

Agency: Commerce, Community and Economic Development**Grants to Municipalities (AS 37.05.315)****Grant Recipient: Kenai Peninsula Borough****Federal Tax ID: 920030894****Project Title:****Project Type: Maintenance and Repairs**

Kenai Peninsula Borough - North Peninsula Service Area Nikiski Community Recreation Center Demolition and Maintenance

State Funding Requested: \$500,000**House District: Kenai Areawide (28-30)**

One-Time Need

Brief Project Description:

Demolish the north wing of the Center and conduct major maintenance

Funding Plan:

Total Project Cost:	\$600,000
Funding Already Secured:	(\$100,000)
FY2015 State Funding Request:	<u>(\$500,000)</u>
Project Deficit:	\$0

Funding Details:

SLA 12, Chapter 17 \$750,000

Detailed Project Description and Justification:**Nikiski Community Recreation Center Demolition and Maintenance**

In 2003 the Kenai Peninsula Borough School District determined that the Nikiski Elementary School was surplus to their needs and closed the school. Since that time the Land Management Division of the Borough has managed the facility and the North Peninsula Recreation Service Area has renamed the facility the Nikiski Community Recreation Center and utilized all but the north wing of the building for their programs.

In a 2007 report by the Kenai Peninsula Land Management Division, the building had an assessed value of \$11.8 million and a replacement value of \$15 million and at the time was considered to be more of a liability than asset. The Borough has determined that demolishing the North Wing of the building is a sensible approach to keep the useful portion of the building intact and get rid of the portion of the building that has exceeded its useful life and can not be occupied without significant costly upgrades. The North Wing has not been occupied since the Nikiski Elementary School was closed. This approach will preserve the functional portion of the building and reduce cost to the entire borough tax base by alleviating the need for the Land Management Division to manage and fund the North Wing; a cost of approximately \$125,000 / year.

The Borough has determined that the most efficient and cost effective way to complete the demolition is to combine it with the roof and siding project that the NPRSA is planning on completing this summer. Upon completion, the facility shall meet state fire codes and NPRSA will assume 100% facility management.

A long term management plan for this facility is long overdue, and demolishing the North Wing of the building will resolve management, funding, building code and responsibility issues.

Project Timeline:

Completion Summer 2014

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

Kenai Peninsula Borough

Grant Recipient Contact Information:

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Has this project been through a public review process at the local level and is it a community priority? Yes No