:**

City of Craig

**Grant Recipient Contact Information:**

Contact Name: Brian Templin, Craig City Planner  
Phone Number: 907-826-3275  
Address: P.O. Box 725, Craig, AK 99921  
Email: planner@craigak.com

Has this project been through a public review process at the local level and is it a community priority?  Yes  No

*For use by Co-chair Staff Only:*

4:45 PM 4/29/2008

Craig  
District 5

**Kimberly Clark**

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**From:** Nancy Barnes  
**Sent:** Friday, January 11, 2008 1:54 PM  
**To:** Kimberly Clark  
**Subject:** FW: Craig, Alaska 2008 Capital Improvement Project Information  
**Attachments:** 2008 Legislative Craig Alaska CIP Information.pdf

Another one for the Book and community file.

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**From:** Brian Templin [mailto:planner@craigak.com]  
**Sent:** Friday, January 11, 2008 10:23 AM  
**To:** Kaci Schroeder; Nancy Barnes  
**Cc:** 'Jon Bolling'; finance@craigak.com  
**Subject:** Craig, Alaska 2008 Capital Improvement Project Information

Dear Kaci and Nancy,

The City of Craig is pleased to be working with Representative Thomas and Senator Kookesh again this year on legislative funding for some capital improvement projects that have great economic and quality of life significance to us. I have attached a document which contains a one page community profile and project information on six capital improvement projects that Craig is currently working on.

Please feel free to contact me by phone, fax, email or US Mail at the information below if you have any questions, comments or need additional information on any of the projects submitted.

Thanks,

Brian L. Templin  
Craig City Planner  
PO Box 725  
Craig, Ak 99921

(907)826-3275  
Fax: (907)826-3278  
[planner@craigak.com](mailto:planner@craigak.com)  
[www.craigak.com](http://www.craigak.com)

**City of Craig  
Community Profile  
2008 State Legislative Capital Improvement Projects Submission**

Craig is located on the west coast of Prince of Wales Island in southern southeast Alaska. It is 55 air miles northwest of Ketchikan and 30 road miles from the nearest ferry terminal, Hollis, also located on Prince of Wales Island. From Ketchikan, Juneau is 235 miles to the north and Seattle 679 miles to the south. Craig is a center of commerce and government services for Prince of Wales Island with several state agencies having offices in Craig. The current population of Craig is 1,105, which is a slight increase from the previous year.

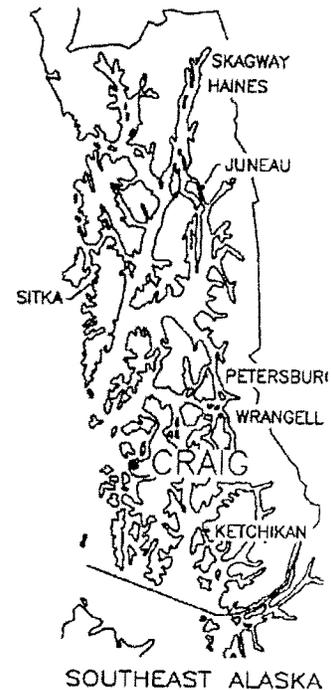
Salteries, early precursors to canning, had been established in the early 1800's to supply growing markets for fishery resources. The Craig of today was founded when a saltery at Fish Egg Island was established by Craig Millar and eight Haida men in 1907. The saltery and a cold storage facility were constructed between 1908 and 1911 thereby establishing the present location of the City of Craig.

In recent years, Craig has continued to concentrate development on the fishing industry by providing boat haul out services, increasing the size and capacity of city harbors, encouraging value added processing to seafood products, and strong economic development planning. The city has also continued to focus on marine industrial development and expanding its local recreational and health facilities. All of the projects submitted for capital improvement project funding this year directly move the city toward these goals.

