



MATANUSKA-SUSITNA BOROUGH

Office of the Borough Manager

350 East Dahlia Avenue • Palmer, AK 99645

Phone (907) 861-8689 • Fax (907) 861-8669

Mike.Brown@matsugov.us

MEMORANDUM

DATE: December 22, 2020
TO: Mayor and Assembly
FROM: Michael Brown, Borough Manager
RE: Manager's Weekly Post

CARES Funding Update:

On December 21, 2020 the State of Alaska notified the Borough that the deadline for expending the CARES grant has been extended to September 30, 2021. What that means for us, is that approved projects can be completed and paid with CARES. We plan to bring forth additional spending legislation, for Assembly consideration, to utilize the balance of Ambulance wages for the balance of the fiscal year. These items will completely spend any remaining amounts. This is all contingent on a thorough reading of the new 5,500 page document which does outline an extension to December 2021 therefore, it is possible the State may extend the deadline beyond September of next year.

Matanuska-Susitna Convention & Visitors Bureau (MSCVB) Update:

As a follow-up to the previous Assembly meeting, below is a brief history and information related to Borough support of the MSCVB. The property designated for the new Gateway Center was acquired from MEA on May 5, 2014 for \$1,000,000 using State grant funds (OR 14-017, Reso 14-003, IM 14-016). The old visitor center site was sold to Springfield Enterprise, LLC on January 24, 2016 for \$1,215,000. The legislation authorizing the new property acquisition was OR 15-133, IM 15-194. An associated grant agreement extension was approved under AM 18-051. No management agreement has been executed between MSB and MSCVB for Gateway Center property to date.

The Alaska Economic Development Representative for the U.S. Department of Commerce, confirmed that MSCVB's grant application had been received but that it has not been assigned a program officer, nor has it gone to the investment review committee. They review all applications to determine eligibility, available funding, and merit. Those three steps need to happen before they can give us a timeline about the award.

The EDA grant requires a 20% cash match of non-Federal funding. The grant application identified the following match, which was included in IM 20-189, attached:

- \$1,000,000 from the land management permanent fund

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- \$165,000 from the Jonesville Shooting Range Project fund
- \$282,378 from remaining State grant funds from the new visitor center design funding (permission to use these funds was granted by the State)
- \$70,600 from the MSCVB related to their program income
- \$156,030 of future bed tax funding

The grant application states that unrestricted cash in the amount of \$1,391,629 will be provided. IM 20-189, attached, identified the sources of funding.

The December 15, 2020 legislation attempted to put back the available sales price of \$1,165,000 by taking \$1,000,000 from the Permanent Fund and \$165,000 from Jonesville. \$1,000,000 was approved.

After the passage of this amended legislation \$1,352,978 is set aside to match the EDA grant. The total grant match needed will be \$1,674,000. As stated in IM 20-221, at least \$156,030 would have to still be provided from another funding source even if the Jonesville portion had been approved.

The below table illustrates funding provided by MSB to MSCVB over the past several years.

MSCVB Funding 2012 - 2021			
Fiscal Year	Base Grant	Total Received per Agreement	
2012	\$585,000	\$704,394	*
2013	\$650,000	\$714,196	*
2014	\$715,000	\$721,632	*
2015	\$715,000	\$726,212	*
2016	\$715,000	\$775,559	*
2017	\$747,500	\$700,000	**
2018	\$715,000	\$715,000	***
2019	\$747,500	\$928,443	*
2020	\$747,500	\$747,000	##
2021	\$1,500,000	\$1,500,000	CARES
* Annual contract provided 65% funding over budgeted Revenues			
** Grant Reduced due to Governor's vetoes			
*** Annual contract for amount approved in budget only			
## Annual contract provided 65% funding over budgeted revenues; however amount collected was below budget amount so only paid approved budget amount.			

Santa Cop: On Sunday, December 20th Fire/EMS/Law Enforcement/Chaplain services worked together to make sure 20 children received Christmas gifts. Each child was paired up with someone from Emergency Services or Law Enforcement as they shopped throughout designated areas of Walmart. The kids had a blast with smiles all around. Great job to our first responders!

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Vaccination Weekly Update: To date 50 first responders have received the vaccination with NO side effects. We received two freezers from the State on Sunday for storing the vaccine. Due to the holiday, our next batch should arrive Monday, December 28. Once received we will begin the vaccination process Monday through Wednesday each week during normal business hours for first responders.

