Harbor Facility Grant Program

Joanne Schmidt, Harbor Grants
Juneau Field Office
ADOT&PF Statewide Program Development

September 2020
Home - Juneau 1970-2020
Beautiful. Thanks to quarantine laws the North Sea is so much less polluted that Vikings are returning. The planet is healing 💙
<table>
<thead>
<tr>
<th>Applicant</th>
<th>Project</th>
<th>Tier</th>
<th>Ranking</th>
<th>Requested</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cordova</td>
<td>Small Boat Harbor</td>
<td>I</td>
<td>152.6</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Seward</td>
<td></td>
<td>II</td>
<td>122.6</td>
<td>$1,729,988</td>
</tr>
<tr>
<td>Sitka</td>
<td>Eliason Harbor Electrical</td>
<td>II</td>
<td>121.4</td>
<td>$1,760,000</td>
</tr>
<tr>
<td>Juneau</td>
<td>Aurora – Phase 3</td>
<td>II</td>
<td>119.6</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Sand Point</td>
<td></td>
<td>II</td>
<td>116.8</td>
<td>$3,560,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$14,049,988</strong></td>
</tr>
</tbody>
</table>
For FY22:

Number of applications: 5
Tier I (1 applicant): $5.0M
Tier II (4 applicants: $9.049M
Total amount: $14,049,988
Point of Contact for everything BUT harbor grants:

- **Marcus Zimmerman**  
  M&O Specialist  
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  [marcus.zimmerman@alaska.gov](mailto:marcus.zimmerman@alaska.gov)

**Planning/Harbor Grants:**

- **Joanne Schmidt**  
  Planner III, Juneau Field Office  
  (907) 465-1776  
  [joanne.schmidt@alaska.gov](mailto:joanne.schmidt@alaska.gov)
• Purpose: State funding for construction of small boat harbor projects
• State provides 50/50 matching funds
  ▪ Maximum of $5 million per municipality per year
  ▪ Minimum state match of $50,000
• Projects locally inspired and managed
• Competitive process
  ▪ Harbor PEB to evaluate applications
• Funding is subject to approval of the Alaska Legislature
• [link]
The removal, replacement, rehabilitation, or installation of the following items are eligible for funding under this program:

- Pilings and anchors
- Approach structures
- Access ramps and gangways
- Float systems for permanent and transient moorage
- Utility systems integral to the float systems (specifically power, lights, fresh water, and fire suppression systems)

- Access ramps and gangways
- Launch ramps
- Seaplane floats
- Other appurtenances necessary for the basic operation of the harbor facility
- **Floating Breakwaters**
- ICAP charges
• Some examples

- Rubble mound breakwaters and revetments
- Dredging
- Dikes, groins, and jetties
- Docks for large commercial or tourist vessels (greater than 125 feet LOA)
- Seawalls, bulkheads, sheet pile walls, gabions, and quays
- Commercial and privately owned utility systems, e.g. fuel, on the float systems
- Platform floats for small buildings, restrooms, or commercial retail space

- Access roads and uplands
- Boat houses
- Portable or trailer mounted equipment for fire fighting, sewage pump out, oily bilge water, etc.
- Utilities outside the actual harbor facility, e.g., electrical and sewer lines extensions necessary to bring those services to the harbor facility
- Vessel hoisting machinery
- Landscaping and facility amenities
- Harbormaster offices, buildings, offices, shops, boat yards or storage structures

Not for preventive maintenance!
• Requirement: 50% local match
• Federal sources okay (USDOT, Denali Commission, Small Business loans, USDA, etc.)
• Private/native corporations and CDQ’s okay
• Local: cash, bonds, harbor enterprise funds
• Can’t use state funds to match state funds, except:
  ▪ Community revenue sharing program
  ▪ Shared fisheries business taxes
  ▪ Cruise ship head tax funds
  ▪ Deferred harbor maintenance transfer funds
• No work-in-kind for the match
• You need to know which tier you are
• Why? - Statutory preference:
  ▪ Tier I - previous State-owned harbor
  ▪ Tier II – harbor never owned by the State
• ONE time for Tier I, MULTIPLE times for Tier II
• Once a Tier I harbor project is completed, that harbor can only get future Tier II harbor grants (Eventually, everyone will be in Tier II status)
• FAQ:
  ▪ Q: If my harbor is eligible for both a Tier I & II grant, can we apply for a Tier II first? A: yes, you can
  ▪ If unsure whether to go Tier I or II, go with a small Tier II
Example: Who gets funded?

