






SUBJECT: INFORMING THE ASSEMBLY OF A GRANT APPLICATION TO ACQUIRE CONSTRUCTION FUNDS FOR A NEW GATEWAY VISITOR CENTER, AND THE BOROUGH'S FUNDING MATCH OBLIGATION.

AGENDA OF: September 30, 2020

ASSEMBLY ACTION:

MANAGER RECOMMENDATION: For information only.

APPROVED BY GEORGE HAYS, ACTING BOROUGH MANAGER:

Route To:	Department/Individual	Initials	Remarks
	Originator G. Hays		
	Planning and Land Use Director		
	Community Development Director		
	Finance Director		
	Borough Attorney		
	Borough Clerk		

ATTACHMENT (S): Grant Agreement, 10/1/2014 (13 pp.)
Grant Agreement Amendment #1, 1-10-2019 (1 p.)
Grant Agreement Amendment #2, 12-30-2019 (1 p.)
Grant Progress Report, 2/29/2020 (1 p.)
EDA Grant Application (14 pp.)
EDA Grant Budget (6 pp.)
Draft Property Management Agreement (12 pp.)

SUMMARY STATEMENT:

In 2016 the previous Matanuska-Susitna Convention and Visitors Bureau (MSCVB) building and land was sold for \$1,215,000. After \$50,000 was repaid to the areawide fund, the remaining proceeds of \$1,165,000 were placed in the Land Management Fund, with the intent

to contribute to a future building for a new Gateway Visitor Center. However, the funds were not appropriated to the future building project. Due to emergencies over the last five years this money was spent on other projects. On behalf of the MSCVB the borough is applying for a \$6,696,030 Economic Development Administration (EDA) grant to build the new Gateway Visitor Center. The required borough match will be \$1,674,008, for a total project of \$8,370,038. Borough administration recommends taking the match from the following accounts.

- Areawide contribution from Land Management up to the sales proceeds of \$1,165,000:
 - Land Management Permanent Fund \$1,000,000
 - Jonesville Shooting Range Project Account \$165,000
- MSCVB Gateway Center Project:
 - State Legislative Grant \$282,378
 - Program Income \$70,600
- The funding source of the remaining match to be provided by non-areawide fund, bed tax revenues, or donations: \$156,030

The EDA grant is an 80/20 split with 80% of construction to be covered by the grant. The borough will contribute a 20% match of \$1,674,008 for the non-federal requirement.



DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF COMMUNITY AND REGIONAL AFFAIRS

Designated Legislative Grant Program
Grant Agreement

Grant Agreement Number 15-DC-101	Vendor Number MAB84586	Amount of State Funds \$1,235,000.00	
Encumbrance Number/AR/Lapse Date / 10000 /06/30/2019		Project Title Gateway Visitor Center Phase 2	
Grantee		Department Contact Person	
Name Matanuska-Susitna Borough		Name Kimberly Phillips	
Street/PO Box 350 E. Dahlia Avenue		Title Grant Administrator II	
City/State/Zip Palmer, Alaska 99645		Street/PO Box 211 Cushman Street	
Contact Person Eileen Pickett, Financial Technician		City/State/Zip Fairbanks, AK 99701	
Phone (907) 745-9585	Fax (907) 745-9669	Phone (907) 451-2718	Fax (907) 451-2742
Email Eileen.Pickett@matsugov.us		Email kimberly.phillips@alaska.gov	

AGREEMENT

The Alaska Department of Commerce, Community, and Economic Development, Division of Community and Regional Affairs (hereinafter 'Department') and **Matanuska-Susitna Borough** (hereinafter 'Grantee') agree as set forth herein.

Section I. The Department shall pay the Grantee for the performance of the project work under the terms outlined in this Agreement. The amount of the payment is based upon project expenses incurred, which are authorized under this Agreement. In no event shall the payment exceed **\$ 1,235,000.00**.

Section II. The Grantee shall perform all of the work required by this Agreement.

Section III. The work to be performed under this Agreement begins **July 1, 2014** and shall be completed no later than **June 30, 2019**.

Section IV. The Agreement consists of this page and the following:

ATTACHMENTS

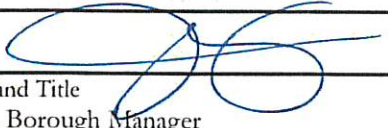
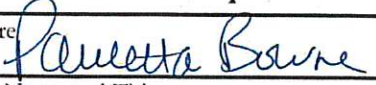
- Attachment A: Scope of Work
1. Project Description
 2. Project Budget
 3. Project Management
 4. Reporting
- Attachment B: Payment Method
- Attachment C: Standard Provisions

AMENDMENTS

Any fully executed amendments to this Agreement

APPENDIX

Appendix A: State Laws and Regulations

Grantee	Department
Signature 	Signature 
Printed Name and Title John Moosey, Borough Manager	Printed Name and Title Pauletta Bourne, Grants Administrator III
Date 9.25.14	Date 10.1.14

Reviewed by: _____

Attachment A Scope of Work

1. Project Description

The purpose of this FY 2015 Designated Legislative Grant in the amount of \$1,235,000.00 [pursuant to the provisions of AS 37.05.315, Grants to Municipalities, SLA 2014, SB 119, Chapter 18, Section 1, Page 13, and Line 27] is to provide funding to the Matanuska-Susitna Borough for use towards Gateway Visitor Center Phase 2. The objective of this project is to design and construct a Gateway Visitor Center at mile 36 Glenn Highway. The facility would be responsible for increasing the economic impact of tourism by inspiring and influencing travel throughout communities to increase spending and enhance the visitor experience.

This project may include, but is not limited to:

- Design
- Permitting
- Bidding
- Construction administration
- Site investigation
- Construction of visitor center
- Access improvements near mile 36 Glenn Highway

No more than five percent (5%) of the total grant award may be reimbursed for Administrative expenses for projects involving equipment purchase or repairs and no more than ten percent (10%) of the total grant award may be reimbursed for Administrative expenses for all other projects. To be reimbursed for eligible administrative costs, expenses must be reported on the Designated Legislative Grant Financial/Progress Report form.

2. Project Budget

Cost Category	Grant Funds
Project Funds	\$1,173,250.00
Administration	\$61,750.00
Total Grant Funds	\$1,235,000.00

3. Project Management

This project will be managed by the Grantee.

Signatory authority for execution of the Grant Agreement and subsequent amendments is granted to the chief administrator. For grants appropriated to a municipality, the mayor is the chief administrator unless the municipality operates a managerial form of government; then the city manager/administrator acts as the chief administrator. For named recipients and unincorporated communities, the executive director or highest ranking official will act as chief administrator.

The chief administrator may delegate authority for executing the Grant Agreement and amendments to others within the Grantee's organization via the Signatory Authority Form. The chief administrator also designates

financial and performance progress reporting authority via the Signatory Authority Form. Such delegation is limited to others within the Grantee's organization unless otherwise approved by the Department.

The Grantee must establish and maintain separate accounting for the use of this Grant. The use of Grant funds in any manner contrary to the terms and conditions of this Grant Agreement may result in the subsequent revocation of the Grant and any balance of funds under the Grant. It may also result in the Grantee being required to return such amounts to the State.

If applicable under state law, grantees must be registered and in good standing with the Department of Commerce, Community and Economic Development's Division of Corporations, Business and Professional Licensing.

4. Reporting

The Grantee shall submit a Designated Legislative Grant Financial/Progress Report Form provided by the Department each month, or quarterly, with the concurrence of the Department, during the life of the Grant Agreement. Grant Financial/Progress Report Forms are due thirty (30) days after the end of the month or quarter being reported. The report period is the first of the month through the last day of the month. If quarterly reporting is approved, the report period is the first day of the first month through the last day of the third month of the quarter. The final Financial/Progress Reports must be submitted within thirty (30) days following completion of the project.

Attachment B

Payment Method

1. Reimbursement Payment

Upon receiving and approving a Grantee's Financial/Progress Report, the Department will reimburse the Grantee for expenditures paid during the reporting period, in accordance with this Grant Agreement. The Department will not reimburse without approved Financial/Progress Reports, prepared and submitted by the Grantee on the form provided by the Department. Before approving the financial/progress report for payment, the Department may require the Grantee to submit documentation of the costs reported (e.g., copies of vendor billings/invoices and proof of payment, general ledger expenditure report).

2. Advance Payment

In most instances, the Department will make payment to a Grantee on a cost reimbursable basis. If cost reimbursement significantly inhibits the Grantee's ability to implement the project, the Department may advance to the Grantee an amount not to exceed a projected thirty (30) day cash need, or twenty percent (20%) of the amount in Section I, whichever is less.

Before the Department will issue an advance, the Grantee must submit a "Request for Advance Payment" form along with documentation of costs associated with the advance. The "Request for Advance Payment" form can be obtained from the Department electronically or in hard copy.

All advances will be recovered with the Grantee's next Financial/Progress Report form. Should earned payments during the terms of this Grant Agreement be insufficient to recover the full amount of the advance, the Grantee will repay the unrecovered amount to the Department when requested to do so by the Department, or at termination of the Grant Agreement.

3. Withholding of Ten Percent (10%)

The Department may withhold ten percent (10%) of the amount in Section I until the Department determines that the Grantee has satisfactorily completed the terms of this Grant Agreement, including all required reporting of the project.

Attachment C Standard Provisions

Article 1. Definition

"Department" refers to the Department of Commerce, Community, and Economic Development with the State of Alaska.

Article 2. Indemnification

It is understood and agreed that this Grant Agreement is solely for the benefit of the parties to the Grant Agreement and gives no right to any other party. No joint venture or partnership is formed as a result of the Grant Agreement.

The Grantee, its successors and assigns, will protect, save, and hold harmless the Department and the State of Alaska and their authorized agents and employees, from all claims, actions, costs, damages, or expenses of any nature whatsoever by reason of the acts or omissions of the Grantee, its subcontractors, assigns, agents, contractors, licenses, invitees, employees, or any person whomever arising out of or in connection with any acts or activities authorized by this Grant Agreement. The Grantee further agrees to defend the Department and the State of Alaska and their authorized agents and employees in any litigation, including payment of any costs or attorney's fees for any claims or actions commenced thereon arising out of or in connection with acts or activities authorized by this Grant Agreement. This obligation shall not include such claims, costs, damages, or expenses which may be caused by the sole negligence of the Department of the State of Alaska or their authorized agents or employees, provided, that if the claims or damages are caused by or result from the concurrent negligence of (a) the Department and the State of Alaska and their agents or employees, and (b) the Grantee, its agents or employees, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Grantee, or Grantee's agents or employees.

Article 3. Legal Authority

The Grantee certifies that it possesses legal authority to accept grant funds under the State of Alaska and to execute the project described in this Grant Agreement by signing the Grant Agreement document. The Grantee's relation to the Department and the State of Alaska shall be at all times as an independent Grantee.

Article 4. Waivers

No conditions or provisions of this Grant Agreement can be waived unless approved by the Department in writing. The Department's failure to insist upon strict performance of any provision of the Grant Agreement, or to exercise any right based upon a breach thereof, or the acceptance of any performance during such a breach, shall not constitute a waiver of any right under this Grant Agreement.

