



Legislation Text

File #: 23-0237, **Version:** 1

ITEM TITLE:

Discussion Item: Meals Hill Funding Update

SUBMITTED BY: Nathan Duval, Assistant City Manager / Capital Facilities Director

FISCAL NOTES:

Expenditure Required: N/A

Unencumbered Balance: N/A

Funding Source: N/A

RECOMMENDATION:

Receive & File

SUMMARY STATEMENT:

Initial funding for the Meals Hill Project (Approx. \$900K) came with the sales agreement with the Exxon Valdez Oil Spill Trust (EVOS) managed by the Great Land Trust (GLT). This initial funding was approved for the masterplan development (approx. \$300k) and initial design for some elements of the masterplan and materials procurement (approx. \$600k). The EVOS/GLT funding had specific requirements limiting the scope of use. These funding limitations were not known at the time of application submission for an Economic Development Administration (EDA) grant.

The EDA grant was submitted assuming all design would be funded with EVOS/GLT funds.

The EVOS/GLT funds are considered "Federal Funds" and cannot be used as a match for the Federal EDA grant.

The City was awarded the EDA grant in the amount of \$2,532,734 with a required City match of \$633,184 (80/20 split).

Upon learning that EVOS funds were limited, after grant award, the City petitioned the EDA to utilize grant and matching funds to cover additional design and construction administration (CA) expenses. The request by the City was denied by the EDA on 4/18.

In order to construct the project, the City will need to secure funds for additional design and CA from another City source or through a direct contribution from the City outside the EDA matching funds.

Capital Facilities Director Nathan Duval will present the potential options and outcomes with the Council.

The Meals Hill Master Plan is located at the following web address:

[<https://www.valdezak.gov/DocumentCenter/View/9607/Meals-Hill-Master-Plan>](https://www.valdezak.gov/DocumentCenter/View/9607/Meals-Hill-Master-Plan)