As allowed by Title 29 of the Alaska State Code, the City of Craig maintains streets and sidewalks; operates sewers and sewage facilities; manages harbors, wharves, and other marine facilities; owns and operates a medical clinic; maintains a cemetery; provides police protection and jail facilities; operates a small cold storage facility; operates and maintains a municipal water system; operates a municipal public library; operates several recreation facilities; operates a seaplane base; conducts garbage and solid waste collection and disposal; provides fire protection service and facilities; maintains several park facilities; operates a municipal pool; operates a municipal school district; operates an industrial park; and operates emergency medical services.

All of the projects that have been submitted will be managed by the City of Craig, particularly the City Administrator (Jon Bolling) and the City Planner (Brian Templin), with financial management by the Craig Treasurer (Joyce Mason). Project/financial managers can be contacted at 907-826-3275 or information can be sent to:

City of Craig  
PO Box 725  
Craig, AK 99921  
info@craigak.com



**CITY OF CRAIG**  
**-PRINCE OF WALES HEALTH CARE FACILITY -**  
**Request: \$500,000**

The City of Craig and several non-profit health care providers are working toward a shared health care facility. This project has proceeded from concept, planning, and design and is now quickly approaching the permitting and construction phase. Complete funding of this phase of the project is critical to maintain a tight construction schedule. The city plans to go to construction on this project in 2008.

Need

- Demands for primary health care, mental health and substance abuse counseling, child and elder care, and public health services are increasing locally.
- Three Prince of Wales Island non-profits are working together to construct a shared health care facility. Project partners include the Craig Clinic (primary physician medical care), Communities Organized for Health Options (substance abuse and mental health counseling), and the Public Health Nurse (public health services).
- When the new health care center is complete the City of Craig will offer Community Connections (at home care for seniors, early childhood intervention services for special needs children, and daily living skills services to handicapped adults) the opportunity to relocate into the old Craig Clinic space.
- Each of these four providers currently operates out of facilities that are inadequate to meet their long-term needs and there is insufficient local office/clinic space to meet the needs of the providers.

Benefits

- The cost to the project partners to build and operate a single facility is substantially less than if each provider sought its own property and building.
- Sharing occupancy of a single building will make referrals between the providers easier for patients/clients and will allow patients and clients can take advantage of multiple health care needs at a single site.
- Project partners have agreed to share restrooms, conference rooms, parking areas, and other common areas to reduce costs and increase collaboration between the providers.
- The City of Craig has donated sufficient land to the project.
- The project has the support of Prince of Wales Island communities and the Southeast Alaska Regional Health Consortium (SEARHC).

Cost

- The estimated cost of project, including design, permitting, site work, constructing an access road, installing water and sewer lines to the building site and construction of the healthcare building totals \$6.5 million. To date the city has secured \$5.6 million for the project.
- The city requests that \$500,000 be allocated during the current legislative session.



MULTI-USE BUILDING: PUBLIC HEALTH  
 CRAIG CITY CLINIC, COHO

**Craig Public Health Center Replacement**

**FY2009 Request:** \$797,900  
**Reference No:** 45182

**AP/AL:** Appropriation

**Project Type:** Construction

**Category:** Health/Human Services

**Location:** Craig

**Contact:** Arnold Liebelt

**House District:** Cordova/Southeast Islands (HD 5)

**Contact Phone:** (907)465-1870

**Estimated Project Dates:** 07/01/2008 - 06/30/2013

**Brief Summary and Statement of Need:**

This request would serve as matching funds to replace the Craig Public Health Center, which has occupied the current space since 1976. The Denali Commission is contributing \$4.3 million to the project. The current facility does not meet ADA requirements or building codes and is not sufficient to meet the demand for Public Health Nurse services for the community. The Public Health Nurses provide a broad array of services from its base health center in Craig which also acts as a hub for itinerant services in several rural communities on Prince of Wales Island. Design is complete and construction would begin in summer of 2008.