Article 5. Access to Records

The Department and duly authorized officials of the State of Alaska shall have full access and the right to examine, excerpt, or transcribe any pertinent documents, papers, records, and books of the Grantee, and of persons or organizations with which the Grantee may contract, involving transactions related to the project and this Grant Agreement.

Article 6. Reports

The Grantee, at such times and in such forms as the Department may require, shall furnish the Department with such periodic reports as it may request pertaining to the activities undertaken pursuant to this Grant Agreement, including the final close-out report, the costs and obligations incurred in connection therewith, and any other matters covered by this Grant Agreement.

Article 7. Retention of Records

The Grantee shall retain financial and other records relating to the performance of this Grant Agreement for a period of six years from the date when the final financial status report is submitted to the Department, or until final resolution of any audit findings, claims, or litigation related to the grant.

Article 8. Assignability

The Grantee shall not assign any interest in this Grant Agreement and shall not transfer any interest in the same (whether by assignment or novation).

Article 9. Financial Management and Accounting

The Grantee shall establish and maintain a financial management and accounting system that conforms to generally accepted accounting principles.

Article 10. Program Income

Program income earned during the award period shall be retained by the Grantee and added to the funds committed to the award and used for the purpose and under the conditions applicable to the use of award funds.

Article 11. Amendments and Modifications

The Grantee or the Department may request an amendment or modification of this Grant Agreement. However, such amendment or modification shall not take effect until approved, in writing, by the Department and the Grantee.

Article 12. Recordkeeping

The Grantee agrees to keep such records as the Department may require. Such records will include information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and income. They will also include information pertaining to project performance and efforts to comply with the provisions of the Grant Agreement.

Article 13. Obligations Regarding Third-Party Relationships

None of the Work specified in this Grant Agreement shall be contracted by the Grantee without prior approval of the Department. No permission for subcontracting shall create, between the Department or the State of Alaska and the subcontractor, any contract or any relationship.

The Grantee shall remain fully obligated under the provisions of this Grant Agreement notwithstanding its designation of any third party or parties of the undertaking of all or any part of the project described herein. Any subcontractor that is not the Grantee shall be required by the Grantee to comply with all the provisions of this Grant Agreement.

The Grantee shall bind all subcontractors to each and every applicable Grant Agreement provision. Each subcontract for work to be performed with funds granted under this Grant Agreement shall specifically include a provision that the Department and the State of Alaska are not liable for damages or claims from damages arising from any subcontractor's performance or activities under the terms of the subcontracts.

Article 14. Conflict of Interest

No officer or employee of the Department; no member, officer, or employee of the Grantee or its designees or agents; no member of the governing body of the jurisdiction in which the project is undertaken or located; and no other official of such locality or localities who exercises any functions or responsibilities with respect to the project during his or her tenure, shall have any personal or pecuniary gain or interest, direct or indirect, in any contract, subcontract, or the proceeds thereof, for work to be performed in connection with the project assisted under this Grant Agreement.

The Grantee shall incorporate, or cause to incorporate, in all such contracts or subcontracts, a provision prohibiting such interest pursuant to the purpose of this provision.

Article 15. Political Activity

No portion of the funds provided hereinunder shall be used for any partisan political activity or to further the election or defeat of any candidate for public office or influence the approval or defeat of any ballot issue.

Article 16. Notices

The Grantee shall comply with all public notices or notices to individuals required by applicable state and federal laws and shall maintain a record of this compliance.

Article 17. Prohibition Against Payment of Bonus or Commission

The assistance provided under this Grant Agreement shall not be used in payment of any bonus or commission for the purpose of obtaining approval or concurrence under this contract provided, however, that reasonable fees of bona fide technical consultant, managerial, or other such services, other than actual solicitation, are not hereby prohibited if otherwise eligible as project costs.

Article 18. Termination by Mutual Agreement

This Grant Agreement may be terminated, in whole or in part, prior to the completion of contract project activities when both parties agree that continuation is not feasible or would not produce beneficial results commensurate with the further expenditure of funds. The Department will determine whether an environmental review of the cancellation is required under State and/or Federal law. The parties must agree on the termination conditions, including effective date and the portion to be terminated. The Grantee shall not incur new obligations for the terminated portion after the effective date, and shall cancel as many outstanding obligations as possible. The Department shall make funds available to the Grantee to pay for allowable expenses incurred before the effective date of termination.

Article 19. Termination for Cause

If the Grantee fails to comply with the terms of this Grant Agreement, or fails to use the grant for only those purposes set forth herein, the Department may take the following actions:

- A. Suspension – After notice in writing by certified mail to the Grantee, suspend the grant and withhold any further payment or prohibit the Grantee from incurring additional obligations of grant funds, pending corrective action by the Grantee or a decision to terminate. Response must be received within fifteen (15) days of receipt of the written notice.
- B. Termination – Terminate the grant in whole or in part, at any time before the final grant payment is made. The Department shall promptly notify the Grantee in writing of its determination to terminate, the reason for such termination, and the effective date of the termination. Payments made to the Grantee or recoveries by the Department shall be in accordance with the legal rights and liabilities of the parties.

Article 20. Withdrawal of Funds

In the event funding from the state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Grant Agreement and prior to normal completion, the Department may terminate the agreement, reduce funding, or re-negotiate subject to those new funding limitations and conditions. A termination under this article shall be implemented under the same conditions as a termination under Article 19 of this Attachment.

Article 21. Recovery of Funds

In the event of a default or violation of the terms of the Grant Agreement by the Grantee, the Department may institute actions to recover all or part of the project funds paid to the Grantee. Repayment by the Grantee of grant funds under this recovery provision shall occur within thirty (30) days of demand.

All remedies conferred on the Department by this agreement or any other instrument or agreement are cumulative, not exclusive, and may be exercised concurrently or consecutively at the Department's option.

Article 22. Disputes

Except as otherwise provided in this agreement, any dispute concerning a question of fact arising under this agreement that is not disposed of by mutual agreement shall be decided by the Department, which shall reduce its decision to writing and mail, or otherwise furnish a copy thereof, to the Grantee. The decision of the Department shall be final and conclusive.

This "Disputes" clause does not preclude the consideration of questions of law in connection with the decision provided for in the preceding paragraph provided that nothing in the Grant Agreement shall be construed as making final the decisions of any administrative official, representative, or board on a question of law.

Article 23. Jurisdiction

This Grant Agreement shall be governed by the laws and statutes of the State of Alaska. The venue of any suit hereunder may be in the Superior Court for the First Judicial District, Juneau, Alaska.

Article 24. Ownership of Project/Capital Facilities

The Department makes no claim to any capital facilities or real property improved or constructed with funds under this Grant Agreement and, by this grant of funds, does not and will not acquire any ownership interest or title to such property of the Grantee. The Grantee shall assume all liabilities arising from the ownership and operation of the project and agrees to hold the Department and the State of Alaska harmless from any and all causes of action arising from the ownership and operation of the project.

Article 25. Site Control

If the grant project involves the occupancy and use of real property, the Grantee assures that it has the legal right to occupy and use such real property for the purposes of the grant, and further that there is legal access to such property.

As a minimum requirement, the Grantee should obtain a "sufficient interest" that allows the Grantee the right to use and occupy the site for the expected useful life of the building, structure or other improvement. Generally, the interest obtained should be for at least 20 years. A sufficient interest depends upon the nature of the project and the land status of the site.

Article 26. Insurance

The Grantee is responsible for obtaining any necessary liability insurance and maintain in force at all times during the performance of this Grant Agreement the insurance policies identified below. All insurance policies shall comply with, and be issued by insurers licensed to transact the business of insurance under Alaska Statute AS 21. The Grantee shall require any contractor hired to work on the project be licensed, bonded and insured for at least the amount of the project and if appropriate provide and maintain Professional Liability Insurance.

- A. Workers' Compensation Insurance for all employees engaged in work under this Grant Agreement, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements.
- B. Commercial General Liability Insurance covering all business premises and operations used by the Grantee in the performance of this project and Grant Agreement with coverage limits not less than \$300,000 combined single limit per occurrence and annual aggregates where applicable.
- C. Comprehensive Automobile Liability Insurance covering all vehicles used by the Grantee in the performance of this project and Grant Agreement with coverage limits not less than \$100,000 per person/\$300,000 per occurrence bodily injury and \$50,000.00 property damage.

D. Professional Liability Insurance covering all errors, omissions or negligent acts of the contractor, subcontractor or anyone directly or indirectly employed by them, made in the performance of this contract which result in financial loss to the State. Limits required are per the following schedule:

Contract Amount	Minimum Required Limits
Under \$100,000	\$100,000 per occurrence/annual aggregate

Article 27. Subcontracts for Engineering Services

In the event that the Grantee subcontracts for engineering services, the Grantee will require that the engineering firm certify that it is authorized to do business in the State of Alaska. In the event that the engineering firm is also the project administrator, the Grantee shall require that the bond or insurance shall be for not less than the amount of the entire project.

Article 28. Governing law

This Grant Agreement is governed by the laws of the State of Alaska. The Grantee shall perform all aspects of this project in compliance with the appropriate laws and regulations. It is the responsibility of the Grantee to ensure that all permits required for the construction and operation of this project by the Federal, State, or Local governments have been obtained.

Article 29. Budget Flexibility

Notwithstanding the provisions of Article 11, Attachment C, the Grantee may revise the project budget in Attachment A without a formal amendment to this agreement. Such revisions are limited within each line item to a maximum of ten percent (10%) of the line item or \$10,000, whichever is less, over the entire term of this agreement. Such budget revisions shall be limited to changes to existing budget line items. Budget revisions may not be used to increase any budget item for project administrative expenses. Changes to the budget beyond the limits authorized by this provision may only be made by a formal amendment to this agreement.

Article 30. Equal Employment Opportunity (EEO)

The Grantee may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy, or parenthood. The Grantee shall post in a conspicuous place, available to employees and applicants for employment, a notice setting out the provisions of this paragraph.

The Grantee shall state, in all solicitations or advertisements for employees to work on state funded projects, that it is an equal opportunity employer (EEO) and that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy, or parenthood.

The Grantee shall include the provisions of this EEO article in every contract relating to this Grant Agreement and shall require the inclusion of these provisions in every agreement entered into by any of its contractors, so that those provisions will be binding upon each contractor or subcontractor.

Article 31. Public Purposes

The Grantee agrees that the project to which this Grant Agreement relates shall be dedicated to public purposes for its useful life. The benefits of the project shall be made available without regard to race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy, or parenthood.

If the Grantee is a non-municipal entity and if monies appropriated under this grant constitute the sole or principal funding source for the acquisition of equipment or facilities, the Grantee agrees that in the event a municipal corporation is formed which possesses the power and jurisdiction to provide for such equipment or facilities, the Grantee shall offer, without compensation, to transfer ownership of such equipment or facilities to the municipal corporation.

If the Grantee is a non-profit corporation that dissolves, the assets and liabilities from the grant project are to be distributed according to statutory law, AS 10.20.290-10.20.452.

Article 32. Operation and Maintenance

Throughout the life of the project, the Grantee shall be responsible for the operation and maintenance of any facility, equipment, or other items acquired under this grant.

Article 33. Assurance

The Grantee shall spend monies awarded under this grant only for the purposes specified in this Grant Agreement.