I. Line-by-line, in ranked order
II. No partial funding, only fully funded projects go forward

Example: Amount requested $7.8M, but AK Legislature funds it at $7.0M

<table>
<thead>
<tr>
<th>Harbor</th>
<th>Tier I or II</th>
<th>Harbor PEB Ranking</th>
<th>Grant amount requested</th>
<th>Who gets funded</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>I</td>
<td>1</td>
<td>$4,500,000</td>
<td>x</td>
</tr>
<tr>
<td>B</td>
<td>I</td>
<td>2</td>
<td>$2,000,000</td>
<td>x</td>
</tr>
<tr>
<td>C</td>
<td>I</td>
<td>3</td>
<td>$1,000,000</td>
<td></td>
</tr>
<tr>
<td>D</td>
<td>II</td>
<td>4</td>
<td>$100,000</td>
<td>x</td>
</tr>
<tr>
<td>E</td>
<td>II</td>
<td>5</td>
<td>$200,000</td>
<td>x</td>
</tr>
</tbody>
</table>

Available grant funds $7,000,000
Harbor Facility Grant total awarded $6,800,000
Carryover to next year $200,000
### Example: How does ranking work?

<table>
<thead>
<tr>
<th>Harbor</th>
<th>Tier I or II</th>
<th>Harbor PEB Score</th>
<th>Harbor PEB Ranking</th>
<th>Amount requested</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>I</td>
<td>95</td>
<td>1</td>
<td>$4,500,000</td>
</tr>
<tr>
<td>B</td>
<td>I</td>
<td>80</td>
<td>2</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>C</td>
<td>I</td>
<td>75</td>
<td>3</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>D</td>
<td>II</td>
<td>75</td>
<td>4</td>
<td>$100,000</td>
</tr>
<tr>
<td>E</td>
<td>II</td>
<td>70</td>
<td>5</td>
<td>$200,000</td>
</tr>
</tbody>
</table>

Total amount requested = $7.8 million
The Harbor Grant program is popular
- Municipalities like it
- Governor and Legislators know and support it…
- Has received regular funding in the capital budget, even last session

The need is great
- Requests total $200 MILLION
- Awarded $84 MILLION

Key point: each grant has a doubling effect.
- FY20 requested = $12.1 MILLION = $24.2 MILLION in projects

Annual grant funding amount depends on:
- Projected state finances
- Discussions the Legislature and the Governor
• What do you want to do?
  ▪ Gather local input from users and the public
  ▪ Eligible work?
  ▪ Harbor or Planning Commission approved plan
• Finances - you need a plan for the $$
  ▪ Minimum: planning level estimate
  ▪ Preferred: 65-95% design
  ▪ If design funding is limited, consider
    • Design-Build
    • Phasing the project over two grants: Whittier, Juneau, Sitka
• How much local match do you have?
  ▪ Harbor enterprise fund?
  ▪ City funds available to the harbor?
  ▪ Need more local match?
    • Consider raising harbor fees or voting on a GO bond
    • Can you get additional private or federal match funds via grants or loans
• Are you going to try for Tier I or II grant?
ADVOCACY

✓ AAHPA and AML resolutions for full funding (annually)
✓ Several municipalities provide similar resolutions

LOCAL

✓ Educate your local city leaders and interested parties
✓ Talk with state representatives and senators

REMINDED DECISION MAKERS

✓ Locally managed projects/Construction dollars create jobs
✓ Local investment is leveraging state dollars
✓ Community and regional benefits for commercial fishing boats, recreational boaters, related marine service businesses, and indirect benefits throughout the community
**Timeline**


- Next application cycle opens late **May 2021**
- Application deadline about **August 1, 2021**
- Harbor PEB scores/ranks projects (Sep 2021)
- Governor releases his budget (mid-December)
- Legislature capital budget (Jan-Apr 2022)
- Governor approves the capital budget (June)
- Harbor grant funds available after July 1, **2022**
What makes a “successful” application?

✓ Index/Table of Contents/TAB DIVIDERS!
✓ Size = 1-2” binder and “Thumb drive”
✓ Organized & logical with tabs for each block
✓ PLANS: showing overall harbor layout (existing versus new work), NOT detailed plans & specs
✓ **PICTURES, PICTURES, PICTURES**
✓ Detailed financial, insurance, & maintenance info
✓ Local match: backup documentation for city finances, other grants & bonds
✓ Engineering inspection and planning reports
✓ Copies of presentations, meeting minutes
✓ Resolution of support
✓ Signed application
• Indirect Cost Allocation Plan, Indirect Cost Rate Agreement, Indirect Cost Rate Proposal
• By any name, it gets a percent of project funds
• Change in policy
  ➢ Ask for ICAP in your application estimate
  ➢ We account for ICAP in the request to Legislature
  ➢ Change grant agreement, we take ICAP from MUNHB funds
  ➢ Communities get 50/50 agreement
The REMOVAL, REPLACEMENT, REHAB, or INSTALLATION of the following items are eligible for funding under this program:

- Access ramps and gangways
- Launch ramps
- Seaplane floats
- Other appurtenances necessary for the basic operation of the harbor facility
- Project management costs (grantee and ICAP)
- Pilings and anchors
- Approach structures
- Float systems for permanent and transient moorage
- Utility systems integral to the float systems (power, lights, fresh water, and fire suppression systems)
Questions?

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