FY2022 State and Federal Priorities: The Assembly’s FY2022 State and Federal Priorities have been disseminated to our State and Federal delegations and lobbyists. Governor Dunleavy’s office has also been provided a copy of the State priorities.

Public Affairs Media Flyover:

Howard Smith, Shop Supervisor for Matanuska-Susitna Borough’s Department of Emergency Services in Wasilla took 3rd place nationwide for Firehouse Magazine’s 2020 Emergency Vehicle Technician of the Year.

<https://www.firehouse.com/apparatus/news/21202265/firehouse-announces-2020-evt-of-year-winners>

The subject of the Wetlands Mitigation Ordinance as repealed by the Assembly last Tuesday night, was a topic of interest on KTNA Radio, Talkeetna.

<https://ktna.org/2020/12/borough-assembly-repeals-wetland-mitigation-measure/>

The Alaska Journal of Commerce considers the North Pacific Fisheries Management Council recent takeover and closure of Cook Inlet commercial fishing the top Alaska fisheries story of 2020.

<https://www.alaskajournal.com/2020-12-16/year-review-cook-inlet-closure-ends-2020-top-fisheries-story>

An opinion piece in ADN gives a commercial fisherman’s perspective on the closure.

<https://www.adn.com/opinions/2020/12/17/is-alaska-open-for-business-not-from-where-i-stand/>

Also in the Alaska Journal of Commerce, an article by Elwood Brehmer and Elizabeth Earl, reviews the 2020 Alaska Economy and details how the Pandemic has hurt our economy.

<https://www.alaskajournal.com/2020-12-16/2020-year-review-pandemic-upends-alaskan-economy>

ATTACHMENT

SUBJECT: INFORMING THE ASSEMBLY OF A GRANT APPLICATION TO ACQUIRE CONSTRUCTION FUNDS FOR A NEW GATEWAY VISITOR CENTER, AND THE BOROUGH'S FUNDING MATCH OBLIGATION.

AGENDA OF: September 30, 2020

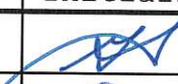
ASSEMBLY ACTION:

Presented to the assembly 9-30-20


MANAGER RECOMMENDATION: For information only.

APPROVED BY GEORGE HAYS, ACTING BOROUGH MANAGER:



Route To:	Department/Individual	Initials	Remarks
	Originator G. Hays		
	Planning and Land Use Director		
	Community Development Director	<i>ex</i>	
	Finance Director	<i>OK</i>	
	Borough Attorney	<i>NS</i>	
	Borough Clerk	<i>Boon for IRM</i>	

- ATTACHMENT (S):** Grant Agreement, 10/1/2014 (13 pp.)
 Grant Agreement Amendment #1, 1-10-2019 (1 p.)
 Grant Agreement Amendment #2, 12-30-2019 (1 p.)
 Grant Progress Report, 2/29/2020 (1 p.)
 EDA Grant Application (14 pp.)
 EDA Grant Budget (6 pp.)
 Draft Property Management Agreement (12 pp.)

SUMMARY STATEMENT:

In 2016 the previous Matanuska-Susitna Convention and Visitors Bureau (MSCVB) building and land was sold for \$1,215,000. After \$50,000 was repaid to the areawide fund, the remaining proceeds of \$1,165,000 were placed in the Land Management Fund, with the intent

to contribute to a future building for a new Gateway Visitor Center. However, the funds were not appropriated to the future building project. Due to emergencies over the last five years this money was spent on other projects. On behalf of the MSCVB the borough is applying for a \$6,696,030 Economic Development Administration (EDA) grant to build the new Gateway Visitor Center. The required borough match will be \$1,674,008, for a total project of \$8,370,038. Borough administration recommends taking the match from the following accounts.

- Areawide contribution from Land Management up to the sales proceeds of \$1,165,000:
 - Land Management Permanent Fund \$1,000,000
 - Jonesville Shooting Range Project Account \$165,000
- MSCVB Gateway Center Project:
 - State Legislative Grant \$282,378
 - Program Income \$70,600
- The funding source of the remaining match to be provided by non-areawide fund, bed tax revenues, or donations: \$156,030

The EDA grant is an 80/20 split with 80% of construction to be covered by the grant. The borough will contribute a 20% match of \$1,674,008 for the non-federal requirement.