

Introduced by: Mayor  
Date: 04/05/94  
Postponed to: 04/19/94  
Action: Adopted as Amended  
Vote: Unanimous

KENAI PENINSULA BOROUGH  
RESOLUTION 94-026

**A RESOLUTION AUTHORIZING NEGOTIATION OF A COOPERATION  
AGREEMENT WITH THE NORTH PACIFIC RIM HOUSING AUTHORITY**

**WHEREAS,** the North Pacific Rim Housing Authority (the "Authority") is a public housing agency and will apply to the U. S. Department of Housing and Urban Development for a program reservation in connection with the development of low-income housing; and

**WHEREAS,** pursuant to Section 5 (e) (2) and 6 (d) of the United States Housing Act of 1937, 42 U.S.C. §1437 (c) (e) (2) and (d), as amended, it is necessary that the Kenai Peninsula Borough enter into a Cooperation Agreement with the Authority providing for local cooperation in connection with such low-income housing project;

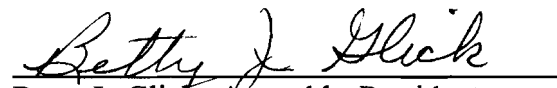
**NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:**

**SECTION 1.** That the Mayor is hereby authorized and requested to negotiate the Cooperation Agreement in the name and on behalf of the Kenai Peninsula Borough.

**SECTION 2.** That the Cooperation Agreement shall be in substantially the form attached hereto as "Exhibit A" and made a part hereof.

**SECTION 3.** That the Assembly encourages the North Pacific Rim Housing Authority to purchase scattered sites as building locations if possible to lessen the impact on surrounding homes.

**ADOPTED BY THE KENAI PENINSULA BOROUGH ASSEMBLY THIS 19th DAY OF APRIL, 1994.**

  
Betty J. Glick, Assembly President

ATTEST:

  
Gaye D. Vaughan, Borough Clerk

Valdez  
Tatitlek  
Eyak

Chenega  
Seward

Port Graham  
English Bay



# north pacific rim housing authority

February 11, 1994

Don Gilman, Mayor  
Kenai Peninsula Borough  
144 N. Binkley  
Soldotna, AK 99669-7599

RE: New 15 Unit Mutual Help Housing Application near Seward

Dear Mayor Gilman,

The North Pacific Rim Housing Authority is undertaking a new effort in conjunction with the Native Association of Seward to provide additional low income Mutual Help housing for the Native community. NPRHA is submitting an application to HUD to provide approximately 15 units of HUD Mutual Help Homeownership housing outside of Seward. Since 1990, when NPRHA built 20 Mutual Help homes, a waiting list for the homes has kept them 100% occupied. This is the first effort since the homes were built to serve the additional need.

Because of high property costs within the city limits, NPRHA would prefer to build out by Bear Creek area. I feel that any one or combination of all of the existing subdivisions in that area can easily provide inexpensive land for new housing.

I respectfully request that the Kenai Borough support NPRHA's Seward Mutual Help Housing application to HUD by entering into a Cooperation Agreement for this project. This can be done in one of two ways:

- 1) Use the existing Cooperation Agreement between NPRHA and the Borough as enacted in 1985, with NPRHA's 1990 Meridian Park units accounting for 20 of the 50 specified units, and indicate acceptance in a letter (agreement and sample letter enclosed), or
- 2) Enter into a new Cooperation Agreement between NPRHA and the Borough, documents enclosed.



Please let me know how I can be of assistance to further this effort. If there is any additional information I can provide about this proposed project, don't hesitate to call me at 277-8513, or 562-4155. Thank you for your consideration.

Respectfully,



Derenty Tabios  
Executive Director, NPRHA

enclosures: April 18, 1985 Borough letter  
April 18, 1985 Cooperation Agreement  
Sample new Cooperation Agreement  
Sample new Borough support letter

## COOPERATION AGREEMENT

**THIS AGREEMENT made this \_\_\_\_\_ DAY OF \_\_\_\_\_, 19\_\_\_\_\_.**

**BY AND BETWEEN THE NORTH PACIFIC RIM HOUSING AUTHORITY (herein called the "Authority") AND THE KENAI PENINSULA BOROUGH OF ALASKA (herein called the "Borough")**

### **WITNESSETH:**

In consideration of the mutual covenants hereinafter set forth, the parties hereto do agree as follows:

1. Whenever used in this agreement:
  - (a) The term "Project" shall mean any low-rent housing hereinafter developed or acquired by the Authority with financial assistance if the United States of America acting through the Secretary of Housing and Urban Development (herein called the "Government"); excluding, however, any low rent housing project covered by any contract for loans and annual contributions entered into between the Authority and the Government, or its predecessor agencies, prior to the date of this Agreement;
  - (b) The term "Taxing Body" shall mean the State or any political subdivision or taxing unit thereof in which a Project is situated and which would have authority to assess or levy real or personal property taxes or to certify such taxes to a taxing body or public officer to be levied for its use and benefit with respect to a Project if it were not exempt from taxation;
  - (c) The term "Shelter Rent shall mean the total of all charges to all tenants of a Project for dwelling rents and non-dwelling rents (excluding all other income of such Project), less the cost of the Authority of all dwelling and non-dwelling utilities;
2. The Authority shall endeavor to secure a contract or contracts with the Government for loans and annual contributions covering one or more Projects consisting of approximately 15 new units of Mutual Help housing. The Authority shall plan, develop or acquire and administer the Project or Projects, which shall be located within the corporate limits of the Borough. The obligations of the parties hereto shall apply to each such Project and the Borough shall have no contractual responsibility with respect to the Project other than as expressly provided in this Agreement.

3. (a) Under the Constitution and laws of the State of Alaska, the Project is exempt from all real and personal property taxes and special assessments levied or imposed by any Taxing Body. So long as either (i) the Project is owned by a public body or governmental agency and is used for low rent housing purposes, or (ii) any contract between the Authority and the Government for loans or annual contributions, or both, in connection with such Projects remains in force and effect, or (iii) any bonds issued in connection with such Project or any monies due to the Government in connection with such Project remain unpaid, whichever period is the longest, the Borough agrees that it will not levy or impose any real or personal property taxes or special assessment upon such Project or upon the Authority with respect thereto. During such period, the Authority shall make annual payments ("herein called "Payments in Lieu of Taxes") in lieu of such taxes and special assessments and in payment for the public services and facilities furnished from time to time without other cost or charge for or with respect to such Project.
  - (b) Each such annual Payment in Lieu of Taxes shall be made after the end of the fiscal year established for such Project, and shall be in an amount equal to either (i) ten percent (10%) of the Shelter Rent charged by the Authority in respect to such Project during such fiscal year or (ii) the amount permitted to be paid by applicable State law in effect on the date such payment is made, whichever amount is the lower.
  - (c) The Borough shall distribute the Payments in Lieu of Taxes among the taxing bodies in proportion which the real property taxes which would have been paid to each Taxing Body for such year if the Project were not exempt from taxation bear to the total real property taxes which would have been paid to all of the taxing Bodies for such year if the project were not exempt from taxation; provided, however, that no payment for any year shall be made to any taxing Body in excess of the amount of the real property taxes which would have been paid to such Taxing Body for such year if the Project were not exempt for taxation.
  - (d) Upon failure of the Authority to make any Payment in Lieu of Taxes, no lien against any Project or assets of the authority shall attach, nor shall any interest or penalties accrue or attach on account thereof.
4. During the period commencing with the date of the acquisition of any part of the site or sites of any project and continuing so long as either (i) such Project is

owned by a public body or governmental agency and is used for low-renting

housing purposes, or (ii) any contract between the Authority and the Government for loans or annual contributions, or both, in connection with such Project remains in force and effect, (iii) any bonds issued in connection with such Project or any monies due to the Government in connection with such Project remain unpaid, whichever period is the longest, the Borough, without cost or charge to the Authority or the tenants of such Project (other than the payments in Lieu of Taxes), shall:

- (a) Furnish or cause to be furnished to the Authority and the tenants of such Project public services and facilities of the same character and to the same extent as are furnished from time to time without cost or charge to other dwellings and inhabitants in the Borough;
  - (b) Notwithstanding the date of acquisition the Borough shall vacate such streets, roads, and alleys within the area of such Project as may be necessary in the development thereof, and convey without charge to the Authority, such interest as the Borough may have in such vacated areas; and insofar as the Borough is lawfully able to do so without cost or expense to the Authority or to the Borough, cause to be removed from such vacated areas, insofar as it may be necessary, all public or private utility lines and equipment;
  - (c) Insofar the Borough may lawfully do so, (i) grant such deviation from the building code as are reasonable and necessary to promote economy and efficiency in the development and administration of such Project, and at the same time, safeguard health and safety; and (ii) make such changes in any zoning of the site and surrounding territory of such Project as are reasonable and necessary for the development and protection of such Project and surrounding territory;
  - (d) Accept grants of easements necessary for the development of such Project; and
  - (e) Cooperate with the Authority by such other lawful action or ways as the Borough and the Authority may find necessary in connection with the development and administration of such Project.
5. In respect to any Project, the Borough further agrees that within a reasonable time

after receipt of a written request therefor from the Authority:

