

MEMORANDUM

TO: NWABSD Board of Education
Members

DATE: January 21, 2025

NUMBER: 25-069

FR: Office of the Superintendent

SUBJECT: Approval of Match -
AHFC Rural Professional
Housing Grants - Noatak

ABSTRACT:

Commitment of matching funds for the award of funding from Alaska Housing Finance Corporation for construction of two teacher housing duplexes in Noatak requires Board Approval.

ISSUE:

At issue is commitment of match for grant funds from the AHFC for the construction of two teacher housing duplexes, a total of four, two-bedroom units.

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 District funding of and not to exceed \$440,000 to match the Alaska Housing Finance Corporation grant of \$1,295,750 for two two-bedroom duplexes in Noatak, as presented.
2. Do not approve District funding of and not to exceed \$440,000 to match the Alaska Housing

Finance Corporation grant of \$1,295,750 for two two-bedroom duplexes in Noatak, as presented.

3. Take no action.

ADMINISTRATION'S RECOMMENDATION

The administration recommends that the Board approve not to exceed \$440,000 in matching funds for the \$1,295,750 grant award from the Alaska Housing Finance Corporation for the construction of two two-bedroom duplexes in Noatak, as presented.