

## MEMORANDUM

---

**TO:** NWABSD Board of Education  
Members

**DATE:** January 21, 2025

**NUMBER:** 25-067

**FR:** Office of the Superintendent

**SUBJECT:** Approval of Funding -  
AHFC Rural Professional  
Housing Grants - Noatak

### **ABSTRACT:**

Award of funding from Alaska Housing Finance Corporation for construction of two teacher housing duplexes in Noatak requires Board Approval.

### **ISSUE:**

At issue is approval of acceptance of AHFC funding for the construction of two teacher housing duplexes, a total of four, two-bedroom units, in Noatak and delegation of contracting authority to the Superintendent for this work.

### **BACKGROUND AND/OR PERTINENT INFORMATION:**

The Alaska Housing Finance Corporation (AHFC) has a program to encourage the development of housing for teachers, health professionals and public safety in rural areas. District applied for two grants in October and was awarded both, one at \$700,000 and one at \$595,750.

Two approvals are needed to move this project forward. Before JMCC and the Board is the acceptance of the \$1,295,750 in AHFC funding.

Before the Budget Committee and the Board is the allocation of the required match. A minimum 15% match is required, and in August the board was presented with a potential \$400,000 match for each duplex, or a total potential match of \$800,000. Based on the actual funds awarded, a minimum 15% match would be \$194,362.50. However, the cost of each unit is estimated to exceed that level of funding. Duplex #1 is estimated at \$857,197 and Duplex #2 at \$870,585. Based on the AHFC funding provided, an additional \$432,032 is needed to complete the work, based on the estimated costs. CIP Manager recommends a total match of \$440,000 recognizing this is much lower than the former Property Services Director's original estimate. Depending on actual costs, additional funding may be requested at a future date, although the goal is to perform the work with the \$1,295,750 from AHFC and \$440,000 District match.

### **ALTERNATIVES**

1. Approve the acceptance of the award of \$1,295,750 in grant funding from the Alaska Housing Finance Corporation for two, two-bedroom duplexes in Noatak and delegation of authority to the Superintendent to establish the project budgets, as presented.

2. Do not approve the acceptance of the award of \$1,295,750 in grant funding from the Alaska Housing Finance Corporation for two, two-bedroom duplexes in Noatak, or the delegation of authority to the Superintendent to establish the project budgets, as presented.
3. Take no action.

**ADMINISTRATION'S RECOMMENDATION**

The administration recommends that the Board approve the acceptance of the award of \$1,295,750 in funding from the Alaska Housing Finance Corporation for the construction of two, two-bedroom duplexes in Noatak and delegation of authority to the Superintendent to establish the project budgets as presented.