- (a) It will accept the dedication of all interior streets, roads, alleys, and adjacent sidewalks within the area of such Project, together with all storm and sanitary sewer mains in such dedicated areas, after the Authority or its Developer has completed the grading, improvements, paving and installation thereof, in accordance with specifications acceptable to the Borough;
  - (b) It will accept necessary dedications of land for, and will grade, improve pave, and provide sidewalks for, all streets bounding such Project or necessary to provide adequate access thereto (in consideration whereof the Authority or its Developer shall pay to the Borough such amounts as would be assessed against the Project site for such work if such site were privately owned); and
  - (c) It will provide, or cause to be provided, water mains and storm and sanitary sewer mains, leading to such Project and serving the bounding streets thereof (in consideration whereof the Authority or its Developer shall pay to the Borough such amounts as would be assessed against the Project site for such work if such site were privately owned).
6. If by reason of the Borough's failure or refusal to furnish or cause to be furnished any public services or facilities which it has agreed hereunder to furnish or cause to be furnished to the Authority or to the tenants of any Project, the Authority incurs any expense to obtain such services or facilities, then the Authority may deduct the amount of such expenses from any Payment in Lieu of Taxes due or to become due to the Borough in respect to any Project or any other low-rent housing projects owned or operated by the Authority.
7. The Borough agrees to exempt the tenants of the Project and the Authority from the payment of Sales Taxes in conjunction with rents.
8. No Cooperation Agreement heretofore entered into between the Borough and the Authority shall be construed to apply to any Project covered by this Agreement.
9. No member of the governing body of the Borough or any other public official of the Borough who exercises any responsibilities or functions with respect to any Project during his tenure or for one year thereafter shall have any interest, direct or indirect, in any project or any property included or planned to be included in any Project, or any contracts in connection with such Projects or property. If any such governing body member or such other public official of the Borough

involuntarily acquires or had acquired prior to the beginning of his tenure any such interest, he shall immediately disclose such interest to the Authority.

10. So long as any contract between the Authority and the Government for loans (including preliminary loans) or annual contributions, or both, in connection with any Project remains in force and effect, or so long as any bonds issued in connection with any project, or any monies due the Government in connection with any Project remain unpaid, this Agreement shall be abrogated, changed, or modified without the consent of the Government. The privileges and obligations of the Borough hereunder shall remain in full force and effect with respect to each Project so long as the beneficial title to such Project is held by the Authority or by any public body or governmental agency, including the Government, authorized by law to engage in the development or administration of low-rent housing projects. If at any time, the beneficial title to, or possession of, any Project is held by such other public body or governmental agency, including the Government, the provisions hereto shall inure to the benefit of and may be enforced by, such other public body or governmental agency, including the Government.



IN WITNESS WHEREOF, the Kenai Peninsula Borough of the State of Alaska and the Authority have respectively signed this Agreement and caused their seals to be affixed and attested as of the day and year above written.

Kenai Peninsula Borough

BY: \_\_\_\_\_

SEAL  
ATTEST:

\_\_\_\_\_

North Pacific Rim Housing Authority

BY: \_\_\_\_\_  
Executive Director

SEAL  
ATTEST:

\_\_\_\_\_

Attest

February 11, 1994

**Derenty Tabios  
Executive Director  
North Pacific Rim Housing Authority  
1503 W. 31st Avenue, Suite 102  
Anchorage, Alaska 99503**

**Dear Mr. Tabios:**

**The Kenai Peninsula Borough acknowledges that there is a need for lower income housing in the community which is not being met by private enterprise.**

**The Kenai Peninsula Borough is aware of and supports the North Pacific Rim Housing Authority's application for the development of up to 15 units of Mutual Help Housing Project near Seward, Alaska, and authorizes the North Pacific Rim Housing Authority to apply for necessary planning funds for the Indian Housing Development.**

**The Kenai Peninsula Borough assures that, to the extent the Borough will provide or provides facilities and services to residents in the Seward area, such public facilities and services will be available to serve the proposed housing.**

**Sincerely,**

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**Borough Mayor**