Article 34. Current Prevailing Rates of Wage

Certain grant projects are constrained by the provisions of AS 36. PUBLIC CONTRACTS. To the extent that such provisions apply to the project which is the subject of this Grant Agreement, the Grantee shall pay the current prevailing rates of wage to employees as required by AS 36.05.010. The Grantee also shall require any contractor to pay the current prevailing rates of wage as required by AS 36.05.010.

Article 35. Severability

If any provision under this Grant Agreement or its application to any person or circumstance is held invalid by any court of rightful jurisdiction, this invalidity does not affect other provisions of the contract agreement which can be given effect without the invalid provision.

Article 36. Performance

The Department's failure to insist upon the strict performance of any provision of the Grant Agreement or to exercise any right based upon breach thereof or the acceptance of any performance during such breach shall not constitute a waiver of any rights under this Grant Agreement.

Article 37. Sovereign Immunity

If the Grantee is an entity which possesses sovereign immunity, it is a requirement of this grant that the Grantee irrevocably waive its sovereign immunity with respect to state enforcement of this Grant Agreement. The waiver of sovereign immunity, effected by resolution of the entity's governing body, is herein incorporated into this Grant Agreement.

Article 38. Audit Requirements

The grantee must comply with the audit requirements of the Alaska Administrative Code set forth in **2AAC45.010. AUDIT REQUIREMENTS**. An entity that expends a cumulative or total, equal to the state single audit threshold during the fiscal year is required to have a state single audit. A copy of the most current **2AAC45.010** adopted regulations is available at the Alaska Department of Administration's State Single Audit website: <http://doa.alaska.gov/dof/ssa/index.html>.

Current audit compliance supplements and guides specific to programs under AS 37.05.315 Grants to Municipalities, AS 37.05.316 Grants to Named Recipients, and AS 37.05.317 Grants to Unincorporated Communities can be found at <http://doa.alaska.gov/dof/ssa/2014auditsuppl.html#dept08>

Article 39. Close-Out

The Department will advise the Grantee to initiate close-out procedures when the Department determines, in consultation with the Grantee, that there are no impediments to close-out and that the following criteria have been met or soon will be met:

- A. All costs to be paid with grant funds have been incurred with the exception of close-out costs and any unsettled third-party claims against the Grantee. Costs are incurred when goods and services are received or contract work is performed.

- B. The last required performance report has been submitted. The Grantee's failure to submit a report will not preclude the Department from effecting close-out if it is deemed to be in the State's interest. Any excess grant amount that may be in the Grantee's possession shall be returned by the Grantee in the event of the Grantee's failure to finish or update the report.
- C. Other responsibilities of the Grantee under this Grant Agreement and any close-out agreement and applicable laws and regulations appear to have been carried out satisfactorily or there is no further State interest in keeping the grant open for the purpose of securing performance.

Article 40. Americans with Disabilities Act

The Americans with Disabilities Act (ADA) prohibits discrimination against persons with disabilities. Title I of the ADA prohibits discrimination against persons with disabilities in employment and provides that a reasonable accommodation be provided for applicants and employees. Title II of the Act prohibits public agencies from discriminating against individuals with disabilities in the provision of services, programs, or activities. Reasonable accommodation must be made to ensure or allow access to all services, programs, or activities. This section of the Act includes physical access to public facilities and requires that public entities must, if necessary, make modifications to their facilities to remove physical barriers to ensure access by persons with disabilities. All new construction must also be accessible to persons with disabilities. A public entity's subgrantees or contractors must also comply with the ADA provisions. Grantees are responsible for assuring their compliance with the ADA.

Appendix A

State Laws and Regulations and Permits

Grantees are responsible for all applicable state laws, regulations and permits; including but not limited to the following list which most commonly affects Grantees.

Municipality Public Facility Operations and Maintenance—AS 37.05.315(c)

In accepting a grant under AS 37.05.315 for construction of a public facility, a municipality covenants with the State that it will operate and maintain the facility for the practical life of the facility and that the municipality will not look to the State to operate or maintain the facility or pay for its operation or maintenance. This requirement does not apply to a grant for repair or improvement of an existing facility operated or maintained by the State at the time the grant is accepted if the repair or improvement for which the grant is made will not substantially increase the operating or maintenance costs to the State.

Restriction on Use—AS 37.05.321

A grant or earnings from a grant under AS 37.05.315 - 37.05.317 may not be used for the purpose of influencing legislative action. In this section "influencing legislative action" means promoting, advocating, supporting, modifying, opposing, or delaying or seeking to do the same with respect to any legislative action but does not include the provision or use of information, statistics, studies, or analyses in written or oral form or format. A grant or earnings from a grant made under AS 37.05.315 - 37.05.317 may not be used for purposes of travel in connection with influencing legislative action unless pursuant to a specific request from a legislator or legislative committee.

Hiring Preferences—AS 36.10

This chapter of the Alaska Statutes applies to grants for public works projects and requires compliance with the hiring preferences under AS 36.10.150 – 36.10.175 for employment generated by the grant.

Historic Preservation Act—AS 41.35

This chapter of the Alaska Statutes applies to public construction of any nature undertaken by the State, or by a governmental agency of the State, or by a private person under contract with or licensed by the State or a governmental agency of the State. The Department of Natural Resources must be notified if the construction is planned for an archaeological site. The Department of Natural Resources may stop the construction to determine the extent of the historic, prehistoric, or archaeological values.

Fire Protection—AS 18.70

This chapter of the Alaska Statutes requires the Alaska Department of Public Safety (the State Fire Marshal) to adopt regulations (currently in the form of Uniform Fire Code, as amended) establishing minimum standards for:

1. Fire detection and suppression equipment;
2. Fire and life safety criteria in commercial, industrial, business, institutional, or other public buildings used for residential purposes containing four or more dwelling units;
3. Any activity in which combustible or explosive materials are stored or handled in commercial quantities;
4. Conditions or activities carried on outside a building described in (2) or (3) likely to cause injury to persons or property.

Procurement Preference for State Agricultural and Fisheries Products—AS 29.71.040

This chapter of the Alaska Statutes applies to municipalities that use state funds to purchase agricultural and fisheries products. The law requires:

1. When agricultural products are purchased, only such products harvested in the state shall be purchased whenever priced no more than seven percent above products harvested outside the state, and of like quality compared with agricultural products harvested outside the state.
2. When fisheries products are purchased, only fisheries products harvested or processed within the jurisdiction of the state shall be purchased whenever priced no more than seven percent above products harvested or processed outside

the jurisdiction of the state, available, and of like quality compared with fisheries products harvested or processed outside the jurisdiction of the state.

Alaska Product Preferences—AS 36.15

This chapter of the Alaska Statutes applies to projects financed by state money in which the use of timber, lumber, and manufactured lumber products is required, only timber, lumber and manufactured lumber projects originating in this state from local forests shall be used wherever practicable. The law requires the insertion of this clause in calls for bids and in all contracts awarded.

Permits and Environmental Procedures

The Alaska Department of Environmental Conservation (ADEC) regulates all activities in Alaska that might pollute the air, water or soil. There are dozens of ADEC permits related to constructing and operating public buildings. The law requires the following permits, including others designated by the commissioner. The following list is not intended to be all-inclusive.

- Air Emissions Permit
- Anadromous Fish Protection Permit
- Authorization for Tidelands Transportation
- Brine or Other Salt Water Waste Disposal Permit
- Burning Permit during Fire Season
- Coal Development Permit
- Critical Habitat Area Permit
- Dam Construction Permit
- Driveway Permit
- Encroachment Permit
- Miscellaneous State Land Use Permit
- Mineral and Geothermal Prospecting Permits
- Occupied Tide and Submerged Land
- Open Burning Permit
- Permit for Use of Timber or Materials
- Permit to appropriate Water
- Pesticides Permit
- Preferred Use Permit
- Right-of-Way and Easement Permits
- Solid Waste Disposal
- Special Land Use Permit
- State Game Refuge Land Permit
- State Park Incompatible Use Permit
- Surface Oiling Permit
- Surface Use Permit
- Tide and Submerged Lands Prospecting Permit
- Tidelands Permit
- Tidelands Right-of-Way or Easement Permit
- Utility Permit
- Waste Water Disposal Permit
- Water Well Permit

DESIGNATED LEGISLATIVE GRANT AGREEMENT - AMENDMENT

State of Alaska
Department of Commerce, Community, and Economic Development
Division of Community and Regional Affairs

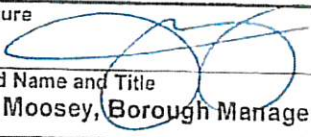
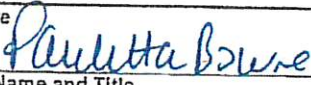
Grantee Name	Grant Agreement Number	GAE
Matanuska-Susitna Borough	15-DC-101	850718
Project Title	Effective Date of Amendment	
Gateway Visitor Center Phase 2	December 1, 2018	

Amendment # 1 – Extension

EFFECTIVE THE DATE SHOWN ABOVE THIS GRANT IS HEREBY AMENDED AS FOLLOWS:

1. The start date of this Grant Agreement remains July 1, 2014.
2. The termination date of this Grant Agreement is extended to June 30, 2020.
3. The total allocation of this grant remains \$1,235,000.00.

ALL OTHER TERMS AND CONDITIONS OF THE ORIGINAL GRANT AGREEMENT
REMAIN IN FULL FORCE AND EFFECT.

GRANTEE	DEPARTMENT
Signature 	Signature 
Printed Name and Title John Moosey, Borough Manager	Printed Name and Title Pauletta Bourne, Grants Administrator III
Date 1.4.19	Date 1.10.19

E-MAILED JAN 10 2019

DESIGNATED LEGISLATIVE GRANT AGREEMENT - AMENDMENT

State of Alaska
Department of Commerce, Community, and Economic Development
Division of Community and Regional Affairs

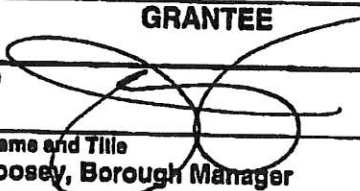
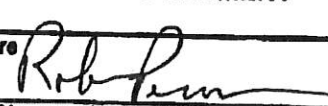
Grantee Name	Grant Agreement Number	GAE
Matanuska-Susitna Borough	15-DC-101	850718
Project Title	Effective Date of Amendment	
Gateway Visitor Center Phase 2	December 1, 2019	

Amendment # 2 - Extension

EFFECTIVE THE DATE SHOWN ABOVE THIS GRANT IS HEREBY AMENDED AS FOLLOWS:

1. The start date of this Grant Agreement remains July 1, 2014.
2. The termination date of this Grant Agreement is extended to June 30, 2021.
3. The total allocation of this grant remains \$1,235,000.00.

ALL OTHER TERMS AND CONDITIONS OF THE ORIGINAL GRANT AGREEMENT
REMAIN IN FULL FORCE AND EFFECT.

