

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 - Seward Bear Creek Flood Mitigation

State Funding Requested: \$4,000,000

House District: Kenai Areawide (28-30)

Future Funding May Be Requested

Brief Project Description:

Flood mitigation in Seward/Bear Creek

Funding Plan:

Total Project Cost:	\$5,000,000
Funding Already Secured:	(\$1,000,000)
FY2015 State Funding Request:	(\$4,000,000)
Project Deficit:	\$0

Funding Details:

\$1,000,000 FY14, general fund

Detailed Project Description and Justification:

Flooding in Seward has generated costs estimated at \$2,000,000 for public infrastructure, \$351,000 in damage to private residences and untallied costs to businesses and secondary homes. As glaciers continue to recede, depositions of gravel increases. Hundreds of thousands of cubic yards of gravel are deposited in the Seward Bear Creek Flood Service Area annually. Conditions are worsening and the possibility of catastrophic disaster increases every year.

This funding will be placed into a capital fund to fund flood mitigation projects in the Seward Bear Creek Flood Service Area. The Kenai Peninsula Borough will hold and administer the Flood Mitigation Fund monies, with funds disbursed to the Seward Bear Creek Flood Service Area on a priority project basis.

Identified priority projects include bank stabilization, channel shaping, property acquisition to reroute river and creek flow, construction and repair of water diversion structures and the construction of additional culverts.

Projects will be prioritized based on community input and the ability of the Seward Bear Creek Service Area and the Kenai Peninsula Borough to contribute 25% matching funds from local, state or federal granting sources.

The creation of a capital fund devoted to ongoing flood mitigation in the Seward area allows the accrual of interest, which will help offset the expenditure of funds. Additionally, a capital fund offers the flexibility of funding projects based on community priorities, the ability of projects to secure additional funding and changing environmental conditions.

a .25 mill tax rate increase within the Seward Bear Creek Service Area would generate approximately \$115,000 in revenue

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**\$500,000
Approved**

which could be used annually as local matching funds. This offers the potential of such a fund supporting flood mitigation efforts for the next ten years.

Without a structured funding program focused on flood mitigation in this area, the Kenai Peninsula Borough and the communities of Seward and Bear Creek are caught in a cycle of expending funding sources solely on emergency response to severe flooding events. The creation of this capital funds supports the development of a carefully managed and coordinated response to ongoing flood mitigation, and ultimately serves as a more fiscally responsible approach to the ongoing flood threat to these communities.

Project Timeline:

FY14-FY24

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

N/A

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