

Organization Grant

FY2010 Request: \$100,000
Reference No: 40056

AP/AL: Appropriation
Category: Development
Location: Statewide
House District: Statewide (HD 1-40)
Estimated Project Dates: 07/01/2009 - 06/30/2014
Project Type: Planning
Recipient: Wrangell
Contact: Tara Jollie
Contact Phone: (907)269-7959

Brief Summary and Statement of Need:

Grants to communities to defray the cost of incorporation. Each unorganized city or borough that incorporates after December 31, 1985, is entitled to an organization grant. This grant program contributes to the Department's mission of promoting a healthy economy and strong communities by assisting communities in achieving maximum self-government.

| Funding: | <u>FY2010</u> | <u>FY2011</u> | <u>FY2012</u> | <u>FY2013</u> | <u>FY2014</u> | <u>FY2015</u> | <u>Total</u> |
|-----------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| Gen Fund | \$100,000 | \$750,000 | | | | | \$850,000 |
| Total: | \$100,000 | \$750,000 | \$0 | \$0 | \$0 | \$0 | \$850,000 |

| | | | | |
|---|--|---------------------------------------|---|-----------------------------------|
| <input 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 |
| 0% = 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 | 0 |
| Totals: | 0 | 0 |

Additional Information / Prior Funding History:

Refer to the funding matrix in the detailed description.

Project Description/Justification:

To defray the cost of transition to city or borough government and to provide for interim government operations, each city incorporated, or each borough or unified municipality incorporated after December 31, 1985, is entitled to an organization grant under Alaska Statute 29.05.180 - .200.

Each city or second class city incorporated after December 31, 1985, is entitled to an organization grant as follows:

- (1) \$50,000 for the first full or partial fiscal year after incorporation; and
- (2) \$25,000 for the second fiscal year after incorporation.

Each borough or unified municipality incorporated after December 31, 1985, is entitled to organization grants as follows:

- (1) \$300,000 for the municipality's first full or partial fiscal year;
- (2) \$200,000 for the municipality's second fiscal year; and
- (3) \$100,000 for the municipality's third fiscal year.

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The City of Wrangell incorporated in fiscal year 2008. They received first year funding in an FY08 Supplemental. The second year's funding (FY09) for Wrangell was appropriated in FY09. This request is for the 3rd and final year grant of \$100,000.

| Name of Grantee | 1st Year | 2nd Year | 3rd Year | Total GF |
|---------------------------|----------------------------|----------------------------|----------------------------|-----------------|
| City of Wrangell | 300,000 | 200,000 | 100,000 | 600,000 |
| FY09 Total Capital | FY08 Supp | FY09 | This request | 100,000 |

The City of Petersburg may incorporate in fiscal year 2011. Under current Alaska Statute 29.05.180 - .200, it would be entitled to \$600,000 over three years. However funding is not requested at this time.

The Department is also aware of two possible city incorporations (\$75,000 each) that may affect the fiscal year 2011 budget.