GRANTEE	DEPARTMENT
Signature 	Signature 
Printed Name and Title John Moosey, Borough Manager	Printed Name and Title Paulette Bourne, Grants Administrator III ROBERT PEARSON, CAS
Date 12-23-19	Date 12/30/19

E-MAILED DEC 30 2019

DESIGNATED LEGISLATIVE GRANT FINANCIAL/PROGRESS REPORT

Department of Commerce, Community, and Economic Development, Division of Community and Regional Affairs

Grantee: Matanuska Susitna Borough		Grant Number: 15-DC-101 (MSB # 10022)	
Project Title: Gateway Visitor Center Phase 2			
Report No: 65	Reporting Period: <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly	From: 2/1/2020	To: 2/29/2020

Cost Category	Authorized Budget	Expenditures this Report Period	Total Grant Expenditures to Date	Balance of Grant Funds
Project Funds	1,173,250.00	0.00	890,871.62	282,378.38
Administration	61,750.00	0.00	61,750.00	0.00
Total This Report	1,235,000.00	0.00	952,621.62	282,378.38

Current Advance Balance (if any)	0.00		
Total Grant Expenditures This Period	0.00	Total Grant Award	1,235,000.00
LESS Advance Recovered This Report (if any)	0.00	LESS Total Grant Expenditures to Date	952,621.62
NET REIMBURSEMENT TO GRANTEE	0.00	LESS Unrecovered Advance Balance	0.00
Advance Balance Remaining (if any)	0.00	TOTAL Grant Funds Remaining	282,378.38

Progress Report: Describe activity that supports the expenditures during the period. If no activity has taken place please provide an explanation. Identify any problems you have experienced and or accomplishments this period. Attach additional pages if necessary.

Grantee Certification: I certify that the above information is true and correct, and that expenditures have been made for the purpose of, and in accordance with, applicable grant agreement terms and conditions.

Eileen Pickett

3/5/2020

Authorized Signature

Date

Eileen Pickett, Accountant
Name and Title

DCCED Staff Use:

Encumbrance No:

Payment Amount:

GA Approval:

DCCED Signature

Date



ED-900 – General Application for EDA Programs

A. Applicant Information

A.1. EDA Application Identifier (if available):

A.2. Please identify all applicants for this project:

	Name	SAM.gov CAGE Code	SAM.gov Registration Expiration Date	Fiscal Year End Date (mm/dd)
Lead Applicant	Matanuska-Susitna Borough	3rwr6	11/20/2020	06/30
Co-Applicant 1	Mat-su Visitor and Convention Bureau	8MFJ3	06/09/2021	06/30

B. Project Information

B.1. Provide a geographical definition of the region to be served by the investment (project), including the specific geographic location of the project within the region.

The project will support the tourism industry in the MSB. Indirectly, this will have state-wide benefits as many tourists who visit the MSB will visit other parts of the State during their trip. The majority of the visitors are likely to be from the MSB and Anchorage. In 2020, the MSB has a population of approximately 110,000 while the Anchorage population is approximately 286,000. Combined, about half the State's population reside in these two areas.

The MSB is in South-central Alaska, encompassing more than 24,000 square miles (about the size of the State of West Virginia) of valleys, mountains, lakes, rivers, and streams. The MSB includes portions of the Chugach Mountains to the Southeast; portions of the Alaska Range to the northwest; and essentially the entire Talkeetna and Clearwater Ranges in its interior. The Municipality of Anchorage, upper Cook Inlet, and Knik Arm delineate the MSB's southern boundary.

The MSB includes the following physical infrastructure:

MSB and DOT&PF owned roads

1 Port (Port MacKenzie)

1 railroad (Alaska Railroad)

Over 200 public and private airports (the three largest are Palmer, Wasilla, and Talkeetna)

The MSB includes the following educational infrastructure:

6 charter schools

3 special mission education schools

21 elementary schools

4 middle schools
8 high schools
4 K-12 schools

The MSB also includes Mat-Su College (an extension of the University of Alaska Anchorage)

Many banks are located with the MSB including the Matanuska Valley Federal Credit Union, Denali Federal Credit Union, Alaska USA Federal Credit Union, KeyBank, Northrim, and First National Bank Alaska.

The Mat-Su Regional Medical Center is located within 1 mile of the proposed Visitor Center.

Denali National Park & Preserve is located along the northwestern boundary of the MSB. Alaska State Parks Mat-Su Region has 24 units and consists of 650,000 acres of parks and recreation areas.

B.2. Describe and outline the scope of work for the proposed EDA investment, including a list of tasks to be undertaken.

The scope of work for the proposed EDA investment is the development of the Gateway Visitor Center in the Matanuska-Susitna Borough. The Visitor Center will be a 10,624-square-foot visitor center complex. The Center will be a fully sprinklered, combined wood and masonry structure with wood frame walls and heavy timber ceilings. It is a Type 5 B Building. The proposed building is to be consistent with a LEED Silver rating.

Tasks to be undertaken include:

demolition of two small existing structures

demolition/abandon existing well

removal of campsite/RV site connection utilities (36)

relocation of existing electric and communications utilities (approx. 2,100 linear feet)

removal of miscellaneous water/wastewater piping

removal of existing wire fence and T-posts

construction of a paved access drive (approx. 21,900 square feet) and a gravel maintenance drive (approx. 5,000 square feet)

construction of paved vehicle circulation and parking area (to accommodate 80 vehicle spaces and 10 bus spaces) with concrete curb and concrete sidewalk for building access.

grading and infrastructure for stormwater and erosion and sediment control (including swales, corrugated polyethylene pipe culverts (approximately 210 linear feet), catch basins, and sediment ponds.

Site utilities include electrical service and site lighting. A natural gas distribution line is located adjacent to the property and will be extended to serve the Center. Potable water will be provided by an on-site well and 2-inch high-density polyethylene water service line (approximately 125 linear feet). Wastewater treatment and disposal will be accomplished with a 3,500-gallon septic tank and drain field that meets Alaska Department of

Environmental Conservation standards based on soil type and projected use.

B.3. Economic development needs

B.3.a. Does the region in which the project will be located have a Comprehensive Economic Development Strategy (CEDS)?

☒ Yes If Yes, what is the source?

Northern Opportunity: Alaska's Economic Strategy

☐ No If No, then please check one:

☐ B.3.a.i. An alternate strategic planning document that governs this investment is attached.

Add Attachment

Delete Attachment

View Attachment

☐ B.3.a.ii. This investment is to develop a "strategy grant" to develop, update or refine a CEDS.

☐ N/A – Not Applicable

B.3.b. Describe the economic conditions of your region. Define the economic development need to be addressed by the proposed EDA investment and explain how the proposed investment will address that need.

Tourism is an important industry in the MSB. A Mat-Su Visitor Impact Study estimated that approximately 391,000 out-of-state visitors traveled to the MSB in 2016. An estimated 309,000 Alaskan residents visited the MSB that same year. Out-of-state visitors spent an estimated \$98 million dollars in the MSB in 2016 distributed among a variety of sectors: food/beverage (28 percent), lodging (23 percent), tours/activities (23 percent), transportation (17 percent) and gifts/clothing/souvenirs (8 percent). Out-of-state visitors spending is believed to be result in an estimated 1,700 jobs and \$47 million in labor income. Out-of-state visitor spending resulted in an estimated \$133 million in economic output in 2016.

The economic impact of in-State visitors is harder to quantify. There is no current research however it is known they spend on food/beverage, tours, and other expenditures similar to out-of-state visitors. They typically has less spending on lodging than out-of-state visitors.

The tourism industry in the MSB has the potential to attract more in-state and out-of-state visitors. One way to attract additional economic activity is the development of the Visitor Center. The Visitor Center would increase the economic impact of tourism by inspiring and influencing travel throughout the MSB to increase spending and enhance the visitor experience. Recent research from Travel Oregon reports that people who visit a visitor center spend \$1,200 more than those who do not.

The Visitor Center and its programs can contribute significantly to the economic development of the MSB by increasing visitation, tourism, and recreation. The Visitor Center would link visitors to tourism related small businesses throughout the MSB.

According to statsamerica.org (accessed July 28, 2020), the Mat-Su Borough unemployment rate for 1998-2018 is 7.64 percent. During the same time period, the unemployment rate for the US was 3.90 percent.

The earthquake damaged several roads throughout Southcentral Alaska which limited people ability to move about the region. It also closed the Anchorage International Airport for a short time preventing people from traveling to/from the region by air. Fortunately, most tourism related businesses remained operational or only had short closures. With the earthquake occurring in November, an off-peak time for tourism activity, the industry was not significantly impacted. However, it served as an important reminder that large earthquakes, and other disasters, can occur throughout the MSB and that the industry needs to be prepared. Given that the MSB welcomes almost 400,000 visitors a year, should a major disaster occur during peak tourism season, it could easily overwhelm MSB's medical and emergency services capacity.

The Center will offer multi-purpose space, making it easier for the MSCVB to promote emergency preparedness and provide emergency training opportunities to its 200+ members. The Center will provide the MSCVB with a space that can be used to provide disaster related trainings. Educating the industry about what to do during and after a disaster is an important component of improving the resiliency of the industry.

The Center is the anchor to the community and the visitor economy. The Center will be a focal point for meeting visitor needs during future disasters, enabling the MSCVB to better provide visitor related services that will improve resiliency by:

- Providing educational material about emergency preparedness and response, road closure updates, safe travel protocols, and similar information in the MSB.
- Redirecting tourists to other destinations in the event of emergency or disaster-related road closure
- Assisting tourists in finding temporary alternative accommodations
- Providing 24/7 Wi-Fi allowing travelers to maintain communications after a disaster

See separate attachment for consistency with CEDS

B.4. Applicant's capability

Briefly describe the applicant's capability to administer, implement, and maintain the project.

The MSB will administer the grant and manage the construction operations much as they have for previous projects. The MSB regularly administers grants and major facility construction projects such as elementary, middle, and high schools; fire stations; and libraries. Three example projects the MSB recently managed include:

Fronteras Charter School--2016--\$7.1M--2315 N. Seward Meridian Pkwy,
Wasilla
Redington Jr/Sr High School (LEED Gold)--2015--\$46.5M--10015 Redington Rd.,
Wasilla
Public Safety Building 6-1 Addition/Renovation--2020--\$4.1M, 101 W.
Swanson, Wasilla

The MSB will assign a project manager to oversee the construction and be responsible for the submission of all reports to the EDA.

The MSVCB successfully operated the Mat-Su Visitor Center until 2015. The

Visitor Center did not open in the summer of 2016. There has been no physical Visitor Center since then.

The MSCVB will be responsible for the maintenance of the Center. They will implement a property management agreement between the MSB and MSCVB which documents which entity is responsible for Center maintenance. At this time, it is anticipated that the agreement will be same as the agreement used when the previous Center was operational. In that agreement, the MSCVB was responsible for all facility maintenance.

B.5. List and describe the strategic partners and organizations to be engaged in this project

The MSCVB has worked with a variety of strategic partners to develop the project and will continue to do so. Key partners include the Matatnuska Susitna Borough, Alaska Department of Fish and Game, Alaska State Parks, Mat-su Trails and Park Foundation, Alaskans for Palmer Hay Flats, Bureau of Land Management, National Park Service, Anchorage Convention & Visitors Bureau, Knik Tribal Council, Alaska Native Heritage Center, Chickaloon Village Traditional Council, Chickaloon Native Village, Alaska Railroad Corporation, City of Palmer, City of Wasilla, and Great Land Trust. These partners were heavily involved in identifying the site and design for the new center. They will continue to be involved in developing educational content for the Center.

The MSCVB has also been working with the Rasmuson Foundation and the Mat-Su Health Foundation. These two organizations have been engaged as potential funders of future enhancements to the Center.

