City of Anaktuvuk Pass - Community Hall and City Office FY2017 Request: \$126,286 Weatherization **Reference No:** AMD 61093

AP/AL: Allocation Project Type: Life / Health / Safety Category: Development **Recipient:** City of Anaktuvuk Pass Location: Anaktuvuk Pass **House District:** Arctic (HD 40) **Impact House District:** Arctic (HD 40) **Contact:** Catherine Reardon

Appropriation: National Petroleum Reserve - Alaska Impact Grant Program

Brief Summary and Statement of Need:

This request amends the original Governor's FY2017 capital budget request by adding allocation level funding of \$126,286. This change is due to the timing of approval of individual National Petroleum Reserve – Alaska grants. This project will assist with the weatherization of the community hall and city office buildings to enable the city to continue operating effectively. The city of Anaktuvuk Pass provides services and recreation activities to the community, grant funds are requested for contractual services.

Funding:	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	Total
1063 NPR	\$126,286		-				\$126,286
Fund	-				-		
Total:	\$126,286	\$0	\$0	\$0	\$0	\$0	\$126,286
☐ State Match Required ☐ One-Time Project			☐ Phased - new ☐ Phased - underway		rway 🔽 On-	✓ On-Going	
0% = Minimum State Match % Required			Amenda	nent	☐ Mental Health Bill		

Operating & Maintenance Costs:

	Amount	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
Totals:	0	0

Prior Funding History / Additional Information:

Approved for grant under National Petroleum Reserve-Alaska Impact Grant Program under AS 37.05.530(a). See appropriation for prior funding history.

Project Description/Justification:

As authorized December 12, 1980, by 42 USC Chapter 78, Sections 6501-6508, the federal government, through the US Department of the Interior, Bureau of Land Management (BLM) manages and allows the exploration and development of oil and gas within the NPR-A. In accordance with 42 USC § 6508, 50 percent of the money received by the federal government from the "sales, rentals, bonuses, and royalties on leases issued . . . " within the NPR-A is paid to the State of Alaska.

As required by AS 37.05.530, regulations (3 AAC 150.010 – 150.090) were adopted establishing the NPR-A Impact program which allow municipalities impacted by oil and gas development in the NPR-A to apply for grant assistance to alleviate the impact. Grant applications are considered in accordance with:

AS 37.05.530(c), participation is limited to municipalities.

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- AS 37.05.530(c), (d), and (e), municipalities must demonstrate present impact or the need to determine or plan for future impact.
- AS 37.05.530(c), priority is given to municipalities that are experiencing or will experience the most direct or severe impact from oil and gas development.
- AS 37.05.530(e), municipalities may use the funds to alleviate the impact of the oil and gas development only for the following activities and services: (1) planning; (2) construction, maintenance, and operation of essential public facilities by the municipality; and (3) other necessary public services provided by the municipality.
- AS 37.05.530(f), funds may not be used for the retirement of municipal debt.
- 3 AAC 150.050(c), impact is defined as an effect reasonably attributable to NPR-A oil and gas activities under 42 USC § 6508 on (1) population; (2) employment; (3) finances; (4) social and cultural values; (5) air and water quality; (6) fish and wildlife habitats; (7) the ability to provide essential public services, including health care, public safety, education, transportation, utilities, and government administration; and (8) other things of demonstrable importance to the applicant or the applicant's residents.

As required by Alaska Statute (AS) 37.05.530(g), NPR-A funds received that are not appropriated for the NPR-A Impact program are deposited as follows:(1) 25 percent to the principal of the Alaska Permanent Fund; (2) .5 percent to the Public School Trust Fund (AS 37.14.110); and (3) the remaining amount may be appropriated to the Power Cost Equalization and Rural Electric Capitalization Fund (AS 42.45.100).