Denali Commission - Non-Federal Match for Federal FY2024 Request: \$5,000,000 Infrastructure Projects Reference No: 65063

AP/AL: Appropriation Project Type: Energy

Category: Development Recipient: Denali Commission
Location: Statewide House District: Statewide (HD 1 - 40)

Impact House District: Statewide (HD 1 - 40) Contact: Micaela Fowler

Brief Summary and Statement of Need:

SCS1 Add.

Increase opportunities to leverage funding in support of federal investments. Support the awards that communities are receiving from federal agencies and provide them the non-federal match.

Funding:	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	Total	
1004 Gen Fund	\$5,000,000						\$5,000,000	
Total:	\$5,000,000	\$0	\$0	\$0	\$0	\$0	\$5,000,000	
☐ State Match Required ☐ One-Time Project ☐ Phased - new ☐					Phased - un	Phased - underway Ongoing		
0% = Minimum State Match % Required ☐ Amendment ☐					☐ Mental Hea	lth 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:

Project Description/Justification:

The Federal Infrastructure Investment and Jobs Act (IIJA) and more recently passed Inflation Reduction Act (IRA) have potential to direct more than \$3 billion a year for the next five years into Alaska's communities and economy.

The Denali Commission will use the \$5 million as non-federal match for public works and community facilities. Focus on EDA's Public Works and Economic Adjustment Assistance, and USDA's Community Facilities Program - the State's match would be used to invest in small-scale community improvements. These two grants provide federal funding for heavy equipment, city or Tribal buildings, harbors and barge landings, and workforce development. The average funding of between \$500,000 and \$1 million for these projects, and require at least a 20% non-federal match.

\$5 million would be leveraged for at least 25 projects and as many as 50, with \$25 million coming into Alaska for the federal investment. This would make a significant difference in community applications and maximize their potential success.

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Applicants could certify that they don't have match otherwise available; the Denali Commission already has metrics for determining disadvantaged communities, which is much of the state.

Applicants may not always need the full match from the State, and are often contributing on their own and need just an additional amount to supplement what they have available. This further stretches the State's investment.