The Mat-Su School District has been engaged with the MSVCB regarding Center design and future programming. The School District brings students to Spring Creek in the area to learn about salmon and salmon habitat. The School District intends to continue bring students to the site. A wet room was incorporated into the design to support these educational efforts.

They have also been working with members of the MSCVB. The MSCVB, through the Center, will support the operations of all of its members. The MSCVB will also promote their members as well as promoting tourism in the MSB to potential visitors elsewhere in Alaska, the Lower 48, and internationally.

B.6. Describe the investment (project) impact and fit with EDA funding priorities

EDA's investment in this project and the alignment with following EDA funding priorities:

Recovery and Resilience: Tourism in the MSB is vulnerable to disasters. While tourism was not significantly impacted by the 2018 earthquake, that was largely due to the earthquake occurring in November when there is little tourism activity. The impacts would have been much greater had the earthquake occurred during the summer.

Workforce Development and Manufacturing: The Visitor Center will provide a facility that could be used to provide workforce development training for people in the tourism industry.

Opportunity Zones: According to the IRS publication for Designated Qualified Opportunity Zones under Internal Revenue Code § 1400Z-2 Notice 2018-48, there are two QOZs in the Matanuska Susitna Borough, Census Tracts 02170000401 and 02170000701 which are designated low-income communities. Businesses in these area could benefit from increased tourism in the MSB.

B.7. Identify the proposed time schedule for the project

The proposed project is anticipated to be complete within two years of the MSB/MSCVB acquiring sufficient funding for Visitor Center construction.

B.8. Economic impacts of the project

B.8.a. Please describe the economic impacts of the project:

The project is anticipated to increase visitor spending and tourism related employment in the MSB. Over a nine year basis, the number of full- and part-time job years that may be created by the visitor center is between 204 and 1,108. Of these, between 37 and 184 full- and part-time job years are expected to be from out-of-state visitors while the number of job years associated with in-state visitors range between 167 and 834.

The number of out-of-state visitors in the MSB range from 15,000 to 75,000 persons per year. Based on research for the South Denali Visitor Center, it was assumed that 10 percent of out-of-state visitors might extend their stay in the MSB by 1 day due to the presence of a visitor center. As out-of-state visitors spend \$157 per person per day, that results in \$235,722 to \$1,178,608 in additional visitor spending in the MSB. Based on existing visitor spending in the MSB, there are 0.02 direct and indirect jobs per \$1,000 spent, the number of jobs per year associated with out-of-state visitors ranges from 4 to 20. Over a nine year period, this equates to a range of 37 to 184 direct and indirect jobs.

According to the project's Feasibility Study, the number of in-state visitors to the Center is estimated to be between 20,000 to 100,000 persons per year. According to the Economic of the Visitor Industry in the Mat-Su Borough Study, the total average spending per person by Alaska residents visiting the MSB is \$485 per trip. If visitation to the MSB by Alaska residents increase by 10% due to the Center, that will result in increased visitor spending ranging from \$1,067,961 to \$5,339,806. This translates to an increase of between 167 and 834 direct and indirect jobs over a nine year period.

The majority of jobs will be related to the tourism and hospitality industry. Many of the jobs that will be generated include tour guides, hotel staff, restaurant workers, and retail clerks. Due to the multiplier effect, there will also be small increases in employment is related support services such as accounting, landscaping, and construction. Most of the jobs are anticipated to be from existing businesses expanding their operations. It is possible that new businesses may open but none are identified at this time.

Private investment is difficult to quantify because the general increase in the tourism activity is causing companies to expand their operations. It would be difficult to determine how much investment would be directly caused by the Visitor Center versus general tourism growth. Examples of private investment that has recently occurred in the MSB include K2 Aviation recently expanded their office facility used to managed their sightseeing operations, Alaska Backcountry Tours build two new cabins to accommodate additional guests, In 2020, Sheep Mountain Lodge purchased a new helicopter to provide helicopter tours and Knik River Lodge built a new

restaurant. This type of private investment is expected to continue.

The MSCVB would add 1 FTE position and 5 seasonal part-time positions to their current full-time staff of four.

Construction of the Visitor Center would increase construction employment for the duration of the construction.

The Feasibility Study estimated that the Visitor Center could have an annual revenue of approximately \$150,000.

The August 2019 National Advisory Committee on Travel and Tourism Infrastructure (NACCTTI) (part of the US Department of Transportation) provides information, advice, and recommendations to the Secretary of Transportation on matters relating to the role of intermodal transportation in facilitating mobility with respect to travel and tourism activities. NACCTTI supports the development of Critical Travel Infrastructure because of the need to develop infrastructure to support the local and national tourism economy. The Visitor Center was the only Alaska project listed as a critical infrastructure project.

B.8.b. Please identify the total estimated jobs and private investment that is expected to be generated by this project:

Estimated Jobs Created	Estimated Jobs Retained	Estimated Private Investment
204		

B.8.c. Please identify the source of Estimates above (check as many as apply):

- ☐ Letters from Beneficiaries of the Project
- ☐ Input/Output Model (e.g. IMPLAN, REMI)
- ☒ Comparison to Similar Projects
- ☒ Other Method (specify below)

The estimated number of job years is based on an Economic Impact Analysis (using IMPLAN) of visitor spending in the Mat-Su Borough as well as data from a detailed study on the likely visitor changes (in terms of visits and spending) in South Denali/Trapper Creek area of the MSB as a result of a proposed South Denali Visitor Center.

B.9. Beneficiaries of the project

Beneficiary Name	NAICS Code	Estimated Jobs Created	Estimated Jobs Retained	Estimated Private Investment
Mahay's Jet Boat Adventure	561520	1	1	\$0.00
Palmer Museum	712110	1	1	\$0.00
Turkey Red	722511	1	1	\$0.00
Alaska Backcountry Tours	561520	1	1	\$0.00
Skeetawk	713920	1	1	\$0.00
Turner's Corner	721110	1	1	\$0.00
Sheep Mountain Lodge	721110	1	1	\$0.00
MICA Guides	561520	1	1	\$0.00
K2 Aviation	487110	1	1	\$0.00
Musk Ox Farm	712130	1	1	\$0.00
Total		10	10	\$0.00

B.10. Non-EDA funding for the project

B.10.a. Are all non-EDA funds committed to the project, available as needed, and not conditioned or encumbered in any way that would preclude their use consistent with the purpose of the project?

☒ Yes

☐ No (explain below)

B.10.b. Identify the source, nature and amount of all non-EDA funds.

Source	Amount	Date Available	Type	Restriction/Comments
MSB Funds	\$1,391,629.00	09/23/2020	Cash	No restrictions
State of Alaska Capital Improvement Grant	\$282,378.00	08/24/2020	Cash	Grant administered by MSB

B.10.c. Does the applicant plan to seek other federal financial assistance as part of or in connection with this project? If so, please describe the source, amount and any terms and conditions of the funding, and when the funding will be available for use by the applicant.

☐ Yes (explain below) ☒ No

B.10.d. Please attach documentation confirming non-EDA (matching or cost share) funding:

Add Attachment

Delete Attachment

View Attachment

B.11. Justification for sole source procurement

Will you contract work to complete part or all of this project?

☐ B.11.a. No

☒ B.11.b. Yes If yes, will contracts be awarded by competitive bid?

☒ B.11.b.i. Yes

☐ B.11.b.ii. No

If contracts will not be awarded by competitive bid, please provide a justification. A cost analysis will be necessary when adequate price competition is lacking, and for sole source procurements.

B.12. Equipment

Will any funds be used to purchase equipment?

☐ B.12.a. No

☒ B.12.b. Yes If yes, will project funding be used to install the equipment?

☒ Yes

☐ No

Please attach a list, including cost, description, purpose, and estimated useful life of any equipment that will be purchased as a part of this project.

MSVCB Equipment List.docx

Add Attachment

Delete Attachment

View Attachment

C. Regional Eligibility

C.1. Region

Define the area/region that is the basis for the applicant's claim of eligibility. EDA will review and evaluate documentation submitted by the applicant to verify and determine eligibility.

The immediate region is the Matanuska-Susitna Borough, but the broader region is the entire State of Alaska. This project meets the area eligibility requirements to be considered for funding under this Disaster Supplemental NOFO. Such eligibility is predicated upon ... earthquakes and other natural disasters occurring in calendar year 2018, ... According to the U.S. Geological Survey, "a magnitude 7.0 earthquake struck north of Anchorage, Alaska, on November 30, 2018, at 8:29 a.m. local time (17:29:28

UTC)". A search of FEMA disasters (<https://www.fema.gov/disasters/>) reveals an Emergency Declaration (EM-3410) on November 30, 2018 after the 7.1 earthquake occurred. There was a Major Disaster Declaration (DR-4413) issued on January 31, 2019 for the same earthquake occurrence.

C.2. Economic Distress

Check all that apply in establishing regional eligibility (see NOFO for more details):

☒ **C.2.A. Unemployment rate**

☐ **C.2.B. Per capita income**

☒ **C.2.C. Special need, including:**

- ☐ Substantial out-migration or population loss;
- ☐ Underemployment; that is, employment of workers at less than full-time or at less skilled tasks than their training or abilities permit;
- ☐ Military base closure or realignment, defense contractor reductions-in-force, or U.S. Department of Energy defense-related funding reductions;
- ☒ Natural or other major disasters or emergencies;
- ☐ Extraordinary depletion of natural resources;
- ☐ Closing or restructuring of an industrial firm or loss of other major employer;
- ☐ Negative effects of changing trade patterns; or
- ☒ Other circumstances set forth in the applicable NOFO (please explain below).

According to statsamerica.org (accessed July 28, 2020), the Mat-Su Borough unemployment rate for 1998-2018 is 7.64 percent. During the same time period, the unemployment rate for the US was 3.90 percent.

The MSB is also eligible because it is one of the jurisdictions impacted by the 2018 Cook Inlet earthquake.

C.3. Substantial Direct Benefit

If the project does not meet any of the criteria above, is it located in an Economic Development District (EDD), and will it provide substantial direct benefit to residents of an area within that EDD that does meet the distress criteria?

☐ Yes

☐ No

Which Economic Development District?

Please explain how the proposed project will provide a substantial direct benefit to this geographic area within the EDD.

C.4. Source of data provided for regional eligibility determination

Check the box denoting what data source you used to establish eligibility:

- ☐ C.4.a. The most recent ACS data published by the U.S. Census Bureau.
- ☐ C.4.b. The most recent Bureau of Labor Statistics Data.
- ☐ C.4.c. The most recent other federal data for the region in which the project is located (e.g., U.S. Census Bureau or the Bureaus of Economic Analysis, Labor Statistics, Indian Affairs, etc.).
- ☐ C.4.d. If no federal data are available, the most recent data available through the state government for the region in which the project is located.
- ☒ C.4.e. Other data to substantiate regional eligibility based on a "Special Need" as defined in 13 C.F.R. § 300.3.

Please attach a copy of the documentation used to support your claim of eligibility:

MSB StatsAmerica Summary.pdf

Add Attachment

Delete Attachment

View Attachment

D. Budget and Staffing

To be completed by applicants for non-construction assistance only

D.1. Budget justification

D.2. Indirect costs

D.3. Key applicant staff

E. Administrative Requirements

E.1. Civil rights

E.1.a. Does the applicant understand and agree to comply with all applicable civil rights requirements (see 13 C.F.R. § 302.20)?

