

MEMORANDUM

TO: NWABSD Board of Education
Members

DATE: April 16, 2025,

NUMBER: 25-127

FR: Office of the Superintendent

SUBJECT: Approval to Amend
AHFC Grant for Buckland
to add a unit & additional
funding

ABSTRACT:

The administration requests approval of the School Board to request Alaska Housing Finance Corporation (AHFC) to add construction of an additional unit, for an additional \$140,000 of local match, to the district's current teacher, health and safety professional housing grant at Buckland.

ISSUE:

The efficiency of simultaneous construction of multiple housing units will allow the District to construct an additional, standalone unit in Buckland. Board approval is needed to request AHFC to amend grant THP-23-NAB-1 to add an additional housing unit with two bedrooms.

BACKGROUND AND/OR PERTINENT INFORMATION:

The Alaska Housing Finance Corporation (AHFC) has a program available to encourage the development of housing for teachers, health professionals and public safety in rural areas. In October 2023 AHFC awarded a \$500,000 grant to the District for the construction of a duplex in Buckland with the District providing a match of \$250,297. AHFC also awarded the same amount for a joint District and Borough duplex in Buckland. The District manages the shared grant and the Borough reimburses half of the matching share for the shared duplex only. Overages of the shared unit are shared 50/50 between the District and Borough.

The current duplexes are each estimated to cost \$750,000. For an additional \$140,000 a fifth unit can be completed. Through the efficiency of constructing multiple buildings and careful utilization of materials and labor, the District anticipates that an additional housing unit can be completed. The overage is spread across all units in the project and is not isolated to any specific structure. This is an incredible savings compared to construction of a separate housing project. District will gain another much needed unit in Buckland, for a total of four units with two bedrooms each.

AHFC approval is required to add an additional unit to the scope of the grant. AHFC has told the District that it is receptive to adding additional housing to the grant without additional grant funding.

As It is a much simpler process to amend the District's grant than to modify the joint grant, the Superintendent recommends that AHFC be requested to amend the District only grant.

After grant closeout, actual occupancy of specific units can be jointly determined by the District and the Borough. It is an AHFC requirement that all units constructed under this grant program be used exclusively for teacher, healthcare or public safety professionals for ten years after project completion. Both the District and the Borough sign agreements to this effect. Occupancy and management responsibilities of the units can be worked out between the District and Borough as long as each unit serves the intended purpose.

ALTERNATIVES

1. Approve request to AHFC to add an additional housing unit for \$140,000 of local funding to District's grant THP-23-NAB-1
2. Do not approve request to AHFC to add an additional housing unit for \$140,000 of local funding to District's grant THP-23-NAB-1
3. Take no action.

ADMINISTRATION'S RECOMMENDATION

The administration recommends the Board approve request to AHFC to add an additional housing unit for \$140,000 of local funding to District's grant THP-23-NAB-1.