

## **Monthly Report.**

From: Chris Hladick, City Lobbyist

Date: April 11, 2022

To: Mayor and City Council

Greetings:

The House has completed their work on the operating budget. I will give you the highlights of what is included in HB 281 although be aware that this is not the adopted budget. The Senate is close to wrapping up their work on the operating budget and should be done soon. Lots of talk about a capital budget but no one has seen anything on either side of the chambers.

Here are the high-level issues:

1. PFD which right now stands at \$2,500 and \$1,300 for energy assistance.
2. The BSA has been increased for school funding and a forward funding mechanism put in place. If the price of oil drastically decreases money will be drawn from the Education Trust Fund to cover short falls. There is one time funding of 57 million.....
3. School Major Maintenance has a total funding of \$292 million, not sure if Dillingham City Schools has any projects on the list.
4. Revenue Sharing is funded at the statutory amount so expect what Dillingham has been allocated in the recent past.
5. Jails budget has been plussed up, the city manager may want to reach out to the Dept of Corrections (DOC) Commissioner once the budget is passed. I don't believe there is any kind of formula for distribution, and it will be up to DOC to calculate how to dole the funding out if additional funding survives the budget process.
6. School Bond Debt Reimbursement is funded at 100%
7. PCE: not seeing any major changes at this juncture.

Robert Mawson and I have attended Lisa Murkowski's funding symposium in Anchorage on Monday April 11. We were able to meet with Bruce Lambert of the Federal Department of Transportation Maritime Administration about the Harbor Floats project. We have received a proposal from PN&D for the preparation of the grant and Robert will be evaluating for a recommendation on moving forward. The grant is due in mid-May. The symposium had federal agency presenters talk about their respective grant opportunities. We worth the effort. The City may want to approach the Denali Commission and the Rasmussen Foundation for matching grant funding.

### **I have identified four possible funding sources for the Harbor.**

1. MARAD: United States Maritime Administration grants. PIPD or Port Infrastructure Development Grants. We are working with Bruce Lambert on how to best approach this grant cycle. The Dock transports too much cargo for the project to fit into the small port category. However, fish is not considered cargo so we must get ahold of data collected

by the Corps of Engineers to make a final determination. Also, because we are not contiguous with the Lower 48 we don't have to do a full blown Cost to Benefit ratio calculation. This is good news as economists are scarce right now as grant writers.

2. State of Alaska ADOT Ports and Harbors grant. No changes from the last report. The NOFO comes out in the Spring, as previously stated this is a 50/50 match and would only fund the floats or \$5 million. That means the city must come up with \$2.5 million for match then another \$1.2 million for the utility extensions needed to get water, sewer and electric to the city leased lots at the Harbor. This could take several years to get to the funding level, which requires legislative approval.
3. Community Transportation Program at ADOT. I am researching this as a possible funding source. I need to meet with ADOT representatives. I don't believe our project fits.
4. Direct Appropriation: This would basically be a line item in the Capital budget which has yet to be put together. Right now, the legislature is closing out operating budgets for departments. They are keeping their cards close to their chest regarding the development of a capital budget but what I have heard is that they do not want to start a Christmas tree of projects with districts competing against each other. What does this mean. It's unlikely that the full \$6 million is going to come from the legislature but this is a marathon not a 100 yd dash. It's not over yet, Bryce and I are in close communication.

Other projects:

**Outer Breakwater at the Harbor:** I am working to identify where the match requirement would come from or approximately \$8 million dollars. Federal dollars cannot be used to match federal grants. However, if Senator Murkowski could get funding into a maintenance budget there might be a chance to get the match requirement taken care of. Abby Lyons is the Murkowski staffer I am working with on this project.

**Snag Point Erosion:** I need to meet with Bruce Sexaur from the Corps of Engineers to see how to proceed with the process. Typically, the Corps has some discretionary money that could be used as "startup" funding to initiate the project. If the initial review is positive the Corps would move to creating a Chiefs report which would be used to get the project authorized. Then appropriation would come after authorization is approved by Congress. It's a long process to be sure and could take years.

**EOC:** for Lake Road Firehall. Mark Lynch put in for a grant for this project. I have not heard whether it has been funded.

**Fire/EMS/Police station:** The request for \$500,000 would provide for engineering/architectural services to pick this project up and develop a practical alternative for the project. Exploring EDA funding for possible opportunities.

## **Bills of interest:**

Here are some of the bills currently before the legislature in process, this by no means is an exhaustive list. You can find more at [akleg.gov](http://akleg.gov) for live broadcast over the internet, bills in committee, meetings and other important information. Also, you should sign up for Bryce Edgmon's newsletter for up-to-date info on the legislature. It is a great way to stay in tune. As you can see there are many more bills in play now that the operating budget hearings are completed.

SB (Senate Bill), HB (House Bill)

SB 172: increases residential property exemption from \$50,000 to \$75,000 for municipalities.

SB 178: Absentee ballots include option for voter to receive by mail

SB 33: Seafood Product development tax incentives extended

HB 131: Recall petitions must be filed within 365 days of certification by the clerk.

HB 190: Recall of Public Officials, money fund-raised for the recall must be used for recall.

HB 244: Annexation: must be approved by 2/3rds of votes cast by voters residing in the area to be annexed.

HB 225: Exempting Seniors from the first \$150,000 in valuation of real property for 65 year old residents or 60 year old widows.

HB74: allowing AHFC (Alaska Housing and Finance Corporation) to bond for water, sewer, highway and aviation projects

HB 75: PERS to charge rate of 22% of base salaries

HB 371: Broadband equalization, sets up mechanism to equalize broadband cost across the state.

HB 137: Motor Vehicle offices can't close in communities over 850 people.

HB 260: 50/50 POMV for PFD

HB 281: appropriations budget bill

HB 350: School Bond debt reimbursement, returns to original split for bond payments from city.

HB 166: One license plate per vehicle

HB 171: PFAS

HB 393: Fishery landing tax surcharge, taxes fisheries businesses .06 cents per pound but provides for exemption if owner is in state of Alaska.

HB 309: APOC Campaign contribution reporting

HB 376: Strategic Planning required of state agencies

HB 284: Supplemental Budget

HB 285: GO Bonds for infrastructure

HB 66: Elections voting ballots

HB 141: Appropriations

HB 16: Search and Rescue surplus state property

HB 188: Seafood product development tax credit

HB 378: Municipal property tax assessments

HB 367: Planning Commission appointments

HB 225: Municipal property tax senior exemption

HB 50: Municipal regulation of trapping

HB 256: Law enforcement registry use of force, Police Standards council to give yearly report to legislature

HB 270: Prohibit Police officer shoot at moving vehicle

HB 381: Repeal ballot measure 2, ranked choice voting

HB 123: State recognition of Tribes

SB 119: Oath of office requires public officials to read the State and Federal constitutions and read the declaration of independence.

Any questions don't hesitate to give a call