☒ Yes

☐ No (explain below)

E.1.b. Do identified "Other Parties" (as listed in question B.9.), businesses that will create and/or save fifteen or more jobs as a result of the EDA project, understand and agree to comply with all applicable civil rights requirements under 13 C.F.R. § 302.20, including the requirement to provide signed assurances of compliance (ED-900B)?

☐ Not Applicable (No Other Parties Identified) ☒ Yes ☐ No (explain below)

E.2. Lobbying certifications

Will you be able to comply with federal requirements regarding lobbying?

☒ Yes ☐ No (explain below)

E.3. Compliance with Executive Order 12372, State Single Point of Contact (SPOC)

Does the state in which the project will be located have a project review process that requires submission to a Single Point of Contact (SPOC)?

☒ E.3.a. No. Go to Question E.4

☐ E.3.b. Yes

If Yes, does this request for EDA investment assistance meet the SPOC process established by the state?

☐ E.3.b.i. No ☐ E.3.b.ii. Yes

Please explain why not

If Yes, were SPOC comments/clearance received?

☐ E.3.b.ii.a. Yes

Please attach the comments/clearance:

Add Attachment

Delete Attachment

View Attachment

☐ E.3.b.ii.b. No. The review period has expired and no comments were received.

☐ E.3.b.ii.c. No. Comments have been requested but the review period has not yet expired.

Please attach evidence of your request for comments:

Add Attachment

Delete Attachment

View Attachment

E.4. Single Audit Act Requirement

E.4.a. Does the applicant understand and agree to the requirements of subpart F of 2 C.F.R. part 200 regarding federal audits?

☒ Yes

☐ No

E.4.b. Is the applicant currently audited under the Single Audit Act?

☐ E.4.b.i. No

☒ E.4.b.ii. Yes, If yes:

E.4.b.ii.a. What is the date of the most recent audit?

06/30/2019

E.4.b.ii.b. Was this audit submitted to the Federal Audit Clearinghouse?

☒ Yes

☐ No

F. Requirements for Non-Governmental Applicants (Excluding Public Universities and Certain District Organizations)

As indicated below, non-governmental applicants (excluding public universities and district organizations) must also provide a copy of the following items, either using the Attachments form that is part of the application package downloaded from www.Grants.gov or providing a hard copy.

- F.1. Non-profit organizations must provide a current Certificate of Good Standing from the State in which they are incorporated.

MSCVB Certificate of Compli

Add Attachment

Delete Attachment

View Attachment

- F.2. New non-profit organization applicants must provide their Articles of Incorporation and By-Laws. Non-profits with an active EDA grant must either provide a) a revised copy of their Articles of Incorporation or By-Laws if these have been amended or b) a statement certifying that there has been no change in the organization's Articles of Incorporation or By-Laws.

MSCVB Bylaws - Adopted Marc

Add Attachment

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- F.3. Non-profit organizations must provide a resolution passed by a general purpose political subdivision of a State (e.g., local government entity) or a letter signed by an authorized representative of a local government acknowledging that the applicant is acting in cooperation with officials of the political subdivision. EDA may waive this requirement for certain projects of significant regional or national scope (see 13 CFR § 301.2(b)).

Add Attachment

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- F.4. If applying for a construction or RLF investment, an applicant must afford the appropriate general purpose governmental authority a minimum of 15 days to review and comment on the proposed project (13 CFR § 302.9(a)).

Will the applicant be able to provide these comments?

☒ Yes

☐ Not applicable, because the applicant is not applying for a construction or RLF grant

☐ Not applicable, because this requirement has been satisfied under an existing RLF plan

☐ No, for another reason (explain below)

BUDGET INFORMATION - Construction Programs			
NOTE: Certain Federal assistance programs require additional computations to arrive at the Federal share of project costs eligible for participation. If such is the case, you will be notified.			
COST CLASSIFICATION	a. Total Cost	b. Costs Not Allowable for Participation	c. Total Allowable Costs (Columns a-b)
1. Administrative and legal expenses	\$ 384,293.00	\$	\$ 384,293.00
2. Land, structures, rights-of-way, appraisals, etc.	\$	\$	\$
3. Relocation expenses and payments	\$	\$	\$
4. Architectural and engineering fees	\$ 200,000.00	\$	\$ 200,000.00
5. Other architectural and engineering fees	\$ 100,000.00	\$	\$ 100,000.00
6. Project inspection fees	\$	\$	\$
7. Site work	\$ 1,434,941.25	\$	\$ 1,434,941.25
8. Demolition and removal	\$ 33,068.25	\$	\$ 33,068.25
9. Construction	\$ 4,251,633.95	\$	\$ 4,251,633.95
10. Equipment	\$ 122,263.40	\$	\$ 122,263.40
11. Miscellaneous	\$ 1,477,850.05	\$	\$ 1,477,850.05
12. SUBTOTAL (sum of lines 1-11)	\$ 8,004,049.90	\$	\$ 8,004,049.90
13. Contingencies	\$ 365,987.85	\$	\$ 365,987.85
14. SUBTOTAL	\$ 8,370,037.75	\$	\$ 8,370,037.75
15. Project (program) income	\$	\$	\$
16. TOTAL PROJECT COSTS (subtract #15 from #14)	\$ 8,370,037.75	\$	\$ 8,370,037.75
FEDERAL FUNDING			
17. Federal assistance requested, calculate as follows: (Consult Federal agency for Federal percentage share.) Enter the resulting Federal share.		Enter eligible costs from line 16c Multiply X 80 %	
		\$ 6,696,030.20	

Application for Federal Assistance SF-424

*** 1. Type of Submission:**

- ☐ Preapplication
☒ Application
☐ Changed/Corrected Application

*** 2. Type of Application:**

- ☒ New
☐ Continuation
☐ Revision

*** If Revision, select appropriate letter(s):**

*** Other (Specify):**

*** 3. Date Received:**

Completed by Grants.gov upon submission.

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

*** a. Legal Name:** Matanuska-Susitna Borough

*** b. Employer/Taxpayer Identification Number (EIN/TIN):**

92-0030816

*** c. Organizational DUNS:**

0814829600000

d. Address:

*** Street1:** 350 E. Dahlia Avenue

Street2:

*** City:** Palmer

County/Parish:

Matanuska-Susitna

*** State:**

AK: Alaska

Province:

*** Country:**

USA: UNITED STATES

*** Zip / Postal Code:** 99645-0000

e. Organizational Unit:

Department Name:

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

*** First Name:**

George

Middle Name:

*** Last Name:**

Hays

Suffix:

Title: Acting Borough Manager

Organizational Affiliation:

Matanuska Susitna Borough

*** Telephone Number:** 907-861-8405

Fax Number: 907-861-8669

*** Email:** george.hays@matugov.us

Application for Federal Assistance SF-424

* 9. Type of Applicant 1: Select Applicant Type:

B: County Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

* 10. Name of Federal Agency:

Economic Development Administration

11. Catalog of Federal Domestic Assistance Number:

11.307

CFDA Title:

Economic Adjustment Assistance

* 12. Funding Opportunity Number:

EDA-2019-DISASTER

* Title:

FY 2019 EDA Disaster Supplemental

13. Competition Identification Number:

CONSTRUCTION

Title:

EDA Construction Full Application

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

* 15. Descriptive Title of Applicant's Project:

Mat-Su Gateway Visitor Center

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424	
16. Congressional Districts Of:	
* a. Applicant: <input type="text" value="AK-A11"/>	* b. Program/Project: <input type="text" value="AK-A11"/>
Attach an additional list of Program/Project Congressional Districts if needed.	
<input type="text"/>	<input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>
17. Proposed Project:	
* a. Start Date: <input type="text" value="05/01/2021"/>	* b. End Date: <input type="text" value="12/30/2022"/>
18. Estimated Funding (\$):	
* a. Federal	<input type="text" value="6,696,030.20"/>
* b. Applicant	<input type="text" value="1,674,007.55"/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="8,370,037.75"/>
* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?	
<input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on <input type="text"/> .	
<input type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review.	
<input checked="" type="checkbox"/> c. Program is not covered by E.O. 12372.	
* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If "Yes", provide explanation and attach	
<input type="text"/>	<input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>
21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)	
<input checked="" type="checkbox"/> ** I AGREE	
** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.	
Authorized Representative:	
Prefix: <input type="text"/>	* First Name: <input type="text" value="George"/>
Middle Name: <input type="text"/>	
* Last Name: <input type="text" value="Hays"/>	
Suffix: <input type="text"/>	
* Title: <input type="text" value="Acting Borough Manager"/>	
* Telephone Number: <input type="text" value="(907) 861-8405"/>	Fax Number: <input type="text"/>
* Email: <input type="text" value="george.hays@matsugov.us"/>	
* Signature of Authorized Representative: <input type="text" value="Completed by Grants.gov upon submission."/>	* Date Signed: <input type="text" value="Completed by Grants.gov upon submission."/>



ED-900A - Additional EDA Assurances for Construction *Or* Non-Construction Investments

For **ALL** investments: As a duly authorized representative of the applicant, I further certify that the applicant:

1. Understands that attorneys' or consultants' fees, whether direct or indirect, expended for securing or obtaining EDA investment assistance are not eligible costs. See 13 C.F.R. § 302.10(a).
2. Understands that conflicts of interest or appearances of conflicts of interest are prohibited and may jeopardize this application or result in the forfeiture of investment funds. A conflict of interest occurs, for example, where a representative, official, employee, architect, attorney, engineer, or inspector of the applicant, or a representative or official of the federal, State or local government, has a direct or indirect financial interest in the acquisition or furnishing of any materials, equipment, or services to or in connection with the project. See 13 C.F.R. § 302.17.
3. Will comply with the reporting requirements under the Government Performance and Results Act (GPRA) of 1993 and the GPRA Modernization Act of 2010 (GPRAMA) for measuring and reporting project performance.

For **CONSTRUCTION** investments: As a duly authorized representative of the applicant, I further certify that the applicant:

1. Will operate and maintain the facility in accordance with at least the minimum standards as may be required or prescribed by applicable federal, State and local agencies for the maintenance and operation of such facilities.
2. Will require the facility to be designed to comply with the Americans with Disabilities Act of 1990 (ADA) (42 U.S.C. 12101 et seq.), the Architectural Barriers Act of 1968 (42 U.S.C. 4151 et seq.) and the Accessibility Guidelines for Buildings and Facilities regulations, as amended (36 C.F.R. part 1191), and will be responsible for conducting inspections to insure compliance with these requirements.
3. For the two-year period beginning on the date EDA investment assistance is awarded, will refrain from employing, offering any office or employment to, or retaining for professional services any person who, on the date on which the investment assistance is awarded or within the one-year (1) period ending on that date, served as an officer, attorney, agent or employee of the Department of Commerce and occupied a position or engaged in activities that EDA determines involved discretion with respect to the award of investment assistance under PWEDA. See section 606 of PWEDA and 13 C.F.R. §302.10(b).
4. Will have no facilities under ownership, lease or supervision to be utilized in this project that are listed or under consideration for listing on EPA's List of Violating Facilities.
5. Will comply with Executive Order 12699, "Seismic Safety of Federal and Federally Assisted or Regulated New Building Construction," which imposes requirements that federally-assisted facilities be designed and constructed in accordance with the most current local building codes determined by the awarding agency or by the Interagency Committee for Seismic Safety in Construction (ICSSC) and the most recent edition of the American National Standards Institute Standards A58, Minimum Design Loads for Buildings and Other Structures.