<b>Funding:</b>	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	Total
G/F Match	\$797,900						\$797,900
<b>Total:</b>	\$797,900	\$0	\$0	\$0	\$0	\$0	\$797,900

<input checked="" type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
12% = 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:	6,950,000	0
Ongoing Operating:	0	0
One-Time Startup:	0	
<b>Totals:</b>	<b>6,950,000</b>	<b>0</b>

**Additional Information / Prior Funding History:**

This is the first year of the project.

**Project Description/Justification:**

The City of Craig and several non-profit health care providers are working toward a shared health care facility. Craig Public Health Center has occupied the current space since 1976. The facility does not meet ADA requirements or building codes and is not sufficient to meet the demand for Public Health Nurse (PHN) services. The clinic is functionally obsolete and can not be renovated to comply with existing code requirements, state space requirements for a two-nurse public health center, or a backup power system to safeguard immunization vaccines. Design is complete and funding is needed now so that construction can be awarded in the summer. The Denali Commission is contributing \$4.3 million to the project. This funding will not be available after FY08 if construction does not begin in 2008.

The current design is approximately 11,500 square feet with Craig Public Health Center occupying 2,082 square feet, or 18%, of the facility.

## Craig Public Health Center Replacement

FY2009 Request:

\$797,900

Reference No:

45182

The total project cost is \$6.5 million with funding coming from the following entities:

Denali Commission:	\$4,350,000
DHSS:	\$797,900
City of Craig:	\$500,000
USDA Rural Development:	\$850,000 (up to \$1 million).
Total:	\$6,497,900

The City of Craig is also pursuing funding from the Rasmusson Foundation. If they are successful, the amount from the USDA would be decreased.

The State's contribution would offset the cost to the City of Craig. Major benefits of the new health clinic include ease of referral of high risk clients to Communities Organized for Health Options (COHO) and Craig Clinic, space for additional community level health and preparedness activities, and backup power for vaccine storage.

The estimated total cost of the project was determined by the project architect, based upon work completed by a professional cost estimating firm. Funding for the architectural work is provided by the Denali Commission with technical support from Alaska Native Tribal Health Consortium.

With a long-term view to required space, service delivery, and operational needs, COHO, Craig Clinic, and Alaska Public Health Nurse (PHN) programs propose the construction of a shared facility from which to provide core primary health care services to residents of Prince of Wales Island. Each of these agencies provides services that complement one another. COHO is a Prince of Wales Island based private non-profit that employs staff to meet the mental health and substance abuse treatment needs of the island's residents.

The PHN program provides a broad array of public health services from its base health center in Craig. The health center acts as a hub for itinerant services to Klawock, Hollis, Hydaburg, Thorne Bay, Coffman Cove, Kasaan, Naukati, and Whale Pass. Those services include direct client care, communicable disease investigations, maternal/child health, immunizations, preparedness, and health education.

The existing lease agreement will apply to the new building so there will be no additional operational cost to the State. The project will provide a new PHN clinic that complies with ADA and all health and safety codes.

The project may create five ongoing private sector jobs. The City of Craig is talking with a private sector health care organization to operate the Craig Clinic. If these discussions are successful, the staff hired by the private organization would become private sector jobs.

Estimated operating costs are based on current personnel, maintenance costs, supplies, and other non-salary expenses and projected for two years as required by the Denali Commission. There is no plan to change the Craig Public Health Center staffing of two full-time Public Health Nurses and an Administrative Clerk.

The new facility will be constructed on property donated by the City of Craig and will be owned and maintained by the City of Craig. Public Health and the City of Craig will continue the existing lease agreement in the new facility, the terms of which are that Public Health leases some office space in the clinic for \$1,118.18 per month, with the remaining health center space donated by the City of Craig.

This funding is needed now in order to keep the project on schedule and to leverage the Denali Commission funding. Delays would only increase the cost.

Department's Mission: To Promote and Protect the Health and Well Being of Alaskans.  
This project directly supports the Department's mission by creating a safe and functional health center for the community of Craig.

The end result to which this project contributes is "Healthy people in healthy communities."