6. Will observe and comply with federal procurement rules, as set forth in 2 C.F.R. part 200, as applicable, for award of any contracts for architectural engineering, grant administration services, or construction financed with EDA investment assistance

For **NON-CONSTRUCTION** investments: As a duly authorized representative of the applicant, I further certify that the applicant:

1. Will comply with applicable regulations regarding indirect cost rates, if indirect costs are included in the application.
2. Will comply with the requirement that this investment assistance will not provide a proprietary benefit to a private individual, for-profit corporation, or other commercial entity.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL

Completed on submission to Grants.gov

TITLE

Acting Borough Manager

APPLICANT ORGANIZATION

Matanuska-Susitna Borough

DATE SUBMITTED

Completed on submission to Grants.gov

PROPERTY MANAGEMENT AGREEMENT
BETWEEN
MATANUSKA-SUSITNA BOROUGH
AND
MATANUSKA-SUSITNA CONVENTION AND VISITORS BUREAU, INC.
(MSB007440)

This Management Agreement (hereinafter called "Agreement") is made and entered into on _____, 2018 by and between the MATANUSKA-SUSITNA BOROUGH (hereinafter called "Borough") and the MATANUSKA-SUSITNA CONVENTION AND VISITORS BUREAU, INC. (hereinafter called "MSCVB" aka "Gateway Center").

Whereas, the Borough owns certain real property in Palmer (hereinafter called "Property"), and MSCVB wishes to construct, manage, operate, and maintain a public visitor's facility within the Property for purpose of marketing and promotion of tourism in the borough and the state of Alaska; and

NOW THEREFORE, in consideration of the covenants and agreements contained herein, the Borough and MSCVB agree as follows:

Section 1. Description of Property.

Lot 1 and Tract A, Homestead RV Park Subdivision, according to Plat No. 2005-222, located in the Palmer Recording District, Third Judicial District, State of Alaska.

Section 2. Description of Facilities.

Any facility or infrastructure, past, present, or future situated within the Property, and the grounds used by MSCVB staff and their invitees for the business which is incorporated herein and made a part hereof.

Section 3. Term of Agreement.

This Agreement shall commence on _____, 2018 and shall continue through _____, 2023, unless sooner terminated in accordance with this Agreement. Additional five-year extensions of the term may be requested in writing by the MSCVB whereupon the Borough will review such request for approval. Submittal and review does not imply automatic approval; however, the Borough shall not withhold such approval without cause. The MSCVB shall give six months' notice of their intention to renew this Agreement and if the parties cannot come to mutually agreeable terms for renewal within 90 days of such notice, the Borough shall have the authority to seek other parties for the exclusive use, management, operation and maintenance of the Property, including, but not limited thereto, the Gateway Center facilities and business.

Section 4. Purpose of Agreement.

The purpose of this Agreement is to allow MSCVB to construct, manage, operate, and maintain a public visitor's facility within the Property for purpose of marketing and promotion of tourism in the borough and the state of Alaska.

Section 5. Responsibilities of Parties.

In connection with the performance of its responsibilities hereunder, the MSCVB shall cooperate with the Borough and implement the Borough's recommendations and advice consistent with the terms of this Agreement. The MSCVB's specific responsibilities hereunder will include, though not necessarily be limited to, the following:

(a) Annual Management Plan. The MSCVB shall prepare, develop and submit an annual MSCVB facilities and business management plan to the Borough prior to March 1 of each year for the following fiscal year (July1 through June 30). The MSCVB will work with the Administrator to ensure the management plan meets the requirements and expectations of the Borough. Such plan shall include all items necessary and proper to manage, market, and promote the MSCVB business and to manage, operate, and maintain the Property.

(b) Construction, Maintenance and Operations. The MSCVB shall, at its sole expense, be responsible for all design, engineering, construction, maintenance, repairs, system monitoring, custodial, snow removal and grounds keeping services of the facilities and the Property, and for the repair and maintenance of all program equipment, and for timely payment of all utility installation and monthly costs, including water, electricity, heat, telecommunications, septage and solid waste disposal, and trash pickup and removal.

(c) Business Services. The MSCVB shall be responsible for all services required for the daily management, marketing, and promoting of the Gateway Center business, to include providing all management staff, other personnel, contractual persons, and volunteers, and shall furnish all equipment, materials, and supplies necessary and proper to manage, market and promote the business.

(d) Security and Illegal Activity. The MSCVB shall be responsible, at its sole expense, for all general security services for the Gateway Center facilities, the Property and any and all events held on or within the Property, and shall make arrangement with local police, local contract security, building peer security, or other sources for such security. The MSCVB, at its sole expense, shall repair any damages caused by vandalism or burglary or other illegal activity, and shall remove junk and trash illegally placed upon the Property.

(e) Licenses and Permits. The MSCVB shall maintain all borough, state, and federal licenses and permits necessary to manage, operate and maintain the facilities and the Property and for the management, marketing and promotion of the Gateway Center business.

(f) Revenues and Expenditures. The MSCVB shall be responsible for the collection of and accounting for all revenues generated by the Gateway Center business, and all other sources of revenue used, and expenditures and expenses incurred, to manage, market and promote the business. The Borough shall be authorized, at any time, to obtain information and accounting records concerning the business and to inspect the same. Revenues generated by the business belong exclusively to the business but must be accounted for in all cases and shall be considered in all funding, if any, by the Borough.

(g) Staffing. The MSCVB shall staff the Gateway Center in accordance with industry standards and practices. As part of the Annual MSCVB Management Plan, staffing under this provision shall be included as part of the Plan.

(h) Fixed Asset Control and Records. MSCVB shall be responsible to coordinate and cooperate in the tagging of all Borough tax-purchase items, if any, and maintaining all records in accordance with Borough code and finance department policy.

The Borough shall have, and hereby reserves, the right and approval over the following matters:

(a) The MSCVB's Annual Budget as in hereinafter defined.

Section 6. Relationship of Parties.

The Borough and the MSCVB agree that the only relationship created hereby is outlined in this Agreement, and that the MSCVB is an independent not-for-profit entity and is not an employee, joint venture, or partner of the Borough. The Borough may administer this Agreement and monitor the MSCVB's compliance with its obligations hereunder. The Borough shall not supervise or direct the MSCVB other than as provided in this Agreement. The Borough has authority to act on the Borough's behalf only to the extent authorized by this Agreement.

Section 7. Facility Use Standards.

- (a) The MSCVB shall use its best efforts to maintain an efficient and high quality business operation for the Gateway Center.
- (b) All activities of MSCVB, concessionaires, and suppliers, and persons using the Gateway Center, shall conform with state and federal law, and with deference given to the Borough's stated public policies.
- (c) In this section, the term "standards" means a written statement of general policy governing promotion, marketing, scheduling, pricing and charges, user agreements, and use and operations of the Gateway Center business and facilities prepared by the MSCVB and shall be deemed a part of this Agreement.

- (d) The MSCVB shall, whenever practicable, coordinate, manage, market, and promote the Gateway Center with those activities occurring in other tourism and recreational facilities within the Borough.

Section 8. Alterations and Improvements.

MSCVB shall not make any improvements or alterations to the Property without first submitting a plan to the Borough for approval, nor shall MSCVB have the authority to grant easements or otherwise encumber the Property without prior Borough approval.

MSCVB shall provide an up-to-date list and site plan on an annual basis, to be submitted with the annual operating budget, of all existing or planned structures and improvements within the Property.

Section 9. Warranty of Work.

MSCVB expressly warrants that all materials used in construction, repairs, and maintenance of the facilities will be of good quality and that all workmanship will meet accepted codes and standards of the trade.

MSCVB shall undertake to correct workmanship of defect in material found by the Borough to constitute a breach of the Agreement.

Section 10. Liens and Encumbrances.

The use of grants or funds from federal, state, or private foundations that may restrict the use of or encumber the facilities or Property is prohibited unless approved in writing by the Borough.

Section 11. Rights of Way.

Authority to grant or issue permits for easements and right-of-way is retained by the Borough.

Section 12. Management Fee.

The annual management fee shall be One Dollar (\$1.00) per fiscal year or portion thereof, being July 1 through June 30. The MSCVB shall not be entitled to any other management fee from the Borough.

Section 13. Ownership of Improvements.

All improvements attached to the Property will remain with the land and become the property of the Borough upon expiration of termination of this Agreement unless otherwise mutually agreed in writing by the parties and attached hereto as an addendum to this Agreement.

Section 14. Annual Operating Budget and Quarterly Budget.

- (a) The MSCVB shall, no later than March 1 of each year, submit to the Borough an annual business budget for the coming fiscal year which shall include projected gross revenues and expenditures to manage, market, and promote the Gateway Center.
- (b) The budget shall be approved by the MSCVB Board of Directors on or before June 1 of the year submitted.
- (c) The MSCVB and the Borough may revise the budget at any time by mutual written agreement.

Section 15. Annual Statement.

Within twenty working days after November 1 of each year, the MSCVB shall submit to the Borough a financial report (the "MSCVB Annual Statement") showing the actual direct operating costs and gross revenues for the preceding 12 months. As used herein, the term "gross revenues" shall mean all revenues actually collected by the MSCVB in connection with the management of the Property and facilities, from any source whatsoever. All annual reports shall be sent to the Borough official as follows:

Matanuska-Susitna Borough Finance Department
Attn: Finance Director
350 E. Dahlia Avenue
Palmer, AK. 99645

Section 16. Accounting Records, Reports, and Practices: Audits.

- (a) The MSCVB shall maintain accounting records relating to the Gateway Center business using accounting practices which conform to generally accepted accounting principles, which records shall be kept at the MSCVB office unless otherwise directed by the Borough.
- (b) The MSCVB's internal financial control policies and practices shall be in accordance with accepted accounting standards in the industry.
- (c) An independent audit of the MSCVB's records relating the Gateway Center business will be conducted by an independent certified public accountant every three years. The audit will be considered a direct operating cost of the business for all purposes of this Agreement and shall be paid for by the MSCVB.
- (d) A special independent audit of the MSCVB's records may be conducted by an auditor selected by the Borough upon a finding by the Administrator that such special audit is deemed necessary and appropriate in the Borough's sole discretion. If the audit reveals material accounting discrepancies or unacceptable accounting practices not in accordance with accounting standards, the costs of such audit shall be reimbursed by

the MSCVB and paid directly to the Borough. Such reimbursement shall not be considered a direct operating cost and shall be paid by the MSCVB from its independently obtained revenues whose source is not from state, federal, or local governmental agency.

- (e) Supporting documentation required with the foregoing reports shall be consistent with the MSCVB chart of accounts and reporting system. Additional information shall be submitted at the request of the Administrator. The costs of preparing reports required by this Section are direct operating costs borne by MSCVB.

Section 17. Permits, Laws, and Taxes.

All activities authorized under this Agreement shall be conducted in compliance with applicable federal and state constitutions, federal, state, and local laws, regulations, and orders of governmental authorities having jurisdiction over the property in effect during the term of this Agreement. MSCVB agrees to obtain the necessary approvals from all third party interest and obtain all permits or written authorization required by the applicable laws, rules, and regulations from governing authorities, which includes but it not limited to permits for any excavation, fill, gravel work, or development proposed. MSCVB agrees to provide documentation of all applicable licenses and permits to the Borough. All taxes or Local Improvement District fees, if any, shall be paid for by MSCVB.

Section 18. Alcohol and Drugs.

There will be no sale, service, or consumption of alcoholic beverages allowed on the Property except as specifically authorized in writing by the borough manager.

Section 19. Non-Discrimination.

MSCVB shall not discriminate against any person on the basis of race, religion, age, color, nation origin, sex, marital status, physical handicap, or status as a disabled veteran.

Section 20. Inspection of Premises.

Borough employees or representatives may at any time enter and inspect the Property and any improvements thereon. Any unsatisfactory work/services performed or not performed as the case may be, shall be remedied within a period established by the Borough.

Section 21. Waste.

MSCVB, its volunteers, board members, members, employees, subcontractors, or anyone directly or indirectly employed by them, shall not commit waste on or injury to the Property or improvements thereon, or allow third parties to commit such waste or injury. MSCVB shall be liable for all damages and repair costs during the term of this Agreement.

Section 22. Fuel Storage/Hazardous Materials.

The storage of petroleum or toxic chemicals is prohibited on the Property. Spills or contamination on the Property will be controlled and recovered immediately by MSCVB at their sole expense, and reported to the State of Alaska, Department of Environmental Conservation and the Borough immediately. Nothing herein shall prohibit or prevent MSCVB from seeking recovery of its expenses for such control and recovery from the responsible party.

Section 23. Safety.

MSCVB is responsible for the safety of all persons entering the Property including, but not limited to, visitors, invitees, employees, contractors, vendors, members, volunteers, pedestrians, or any other person on the Property and facilities under this Agreement.

Section 24. Defense and Indemnification.

The MSCVB shall indemnify, defend and hold harmless the Borough, its elected and appointed officers, agents, and employees, from any and all claims, demands, civil suites, or liability of any nature, kind, or character, including costs, expenses, and attorney's fees for or on account of any and all legal actions or claims of any Character. MSCVB shall be responsible under this clause for any and all legal actions, or claims of any character resulting from injuries, death, economic loss, damages, violation of statutes, ordinances, constitutions or other laws, rules or regulations, deprivation of constitutional rights, contractual claims or any other kind of loss, tangible or intangible, sustained by any person, or property arising from MSCVB or its officers, agents, employees, partners, attorneys, suppliers, visitors, whether invited or not, licensees, guests, and subcontractors performance or failure to perform this Agreement in any way whatsoever. This defense and indemnification responsibility includes claims alleging acts or omissions by the Borough or its agents which are said to have contributed to the losses, failure, violations, or damage.

If any portion of this clause is voided by law or a court of competent jurisdiction the remainder of the clause shall remain enforceable.

Section 25. Insurance.

- (a) MSCVB shall procure and maintain insurance coverage during the term of this Agreement as shown in Exhibit A.
- (b) In addition, MSCVB shall purchase, or require authorized vendors to purchase and maintain Certificates of Insurance which show adequate liability coverage for special events. This requirement may depend on special risks associated with the type of use, number of participants or length of time the event will take place. The Borough shall be named as an additionally insured party.

If the MSCVB fails to effect, maintain, or renew any kind of insurance as required in this Agreement, or to pay the premium thereof, or to deliver to the Borough certificates evidencing

such insurance, the Borough may without obligation, upon 5 calendar days' notice to the MSCVB, procure the insurance. Any additional premium expenses incurred as a result of such procurement over what was budgeted in the approved annual MSCVB budget and quarterly budget shall be borne by the MSCVB at its own expense, and such additional premium shall not be considered a direct operating cost nor reimbursable from the Borough.

Section 26. Severability.

If any provision of this Agreement is held invalid by a court of competent jurisdiction, or is otherwise invalid under the law, the remainder of the Agreement shall remain in full force and effect, unless such provision is reasonably considered by either of the parties to have a significant impact on the financial or operating control of the MSCVB. Should either party reasonably consider an invalidated provision to be of such a critical nature, either party shall have the right to terminate this Agreement by providing 90 days' written notice.

Section 27. Jurisdiction: Choice of Law.

The interpretation and enforcement of this Agreement shall be governed by the laws of the state of Alaska. Any civil action arising from this Agreement shall be filed in the Alaska Superior Court, Third Judicial District at Palmer.

Section 28. Interpretation and Enforcement.

This Agreement is considered to have been jointly drafted by the parties and shall be construed according to the fair intent of the language as a whole, not for or against any party. The titles and sections in this Agreement are not to be construed as limitations or definitions but are for identification purposes only.

Section 29. Termination, Default and Right to Cure.

- (a) The Borough may terminate this Agreement upon 30 days' written notice in the event the MSCVB is adjudged a bankruptcy, makes a general assignment for the benefit of creditors, suffers a receiver to be appointed on account of insolvency or takes advantage of any law for the benefit of insolvent debtors.
- (b) If either party hereto fails to comply with its obligations thereunder, the non-defaulting party may declare this Agreement terminated upon seven (7) days written notice for the non-payment of fees, or upon 30 days' written notice for other defaults. Written notice provided to the defaulting party shall be in sufficient detail as to the circumstances of default so as to give the defaulting party adequate notice and the opportunity to cure the same. If the default is of a nature that it cannot be cured within 30 days, then the defaulting party shall not be deemed in default if it takes reasonable steps to commence to cure the default within such 30-day period, and proceeds with due diligence thereafter to cure the default within 90 days of the written notice. If such cure is not effectuated within the time limits specified above, then the non-defaulting party may terminate this Agreement.

- (c) This Agreement may be terminated at any time upon the mutual written agreement of MSCVB and the Borough.
- (d) The Borough may terminate this Agreement at any time in the event that there are insufficient lawfully appropriated funds for the operation of the Gateway Center business; provided that the Borough shall continue to be obligated to pay all management fees accrued, and all direct operating costs incurred, by the MSCVB through the date of termination and provided further that if such funds should later be appropriated prior to the normal expiration date of this Agreement, at the MSCVB's option this Agreement shall be reinstated for the remainder of its original term.
- (e)
 - (i) Upon termination of the Agreement for any reason whatsoever, the Borough shall pay to the MSCVB all direct operating costs and management fees accrued until the date of termination, but the payment of such sums by the Borough and the acceptance thereof by the MSCVB, shall be without prejudice to claims by the other party of this Agreement, including wrongful termination.
 - (ii) If, at the time of termination, the MSCVB has in its possession funds appropriated for capital improvements or other property of the Borough in excess of the amounts specified in Section 11(e)(i), the MSCVB shall remit to the Borough within 30 days of receiving written notice to do so.
 - (iii) As a condition to the payment of any sums pursuant to Section 11(e)(ii), the Borough shall have the right to receive any and all financial reports or other documents or records (or copies thereof) to which the Borough is entitled hereunder.
 - (iv) If a final audit has not been performed as of the date of termination of this Agreement, the Borough may recover from the MSCVB any direct operating costs disallowed as a result of the final audit.
 - (v) The rights and remedies of the Borough and the MSCVB contained in this Section 29 are not exclusive and are in addition to all other remedies available to the Borough or the MSCVB at law or in equity.

Section 30. Destruction of The Facilities.

In the event that the Gateway Center or any part of the facilities shall be destroyed by fire, explosion, or other casualty so that all or a substantial portion of the facilities cannot be operated, and the same is not re-built, repaired, and reopened the same for business within 240 days after the happening of said fire or casualty, the MSCVB or the Borough shall have the right to cancel and terminate this Agreement, and MSCVB shall be responsible at their sole expense to remove any and all debris from the Property caused by such fire or casualty, to the satisfaction of the Borough prior to termination.

Section 31. Force Majeure.

- (a) Except as otherwise provided, neither party shall be obligated to perform thereunder, and neither shall be deemed to be in default, if performance is prevented by fire, earthquake, act of God, riot, civil commotion, or other matter or condition of like nature, including the unavailability of sufficient fuel or energy to operate the Gateway Center, or any law, ordinance, rule, regulation, or order of any public or military authority stemming from the existence of economic controls, riot, hostilities, war, or governmental law and regulations.

Section 32. Nonwaiver.

The failure of either party at any time to enforce a provision of this Agreement shall in no way constitute a waiver of the provision, nor in any way affect the validity of the Agreement or any part thereof, or the right of such party thereafter to enforce each and every provision thereof.

Section 33. Assignments.

This Agreement, or any part hereof, and the obligation to perform any services hereunder, may be assigned by the MSCVB directly, or as the result of a merger, consolidation, or sale of assets to any corporation which is a parent, affiliate, or subsidiary of the MSCVB, or to any other business entity controlled by, or under common control with, the MSCVB, only with the prior written approval of the Borough manager, which approval shall not be unreasonably withheld, but no such assignment shall relieve the MSCVB of its obligation hereunder.

Section 34. Notices.

All notices required by this Agreement shall be in writing and shall be sufficiently given and served upon the other party if sent by registered or certified United States mail, postage prepared, and addressed as follows:

IF SENT TO BOROUGH:

Matanuska-Susitna Borough
Land Management Division
350 E. Dahlia Avenue
Palmer, Alaska 99645

or at such other place as the Borough may, from time to time, designate by written notice to the MSCVB.

IF SENT TO THE MSCVB:

Matanuska-Susitna Convention and
Visitors Bureau, Inc.
610 S. Bailey Street, Suite 201
Palmer, Alaska 99645

or at such other place as the MSCVB may, from time to time, designate by written notice to the Borough.

Section 35. Understanding.

MSCVB acknowledges that they have read and understand the terms of this Agreement, have had the opportunity to review the same with counsel of its choice, and is executing this Agreement of its free will.

Section 36. Integration and Entire Agreement.

This Agreement and all appendices and amendments hereto embody the entire Agreement of the parties relating to the services to be provided hereunder. There are no promises, terms, conditions, or obligations other than those contained herein, and this Agreement shall supersede all previous communications, representations, or agreements, either oral or written, between the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first above written.

MATANUSKA-SUSITNA CONVENTION AND
VISITORS BUREAU, INC.

Date: _____

By: _____
Bonnie Quill, President & CEO

MATANUSKA-SUSITNA BOROUGH

Date: _____

By: _____
John Moosey, Borough Manger

ACKNOWLEDGEMENTS

STATE OF ALASKA)
) ss.
Third Judicial District)

On _____, 2018, John Moosey, Manager of the Matanuska-Susitna Borough, who is personally known to me, appeared and acknowledge to me that he signed the Management Agreement on behalf of the municipal corporation.

(SEAL)

Notary Public for State of Alaska
My commission expires:_____

STATE OF ALASKA)
) ss.
Third Judicial District)

On _____, 2018, Bonnie Quill, President & CEO of the
Matanuska-Susitna Convention and Visitors Bureau, Inc., personally appeared before me,

[check one]

_____ who is personally known to me
 _____ whose identity I proved on the basis of _____.
 _____ whose identity I proved on the oath/affirmation of a credible witness

and acknowledged before me that she signed the management agreement for the purposes stated therein on behalf of the corporation.

(SEAL)

Notary Public for State of Alaska
My commission expires: