

HB

625

COMMITTEE REPORT

HOUSE

1/28/80

FURTHER: FINANCE

Date: _____

Mr. Speaker:

COMMUNITY AND
REGIONAL AFFAIRS

The Committee on _____ has had HB 625

"An Act making a special appropriation to the Department of Administration to be paid as a grant for the assistance program of the Fairbanks Town and Village Association for Development, Inc.; and providing for an effective date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

**MEMBERS SIGNING
DO PASS**

Fred J. Hancock

Barry A. ...

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

CHAIRMAN

COMMITTEE REPORT

HOUSE

1/28/80

FURTHER: FINANCE

Date: 1 28 80

Mr. Speaker:

The Committee on COMMUNITY AND REGIONAL AFFAIRS has had HB 626

"An Act making a special appropriation to the Department of Administration to be paid as a grant for the operating costs and project development activities of the Fairbanks Town and Village Association for Development, Inc.; and providing for an effective date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Frank J. ...
Robert ...
...

CHAIRMAN



Alaska State Legislature

House of Representatives

Committee on

Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

Official Business

BILL NUMBER AND TITLE:

HB 625 Re appropriation/Fbks. Town & Village Association

ORIGINAL SPONSOR: Rogers, Smith, Moss

OTHER SPONSORS:

RECEIVED FROM:

FURTHER REFERRALS:

Finance

HEARING DATE:

2/1/80

MEMBERS PRESENT:

Bill Parker X
Margaret Branson X
Pat O'Connell X

Pat Carney X
Charlie Parr X
Fred Zharoff X
Ray Metcalfe X

Rep. Brian Rogers, Sponsor

Discusses history of the Fbks. Town and Village Association and the general intent of the legislation.

Bill Wood, Bd. Member Fbks. Town & Village Association & Mayor of Fbks.

Discusses the representation drawn together by the Town & Village Ass'n. which draws on the leadership of 45 villages in the Doyon Region. The overall development plan created for the area originates at the "grass roots" level and the people. Generally discusses the activities of the Town & Village Ass'n.

Don Carlson, Mayor of Fbks. North Star Borough

Town and Village Ass'n. covers more than the North Star Borough area. Organization helps to meet the needs in the outlying areas as well. Cites Alaska Municipal League statement on economic development urging state support of such efforts. Sees a positive effect of the activities of the Fbks. Town & Village Ass'n. on the economic development of communities.

Metcalfe - Would like to see this money going through revenue sharing programs rather than as special appropriation.

John Coghill, Mayor of Nanana

Supports HB625. The activities of the TVA cover a larger geographic area than the North Star Borough. Each village would benefit from this type of program but it is not feasible to develop such small scale programs. What is good for Fbks. is good for Nanana. Suggests that the money would strengthen the administration of the programs operated by TVA.

Carney - Asks if the group has received state funding in the past?

Coghill - TVA has depended heavily on the North Star Borough for funding in the past.

Metcalfe - Revenue sharing base would cover these needs. It appears that TVA efforts might be duplicative of those of DC&RAs.

COMMITTEE ACTION:

Bill passed out.

TAPE # 2

SIDE 1

Footage 0-899

Metcalfe - Suggests possibility of incorporating activities with those of Dept. of C&RA.

Coghill - Points out that some of the areas receiving help aren't organized municipalities at this time and therefore couldn't qualify under the revenue sharing program. The thrust for economic help is from the villages.

Jerry Smetzer, Executive Director, Ftks. Town & Village Ass'n.

Responds to Parr's questions re what the group has actually accomplished.: TVA worked to get a \$250,000 storage building for Fort Yukon. Administrative staff had to work with the communities in a problem solving approach and in the case of the Fort Yukon project had to work on gaining title to the land for the city for the storage building. In Tok a Civic Center to house an Alcoholic center has been completed. There is alot of red tape in the development of capital projects. Responds to questioning re origin of requests for projects: sometimes the communities know what they need and want and sometimes that needs to be derived from dialogue. The Board meets twice a year and the attempt embodied in the bill is to have the state contribute as much to the efforts of the TVA as the federal government and the North Star Borough contribute.

Metcalfe -Suggests tht the group report on its relationship with the Dept. of C&RA during the next legislative session with its analysis of coordination of efforts and working relationship.

Smetzer - Would be happy to comply with that request.

Parker - Asks how figure for appropriation was arrived at?

Smetzer - Refers to travel costs and other costs associated with raising money.

Committee then proceeds to review HB 626 in conjunction with HB 625 .(See HB 626 Minutes)

**Overall
Economic
Development
Program
Inc.**

**S.R. Box 5011
Wasilla, Ak 99687**

(907) 376-3105

March 17, 1980

The Honorable Representative Bill Parker
Chairman, Community & Regional Affairs
Pouch V
Juneau, AK 99811

Dear Sir:

With full consensus of the other local economic development organizations in the State, I strongly support your favorable position on HB 625 and HB 626 as a means of strengthening the economic base in the Interior.

Based on the record of success of Fairbanks Town and Village Association for Development, Inc. as an economic development entity functioning on the regional level, I feel that HB 625, HB 626, and SR 41 represent legislation which can most effectively stimulate the local economy.

Fairbanks, in January 1980, posted the second highest unemployment rate in the State with 13.5%. The Matanuska-Susitna Borough, by comparison, was number one in the State and the nation with 19.9% (Department of Labor figures). The need is evident.

Sincerely,



Donald F. Lyon
Executive Director

DFL:nb



PREFACE

The Fairbanks Town and Village Association is a non-profit Alaska Corporation formed in 1972 to conduct a long-range program of regional economic development in the Interior of Alaska. In 1974 the corporation was designated by the United States Department of Commerce as an Economic Development District under the authority of Title IV(b) of the Public Works and Economic Development Act of 1965.

The regional boundaries of the district as outlined on the map of Alaska are the same as the boundaries of Doyon, Ltd., a regional corporation created under the authority of the Alaska Native Claims Settlement Act of 1971. The boundaries encompass a geographic area of some 240,000 square miles. Physiographically diverse, the region includes most of the primary and tributary drainages of the Yukon River as it courses westerly through the Interior for 1,500 miles between the Brooks Range to the north and the Alaska Range to the south. Additionally the highest mountain in North America lies in the southwestern portion of the Interior. The mountain officially named Mount McKinley is traditionally and historically known by the Athapascan Indians of the Interior as Denali ... "The Great One".

The climate is classified as continental and is relatively arid. Though seasonal temperature extremes can occur the lack of wind and precipitation creates a generally mild sunny climate.

The second largest city in Alaska and the primary service, supply, research and administrative center for the north is Fairbanks, Alaska with a population in the metropolitan area of nearly 56,000. The municipal boundaries of the Fairbanks North Star Borough also shown on the map, encompass an area the size of the State of New Jersey.

The vast region surrounding Fairbanks is largely undeveloped and sparsely populated. There are about 50 small cities, villages and settlements scattered through the area, most with populations of 100-200 residents or less. The sub-regional supply, service, and administrative centers such as Tok, Nenana, Galena, McGrath and Fort Yukon have populations between 500 and 1,000.

Delta Junction, the site of a major agricultural development program has an area population of nearly 3,000.

amendment at their semi-annual meeting in March of 1979 allowing the Fairbanks Chamber of Commerce to appoint one Board member and they have done so.

The largest municipal government in the District is the Fairbanks North Star Borough. The heavily populated section of the Borough forms the District's primary growth center.

Since 1974, the Association has been evaluating the potential designation of secondary growth centers. There has been discussion of four possible secondary designations including Galena, McGrath, Fort Yukon and Tok. Officials in these communities, however, have not made requests for formal growth center designations.

Seventeen local governments in Interior Alaska are participating in the overall planning process of the Association through appointment of representative officials to serve on the Board of Directors. Twenty-one communities, however, are represented on the Board through appointment of at-large and organization appointments.

TABLE I
PARTICIPATING GOVERNMENTS AND ORGANIZATIONS

1. Municipalities with Representatives on the FTVAD Board:

Arctic Village	Fairbanks	Grayling	Nenana	Nulato	Tanana
Anvik	FNSB	Kaltag	Nikolai	Shageluk	
Deena	Fort Yukon	McGrath	North Pole	Takotna	

2. Other Communities with At-Large and Participating Organization Representatives on the Board:

Circle	Dry Creek	Healy Lake	Minto	Ruby	Tok
--------	-----------	------------	-------	------	-----

3. Participating Organizations with Representatives on the Board:

Tanana Chiefs Conference	Tok Chamber of Commerce
Upper Tanana Development Corporation	Fairbanks Chamber of Commerce

4. Organizations Eligible for Participation through Section 7 Bylaw Amendment in March, 1978:

Koyukon Development Corporation	Upper Tanana Development Corporation
Upper Yukon Development Corporation	

5. Organizations Eligible for Participation through Section 7 Bylaw Amendment in March, 1979:

Fairbanks Chamber of Commerce

6. Other Organizations Eligible for Participation:

National Association for the Advancement of Colored People
--

d. Citizen Participation

The activities of the Fairbanks Town and Village Association for Development, Inc. are governed by a 37-member Board of Directors. It is the Board's responsibility to adopt and implement an Overall Economic Development Program for the District. This program includes the determination of policy, identification of development goals, establishment of project priorities, and the creation of a development strategy to accomplish the District goals.

PROGRAM BUDGET/STAFFING ESTIMATE
FY '80, '81 & '82

TASK SUMMARY

ECONOMIC DEVELOPMENT:

Task	Keyword Code
Task #1	Economic Diversification Strategy
Task #2	Small Industries Development
Task #3	Business Loan Specialists
Task #4	Fairbanks Downtown Revitalization
Task #5	New Loan Funds
Task #6	Decentralization

TRANSPORT DEVELOPMENT:

Task	Keyword Code
Task #1	Fairbanks Airport Development
Task #2	Rural Airport Development
Task #3	Local Service Roads

COMMUNITY FACILITIES DEVELOPMENT:

Task	Keyword Code
Task #1	McGrath Multipurpose Building
Task #2	Fort Yukon Utility Building
Task #3	Fairbanks Downtown Revitalization
Task #4	Rural Capital Improvements
Task #5	Rural Capital Improvements

ENERGY CONSERVATION AND HOUSING REHABILITATION:

Task	Keyword Code
Task #1	Energy Conservation

PETROLEUM RESOURCE POLICY:

Task	Keyword Code
Task #1	Oil and Gas Management
Task #2	Energy Development Impact
Task #3	Alaska Regional Center, U.S.G.S.
Task #4	Gas Conditioning Plant
Task #5	Mineral Industry Development

WORKFORCE DEVELOPMENT:

Task	Keyword Code
Task #1	TVCC/Hutchison
Task #2	Fairbanks Fire Training Center

RENEWABLE RESOURCE DEVELOPMENT:

Task	Keyword Code
Task #1	Agricultural Production
Task #2	Forest Products Industry

Task	Activity Code	Estimated Additional Cost	Annual Management Cost @ 20%	Program Staff Required	Estimated Program Start Date	Program Duration	Termination Date
MAJOR PROGRAM CATEGORY: Economic Development							
Task #1	T.A.	50,000	5,000	\$5,000	01/01/80	1	01/81
Task #2	D	125,000	25,000	2 man/yr.	07/01/80	5	07/85
Task #3	D	100,000	20,000	2 man/yr.	07/01/80	-	Contin.
Task #4	P	50,000	10,000	1 man/yr.	01/01/80	2	01/82
Task #5	D-Comp.	50,000,000	50,000	1 man/yr.	07/01/80	2	04/82
Task #6	P	20,000	4,000	1/4 man/yr.	04/01/80	2	04/82
		114,000					

MAJOR PROGRAM CATEGORY: Transport Development							
Task #1	D	100,000	20,000	1 man/yr.	07/01/80	2	01/82
Task #2	C	500,000	12,500	1/4 man/yr.	04/01/80	1	04/81
Task #3	C	---	5,000	---	---	-	---
		37,500					

MAJOR PROGRAM CATEGORY: Community Facilities							
Task #1	C	500,000	12,500	1/4 man/yr.	10/01/79	1	10/80
Task #2	C	500,000	12,500	1/4 man/yr.	10/01/79	1	10/80
Task #3	C	10,000,000	100,000	2 man/yr.	04/01/80	3	04/83
Task #4	T.A.	100,000	10,000	\$10,000	04/01/80	1	04/81
Task #5	C	10,000,000	100,000	2 man/yr.	07/01/80	4	04/84
		235,000					

MAJOR PROGRAM CATEGORY: Energy Conservation and Housing Rehabilitation							
Task #1	D-Comp.	5,000,000	up to 50,000	1 man/yr.	04/01/80	2	04/82

MAJOR PROGRAM CATEGORY: Petroleum Resource Policy							
Task #1	D	50,000	10,000	1 man/yr.	04/01/80	2	04/82
Task #2	D-Comp.	20,000,000	50,000	1 man/yr.	04/01/80	3	04/83
Task #3	T.A.	50,000	5,000	\$5,000	04/01/80	2	04/82
Task #4	T.A.	500,000	50,000	1 man/yr.	04/01/80	2	04/82
Task #5	D	50,000	10,000	1 man/yr.	01/01/81	2	01/82
		125,000					

MAJOR PROGRAM CATEGORY: Workforce Development							
Task #1	P	50,000	10,000	1 man/yr.	07/01/80	3	07/83
Task #2	T.A.	20,000	2,000	\$2,000	07/01/80	1	07/81
		12,000					

MAJOR PROGRAM CATEGORY: Renewable Resource Development							
Task #1	P	50,000	10,000	1 man/yr.	07/01/80	3	01/83
Task #2	P	50,000	10,000	1 man/yr.	07/01/80	3	07/83
		20,000					

I. REQUEST
 Bill/Resolution No. HB 625 and 626
 Title An Act relating to special appropriation for Fairbanks Town and Village Association
 Requested by Community and Regional Affairs Date 1/31/80

II. FISCAL DETAIL
 Agency Affected Administration
 Program Category Affected General Government
 BRU, Program, or Subprogram(s) Affected Administrative Services
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)
 All costs are included in the attached Fiscal Note for HB 578

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

IV. DATE January 31, 1980 PREPARED BY Judy Crondahl
 AGENCY Administration
 PHONE 465-2277
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

NAME OF WITNESS

ADDRESS

TELEPHONE

BILL TO TESTIFY ON:

BRIAN ROGERS

Peuch V

465-4925

John A. Carlson

Fairbanks

452-4761

John B. Coughlin

Nenana

832-5476

456-5178

Jerry Smetzer

Fairbanks

Fairbanks Town & Village
Association
for
Development, Incorporated



407 second avenue
p.c. box 74080
fairbanks, alaska 99707
(907) 456-5178

February 27, 1980

The Honorable Arliss Sturgelewski
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Dear Senator Sturgelewski:

Thank you for the lunch and the opportunity to discuss the legislation on the unorganized borough.

As promised, though later than I had hoped, this letter at least briefly capsules the thinking of the FTVAD Board of Directors - and my own - on this legislative initiative.

We are pleased with the commitment and the initiative of the two CRA committees in dealing with the problems of the unorganized borough. We are particularly pleased with the recognition in SB 580 that a system of sub-state regional boundaries for the conduct of state administrative functions is essential. We support the effort you are putting into these bills and we urge you, Representative Bill Parker and the members of the two committees to continue your good work in this most difficult, complex and dynamic area of public policy.

At the mid-December annual meeting of our regional board of directors the board adopted a specific three part policy on State Decentralization which is relevant and provides the basis of my comments in this letter.

FTVAD policy on state decentralization is as follows:

1. The Governor should by Administrative Order immediately institute a common system of regional planning, development, and government administration boundaries within the legal boundaries formed by the twelve native regional corporations created under the authority of the Alaska Native Claims Settlement Act of 1971.

2. The Governor should by Executive Order begin immediately the decentralization of administrative decision making into these regions by divesting agencies of the state of their accumulations of centralized authority which were not explicitly granted by the constitution.

3. The Governor should by Executive Order begin immediately the democratization of the state's administration of planning, development, project recommendation and priority setting activities, and the delivery of needed government services within these regions by financing and contracting their provision through fiscally sound, locally controlled non-profit, quasi-governmental corporations conducting related activities."

The Board's policy, which was adopted unanimously, has been evolved over a period of several years. It represents our view of what the state must do if residents of the state's regions are to have any chance of guiding administrative actions by the state and the administrative allocation of resources by the state in a manner which will enable them to protect their most fundamental local concerns with their jobs, families, neighborhoods and communities.

You stated that some people were viewing the legislative proposals as a "first step" in what may require years to bring to fruition.

Actually the "first step" in Alaska was taken at the Constitutional Convention at the University campus in 1955. At that time the idea was developed that a state so vast and so diverse in its several major regions needed a unique and innovative system of strong local governments and associated regional institutions operating almost as a federation within the general sovereignty of the state. The idea was never developed beyond the organized borough concept in a limited geographic region authorized by Article X.

Since that time, some form of decentralized state administrative structure has been incorporated into the governing apparatus of at least 47 other states but never in the unorganized borough of Alaska.

The first step in this decentralizing process is the designation of sub-state regions by the state in order to bring some order into the otherwise chaotic jumble of administrative and functional boundaries created by individual agencies, boards, commissions, and almost anyone else able to claim some legitimate state purpose.

The sub-state regional system in these 47 states is so taken for granted nationally that the federal government has, for several years, required federal agencies with domestic responsibilities to conform their jurisdictional boundaries to the sub-state regions established by each state. The federal government cannot do this in Alaska, of course, because Alaska still has no official sub-state regions.

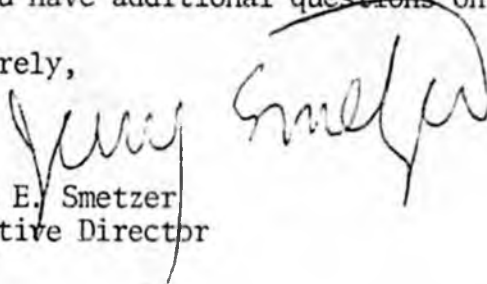
Letter to Senator Sturgelewski
February 27, 1980
Page Six

With the exception of SB 353 - which we support based on our Fairbanks experience - the other bills appear to be little more than housekeeping measures, and FTVAD has no particular comment on them.

Generally speaking we support the position of the Tanana Chiefs Conference on these bills.

If you have additional questions on my comments here, please call me.

Sincerely,


Jerry E. Smetzer
Executive Director

JES:rlf

cc: FTVAD Executive Committee Members

agency requests for bail outs should be taken to the courts. If extraordinary problems in the form of constitutional conflicts surface during the conforming period they can be considered during the legislative session which begins in January 1982.

The intent of the Data and Information section is not clear. What is clear based on our experience is that such a requirement will not work without an interagency convening and oversight authority designated by statute. What is also clear is that such an authority, if it is to serve a useful public purpose, has to have an independent arm's length relationship to the agencies it is to oversee. Finally the reference to federal agencies sounds good but it will not work either until the federal government has a functioning interagency convening authority within Alaska.

The federal government has no such authority because the state has never asked them to form one. The best method of accomplishing these purposes is to either designate existing independent quasi-governmental or non-profit public interest organizations within each region; or authorize their creation where they do not now exist ... as we suggest in Policy Statement #3.

FTVAD Policy Statement #3:

SB 349

Though there are a series of bail out provisions in this bill its primary purpose is to enable the Commissioner of DCRA to use contracting authority to encourage the formation of AS 29 municipalities. The most vital questions bearing on whether or not a government should be formed anywhere in the unorganized borough - economic development potentials, capital facility needs, fiscal relationship with both the federal and state government, the quality of the tax base, representation, etc. - should be raised by those who must live with the job, family and neighborhood concerns in their area, and the state finance the explorations of those concerns by the people themselves through their locally designated or elected representatives.

The issues bearing on the formation, function and structure of government in the unorganized borough are much too important to assign to any single agency of the state. If assurances are needed that such funds be limited to the investigation of questions bearing on the formation and financing of local government, then DCRA should be mandated to devise a standard methodology for the conduct of such studies by sponsoring residents of any area in the unorganized borough which proposed to form a local or regional government. The commissioner's authority can then be limited to determining the degree of compatibility with the standard methodology.

We would recommend that the committees give careful consideration to our third policy recommendation and re-write this bill accordingly.

I have included some specific comments on these bills and related them to our policy statements.

FTVAD Policy Statement #1:

HB 580/SB 348

If state designated sub-state regional boundaries are to be effective they must be negotiated and agreed upon by the residents most affected so that they will make sense physiographically and culturally.

To assure that these boundaries remain in effect long enough to allow the gradual evolution of new governing institutions, these boundaries should already be in existence and should have been created in response to something other than an initiative of government.

Finally they should be insulated and completely removed from the arbitrary actions of government officials to change them.

While the established boundaries of the Rural Education Attendance Areas (REAA) meet several of these tests they fail the most important test of all in that they were established and they exist only because of the government's responsibility for education. The REAA boundaries have no functional relationship to the main non-education interests of residents and are not relevant to the non-education functions of other state, local and federal agencies.

Only the native regional corporation boundaries established under the authority of the Alaska Native Claims Settlement Act of 1971 meet all these tests. The REAAs do not. It was for this reason that the jurisdictional boundaries of FTVAD were made in 1974 to conform to the regional boundaries of Doyon, Limited, and it is the rational behind our first policy statement.

Though we fully support the idea that each agency of the state should be required to conform its internal jurisdiction boundaries to the regional boundaries, we oppose the idea that an individual commissioner be given any discretion in designating boundaries or in making boundary adjustments. The loopholes and escape clauses in the Exemptions and Modifications sections are so broad in any case that they defeat the purposes of the preceding sections of the bill.

The kind of fundamental changes in agency/constituent practices, procedures and relationships that will be required with the designation of sub-state regions are going to be painful to those who have vested interests in the agency status quo, and they will surely object to the elimination of those loopholes.

All in all, over the longer run, the pain will be less if all agencies are required to begin conforming their boundaries within 90 or 120 days of enactment with completion mandated within 1½ years. In the meantime

Because of the general public confusion about the jurisdictional boundaries of state agencies the absence of formal regions is causing enormous problems. The costs of resolving these problems are being paid by taxpayers and by others outside the state's administrative apparatus. To say it may take years to establish these boundaries is bad news ... particularly for those of us who are trying to work productively in the complex area of intergovernmental relationships between local, state and federal agencies, where the state - the main player - has no policy, no procedure and no deliberative mechanism for the conduct of essential policy-making dialogue between state and non-state regional and local interests outside the second floor of the capitol building.

Though I am very pleased that SB 348 raises the issue of sub-state regional boundaries, I do agree with you that the legislature is not the proper place to establish them. We have always maintained that only the governor can do this and he must do it by executive order. FIVAD is now, by policy, saying that the situation has become so severe that he must do so immediately.

Based on our policy statements, we have a major problem with the general premise upon which this legislation has been prepared. It is obvious that the only system of self-government contemplated for the unorganized borough is that which has been defined in the Municipal Code. While we have no objection to the Municipal Code per se, nor do we have any complaints with the Code insofar as it is applied in the state's urban centers, we do object to the notion that it is, according to the legislation, the only acceptable method of government in the unorganized borough.

You may recall my comment about the social ferment that is presently occurring in the bush. This ferment is generating whole new ideas of self-reliance, self-government and the delivery of essential government services.

The fact that the legislation fails to recognize that this activity is occurring is my single greatest disappointment with the legislation.

Failing to recognize or acknowledge this activity is not so bad in itself. The worst problem is that the incentives for self-government in the unorganized borough are limited to existing AS 29 municipalities or those groups which plan to form AS 29 municipalities.

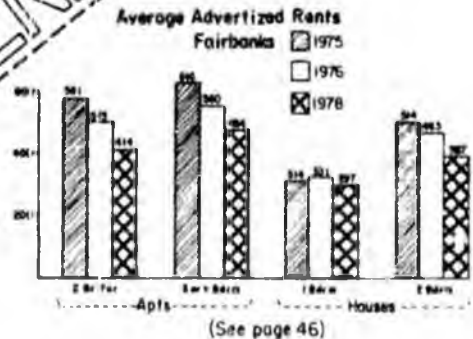
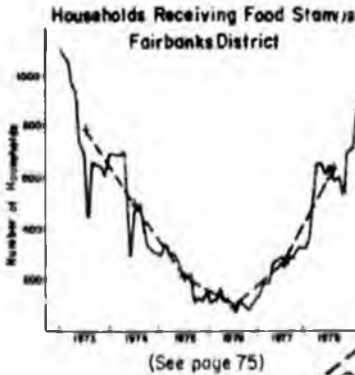
Since the whole purpose of such a broadly based legislative initiative, I assume, is to recognize and address failures in the governing structure in the unorganized borough, my first working assumption would be that AS 29 municipalities themselves do not work there and should be replaced with something better. We do not mean to suggest, necessarily, that the legislation should propose any radical new forms of government. However, there have to be incentives for the exploration of alternatives to AS 29 as well as recognition that some alternatives exist already.

COMMUNITY INFORMATION REVIEW

SOCIO-ECONOMIC CONDITIONS IN FAIRBANKS

March 1979

Volume II No. 1a



The Fairbanks unemployment rate averaged 17.9% for 1978, while the 1978 labor force average declined 11% from its 1977 level.

Fairbanks business sales generally leveled off or declined for 1978, but fast food restaurant sales continued to grow and some other categories pulled out of earlier declines.

Violent crimes increased 8% to 10% in the Fairbanks area over 1977, but property crimes dropped 5% to 10%.

Public transit ridership rose 54% between February 1978 and February 1979, while transit revenues increased 53% in the same period.

COMMUNITY INFORMATION REVIEW

Socio-Economic Conditions in Fairbanks, Alaska

March 1979

Volume II - No. 1a

BOROUGH MAYOR

John A. Carlson

COMMUNITY INFORMATION CENTER STAFF

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INTRODUCTION

The Community Information Review is a new publication designed by the Community Information Center to present in a short, easily readable format the basic information contained in the more extensive Community Information Quarterly. By using the condensed format, we can greatly reduce printing costs and expand the dissemination of this information to the Fairbanks-area public. The Quarterly containing more detailed socio-economic data will continue to be available to the public.

We hope that this Review will be of interest and use to you. If you have questions and comments on this publication, please call us at 452-4761.

COMMUNITY INFORMATION CENTER

ADVISORY BOARD

Chairman: Dennis Weaver

Vice-Chairman: Rita Allee

Lottie Fleeks	Rhonda Mahaney
Bill Green	Bill Phillips
Don Hart	Wayne Thomas
Leslye Korvola	Lee Wareham

The Advisory Board meets regularly on the third Wednesday of the month at 7:30 p.m. in the basement conference room of the Borough's offices. The public is invited to attend and participate.

ACKNOWLEDGEMENTS

The Community Information Center staff would like to thank the many persons, businesses, government agencies, and organizations who provided information included in this report. We also acknowledge Marsha Bauman, Marilyn Forrest, Kathy Franz, Heide Sciore, and Patty Smith, for their assistance in the preparation of this report.

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COST OF LIVING

Consumer Price Index

In January 1979, the Anchorage Consumer Price Index for All Urban Consumers (CPI-U) reached 198.1, or an increase of 10.5% from January 1978. The average increase between 1977 and 1978, however, was computed as 7.1% using a weighted formula. All major categories posted increases of 2.7% to 13.0% for the year.

The overall food category increased 13% from January 1978 to January 1979, with food at home rising 14.7% and food away from home increasing 10.0%. In the period November 1978 to January 1979 alone, food away from home increased 6.8%. The general housing category rose 11.8% from January 1978 to January 1979. Housing subcategories include rental costs (up 3.2%), other rental costs such as hotel and motel rates (up 13.7%), homeownership costs (up 16.7%), and fuel and other utilities (up 0.4%) whose low rate of increase moderated housing costs in general. Other major increases for the January 1978 to January 1979 period were posted by transportation (up 9.1%) and medical care (up 9.4%). Apparel and upkeep rose by 2.7% in the January to January period, but showed a 2.4% decrease from November 1978 to January 1979.

Consumer Price Index--What is it?

The Consumer Price Index is a statistical measure of changes in prices of goods and services bought by specific groups of people. The index, compiled by the U.S. Department of Labor, Bureau of Labor Statistics (BLS), is often referred to as the "cost of living" index. While the CPI attempts to measure price trends which are an indicator of cost of living changes, it does not indicate how much families actually spend to meet their living expenses. The CPI for one city is not comparable to a CPI for another city as a cost differential factor. Anchorage is the only place in Alaska which has a CPI. Presently, the BLS is collecting data in Fairbanks and a new CPI will be released bi-monthly starting in May 1979. The CPI for Fairbanks and Anchorage will not provide a cost differential indicator between the cities. However, it will allow a comparison between rates of change.

CONSUMER PRICE INDEX-U
(October 1967 = 100)
Anchorage, Alaska
1978-1979, Bi-monthly

	All Items	Food	Housing	Apparel & Upkeep	Transportation	Medical Care	Entertainment	Other
1978								
March	180.7	196.6	176.6	155.3	160.0	221.8	186.4	176.4
May	184.2	203.0	178.2	159.0	175.4	224.0	188.1	178.3
July	188.5	203.0	185.1	157.1	170.1	228.8	183.7	180.1
September	193.2	209.1	191.3	161.7	179.0	233.2	191.2	184.8
November	194.7	210.2	192.7	161.9	182.5	233.4	189.9	185.1
<u>Average</u>	187.3	204.1	184.1	158.3	176.3	228.6	187.4	180.7
1979								
January	198.1	217.3	196.3	158.0	183.8	244.6	190.1	186.8

SOCIAL CONDITIONS

Crime

Violent crime decreased by 35% within the City of Fairbanks and by 29% in the Borough outside the city from 1976 to 1978. In the same two year period, robbery dropped 56% in the City and 85% in the Borough excluding the City of Fairbanks, while vehicle theft was down 44% and 36% in the two areas, respectively.

In the past year, however, violent crime has increased 10% in the City of Fairbanks and 8% in the Borough outside the city. Property crimes continued to drop in both the City and the Borough from 1977 to 1978. The property crime decrease was 5% for the City and 10% for the rest of the Borough.

MAJOR VIOLENT AND PROPERTY OFFENSES FAIRBANKS POLICE DEPARTMENT AND ALASKA STATE TROOPERS - DETACHMENT I 1970-1978

	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>
<u>VIOLENT OFFENSES</u>	<u>166</u>	<u>188</u>	<u>185</u>	<u>196</u>	<u>284</u>	<u>406</u>	<u>431</u>	<u>269</u>	<u>293</u>
Criminal Homicide	14	10	5	8	9	8	5	11	13
Negligent Homicide	5	4	7	5	5	8	11	6	1
Forcible Rape	18	21	20	24	22	30	38	32	37
Robbery	34	28	28	22*	60	84	126	69	46
Aggravated Assault	95	125	125	137	188	276	251	151	196
<u>PROPERTY OFFENSES</u>	<u>2,061</u>	<u>1,704</u>	<u>1,845</u>	<u>2,335</u>	<u>2,759</u>	<u>4,437</u>	<u>4,356</u>	<u>3,685</u>	<u>3,428</u>
Burglary	511	456	493	503	557	746	825	816	781
Larceny	1,053	915	1,034	1,506	1,714	2,595	2,660	2,098	2,136
Vehicle Theft	497	333	318	326	488	1,096	871	771	511

* State troopers believe this figure is in error and should be higher.

Juvenile Offenses

Juvenile offenses, which declined in 1977 from 1976 levels, have recently begun to increase. All juvenile offenses, including those committed by males and females, rose 11% in 1978 compared to the previous year. Male juvenile offenses increased by 13% in that period, while female juvenile offenses registered a 6% rise. In the past twelve months, male juvenile offenses for larceny increased 50%, but burglary declined 23%. For female juveniles, runaway offenses jumped 21% in that period, and shoplifting increased 22% for all juveniles.

Households Receiving Food Stamps

The number of households receiving food stamps rose to a monthly average of 622 in 1978, compared to a 256 monthly average for 1977. The 1973 figure represents a 143% increase over 1977 and a 402% increase over the record low registered in 1976 during the oil line construction period. The highest level was reached in 1973 when a monthly average of 792 households received food stamps.

Air Quality--Carbon Monoxide

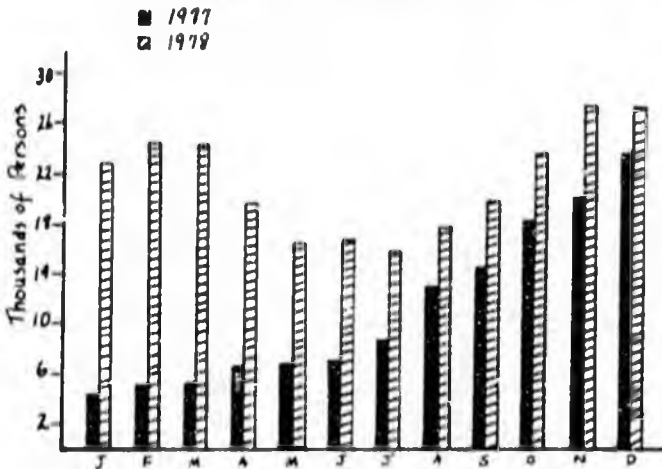
The number of days in the City of Fairbanks with 8-hour periods exceeding nine parts per million of carbon monoxide decreased by 45% in 1978, going from a total of 60 days in 1977 to 33 days in 1978. The 1978 figure also represents a 76% drop over the record high number of days registered in 1974. Similar declines occurred in the monthly maximum 8-hour averages for the City, where the 1978 average of 7.5 parts per million was a 40% decrease over the 1977 level and a 58% drop over the record high listed for 1974.

The improving air quality condition in Fairbanks for carbon monoxide emissions is attributed to more effective emission controls on more recently manufactured automobiles, better traffic flow patterns in the downtown area, and greater public awareness of the need to reduce carbon monoxide levels. The milder weather conditions of the past few winters have also helped to reduce the ambient carbon monoxide levels, although the extent of the weather's influence on carbon monoxide concentrations in Fairbanks is unknown.

Transit Operations

Borough transit ridership rose 54% in February 1979 compared to February of the previous year, setting a monthly record high of 37,803 passengers. Revenues for this period increased by 53%. Public transit service in the Borough was inaugurated in August 1976. Currently, five buses serve seven routes, covering 860 miles in the City and 500 miles in the rest of the Borough daily during February 1979.

PUBLIC TRANSIT--RIDERSHIP
Fairbanks North Star Borough
1977-1978, By Month



School Transportation

The number of students using school transportation in 1978/79 has remained at the previous school year level. This figure represents a 4% increase over the 4,821 students based in 1973-74, but a 13% decrease from the 1975/76 level. Transportation cost per pupil, however, are 218% higher in the current year than in 1973/74 and 177% higher than in 1975/76.

HOUSING

New Housing Construction

New housing construction decreased by 49% in 1978, compared to 1977. The greatest part of this decline came in the multi-family category. The number of building permits issued for multi-family dwelling construction dropped 75% in 1978 compared to the previous year. Single family housing starts decreased by 12% for this period, indicating greater resilience. The dollar amount of building permits for new single family homes increased by approximately 2% over the 12-month period.

The decline in the number of building permits issued for new housing construction has occurred elsewhere in the state. The statewide totals are down 33% for 1978 compared to the previous year. Anchorage housing construction has decreased 33%; Juneau is down 18%; Kenai is down 40%; but Palmer is up 67%.

Houses Sold

In 1978 the average selling price of a home in the Fairbanks area was \$71,276, up 6% from the 1977 average selling price of \$67,105 according to a Community Information Center survey of a local appraisal firm. The average 1978 selling price of a two-bedroom home was \$70,784 which is a 14% increase over the 1977 average price of \$61,873. A three-bedroom home in 1978 sold for an average price of \$74,239, a 10% increase of the 1977 average of \$67,273.

Although these figures represent only a sample of homes sold and not the total sales, the number of homes selling for more than \$100,000 increased significantly in the past year. In the 1977 sample, seven homes were listed as selling for \$100,000 or more, whereas twenty-nine homes fell into this category in 1978. This represents a tripling of the number of homes sold at this dollar level and an increase of \$100,000-plus home sales from 3% of the sample in 1977 to 9% in 1978.

SAMPLE OF HOUSES SOLD
Fairbanks North Star Borough
1977-1978

	<u>1</u> <u>Bedroom</u>	<u>2</u> <u>Bedrooms</u>	<u>3</u> <u>Bedrooms</u>	<u>4 or More</u> <u>Bedrooms</u>	<u>Other</u>	<u>Total</u>
<u>1977</u>						
Total	--	68	146	30	--	244
Average	--	\$61,873	\$67,273	\$78,150	--	\$67,105
<u>1978</u>						
Total	25	109	165	21	6	326
Average	\$41,345	\$70,784	\$74,239	\$83,761	\$39,000	\$71,276

Rental Housing

A total of 978 housing units were advertised for rent in January 1979, according to a Community Information Center survey. January is traditionally the month with the highest number of available housing units, and although the January 1979 figure represents the second highest figure recorded, it also represents an 8% decline over the number of units advertised for rent in January 1978. The record high for January 1978 additionally marked the culmination of a major housing construction effort launched in 1977 to meet housing shortages resulting from the building of the trans-Alaska oil pipeline.

Of the January 1979 total, 797 units, or 81%, were apartments, which represents a 14% decline over the number of apartment units advertised in January of the preceding year. The number of houses for rent, however, increased in January to 119 units, or an increase of 65% over the number of rental houses for January of the previous year. The record number of houses advertised for rent was established at 122 in November 1978.

RENTAL HOUSING UNITS ADVERTISED
Fairbanks Daily News-Miner
September 1974 - January 1979

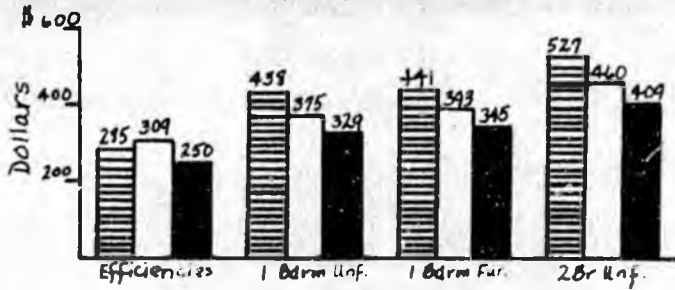


Rental Housing Costs

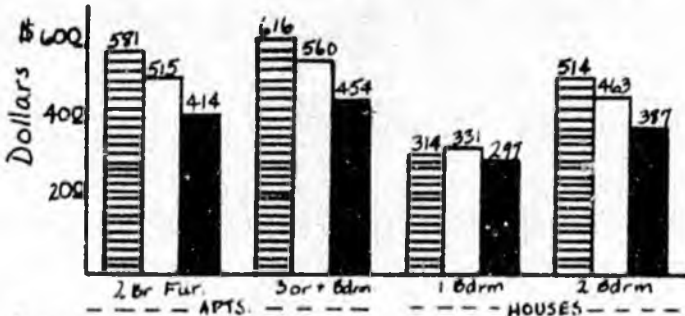
Rental costs have continued their downward slide through 1978, as compared to the previous year, based on a Community Information Center survey of housing units advertised for rent. Fourth quarter 1978 average rents were 4% to 16% lower than for the same quarter in 1977. Monthly rental costs for a two-bedroom house dropped to \$387 for fourth quarter 1978, or 11% below the figure for the same period in 1977.

The steady decline in housing rental costs in the Fairbanks area results from the major construction effort launched to alleviate the housing shortages occurring during the oil pipeline period.

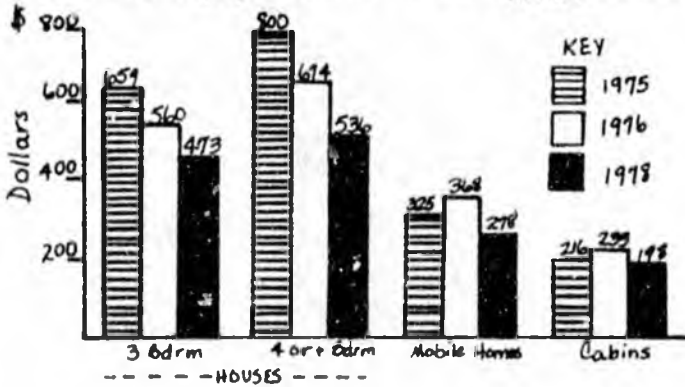
AVERAGE RENTS
Housing Units Advertised For Rent
Fairbanks Daily News-Miner
Fourth Quarter Comparisons
1975, 1976, and 1978



----- APARTMENTS -----



----- APTS. ----- ----- HOUSES -----



KEY
 1975
 1976
 1978

----- HOUSES -----

Telephone Utilities

In the past ten years, the number of residential phones has increased 75% from 6,475 in 1969 to 11,345 in 1978. Business phones have increased 139% for the same period or 2,580 to 6,169. The number of coin-operated telephones in the Fairbanks Municipal Utilities System (MUS) has actually decreased from 168 in 1969 to 165 in 1978.

Residential private lines in MUS have decreased by 14% from 2,234 in 1973 to 1,930 in 1978. The Globe exchange, 452- and 456- numbers, represents 70% of the residential phones and 71% of the business phones of MUS. In residential

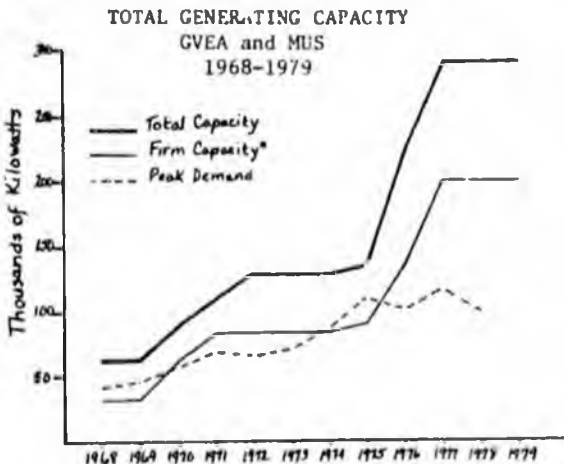
phones, Globe has 26% private lines, 33% 2-party lines, and 41% 4-party lines. The Greenwood exchange, 479- numbers, is comprised of 11% private lines, 30% 2-party lines, and 60% 4-party lines. MUS has upgraded all 8-party lines since 1973.

Electrical Utilities

Between 1973 and 1978, the number of electrical customers in Fairbanks rose 47% from 13,708 to 20,160. From 1976 to 1978 customers increased 13%. The growth is seen mainly in Golden Valley Electric Association (GVEA) where customers have increased by 76% from 8,355 in 1973 to 14,705 in 1978. During the same period MUS increased from 5,353 to 5,455, or a 2% growth. The increase in GVEA's residential customers reflects the large amount of new construction which occurred in the outlying areas. GVEA's commercial customer increase is more directly related to the pipeline since these include power to Pump Stations 8 and 9, the pipeyard, and the South Cushman complex.

The number of kilowatt hours (KWH) sold has increased 47% for residential and commercial users from 1973 to 1978. In 1978 GVEA sold 309.1 million KWH with 49% to residential and 51% to commercial users. MUS sold 120.2 million KWH in 1978, 23% of which goes to residential, 52% to commercial, 22% to governmental, and 3% to other utility users.

In 1978 MUS generated 98% of its electricity with coal while GVEA used coal for 65% of its power generation. The KW capacity of MUS and GVEA has remained constant since 1977 at 291,335 KW. The firm capacity (system capacity if the largest MUS and the largest GVEA units fail) is 201,335. This capacity exceeds the peak demand of recent years: 99,700 KW in 1978, 117,500 KW in 1977, and 101,420 KW in 1976.



Currently, electrical utility rates in Fairbanks per 1,000 KWH are \$70.14 for MUS and \$76.11 for GVEA. The heating requirements and costs for a typical home (as illustrated by a model by Axel Carlson, Cooperative Extension Service, University of Alaska, Fairbanks) show that coal is the most economical at a monthly average of \$56.57; fuel oil is \$91.52; and electricity is the most expensive at \$264.51 (MUS) and \$268.69 (GVEA).

EMPLOYMENT

Employment

During 1978 the average monthly nonagricultural employment was 21,585, an 11% decline from the 1977 monthly average of 24,238. However, between January 1978 and December 1978 the decline in employment was less than 1%. During 1978 nonagricultural employment averaged 5% construction, 13% transportation, 19% trade, 18% services and miscellaneous, and 34% government. Between January 1978 and December 1978, construction employment dropped 21%. During the same period trucking and warehousing rose by 33%, wholesale trade increased by 5%, retail trade by 6%, and government by 8%. (Nonagricultural wage and salary employment is an estimate of employment by place of work from survey data.)

Unemployment

The average 1978 jobless rate for Fairbanks was 17.9% which is 46% higher than the 1977 average of 12.3%. The number of persons unemployed in fourth quarter 1978 was 16.4% of the civilian labor force of 20,481. In December 1978 the unemployment rate was 16.4% compared to the January 1978 figure of 13.8% unemployed. In 1978 the highest monthly jobless rate was recorded in May at 20.7% followed closely by April at 20.2% and June at 19.5%

In January 1979 the unemployment rate was 16.4% with 3,276 persons unemployed out of a civilian labor force of 19,925. Please note that civilian labor force estimates are biased on place of residence and vary slightly from non-agricultural wage and salary statistics which are estimates by place of work.)

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT

	By Place of Work		
	Fairbanks Labor Market Area		
	Fourth Quarter Comparisons 1976-1978		
	1976	1977	1978
Mining	117	100	37
Construction	5,567	2,433	1,718
Manufacturing	333	233	506
Food Processing	50	50	--
Other Manufacturing	283	183	--
Transport., Comm., & Util.	3,383	2,967	2,650
Trucking & Warehousing	1,367	850	511
Water Transportation	50	50	--
Air Transportation	750	650	653
Other	1,217	1,417	1,486
Trade	4,550	4,433	4,115
Wholesale Trade	933	817	798
Retail Trade	3,617	3,617	3,317
Gen. Merch. & Apparel	533	533	464
Food Stores	583	533	493
Eat & Drink Places	1,050	1,000	--
Other Retail Trade	1,450	1,350	2,160
Finance, Insur., & R. Est.	967	883	864
Service & Miscellaneous	4,483	3,800	3,776
Government	7,283	7,233	7,592
Federal	2,467	2,267	2,602
State	1,000	3,033	2,993
Local	1,817	1,933	1,997
TOTAL	26,683	22,082	21,277

Unemployment program claimants in Fairbanks have been declining since March 1978 except for a jump in November 1978. However, in 1978 an average of 78 persons a month are exhausting their extended unemployment benefits. The amount of unemployment benefits paid within the Fairbanks area in 1978 was \$14.9 million, up 5% from 1977. During 1978 payments within the state of Alaska totalled \$51.7 million up 3% from 1977, while payments made outside the state in 1978 decreased 35% from 1977 to \$24.1 million.

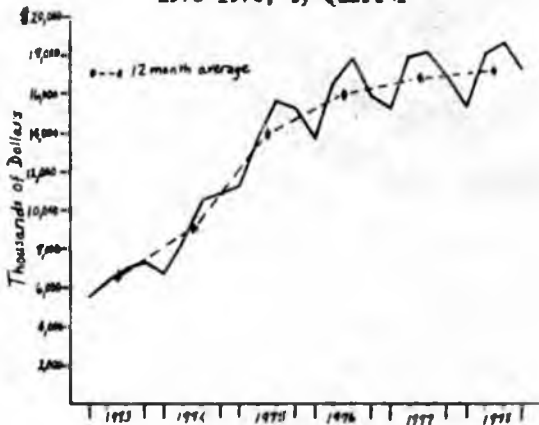
Union membership averaged 37,973 for fourth quarter 1978, as reported voluntarily to the state Department of Labor starting in mid-1978.

THE ECONOMY

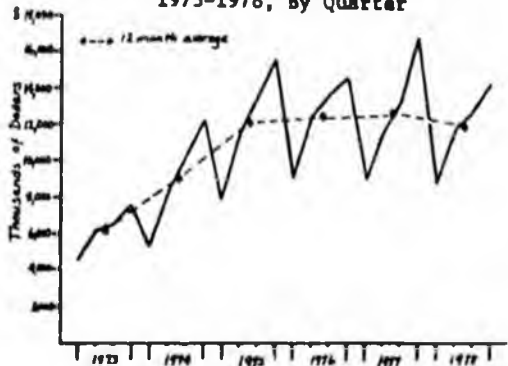
Retail Trade

Gross sales for selected businesses in the Fairbanks area generally leveled out or declined in 1978 compared to 1977. Major food stores registered a 3% increase for 1978 compared to the previous year, while auto dealers appear to have pulled out of an earlier decline to finish 1978 at the same level as the previous year. Fast-food restaurant sales, which had grown dramatically in the past two years, slowed to a 6% increase in 1978 over 1977. Hotels and motels have reversed earlier declines with 1978 totals 2% higher than the previous year. Declines in yearly totals were registered for department, drug, and furniture stores (down 5%), downtown bars (down 23%), office supply and related services (down 8%), and sporting goods stores (down 12%).

GROSS SALES FOR MAJOR FOOD STORES
Fairbanks, Alaska
1973-1978, By Quarter



GROSS SALES FOR MAJOR
DEPARTMENT, DRUG, AND FURNITURE STORES
Fairbanks, Alaska
1973-1978, By Quarter



Airport Activity

The number of passengers and the level of operations (take-offs and landings) at the Fairbanks International Airport declined in 1978 compared to the previous year. Passengers decreased 6% to a yearly total of 512,395 and operations declined by 13% over this period. The amount of freight handled, however, increased by 2% for the year to a total of 156.5 million pounds, although this is 57% below the peak figure of 360.4 million pounds in 1975. In 1978, passengers, freight, and operations ran 55%, 67%, and 25% higher, respectively, than the pre-pipeline year of 1973.

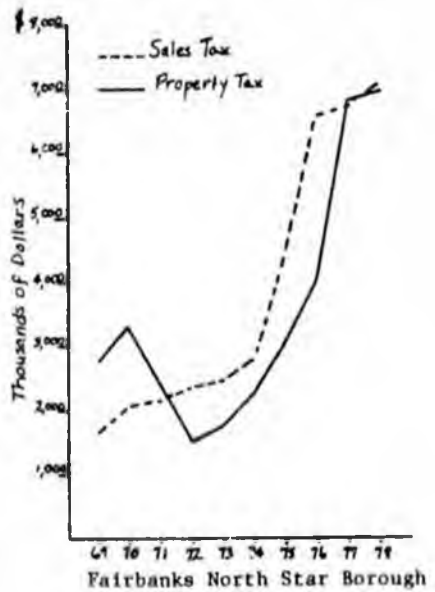
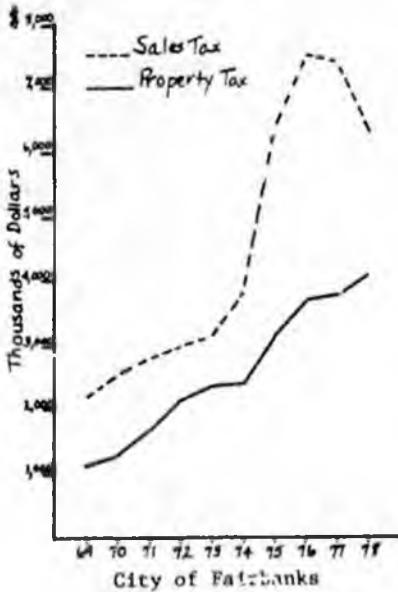
Property Tax and Sales Tax

Assessed valuation of property in the Borough increased 20% in 1978 to \$1.63 billion compared to 1977's level of \$1.36 billion. The greatest increase resulted in the City of North Pole which went from a pre-oil refinery assessment in 1977 of \$11.4 million to \$46.1 million in 1978, while the City of Fairbanks' assessed property value increased 15% in the year.

Borough-wide property tax mill rate was set at 7.2 mills. The lowest mill levy was 5.0 mills in 1971, while the record high of 16.5 was set in 1969.

Tax revenues for the Borough as a whole leveled off in 1978 compared to the previous year. Borough sales tax receipts increased by 5% and property taxes by 2% during this period. In the City of Fairbanks, property tax revenues increased 8%, but sales tax receipts declined 15% from 1977. 1976 represented the peak year for City of Fairbanks sales tax receipts, while property tax and sales tax revenues for the Borough have continued to increase slightly through 1978.

TAX REVENUE BY SOURCE
(In Thousands of Dollars)
City of Fairbanks and Fairbanks North Star Borough
Fiscal Years 1969-1978



Alaska Railroad Operations

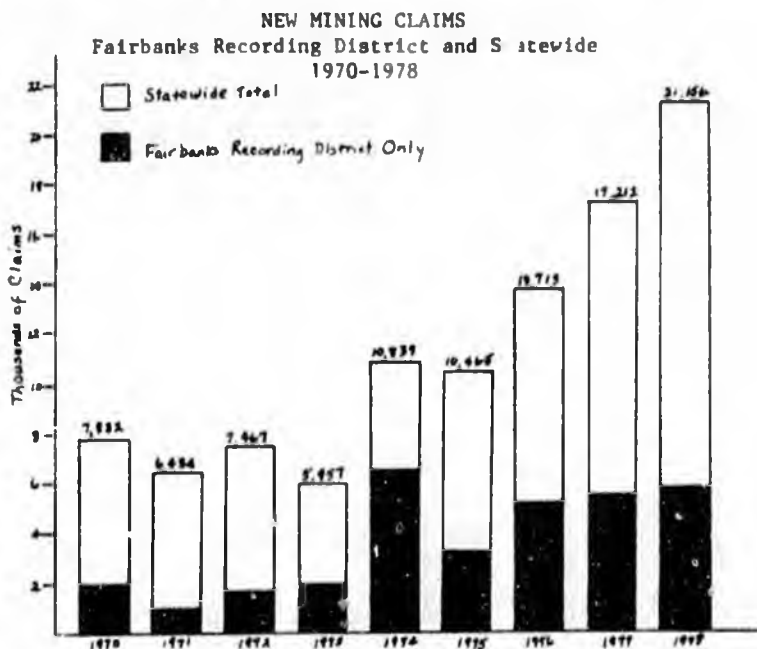
During 1978, Alaska Railroad operations experienced a 17% decrease in revenues over the preceding year as well as a 7% decline in expenditures for the same period. The railroad's overall operational deficit increased by 185% to a loss of \$5 million for the year, compared to 1975 when a record profit of \$5.8 million was earned. Capital expenditures also declined 59% in 1978 compared to 1976's peak figure of \$8.6 million. The number of passengers carried by the Railroad, however, rose 22% in 1978 to a record level of 126,277 persons.

Mineral Production

The value of mineral production, excluding oil and gas, appears to have peaked for Alaska in 1976 at a level of \$241.8 million. In 1977, that figure declined 14% to \$207.8 million. Preliminary figures for 1978, which also include estimates by the Community Information Center, indicate a further decrease in the value of mineral production to as low as \$158 million.

In 1977, sand and gravel production account for \$170 million, or 82% of Alaska's total mineral output. A similar ratio appears to have continued in 1978, where \$127 million of the estimated \$158 million or 80% total mineral output was sand and gravel.

By comparison, mineral production in the Yukon Territory, Canada, was valued at \$209.5 million in 1977 and reached an estimated \$228.2 in 1978. The Yukon levels do not include sand and gravel. The value of production of metals and coal was 553% greater in 1977 and as much as 735% greater in 1978 for the Yukon than for Alaska.



Active Mining Claims

The number of new and continuing mining claims in the Fairbanks District increased 6% in 1978 over the previous year to a total of 5,769 claims for the area. This figure represents a 12% decline from the 1974 peak year level of 6,554 new and continuing claims.

Statewide, active claims rose 17% to a total of 72,096 in 1978, which also constitutes a record number of claims for the state as a whole.

POPULATION

MAP OF FAIRBANKS METROPOLITAN AREAS
Showing Planning Areas



Population

According to estimates and projections prepared by the Borough Planning Department in June 1978, the population of the Fairbanks North Star Borough for 1978 stands at 60,845. An estimated 27,116 people reside in the City of Fairbanks and 33,729 live in the rest of the Borough.

These figures indicate a 13% decrease in the Borough's population from 1977 and a 16% drop from the Borough's peak population during oil pipeline construction in 1976. Current population estimates reflect, however, a 21% increase in 1978 over the 1973 pre-pipeline level of 50,450 persons.

POPULATION SUMMARY

City of Fairbanks, Fairbanks Census Division
and Southeast Fairbanks Census Division
1960-1978

Year	--Fairbanks Census Division-- (Fairbanks North Star Borough)			Southeast Fairbanks Census Division	Formerly Election District 19 Total ¹	Alaska Statewide Population
	City of Fairbanks	Outside City	Total			
1960	13,311 ²	27,333	40,644	2,768	43,412	226,167
1970	18,053 ³	27,811	45,864	4,179	50,043	302,173
1971	18,739	25,676	44,415	4,020	48,435	311,070
1972	19,451	26,607	46,058	4,113	50,171	322,115
1973	26,033 ⁴	24,417	50,450	4,285	54,735	330,365
1974	30,010	27,997	58,007	5,122	63,129	351,159
1975	34,475	27,840	62,355	8,549	70,904	404,634
1976	34,554	37,483	72,037	7,634	79,671	413,289
1977	29,263	40,315	69,578	7,355	76,933	407,000
1978	27,116	33,729	60,845	4,445	65,290	408,000

COMMUNITY INFORMATION CENTER
FAIRBANKS NORTH STAR BOROUGH
Box 1267
Fairbanks Alaska 99707

THIRD CLASS MAIL



Fairbanks Town & Village
Association
for
Development, Incorporated



407 Second Avenue
P. Box 74080
Fairbanks, Alaska 99707
(907) 454 5178

PROJECT AND PROGRAM SUMMARY

Prepared by the staff
of the Fairbanks Town
and Village Association

JANUARY 1980

INTRODUCTION

As the economic condition of the Interior continues to be unsettled a broad consensus on a detailed strategy of economic diversification and resource development becomes increasingly urgent.

During 1978 and 1979 the Association, through the Board of Directors, the staff, and several citizens' advisory groups, has been involved with setting general goals, objectives, and specific tasks necessary for an intensive diversification and strengthening of the economic base of Fairbanks and the Interior of Alaska.

The first step in the strategy regional goals and objectives were established by the Board in December of 1978 followed, in March, 1979, by Board approval of a list of 24 specific tasks designed to carry out the goals and objectives. FTVAD staff is now raising the money necessary to carry out these tasks.

These decisions of the Board were published in The Overall Economic Development Program for Fairbanks and the Interior of Alaska ... Through 1981 in September of this year.

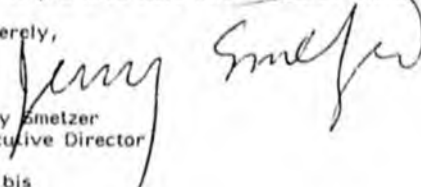
This pamphlet, the "Project and Program Summary" lists each of the 24 tasks with information on budget and staffing estimates, program and project calendars and current status as of the publication date.

The pamphlet is designed for regular updating and publication in order to keep the Board of Directors and other interested people and organizations advised of our development activities.

Naturally I hope each member of the Board will carefully review each of the tasks and offer comment, criticism and recommendations to myself and other members of the staff and Board.

If you need more information on the tasks please contact me.

Sincerely,


Jerry Smetzer
Executive Director

JES:bjs

DEFINITIONS

The 24 "tasks" described in this document are the working assignments for FTVAD staff as established by the Association's Board of Directors for the two-year period ending December 31, 1981.

In the "Budget and Staffing Estimate" four columns of numbers are presented which show staff estimates of additional financing over and above currently available financing necessary to fulfill the tasks.

"Activity codes" are used to describe the type of funds needed. The codes help us narrow the number of likely places to look for financing among several private foundations, and state, federal and local government agencies involved in economic development financing.

The codes are defined as follows:

Development funds are used to explore a concept to determine if there is existing work underway by other agencies, firms or organizations, and to develop a preliminary assessment of needs, expressions of organizational interest and identification of problems, opportunities and institutional obstacles.

Planning Funds are used when there is a need to organize the interests of several parties in a particular concept in order to establish common goals and objectives, a clearer definition of need, a catalogue of available resources and an identification of particular problems which require a more concentrated effort for solution.

Technical Assistance Funds are used to find technical solutions for well-defined problems in the way of a desirable project or program for which there is clearly insufficient current knowledge or an inadequate technical statement of need.

Capital Funds are used for design, development, engineering and architectural work, land acquisition and construction and equipping of facilities.

Comprehensive Funds will likely include all of the above activities, and may include other types of funds such as loan funds.

A summary of projected additional funds and staff by task and keyword code appears on pages 39 and 40 of this pamphlet.

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MAJOR PROGRAM CATEGORY #1

ECONOMIC DEVELOPMENT

Regional Economic Development is a long term process of planning, promotion, project development, industrial recruiting, community development and institutional change organized and conducted for the primary purpose of strengthening the economic base of a region.

A strong regional economic base has two parts: 1) diversified export industries which bring money into the region; and 2) diversified import substitution industries which retain money in the region long enough to enable multipliers to spread economic benefits to the region's residents.

The Association's "region" is the Interior of Alaska, and the corporate purpose is economic development. The Economic Development category was established by the Board in order to provide general guidance for the conduct of the other six major program categories, and a method of relating goals and objectives in the other six major program categories to the primary purposes of the corporation.

Within the Economic Development Program six tasks have been established by the Association's Board of Directors for staff work through October, 1981.

These are listed by task number, keyword code, and page number below. Information about each task includes the budget and staffing estimate, program calendar and current project status.

Information about the goals and objectives of the Association's Economic Development Program can be found on pages 37 and 38 of The Overall Economic Development Program for Fairbanks and the Interior of Alaska ... Through 1981, published September, 1979.

<u>TASK</u>	<u>KEYWORD CODE</u>	<u>PAGE NO.</u>
Task #1	Economic Diversification Strategy	6
Task #2	Small Industries Development	7
Task #3	Business Loan Specialists	8
Task #4	Fairbanks Downtown Revitalization	9
Task #5	New Loan Funds	10
Task #6	Decentralization	11

MAJOR PROGRAM CATEGORY: Economic Development

GOAL A: Greater Economic Diversification

Objective: Development of greater public awareness of the economic needs of the District

Board Policy: Regional economic development policy has been adopted and an Economic Development Commission created to carry it out. Application has been made to EDA for a Title IX Strategy Grant for the coming year. We strongly urge EDA to approve the grant. FTVAD is particularly interested in the possibility of securing a Title IX revolving loan fund program if it is a recommendation of the Title IX Strategy Program.

Task #1: To work with the Title IX Task Force on Economic Development in order to add 3,000 permanent jobs to the Interior economy by 1983 thus reducing the unemployment rate in the Fairbanks Labor Market area to 5%.

KEYWORD: ECONOMIC DIVERSIFICATION STRATEGY

a. Budget and Staffing Estimate:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u>	<u>Program Staff Required</u>
Technical Assistance	50,000	5,000	\$5,000

b. Program Calendar:

01/01/80 01/31/81
* *

c. "Task" Status as of January, 1980:

EDA Title IX Strategy Development Grant approved - Economics Research Associates (ERA) of San Francisco contracted for the program. Program is underway with active investigations into each of seven "target areas". Additional funds to finance the strategy are being sought from the state Legislature and from private foundations. ERA is currently assembling and analyzing economic data for the region and will produce an "Economic Trend Memo" in February for review by the Task Force on Economic Development.

OEDP published - 150 copies distributed.

FTVAD brochure published - 1,000 copies distributed.

Tok Forum Report published - 425 copies distributed.

Minutes of Executive Committee and Board meeting published - 50 copies distributed by January 30, 1980.

FTVAD is requesting expedited consideration of a grant by the State of Alaska for \$100,000 toward the annual operating costs of the development program. If approved the state will share the basic costs of the program equally with the borough and the federal Economic Development Administration.

MAJOR PROGRAM CATEGORY: Economic Development

GOAL: Greater Economic Diversification

Objective: Promotion of cottage industries and small industries within the District

Board Policy: The Board has created a committee to be chaired by Mellie Terwilliger of Tok and titled the Small Industries Committee to look into the problems and opportunities associated with home industries, appropriate technology, arts and crafts, local inventions, and energy conservation. The committee should, with staff assistance, prepare a brief report and a suggested program by early 1980, followed by a request for technical assistance funds from EDA.

Task #2: Assist 100 residents start new small businesses by 1983.

KEYWORD: SMALL INDUSTRIES DEVELOPMENT

a. Budget and Staffing Estimate:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u>	<u>Program Staff Required</u>
Development	125,000	25,000	2 man/yrs.

b. Program Calendar:

07/01/80

07/31/85

c. "Task" Status as of January, 1980:

Joint proposal developed by FTVAD and Adult Learning Programs of Alaska Incorporated for a five-year program; first year budget \$125,000. FTVAD/ALPA representatives have prepared a project "abstract" and have discussed possible financial support with the borough, the Office of the Governor and the Alaska Renewable Resources Corporation. Additional funds are being sought from private foundations.

MAJOR PROGRAM CATEGORY: Economic Development

GOAL A: Greater Economic Diversification

Objective: Develop new innovative financing programs to encourage small business enterprises and promote passage of legislation to assist new industry to become established.

Board Policy: FTVAD will develop the staff capability for greater use of business and industrial loan guarantee programs of state and federal governments.

Task #3: Add two business loan specialists to Fairbanks during 1980.

KEYWORD: BUSINESS LOAN SPECIALISTS

a. Budget and Staffing Estimates:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u>	<u>Program Staff Required</u>
Development	100,000	20,000	2 man/yrs.

b. Program Calendar:

07/01/80
----- Continuous -----

c. "Task" Status as of January, 1980:

Program development will depend on final EDA legislation adopted by Congress, the findings of the Title IX Task Force on Economic Development, and our discussions with state officials representing agencies involved with business loan, venture capital, and permanent fund programs.

See also Task #2 the Small Industry Development Program.

EDA legislation is still pending in Congress.

MAJOR PROGRAM CATEGORY: Economic Development
GOAL B: Greater Development of Tourism

Objective: Restore historic site identification and preservation program in Fairbanks and within interior communities

Board Policy: Fairbanks' history is a major tourist attraction. Through local initiative and federal assistance programs such as the Community Development Block Grants, much has been accomplished toward the preservation of historical sites in Fairbanks, and the beautification and revitalization of downtown, and particularly, to develop a more attractive area for the expansion of office space and the development of a major hotel and convention center for tourists and for increasing numbers of international business travelers. One of several downtown revitalization projects now being discussed by the FNSB and the City of Fairbanks is the development of a joint municipal and school district office building. EDA Title I funds are viewed as a key to a comprehensive downtown revitalization program by the Title IX Task Force on Economic Development, and a project recommendation will be developed in the fall. The Association will work with the Alaska Native Tourism Association to assist in expanding tourism in rural communities that want tourism.

Task #4: Develop Fairbanks downtown revitalization policy and project priorities based on the preservation of Fairbanks' historic character.

KEYWORD: FAIRBANKS DOWNTOWN REVITALIZATION

NOTE: TANANA MISSION RESTORATION is a corollary project within this objective because of the historic character of the mission and its potential relationship to tourism in that community.

a. Budget and Staffing Estimate:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u>	<u>Program Staff Required</u>
Planning	50,000	10,000	1 man/yr.

b. Program Calendar:

01/01/80 01/31/82

c. "Task" Status as of January, 1980:

Downtown revitalization is part of the Title IX Strategy Development Program and will be a major subject of investigation by Economics Research Associates. The City of Fairbanks has allocated \$25,000 to supplement Title IX funds already allocated toward this effort. Discussions are being conducted by the Task Force on Economic Development, the City of Fairbanks, the Fairbanks North Star Borough, FTVAD and the Downtown Association. Currently ERA is preparing a memorandum concerning Downtown Revitalization as part of the Investment Strategy which will be available in early February.

The City of Tanana has requested FTVAD assistance in preserving the old mission church. FTVAD is conducting discussions with the Army, the Episcopal Church and the City of Tanana on this project.

We are seeking funds from private foundations for the Tanana Mission Project.

MAJOR PROGRAM CATEGORY: Economic Development

GOAL C: Improved Financial Services in the District

Objective: Promote the improvement of the availability of financing economic development throughout the district

Board Policy: The Association supports a strengthened role for the Economic Development District in the Interior of Alaska, particularly in its capability to use loan funds available for desirable economic development projects.

Task #5: FTVAD will act as a catalyst to develop \$50,000,000 in new loan funds for Interior economic development by 1981.

KEYWORD: NEW LOAN FUNDS

a. Budget and Staffing Estimate:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u>	<u>Program Staff Required</u>
D-Comp.	50,000,000	50,000	1 man/yr.

b. Program Calendar:

07/01/80 01/31/82
* *
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c. "Task" Status as of January, 1980:

FTVAD has begun contacting state and federal agencies with loan authority and loan funds for economic development ventures, such as the Renewable Resources Development Corporation, State of Alaska Department of Commerce and Economic Development, federal EDA, SBA, and FmHA. FTVAD has also contacted over 30 private foundations for information on economic development financing. The Title IX Investment Strategy could result in a multi-million dollar revolving loan funds for economic development which will be available for economic development financing in the community in late 1980.

MAJOR PROGRAM CATEGORY: Economic Development

GOAL D: Increased Trade and Service Facilities in the District

Objective: Decentralize and improve government service delivery into the regional and sub-regional growth centers of the District

Board Policy: Federal Decentralization. FTVAD recommends that a single state Title V commission for Alaska headquartered in Fairbanks be established by the United States Department of Commerce under the authority of The Public Works and Economic Development Act of 1965 as amended.

State Decentralization 1) The Governor should by Administrative Order immediately institute a common system of regional planning, development, and government administration boundaries within the legal boundaries formed by the 12 native regional corporations created under the authority of the Alaska Native Claims Settlement Act of 1971.

2) The Governor should by Executive Order begin immediately the decentralization of administrative decision making into these regions by divesting agencies of the state of their accumulations of centralized authority which were not explicitly granted by the constitution.

3) The Governor should by Executive Order begin immediately the democratization of the state's administration of planning, development, project recommendation and priority setting activities, and the delivery of needed government services within these regions by financing and contracting their provider through fiscally sound, locally controlled non-profit, quasi-governmental corporations conducting related activities.

Local Decentralization. Efforts by the Tanana Chiefs Conference Office of Planning to establish sub-regional planning commissions in the Interior outside the Fairbanks North Star Borough will continue to be supported by FTVAD.

Task #6: Assist TCC with training sub-regional planning staffs in community capital improvement methodology in relation to established local economic development goals. Once such goals are established by rural communities, FTVAD will assist, on request, in project development and financing.

KEYWORD: DECENTRALIZATION

a. Budget and Staffing Estimate:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u>	<u>Program Staff Required</u>
Planning	20,000	4,000	1 man/yr.

MAJOR PROGRAM CATEGORY: Economic Development

GOAL D: Increased Trade and Service Facilities in the District (Task #6 Cont.)

b. Program Calendar:

04/01/80

04/31/82

c. "Task" Status as of January, 1980:

Federal Decentralization S.3626 contains authority for the creation of a single state Title V commission for Alaska. No action is expected in this session of Congress.

Local Decentralization Cooperative efforts between FTVAD and the Tanana Chiefs Conference are continuing on methods of integrating FTVAD's rural capital improvements methodology with comprehensive sub-regional planning activities with TCC.

Board policy on state decentralization has been conveyed to the Office of the Governor. FTVAD staff is seeking private foundation funds for an analysis of the administrative functions of state government to determine which of these functions should more appropriately be relocated and conducted in the Interior.

A special committee comprised of William Stringer, Fairbanks North Star Borough Assembly and Ron Punton, Fairbanks City Council has been formed to investigate this question, and prepare an appropriate resolution for adoption by both municipal governments.

MAJOR PROGRAM CATEGORY #2

TRANSPORT DEVELOPMENT

Fairbanks has always considered itself the supply and service center for Interior and Northern Alaska. The relationship between transportation system development and economic development is fundamental. Therefore, the development of improved transportation systems in the region will always be a priority activity of the Fairbanks Town and Village Association.

Interior and Northern Alaska rely almost entirely on aircraft for year round transport of goods, services and people. Air is supplemented by river and sea-going barge operations during the few summer months. Within this category of activity therefore, our goal is to improve these two dominant modes with freight, rail and public transportation facilities as well.

The relationship between Fairbanks and international air commerce has important implications and significant economic potential in service and supply necessary for development of northern Alaska and for tourism. Development of the potential of the Fairbanks International Airport is a major economic goal of the Fairbanks community.

Within the Transport Development Program three tasks have been established by the Association's Board of Directors for staff work through October, 1981.

These are listed by task number, keyword code, and page number below. Information about each task includes the budget and staffing estimate, program calendar and current project status.

Information about the goals and objectives of the Association's Transport Development Program can be found on pages 39 and 40 of The Overall Economic Development Program for Fairbanks and the Interior of Alaska ... Through 1981, published September, 1979.

<u>TASK</u>	<u>KEYWORD CODE</u>	<u>PAGE NO.</u>
Task #1	Fairbanks Airport Development	14
Task #2	Rural Airport Development	17
Task #3	Local Service Roads	18

MAJOR PROGRAM CATEGORY: Transport Development

Objective: Promote the improvement of multi-modal transportation systems consistent with the local community plans

Recommendation #1 of the Title IX Task Force on Economic Development:

**DEVELOPMENT POLICY AND PROJECT PRIORITIES
FOR THE FAIRBANKS INTERNATIONAL AIRPORT**

Intensive development of the Fairbanks International Airport is essential in order to strengthen the economic base of Fairbanks and the Interior region of Alaska. The full potential of Fairbanks as the supply, service and transportation center for the north depends on the success of development work at the airport, and can be accomplished best through continued cooperation by public and private interests;

Therefore, the undersigned believe that these cooperative efforts should be intensified, and have agreed that the following development priorities be pursued immediately. Further we respectfully request the active support and participation in this development effort by state and federal agencies and urge:

1. That the State of Alaska support the development of a Fairbanks Port Authority for financing, planning, operation, maintenance, and future development of the Fairbanks International Airport.
2. That the State of Alaska and affected agencies of the federal government support the designation by the U.S. Department of Commerce of a Foreign Trade Zone at the Fairbanks International Airport.
3. That design work on the bonded warehouse and related facilities essential to the operation of a Foreign Trade Zone and to the system of handling domestic air freight at Fairbanks begin immediately to enable a construction start no later than July 1, 1980.
4. That design work on expanded international passenger facilities including restaurant facilities at the terminal building begin immediately to enable a construction start no later than July 1, 1980.
5. That design work on a hydrant fueling system begin immediately to enable a construction start no later than July 1, 1980.
6. That all design work be conducted by means of a rigorous process which will assure full and complete participation by representatives of the community and by industrial, state and federal agency representatives with interests in the financing, operation, and maintenance of these facilities.

Finally, as Fairbanks residents, we recognize the need to establish a single point of contact for the development of public policy and the conduct of negotiations on behalf of the Fairbanks community during the next several months.

Therefore, we pledge our full support for the immediate creation of an interim Fairbanks International Airport Development Commission. The Commission, sponsored by local municipal and borough governments in full cooperation with civic and private sector interests, will be responsible for the conduct of this program until such time as a Port Authority has been created.

/s/ JOHN A. CARLSON, CHAIRMAN Title IX Task Force on Economic Development. Aug. 1, 1979

MAJOR PROGRAM CATEGORY: Transport Development (Task #1 Continued)

Task #1: FTVAD, as the administrator of the Title IX program, will with the guidance of the Task Force seek the implementation of Recommendation #1. More specifically, the Task Force has requested that FTVAD seek the development of a port authority and sponsor the request for designation of a Foreign Trade Zone.

KEYWORD: FAIRBANKS AIRPORT DEVELOPMENT

a. Budget and Staffing Estimate:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u>	<u>Program Staff Required</u>
Development	100,000	20,000	1 man/yr.

b. Program Calendar:

07/01/80 01/31/82

c. "Task" Status as of January, 1980:

After five years of effort the following events have occurred since May, 1979:

- May 1979: 55 international cargo flights began refueling at FAI.
- July 1979: Governor Hammond approved an Airport Revenue Bond statute sponsored by Senator Fahrenkamp providing 8½ million dollars for a cargo facility, hydrant fueling system, terminal expansion, and ramp work at the airport.
- August 1979: The Task Force on Economic Development unanimously approved Recommendation #1.
An Airport Development Commission has been formed, chaired by Terry Palczer. Members of the Committee include: Richard Wien; Gerry Meyers; Mike Ribar; and Don O'Connor.
- October 1979: Airport Master Plan update begins.
- November 1979: Japan Airlines signs two-year fuel supply contract with North Pole Refining; adds ten more transiting international cargo flights through Fairbanks; and, contingent on the development of appropriate international passenger handling facilities at the terminal, holds out the possibility of one or more daily jumbo passenger flights.

MAJOR PROGRAM CATEGORY: Transport Development (Task #1 Cont.)

December 1979: Economics Research Associates advises on developing a port authority and foreign trade zone at Fairbanks.

A memorandum on the possible creation of a Foreign Trade Zone at the Fairbanks International Airport perhaps linked with the operation of the airport under a Fairbanks based port authority is anticipated within a few months.

MAJOR PROGRAM CATEGORY: Transport Development

Task #2: FTVAD will seek improvements at six rural airports based on the recommendations of the Rural Capital Improvements Program report during 1980.

KEYWORD: RURAL AIRPORT DEVELOPMENT

a. Budget and Staffing Estimate:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u>	<u>Program Staff Required</u>
Capital	500,000	12,500	1/2 man/yr.

b. Program Calendar:

04/01/80 04/30/81

c. "Task" Status as of January, 1980:

Proposals for rural airport improvements by the Office of the Governor and the Legislature are being analyzed to assure that rural interior airports are included where needed.

MAJOR PROGRAM CATEGORY: Transport Development

Objective: Improve local and district road systems.

Board Policy: During FY '79 three local service road projects were proposed for Anvik, Grayling and Holy Cross in the Lower Yukon River area. An adverse determination by the courts in December 1978 prevented the use of gravel necessary for these projects. FTVAD is working with the state to overcome the gravel problem. If a solution is found we urge EDA to finance a portion of the costs of these projects, with the State Department of Transportation and Public Facilities.

Task #3: Complete LSR&T program in Anvik, Grayling, Holy Cross by 1981.

KEYWORD: LOCAL SERVICE ROADS

a. Budget and Staffing Estimate:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u>	<u>Program Staff Required</u>
Capital	---	5,000	---

b. Program Calendar:

12/80 07/81
* --- *

c. "Task" Status as of January, 1980:

Inactive pending resolution of gravel ownership and/or change in DOTPF policy prohibiting use of LSR&T funds for gravel purchase.

Decision of Board on gravel purchase policy and use of LSR&T funds for purchase of rights-of-way has been referred to DOTPF Commissioner Robert Ward.

MAJOR PROGRAM CATEGORY #3

COMMUNITY FACILITIES DEVELOPMENT

In the small rural communities of Interior Alaska local facilities for community health, education, and public services are only marginally adequate and more often than not do not exist. Because public facilities - i.e. community owned and operated public facilities essential for needed public services - are essential for community growth and development as well as the regulation of growth and the protection of traditional community values, the Association has committed itself to a multi-year program of facility development in the 50 small cities, villages and settlements in the Interior of Alaska.

Because money for these facilities is scarce and the need overwhelming the method by which these needs are addressed and facilities financed becomes the major task. FTVAD has proposed a capital improvement project development program called the Multipurpose Community Center. The MPCC is not a pre-designed facility. It is, rather, a process the community can use to overcome deficiencies in its existing buildings and facilities, and provide for needed new improved and expanded facilities. Ideally facilities which result from the MPCC process should be energy efficient, revenue producing, relatively maintenance free, and compatible with the community's goals and objectives.

Fourteen communities have requested FTVAD assistance in starting the MPCC process. A major unresolved problem with the MPCC is the absence of a methodology for combining the community's facility interest with the financing and design processes of state, federal and local governments. Overcoming this problem of conflicting institutional structures is a major objective in this category.

Within the Community Facilities Development Program five tasks have been established by the Association's Board of Directors for staff work through October, 1981.

These are listed by task number, keyword code, and page number below. Information about each task includes the budget and staffing estimate, program calendar and current project status.

Information about the goals and objectives of the Association's Community Facilities Development Program can be found on page 41 of The Overall Economic Development Program for Fairbanks and the Interior of Alaska ... Through 1981, published September, 1979.

<u>TASK</u>	<u>KEYWORD CODE</u>	<u>PAGE NO.</u>
Task #1	McGrath Multipurpose Building	20
Task #2	Fort Yukon Utility Building	21
Task #3	Fairbanks Downtown Revitalization	22
Task #4	Rural Capital Improvements	23
Task #5	Rural Capital Improvements	24

MAJOR PROGRAM CATEGORY: Community Facilities Development

Objective: Continued improvement and development of facilities to meet educational, cultural and recreational needs of District residents

Board Policy: After a year of discussions with community leaders about facility needs, the Association has compiled a list of about 100 needed projects. Additionally FTVAD - by means of a contract with DOTPF to identify code deficiencies in state buildings in the McGrath area - continuing to develop data necessary to justify an intensive facility financing program in the region. Two communities, McGrath and Fort Yukon, have facility proposals for which EDA financial participation is essential both for construction financing and for further development of a methodology for a multipurpose community center. Those are:

- 1. The McGrath Multipurpose Building
- 2. The Fort Yukon Warm Storage Facility

Task #1: Assure construction of McGrath MPCC facilities in 1980.

KEYWORD: McGRATH MULTIPURPOSE BUILDING

a. Budget and Staffing Estimate:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u>	<u>Program Staff Required</u>
Capital	500,000	12,500	1 man/yr.

b. Program Calendar:

10/01/79 10/31/80

c. "Task" Status as of January, 1980:

Project is on schedule for a spring 1980 construction start.

MAJOR PROGRAM CATEGORY: Community Facilities Development

Task #2: Assure construction of Fort Yukon Warm Storage facility in 1980.

KEYWORD: FORT YUKON UTILITY BUILDING

a. Budget and Staffing Estimate:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u>	<u>Program Staff Required</u>
Capital	500,000	12,500	1 man/yr.

b. Program Calendar:

10/01/79 10/31/80

c. "Task" Status as of January, 1980:

Project is on schedule for construction start in spring, 1980.

MAJOR PROGRAM CATEGORY: Community Facilities Development

Task #3: Cooperative public and private efforts to beautify and revitalize downtown Fairbanks will likely result in opportunities for expanded public works activity and related private investment in office space and tourism and convention facilities. The Title IX Task Force on Economic Development will consider revitalization projects and investments as part of its strategy program in coming months.

KEYWORD:

FAIRBANKS DOWNTOWN REVITALIZATION

a. Budget and Staffing Estimate:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u>	<u>Program Staff Required</u>
Capital	10,000,000	100,000	2 man/yr.

b. Program Calendar:

04/01/80

04/30/83

c. "Task" Status as of January, 1980:

Economics Research Associates of San Francisco will develop, with the Task Force on Economic Development, the Downtown Association, the North Star Borough and FTVAD, a strategy and project priority schedule for downtown revitalization by April, 1980. A recommendation by ERA on the coordination of various activities affecting downtown Fairbanks is anticipated early in February.

MAJOR PROGRAM CATEGORY: Community Facilities Development

Task #4: Using funds available from the Farmers Home Administration of the U.S. Department of Agriculture develop an improved methodology for the coordination of design work for public facilities in small rural communities with local economic development goals in the following communities:

Anvik	Galena	Huslia	Nulato
Birch Creek	Grayling	McGrath	Ruby
Fort Yukon	Hughes	Minto	Shageluk
Delta Junction			Takotna

KEYWORD: RURAL CAPITAL IMPROVEMENTS

a. Budget and Staffing Estimate:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u>	<u>Program Staff Required</u>
Technical Assistance	100,000	10,000	\$10,000

b. Program Calendar:

04/01/80 04/30/81
 * ----- *

c. "Task" Status as of January, 1980:

Bob Grove, former member of Weatherization and Housing Rehabilitation field crew and Field Supervisor for Iditarod Inventory and Condition Surveys began work as FmHA Program Coordinator on November 8, 1979.

Mr. Grove is currently working closely with the City of Fort Yukon and the City of Delta Junction on active capital projects proposed for construction in early 1980. Additionally, several meetings have been conducted in Fairbanks to discuss current CIP priorities with representatives of Anvik, Minto, Nulato, Shageluk and Takotna.

Information files are being updated and capital project appropriations from the state's FY '80 budget are being analyzed for the remaining communities prior to meetings with local city councils in February and March.

MAJOR PROGRAM CATEGORY: Community Facilities Development

Task #5: Seek completion of inventory and condition surveys of public facilities in all Interior communities prior to July 1, 1980 and continue to provide project development assistance and seek financing for small community projects identified in the Rural Capital Improvements Program.

KEYWORD: RURAL CAPITAL IMPROVEMENTS

a. Budget and Staffing Estimate:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u>	<u>Program Staff Required</u>
Capital	10,000,000	100,000	2 man/yrs.

b. Program Calendar:

07/01/80

04/30/84

c. "Task" Status as of January, 1980:

Inventory and Condition Surveys of State Facilities in all Interior Alaska REAAs are now being completed by DOTPF. With the acceptance of the grant from the Farmers Home Administration of the U.S. Department of Agriculture, FTVAD's Rural Capital Improvements Program is once again underway.

The State of Alaska is being asked to provide \$100,000 in additional financing for the program during the coming year. This financing will enable staff members to spend more time in those communities that have requested FTVAD assistance in trying to develop local capital projects.

MAJOR PROGRAM CATEGORY #4

ENERGY CONSERVATION AND HOUSING REHABILITATION

Because of the temperature extremes in Interior Alaska and the high cost of fuels, the Fairbanks area seems a natural target for energy conservation programs, experiments with different heating methods, and encouragement for new energy industries in the Interior.

In the summer of 1976, the Rural Community Action Program staff requested assistance from the Town and Village Association in providing home weatherization to low income families within the Fairbanks North Star Borough. The borough administration also asked the Association to provide this program to borough residents.

The project was approved by the Association's regional board at its December 1976 meeting. The Association now administers a winterization program for the Borough, as well as a weatherization and housing rehabilitation program for the City of Fairbanks.

Another facet of the Energy Conservation Program is waste heat (excess energy) utilization. Feasibility studies are being conducted to develop data on methods for capping energy now being discharged in the atmosphere and water bodies from pipeline pump stations, power plants, refineries and other future manufacturing plants to be used as energy to operate fish hatcheries, commercial greenhouses, forage dryers, pulp mills, vegetable dehydration plants, tanneries, etc. Another source of waste heat will be created with the construction of compressor stations for the gasline. Information of this kind is also essential to the design and development of community facilities particularly in rural areas.

Within the Energy Conservation and Housing Rehabilitation Program one task has been established by the Association's Board of Directors for staff work through October, 1981.

This is listed by task number, keyword code, and page number below. Information about the task includes the budget and staffing estimate, program calendar and current project status.

Information about the goals and objectives of the Association's Energy Conservation and Housing Rehabilitation Program can be found on page 42 of The Overall Economic Development Program for Fairbanks and the Interior of Alaska ... Through 1981, published September, 1979.

<u>TASK</u>	<u>KEYWORD CODE</u>	<u>PAGE NO.</u>
Task #1	Energy Conservation	26

MAJOR PROGRAM CATEGORY: Energy Conservation and Housing Rehabilitation
GOAL A: Effective Utilization of the District's Energy Sources

Objective: Identify and promote modern technology for utilizing alternative sources of energy

Board Policy: Through the Small Industries Committee, FTVAD will develop a program of small energy technology grants for local experiments in improving energy efficiency and reducing energy costs.

Task #1: Working with residents, develop and complete 20 small energy conservation projects by 1982 leading to a reduction of 25% in energy waste in the Interior.

KEYWORD: ENERGY CONSERVATION

a. Budget and Staffing Estimate:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u> up to <u>50,000</u>	<u>Program Staff Required</u>
D-Comp.	5,000,000		1 man/yr.

b. Program Calendar:

04/01/80 04/30/82

c. "Task" Status as of January, 1980:

Several discussions are underway with local people and organizations involved with energy conservation projects. Among the projects being discussed are:

1. A large greenhouse utilizing MUS waste water ... and community garden
2. A feasibility study to analyze the use of dirigibles and/or blimps for transportation of freight in the Interior's rural areas
3. Recycling newspaper for the manufacture of insulation
4. Local manufacture or assembly of solar panels, and other energy conservation equipment
5. Super-insulated housing
6. Gasohol production
7. Energy conservation standards in building design

MAJOR PROGRAM CATEGORY #5

PETROLEUM RESOURCE POLICY

Because of the massive impact of rapid petroleum resource development on the short and long term economic stability of the community, the question of the appropriate response by the general public and by government has occupied much of the time and attention of the Association since its formation in 1972.

The primary vehicles developed to deal with this question involved continuous information processing oriented toward the information demands of business, government and individuals throughout the Interior.

The information base thus developed will be enormously valuable in anticipating the short term problems and opportunities which will accompany the construction of a natural gas pipeline.

However, a great deal of work remains to be done in this area if Interior Alaskans are to gain more than transitory benefits from future petroleum development in Alaska.

Within the Petroleum Resource Policy Program five tasks have been established by the Association's Board of Directors for staff work through October, 1981.

These are listed by task number, keyword code, and page number below. Information about each task includes the budget and staffing estimate, program calendar and current project status.

Information about the goals and objectives of the Association's Petroleum Resource Policy Program can be found on pages 43 and 44 of The Overall Economic Development Program for Fairbanks and the Interior of Alaska ... Through 1981, published September, 1979.

<u>TASK</u>	<u>KEYWORD CODE</u>	<u>PAGE NO.</u>
Task #1	Oil and Gas Management	28
Task #2	Energy Development Impact	29
Task #3	Alaska Regional Center, U.S.G.S.	30
Task #4	Gas Conditioning Plant	31
Task #5	Mineral Industry Development	32

MAJOR PROGRAM CATEGORY: Petroleum Resource Policy

GOAL A: Greater Utilization of Petroleum Resources

Board Policy: Since its formation in 1972, FTVAD has been heavily involved with the complex issue of pipeline "impact". Though considerable information and understanding of the issue's many subtleties has been gained, there has been little progress in developing either a federal or a state impact assistance program for small communities. The communities bear the social costs and the political and economic disruption of these massive projects with little hope of achieving lasting economic benefits or protection of important community values.

During the past several years the federal government has tried to develop an impact assistance program for inland areas ... as opposed to coastal zone areas.

Because of the probable construction start for the Alcan natural gas pipeline in the early 1980s, federal impact assistance legislation is urgently needed for anticipatory planning. If Congress adopts the legislation FTVAD will move rapidly toward the implementation of a planning and coordination program in anticipation of construction of the Alcan natural gas pipeline. Such a program is critically needed, particularly in the Upper Tanana River area which was not directly affected by the oil pipeline project.

Task #1: To locate all public and private offices with northern oil and gas development, management and research responsibilities in Fairbanks by 1981.

KEYWORD: OIL AND GAS MANAGEMENT

a. Budget and Staffing Estimate:

Activity Code	Estimated Additional Cost	Annual Management Cost	Program Staff Required
Development	50,000	10,000	1 man/yr.

b. Program Calendar:

04/01/80 04/30/82

c. "Task" Status as of January, 1980:

Northwest Energy Company has opened their corporate headquarters for their Alaska operations in Fairbanks; Governor Hammond has opened the State Pipeline Coordinator's Office in Fairbanks; the federal Inspector for the Pipeline has not yet decided the location of his Alaska office.

Additional funds are being sought from private foundations in order to analyze other administrative functions of the state and federal governments which are more appropriately conducted from a location in the Interior of Alaska.

MAJOR PROGRAM CATEGORY: Petroleum Resource Policy

GOAL A: Greater Utilization of Petroleum Resources

Task #2: Raise 20 million dollars in financing for impact related job training, capital improvements by 1981.

KEYWORD: ENERGY DEVELOPMENT IMPACT

a. Budget and Staffing Estimate:

Activity Code	Estimated Additional Cost	Annual Management Cost	Program Staff Required
D-Comp.	20,000,000	50,000	1 man/yr.

b. Program Calendar:

04/01/80 ----- 04/30/83

c. "Task" Status as of January, 1980:

Congress is expected to consider the Inland Energy Development Impact Assistance Bill early in the coming session. The bill, numbered S.1880, is in the Senate Energy Committee chaired by Senator Henry Jackson of Washington. Senator Stevens is a member of the Committee and Senator Gravel is a co-sponsor of the bill.

The State of Alaska has, so far, shown little interest in establishing state policy or programs in this area, though FTVAD has been assured by Lt. Governor Terry Miller and the governor's Executive Assistant Jerry Reinwand that this is an issue of high personal priority.

FTVAD is seeking funds from private foundations in order to finance the yearly costs necessary to establish an impact assistance program in the Interior.

As a result of Board adoption of a resolution supporting the state's efforts to link preferential hiring and contracting with financing the natural gas pipeline, a special committee made up of Ruth Burnett, Fairbanks City Council, Mike Ribar, Fairbanks North Star Borough Assembly, and Jerry Smetzer, FTVAD Executive Director, has been established. The committee will prepare a resolution seeking residential hiring and contracting preference on all state contracts in areas of the state which are suffering high rates of unemployment, and low levels of personal income. The committee may expand its assignment to include impact problems associated with the construction and operation of the gas pipeline.

MAJOR PROGRAM CATEGORY: Petroleum Resource Policy

GOAL A: Greater Utilization of Petroleum Resources

Objective: In its role as catalyst for economic development in the region, FTVAD will work with state and federal agencies to encourage the location of the United States Geological Survey Alaska Regional Center in Fairbanks

Board Policy: As of this date, Governor Hammond has pledged his support to the location of the proposed Alaska Regional Center of the U.S. Geological Survey in Fairbanks. Such a center when fully staffed would permanently employ 500 people. An internal committee of U.S.G.S. personnel has prepared a report to Dr. Menard, Director of U.S.G.S. recommending that move occur, but that more intensive study is needed. If Secretary Andrus concurs with Dr. Menard on the creation of the Alaska Regional Center, FTVAD will conduct research, publication, cooperation, advocacy and travel as necessary to assure that Fairbanks is elected as the site of the regional center. Since current federal policy on the location of federal facilities require that location decisions be sensitive to local economic problems.

Task #3: The location of the U.S.G.S. Alaska Regional Center in Fairbanks by reason of the proximity to major geophysical research facilities at the University and because of the importance of such a center to a diversified economic base in the region.

KEYWORD:

ALASKA REGIONAL CENTER U.S.G.S.

a. Budget and Staffing Estimate:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u>	<u>Program Staff Required</u>
Technical Assistance	50,000	5,000	\$5,000

b. Program Calendar:

04/01/80 04/30/82

c. "Task" Status as of January, 1980:

During September the U.S.G.S. announced that a move of some of its Menlo Park offices to Anchorage would occur during the coming year. Several local parties objected vigorously to U.S.G.S. Director Dr. William Menard. Menard in a letter to several Fairbanks parties, including FTVAD, assured us that the move involved a "... relatively small number of employees", was "temporary", and was done because, essentially, most geologic activity programs in the state are already headquartered in Anchorage.

Dr. Menard did assure FTVAD that the location of the actual U.S.G.S. "Center of Excellence" in Alaska had not been made, and, before it is made, there would be ample time for interested parties to "... present their views on selection of a center location".

MAJOR PROGRAM CATEGORY: Petroleum Resource Policy
 GOAL B: Greater Utilization of the District's Mineral Resources

Objective: Attract potential petrochemical industry developers to the District by investigating options for financing petroleum processing facilities, and by initiating more research into the economics of the District's petrochemical potential under environmentally acceptable methods.

Task #4: Work with the Fairbanks North Star Borough in its efforts to investigate the feasibility of the location of a natural gas conditioning plant in the Interior.

KEYWORD: GAS CONDITIONING PLANT

a. Budget and Staffing Estimate:

Activity Code	Estimated Additional Cost	Annual Management Cost	Program Staff Required
Technical Assistance	500,000	50,000	1 man/yr.

b. Program Calendar:

04/01/80 04/30/82

c. "Task" Status as of January, 1980:

On November 29, 1979 the Assembly of the Fairbanks North Star Borough adopted resolutions numbered 79-69 and 79-70 supporting, respectively, an Interior Alaska site for the gas conditioning plant; and state financial participation in the construction of the plant.

On January 14, 1980 Governor Hammond announced the formation of a group chaired by Lt. Governor Terry Miller to "...work with engineering consultants employed by the State in evaluating developing plans [for the gasline]". Hammond has requested an appropriation of \$500,000 to do this work. ERA will issue an advisory memo to the Task Force on Economic Development relevant to Interior Alaska's interest in natural gas by the end of January.

FTVAL has recommended that money be appropriated by the state to the Fairbanks North Star Borough to finance technical studies of an interior location for the gas conditioning plant.

MAJOR PROGRAM CATEGORY: Petroleum Resource Policy

GOAL B: Greater Utilization of the District's Mineral Resources

Objective: Encourage optimum multiple use and utilization of the mineral resource land base for mineral production; greater research into the economic potential of the District's mineral resources under environmentally acceptable methods; and greater development of competitive mineral products, including industrial development of the asbestos, coal, copper, lead, phosphate, limestone, nickel and other minerals of the District.

Task #5: To increase the number of permanent jobs in the Interior's mineral and petroleum industries by 1,000 by 1985.

KEYWORD: MINERAL INDUSTRY DEVELOPMENT

a. Budget and Staffing Estimate:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u>	<u>Program Staff Required</u>
Development	50,000	10,000	1 man/yr.

b. Program Calendar:

01/01/81 01/31/82
+-----+

c. "Task" Status as of January, 1980:

On May 31, 1979, the Assembly of the Fairbanks North Star Borough adopted Resolution No. 79-30 providing support for mineral development within the Borough. The Task Force on Economic Development has established mineral development as a local economic activity with potential for diversifying the Fairbanks economy, and it will be a study topic by Economics Research Associates under the Title IX Strategy Development Grant.

In early December, the Fairbanks North Star Borough adopted Ordinance No. 79-107 which creates appropriate zones for the conduct of mining activity within the borough.

MAJOR PROGRAM CATEGORY #6

WORKFORCE DEVELOPMENT

In the spring of 1975, the Fairbanks Town and Village Association was asked to help plan, seek funding for, and coordinate the Community Forum on Growth. Two additional staff members were hired under a grant from the Alaska Humanities Forum and the well-attended forum was held in April. The final analysis showed that Interior residents wanted more information about what effect the "pipeline boom" was having on the community. They wanted to be able to take advantage of opportunities and to minimize the adverse effects of this largest-ever construction project. They asked that more attention be given to the human element when development was being planned. The human resources category was incorporated into the work program and was adopted by the board at its March 1977 meeting.

Such projects as the Fairbanks Rehabilitation Center and the Senior Citizen Center have since been adopted under this category.

Within the Workforce Development Program two tasks have been established by the Association's Board of Directors for staff work through October, 1981.

These are listed by task number, keyword code, and page number below. Information about each task includes the budget and staffing estimate, program calendar and current project status.

Information about the goals and objectives of the Association's Workforce Development Program can be found on page 45 of The Overall Economic Development Program for Fairbanks and the Interior of Alaska ... Through 1981, published September, 1979.

<u>TASK</u>	<u>KEYWORD CODE</u>	<u>PAGE NO</u>
Task #1	TVCC/Hutchison	34
Task #2	Fairbanks Fire Training Center	35

MAJOR PROGRAM CATEGORY: Workforce Development

GOAL A: Improved Human Resource Services

Objective: Increase and enhance on-the-job training and/or classroom training opportunities for district residents relevant to jobs and skills assessment of the area

Board Policy: FTVAD commends the Tanana Valley Community College and the Fairbanks North Star Borough School District for their mutual effort to cooperate closely in the use of the Hutchison Adult Career Development Center for the conduct of vocational education programs. In this spirit of cooperation, FTVAD believes that funds which may become available for expanded facilities for vocational education should be used to expand Hutchison Adult Career Development Center in order to provide vocational training opportunities for the greatest number of residents of Interior and Northern Alaska.

FTVAD also recommends that the Regional Fire Training Center being developed under the sponsorship of the City of Fairbanks be fully developed as a Regional Training Center in order to provide fire training services and training facilities for all communities of Interior and Northern Alaska.

Task #1: To expand the use of the Hutchison Adult Career Development Center as Northern Alaska's regional manpower development and vocational training center, and to expand the number of regional students in the program by 1,000 per year by 1983.

KEYWORD:

TVCC/HUTCHISON

a. Budget and Staffing Estimate:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u>	<u>Program Staff Required</u>
Planning	50,000	10,000	1 man/yr.

b. Program Calendar:

07/01/80 ----- 07/31/83

c. "Task" Status as of January, 1980:

FTVAD efforts currently inactive pending approval of cooperative agreements between the FNSB School District and the Hutchison Adult Career Development Center.

MAJOR PROGRAM CATEGORY: Workforce Development

GOAL A: Improved Human Resource Services

Task #2: Seek technical assistance funds to determine methods of coordinating regional recruiting and training programs for Hutchison and the Regional Fire Training Center.

KEYWORD: FAIRBANKS FIRE TRAINING CENTER

a. Budget and Staffing Estimate:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u>	<u>Program Staff Required</u>
Technical Assistance	20,000	2,000	\$2,000

b. Program Calendar:

07/01/80 07/31/81

c. "Task" Status as of January, 1980:

Program is currently inactive pending action by the City of Fairbanks to construct and operate a fire training center.

MAJOR PROGRAM CATEGORY #7

RENEWABLE RESOURCE DEVELOPMENT

Each year as the world population increases and as the export of food becomes a major bargaining force in foreign policy and balancing the national economy, more agricultural land is required to meet the demands.

Alaska is virtually the only state of the union that has idle agricultural land for production. There are approximately 20 million acres of arable land suitable for agricultural production in Interior Alaska.

Agriculture can supply the economic base needed in most bush villages while it simultaneously supplies the village residents with a stable diet. Many village corporations such as Minto and Manley Hot Springs selected lands under ANCSA entitlement specifically for their suitability to agricultural production.

The initial OEDP published in the spring of 1974 addressed agriculture as an important aspect of economic development but little has been done to set strategies for development until the December 1976 FTVAD annual Board meeting and the March 1977 semi-annual Board meeting.

Within the Renewable Resource Development Program two tasks have been established by the Association's Board of Directors for staff work through October, 1981.

These are listed by task number, keyword code, and page number below. Information about each task includes the budget and staffing estimate, program calendar and current project status.

Information about the goals and objectives of the Association's Renewable Resource Development Program can be found on page 42 of The Overall Economic Development Program for Fairbanks and the Interior of Alaska . . . Through 1981, published September, 1979.

<u>TASK</u>	<u>KEYWORD CODE</u>	<u>PAGE NO.</u>
Task #1	Agricultural Production	37
Task #2	Forest Products Industry	38

MAJOR PROGRAM CATEGORY: Renewable Resource Development

GOAL B: Development of Forest Products Industries

Objective: Expansion of inventory work of forest resources in the district

Board Policy: The forests of the Interior represent the most abundant of the Interior's renewable resources. The forests are also an important local source of raw materials essential for the manufacture of various wood products, and they have made possible a vital local industry based on dimension lumber, and materials for the construction of log buildings in Interior communities. Additionally, because of a multitude of institutional obstacles, including architectural standards mandating the use of non-Alaskan lumber, the forest represents the Interior's most underdeveloped export industry. Assisting in the expansion of the existing local industry and overcoming these obstacles, developing wood products based on the Interior's forest for both domestic and export markets, will require an interdisciplinary approach and a major commitment of time and talent by several local organizations and public and private institutions. Currently the U.S. Department of Agriculture jointly with Doyon, Ltd., is working on the expansion of the Interior's forest industry. FTVAD will support this effort.

Task #2: Remove institutional obstacles preventing more diversified domestic use of local forest products in order to double value of Interior forest industry production in real dollars by 1983.

KEYWORD: FOREST PRODUCTS INDUSTRY

a. Budget and Staffing Estimate:

<u>Activity Code</u>	<u>Estimated Additional Cost</u>	<u>Annual Management Cost</u>	<u>Program Staff Required</u>
Planning	50,000	10,000	1 man/yr.

b. Program Calendar:

07/01/80 ----- 07/31/83

c. "Task" Status as of January, 1980:

No current activity.

TASK SUMMARY

ECONOMIC DEVELOPMENT:

<u>Task</u>	<u>Keyword Code</u>
Task #1	Economic Diversification Strategy
Task #2	Small Industries Development
Task #3	Business Loan Specialis'ts
Task #4	Fairbanks Downtown Revitalization
Task #5	New Loan Funds
Task #6	Decentralization

TRANSPORT DEVELOPMENT:

<u>Task</u>	<u>Keyword Code</u>
Task #1	Fairbanks Airport Development
Task #2	Rural Airport Development
Task #3	Local Service Roads

COMMUNITY FACILITIES DEVELOPMENT:

<u>Task</u>	<u>Keyword Code</u>
Task #1	McGrath Multipurpose Building
Task #2	Fort Yukon Utility Building
Task #3	Fairbanks Downtown Revitalization
Task #4	Rural Capital Improvements
Task #5	Rural Capital Improvements

ENERGY CONSERVATION AND HOUSING REHABILITATION:

<u>Task</u>	<u>Keyword Code</u>
Task #1	Energy Conservation

PETROLEUM RESOURCE POLICY:

<u>Task</u>	<u>Keyword Code</u>
Task #1	Oil and Gas Management
Task #2	Energy Development Impact
Task #3	Alaska Regional Center, U.S.G.S.
Task #4	Gas Conditioning Plant
Task #5	Mineral Industry Development

WORKFORCE DEVELOPMENT:

<u>Task</u>	<u>Keyword Code</u>
Task #1	TVCC/Hutchison
Task #2	Fairbanks Fire Training Center

RENEWABLE RESOURCE DEVELOPMENT:

<u>Task</u>	<u>Keyword Code</u>
Task #1	Agricultural Production
Task #2	Forest Products Industry

PROGRAM BUDGET/STAFFING ESTIMATE
FY '80, '81 & '82

Task	Activity Code	Estimated Additional Cost	Annual Management Cost @ 20%	Program Staff Required	Estimated Program Start Date	Program Duration	Termination Date
MAJOR PROGRAM CATEGORY: Economic Development							
Task #1	T.A.	50,000	5,000	\$5,000	01/01/80	1	01/81
Task #2	D	125,000	25,000	2 man/yr.	07/01/80	5	07/85
Task #3	D	100,000	20,000	2 man/yr.	07/01/80	-	Contin.
Task #4	P	50,000	10,000	1 man/yr.	01/01/80	2	01/82
Task #5	D-Comp.	50,000,000	50,000	1 man/yr.	07/01/80	2	01/82
Task #6	P	20,000	4,000	1/2 man/yr.	04/01/80	2	04/82
			<u>114,000</u>				

MAJOR PROGRAM CATEGORY: Transport Development							
Task #1	D	100,000	20,000	1 man/yr.	07/01/80	2	01/82
Task #2	C	500,000	12,500	1/2 man/yr.	04/01/80	1	04/81
Task #3	C	---	5,000	---	---	-	---
			<u>37,500</u>				

MAJOR PROGRAM CATEGORY: Community Facilities							
Task #1	C	500,000	12,500	1/2 man/yr.	10.01/79	1	10/80
Task #2	C	500,000	12,500	1/2 man/yr.	10/01/79	1	10/80
Task #3	C	10,000,000	100,000	2 man/yr.	04/01/80	3	04/83
Task #4	T.A.	100,000	10,000	\$10,000	04/01/80	1	04/81
Task #5	C	10,000,000	100,000	2 man/yr.	07/01/80	4	04/84
			<u>235,000</u>				

MAJOR PROGRAM CATEGORY: Energy Conservation and Housing Rehabilitation							
up to							
Task #1	D-Comp.	5,000,000	50,000	1 man/yr.	04/01/80	2	04/82
			<u>50,000</u>				

MAJOR PROGRAM CATEGORY: Petroleum Resource Policy							
Task #1	D	50,000	10,000	1 man/yr.	04/01/80	2	04/82
Task #2	D-Comp.	20,000,000	50,000	1 man/yr.	04/01/80	3	04/83
Task #3	T.A.	50,000	5,000	\$5,000	04/01/80	2	04/82
Task #4	T.A.	500,000	50,000	1 man/yr.	04/01/80	2	04/82
Task #5	D	50,000	10,000	1 man/yr.	01/01/81	2	01/82
			<u>125,000</u>				

MAJOR PROGRAM CATEGORY: Workforce Development							
Task #1	P	50,000	10,000	1 man/yr.	07/01/80	3	07/83
Task #2	T.A.	20,000	2,000	\$2,000	07/01/80	1	07/81
			<u>12,000</u>				

MAJOR PROGRAM CATEGORY: Renewable Resource Development							
Task #1	P	50,000	10,000	1 man/yr.	07/01/80	3	01/83
Task #2	P	50,000	10,000	1 man/yr.	07/01/80	3	07/83
			<u>20,000</u>				

Fairbanks Town & Village
Association
for
Development, Incorporated



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B U D G E T P L A N N I N G S U M M A R Y

for the period October 1, 1980 through September 30, 1982

Prepared by: The staff
of the Fairbanks Town
and Village Association

JANUARY 1980

INTRODUCTION

In August of 1978 the Fairbanks Town and Village Association established a procedures manual for the conduct of its internal affairs. Chapter 4 of the manual describes our budget development procedures and this pamphlet contains a summary of information prepared under Chapter 4, Sections 03. through 06.

The Association's fiscal year begins October 1st and ends September 30th. The budget cycle is three years with each annual budget in the current cycle defined as follows:

<u>Operating Budget:</u>	October 1, 1979 - September 30, 1980
<u>Planning Budget:</u>	October 1, 1980 - September 30, 1981
<u>Preliminary Budget:</u>	October 1, 1981 - September 30, 1982

Assumptions used to develop annual budgets for this cycle are listed on the following page. Questions on information presented here should be referred to Jerry Smetzer, Executive Director, or Walt Gesin, Deputy Director, Management.

Jerry Smetzer
Executive Director

January 31, 1980

ASSUMPTIONS

1. That FTVAD's annually renewable grants from the federal Economic Development Administration, the Fairbanks North Star Borough, and the federal Farmer's Home Administration will continue at least at their present level with possible cost-of-living increases each year.
2. That FTVAD's efforts to establish an annually renewable grant program for local and regional non-profit corporations involved with economic development by the State of Alaska are successful and will yield approximately \$100,000 per year to FTVAD.
3. That FTVAD will be successful in its efforts to raise the additional money necessary to carry out the 24 "Tasks" listed in The Overall Economic Development Program for Fairbanks and the Interior of Alaska in the amounts and in the time frame shown in the "Budget/Staffing" estimate.
4. That the Board of Directors and the Executive Committee will, as financing becomes available, approve the staffing, budget increases, and contracting necessary to carry out the "Tasks" and, therefore, the Association's goals and objectives.

VALUE OF CURRENT CONTRACTS AS OF DECEMBER 31, 1979

Title	Contracting Agency	Source of Funds	Duration	Amount	Expiration Date
FTVAD	FNSB	Local	12 mos.	60,000	06/30/80
EDA Title III	EDA	Federal	12 mos.	85,800	09/30/80
EDA Title IX	EDA	Federal	12 mos.	75,000	09/30/80
EDA Title IX Match	FNSB	Local	12 mos.	25,000	09/30/80
FmHA	FmHA	Federal	12 mos.	48,500	09/30/80
DOE	DOE/State	Federal	9 mos.	37,000	?
CSA	CSA	Federal	9 mos.	30,000	09/30/80
CETA	DCRA	Federal	9 mos.	60,000	09/30/80
FAI	DCED	State	Indefinite	15,000	---

FBI Report

TOTAL VALUE OF CURRENT CONTRACTS BY SOURCE OF FUNDS

Local	85,000
State	15,000
Federal	336,300

ASSOCIATION STAFF AS OF DECEMBER, 1979

<u>PERMANENT STAFF</u>		<u>PROJECT & PROGRAM STAFF</u>	
Name	Title	Name	Title
Jerry Smetzer	Executive Director	✓ Susan Tapp	Receptionist <i>CRP</i>
Walter Gesin	Deputy Director, Management	✓ Ron Ponchione	Weatherization and Housing Rehabilitation Coordinator
Barbara Sepelak	Administrative Supervisor	✓ Bruce Cadwell	Carpenter Assistant, Winterization
Roberta Fyten	Program Assistant	✓ Jim Wulff	Carpenter Assistant, Winterization
		✓ Bob Grove	Program Director
		✓ Nancy Perkins	Contract Bookkeeper
		✓ Marilyn Nell	Bookkeeper

FISCAL YEAR '80 BUDGET

ITEMS	BUDGET AUTHORIZATION	EXPENDITURE AUTHORIZATION	AVAILABLE FUNDS
PERSONNEL			
<u>Permanent Staff</u>			
Executive Director	35,000	31,200	22,100
Deputy Director, Management	33,000	30,000	21,250
Deputy Director, Programs	28,000		
Urban Program Coordinator			
Rural Program Coordinator			
Administrative Supervisor	20,000	20,000	14,169
Program Assistant	18,000	18,000	16,010
* Receptionist/Typist	14,560	14,560	14,560
Research/Publications Coordinator	15,600	2,600	2,600
* Book-keeper	14,560	14,560	14,560
<u>Program Staff</u>			
Urban Program Director	13,000	19,000	19,000
Urban Program Director			
Program Secretary			
Field Team	15,600	15,600	15,600
Rural Program Director	28,000	22,000	22,000
Rural Program Director			
Program Secretary			
Field Team			
TOTAL PERSONNEL	241,320	187,520	161,849
BENEFITS			
Insurance	6,100	6,100	6,100
Workmen's Compensation	2,429	2,429	2,429
ESC	1,760	1,760	1,760
Leave	11,870	11,870	11,870
TOTAL BENEFITS	22,159	22,159	22,159
PROFESSIONAL SERVICES			
Bookkeeping	10,300	10,300	10,300
Audit	5,500	5,500	5,500
Contractual Services	250,039	86,231	86,231
TOTAL PROFESSIONAL SERVICES	265,839	102,031	102,031
TRAVEL			
Fares	14,226	14,226	14,226
Per Diem	11,982	11,982	11,982
Mileage	3,300	3,300	3,300
TOTAL TRAVEL	29,508	29,508	29,508

* Temporary position - financed by CETA

ITEMS	BUDGET AUTHORIZATION	EXPENDITURE AUTHORIZATION	AVAILABLE FUNDS
SPACE			
Rent	43,920	43,200	32,757
Utilities	2,400	1,920	1,920
Janitorial	3,510	3,510	3,510
Telephone Rent	2,100	2,100	2,100
Insurance	1,191	1,191	1,191
TOTAL SPACE	53,121	51,921	41,478
EQUIPMENT			
Purchase	11,536	11,536	8,971
Rent	4,672	4,672	4,672
Repair	2,835	2,835	2,835
TOTAL EQUIPMENT	19,043	19,043	16,478
OTHER DIRECT COSTS			
Consumables	7,000	7,000	7,000
Postage	1,550	1,550	1,550
Telephone	4,750	4,750	4,750
Printing	8,000	8,000	8,000
Publications & Subscriptions	1,500	1,500	1,500
Materials	53,000	53,000	53,000
Miscellaneous	1,500	1,500	1,500
TOTAL OTHER DIRECT COSTS	77,300	77,300	77,300
GRAND TOTAL	708,290	489,482	450,803

FUND SOURCES

EDA Planning	86,400	- Planning
EDA Title IX	75,000	-
FmHA	48,500	- Rural Dev. Improvements
DOE	80,000	- Insulation
CSA	30,000	-
North Star Borough	85,000	- Match
CETA	60,320	- Employees (9 staff)
Undetermined	244,400	
	708,290	

FY '81 PRELIMINARY BUDGET AND FY '82 PLANNING BUDGET

	<u>FY '81</u>	<u>FY '82</u>
PERSONNEL		
<u>Permanent Staff</u>		
Executive Director	37,000	38,000
Deputy Director, Management	35,000	36,000
Deputy Director, Programs	33,000	34,000
Urban Program Coordinator	30,000	31,000
Rural Program Coordinator	30,000	31,000
Administrative Supervisor	21,000	22,000
Program Assistant	19,000	22,000
Receptionist/Typist	14,560	15,000
Research/Publications Coordinator	25,000	26,000
Bookkeeper	16,000	17,000
<u>Program Staff</u>		
Urban Program Director	24,000	28,000
Urban Program Director	24,000	
Program Secretary	15,000	
Field Team	20,000	20,000
Rural Program Director	24,000	
Rural Program Director	24,000	
Program Secretary	16,000	
Field Team	40,000	
TOTAL PERSONNEL	447,560	320,000
BENEFITS		
Insurance	20,400	14,400
Workmen's Compensation	4,079	3,300
ESC	5,440	3,520
Leave	37,674	24,376
TOTAL BENEFITS	67,593	45,596
PROFESSIONAL SERVICES		
Bookkeeping	22,000	12,000
Audit	11,000	6,050
Contractual Services	135,716	80,806
TOTAL PROFESSIONAL SERVICES	168,716	98,856
TRAVEL		
Fares	26,318	14,475
Per Diem	22,166	12,191
Mileage	7,460	4,103
TOTAL TRAVEL	55,944	30,769

	<u>FY '81</u>	<u>FY '82</u>
SPACE		
Rent	49,680	43,200
Utilities	3,600	3,100
Janitorial	4,200	3,600
Telephone Rent	2,600	2,100
Insurance	1,400	1,200
TOTAL SPACE	61,480	53,200
EQUIPMENT		
Purchase	14,736	12,000
Rent	8,643	5,160
Repair	5,245	3,200
TOTAL EQUIPMENT	28,624	20,360
OTHER DIRECT COSTS		
Consumables	10,000	7,500
Postage	2,867	2,100
Telephone	8,737	5,200
Printing	14,800	9,700
Publications & Subscriptions	2,500	2,200
Materials	75,000	68,000
Miscellaneous	2,775	1,526
TOTAL OTHER DIRECT COSTS	116,679	96,226
GRAND TOTAL	946,596	664,947

PROJECTED FUND SOURCES

EDA Planning	86,400	86,400
EDA Title IX	--	
FmHA	50,000	50,000
DOE	100,000	100,000
CSA	30,000	30,000
Fairbanks North Star Borough	100,000	100,000
CETA	64,196	--
Undetermined	538,500	321,047
TOTAL	969,096	687,447

* N O T E S *

FAIRBANKS TOWN AND VILLAGE ASSOCIATION
FOR DEVELOPMENT, INC.

Executive Committee Meeting
Thursday, December 13, 1979
9:00 a.m.

Arctic Room, Polaris Building
Fairbanks, Alaska

A meeting of the Executive Committee of the Fairbanks Town and Village Association for Development, Inc. was held on Thursday, December 13, 1979, at 9:00 a.m., in the Arctic Room of the Polaris Building, Fairbanks, Alaska. The meeting was called to order at 9:00 a.m.

EXECUTIVE COMMITTEE MEMBERS PRESENT:

Chris Anderson, President
Spud Williams, Vice-President
Mellie Terwilliger, Secretary
Wally Burnett, Treasurer
Jonathan Solomon, Member

BOARD OF DIRECTORS PRESENT:

Steve Squires
Rudy Hamilton
Jeff Stokes
David Miller
Harry Maillelle
Adelle Chase
John A. Carlson
Dr. William R. Wood

FTVAD STAFF PRESENT:

Jerry Smetzer, Executive Director
Walter Gesin, Deputy Director, Management
Robert Grove, FmHA Program Director
Ron Ponchione, Winterization Program Director
Barbara Sepelak, Administrative Supervisor
Bobol Fyten, Program Assistant

GUESTS PRESENT:

Ann Helmick, Main, Hurdman and Cranstoun
Charlie Backus, Photographer
Ned Osborn, Economics Research Associates
Dan Stephan, Economics Research Associates
Dave Rasley, Title IX Task Force
Ruth Burnett, Title IX Task Force

DISCUSSION OF A POSSIBLE WORKING AGREEMENT
BETWEEN TANANA CHIEFS CONFERENCE AND INTERIOR
VILLAGE ASSOCIATION AND FAIRBANKS TOWN AND
VILLAGE ASSOCIATION TO POOL RESOURCES AND CO-
ORDINATE EFFORTS FOR PROJECTS AND PROGRAMS IN
THE RURAL AREAS OUTSIDE FAIRBANKS

The meeting opened with a general discussion of a possible working agreement between the Tanana Chiefs Conference, the Interior Village Association and Fairbanks Town and Village Association, to pool resources and coordinate efforts for projects and programs in the rural areas outside Fairbanks.

Mr. Williams and Mr. Smetzer had met earlier with an IVA representative to discuss such an agreement. At that meeting it had been decided that such a working agreement could be very helpful in raising needed project financing, avoiding conflicts and improving working coordination between the three organizations...particularly in the villages.

Mr. Smetzer stated that before the three parties pursued the discussions further, they wanted to outline the proposal before the executive boards of their respective organizations.

Mr. Burnett asked that any proposal for a three party agreement be reviewed with the Executive Committee prior to any formal action committing FTVAD.

Mrs. Terwilliger asked if such an agreement would be similar in form to the existing agreement between TCC and FTVAD. Mr. Smetzer said that, in general form, the agreements would probably be similar.

At 9:10 a.m., the Executive Committee recessed. The meeting was reconvened at 9:20 a.m.

FTVAD FINANCES

a) AUDIT REPORT

At the request of the Executive Committee, Ann Helmick, representing Main, Hurdman and Cranstoun, gave a brief review of their audit of the Association's financial records for FY '79.

WALLY BURNETT
seconded by JONATHAN SOLOMON

moved that the audit report for FY '79 be recommended for approval to the FTVAD Board of Directors at their annual meeting to be held December 14, 1979.

In response to Ms. Helmick's review, Mrs. Terwilliger requested that the record show the Association had carefully followed financial recording procedures suggested by the firm at the conclusion of last year's audit. As a result, no discrepancies were found in the Association's financial record for this fiscal year, and no recommendations were necessary.

MOTION CARRIED UNANIMOUSLY



Wally Burnett, Fairbanks, examines the audit report.

b) CURRENT FINANCIAL STATUS

Mr. Smetzer distributed a Budget Planning Document to those present. He reported that the Association had established a procedures manual a year ago for the conduct of its internal affairs and set the policy for planning the Association's budgets in three year cycles. He pointed out that in the current FY '80 budget there was a shortage of funds, due in part to the fact that the Association had been unsuccessful, despite over two years of intensive efforts, in developing annually renewable state financial support for any kind of interior economic development program.

Mr. Smetzer also stated that until the State of Alaska established a program of providing reliable financial support in the form of annually renewable grants to independent organizations involved with economic development, the absence of state policy and financial support would eventually make it impossible to conduct any kind of effective long range program of regional or local economic planning and development within the interior.

Mr. Smetzer further stated that the borough and the federal Economic Development Administration were providing annual planning and development grants for basic operations to the Association in the amount of \$85,000 and \$86,400 per year in this fiscal year. It is imperative that the state with its vastly superior financial resources start providing at least as much - preferable \$100,000 - per year to the Association.

Mrs. Terwilliger suggested that it might be possible to put a little pressure on the state through the federal agencies which provided funds. Jonathan Solomon maintained that the Association should get the area legislators to initiate bills

that would appropriate the necessary funds for local and regional economic development within the regional boundaries of each of the 12 native regional corporations. Mayor Wood stressed the importance of conducting an effective census within the District. He also related his plans to initiate a committee concerning the census and the possibility of division of the various areas into economic development regions. The funds for the economic development programs would be appropriated by the state but administered locally. Mr. Smetzer stated because of the Executive Committee's concerns in this area that following the board meeting he intended to immediately draft legislation concerning the subject and would send a copy to each of the Executive Committee members for their review prior to submitting it to the state legislature and the Governor for action.

c) PROJECTED BUDGET

Mr. Walt Gesin briefly reviewed the FY '81 and FY '82 budgets. Mr. Smetzer called attention to the "Status of Projects and Programs" document and explained its layout. He pointed out the fact that the Association's budget increased during the time that the "Tasks" identified by the board were being carried out and decreased when the projects were completed.

FTVAD PROGRAMS

a) FmHA

Mr. Robert Grove reported on program related developments in Fort Yukon. He stated he hoped to coordinate the CIP plans with the various capital project financing agencies in each community and encourage a system whereby the village residents decided what they wanted from capital project development by state and federal agencies rather than being informed what they would receive without their consideration. He also commented briefly on the Inland Energy Development Impact Assistance bill currently making its way through Congress and how it could be applied to use in the interior.

Mr. Grove commented that since taking over the position he had been working closely with the communities of McGrath and Fort Yukon, and planned to be working in Delta, but was presently waiting for the Tanana Chiefs Conference to complete a survey in the interior villages so that there would not be any duplication of efforts in those communities in which the survey was being conducted.

Mr. Smetzer briefly outlined SB 1880, the Inland Energy Development Impact Assistance bill, and the effect it could have on the area and the money that would be authorized to conduct anticipatory planning for the gas pipeline. He pointed out that if the bill passed the program would also be administered by the Farmers Home Administration of the Department of Agriculture.

b) ENERGY CONSERVATION & HOUSING REHABILITATION

At Mr. Smetzer's request, Mr. Grove reported on behalf of Winterization Director Ron Ponchione that there had been a slowdown in the winterization program, because the HUD funds for rehabilitation were running out. However, a total of 225 homes had been winterized and/or rehabilitated so far. A Crisis Intervention program, which assisted certain people on a one-time basis with such essentials as fuel, had been cut back. He also reported that while



Bob Grove, FTVAD staff, Fairbanks, discusses the Rural Capital Improvements Program. Adele Chase, Anvik, listens.

he had been working with the winterization program, various experiments had been carried out with solar collectors and different types of insulation in the Fairbanks area.

c) INVENTORY AND CONDITION SURVEYS

Mr. Grove reported on the inventory and condition surveys which had been accomplished in the Iditarod REAA by FTVAD staff and local engineering and architectural firms for DOTPF last spring. The reports from those surveys were available in the FTVAD offices.



Ruth Burnett, Fairbanks; Ned Osborn, Los Angeles; Dave Miller, Tokolna; and Dan Stephan, San Francisco, discuss Title IX investment strategy.

MEETING WITH NED OSBORN AND DAN STEPHAN OF ECONOMICS RESEARCH ASSOCIATES OF SAN FRANCISCO, BOROUGH MAYOR JOHN CARLSON, AND MEMBERS OF THE FAIRBANKS TASK FORCE ON ECONOMIC DEVELOPMENT FOR A BRIEFING ON THE TITLE IX INVESTMENT STRATEGY PROGRAM

At 11:02 a.m., a joint meeting of the Executive Committee, the Title IX Task Force, and representatives of Economics Research Associates was held.

Mayor Carlson, Chairman of the Title IX Task Force, introduced Mr. Ned Osborn and Mr. Dan Stephan, of Economics Research Associates, to those present.

Mr. Osborn commented that since he had been in Fairbanks he had been encouraged and impressed by the community's enthusiasm and cooperation and felt that this would help with the development of the strategy.

Mayor Carlson remarked that it was important to emphasize that the end result of the study was to be a viable and implementable plan, not another document to be shelved. Mr. Smetzer commented that the plan was to encourage private investment to stimulate the local economy.

Mr. Osborn noted that the first task the consultants hoped to accomplish would be to identify the economic base and determine how it could be expanded. The study would hopefully also point out the bottlenecks which impeded growth and development in the area. Mr. Solomon remarked that he had attempted to get this idea about the importance of the rural communities to Fairbanks' economic base into focus for some time without much success, but was encouraged to see that positive steps were being taken in that direction.

Mr. Smetzer pointed out that Mr. Osborn and Mr. Stephan had decided to spend some time in at least one of the rural villages outside Fairbanks in order to gain a better understanding of Fairbanks' economic relationship to the rural areas.

Mr. Dan Stephan mentioned the utilization of a leveraging financial package with the state to activate federal grants as a key element of the strategy. Ruth Burnett reported that she had recently attended meetings in Anchorage at which organizations similar to the Association had discussed the state's future. She suggested that the information which had been compiled following the meeting held ten years ago could be made available to the consultants for their use.

Mr. Dave Rasley of the Operating Engineers Local 302 discussed his union's hiring hall procedures in the Fairbanks area and how village residents were affected. It was suggested that the subject was one which should be discussed at the general board meeting to be held the next day if Mr. Rasley could attend.

ADJOURNMENT

There being no further business to be considered, the Executive Committee meeting adjourned at 11:39 a.m.

FRIDAY, DECEMBER 14, 1979



Chris Anderson, Fairbanks; Ray Kent, Fairbanks; and Mike Andon, Tanana, listen to board debate.

MINUTES

ANNUAL BOARD OF DIRECTORS MEETING
FAIRBANKS TOWN AND VILLAGE ASSOCIATION
FOR DEVELOPMENT, INC.

December 14, 1979
Arctic Room, Polaris Building
Fairbanks, Alaska

The annual meeting of the Board of Directors of the Fairbanks Town and Village Association for Development, Inc. was called to order at 9:20 a.m., Friday, December 14, 1979, in the Arctic Room of the Polaris Building by President Chris Anderson.

PRESENT:

Fred Alexie	Rudy Hamilton
Chris Anderson	Ray Kent
Mike Andon	Harry Maillele
Fred Baker	David Miller
Eddie Bergman	Victor Nicholas
Dave Brennen	Jonathan Solomon
John Carlson	Steve Squires
Adele Chase	Jeff Stokes
Larry Crouder	Mellie Terwilliger
Richard Frank	Spud Williams
Bill Green	William R. Wood

FTVAD STAFF:

Jerry Smetzer, Executive Director
Walter C. Gesin, Deputy Director, Management
Ron Ponchione, Winterization Program Director
Robert A. Grove, Program Director (FmHA & RCIP)
Barbara Sepelak, Administrative Supervisor
Bobbi Fyten, Program Assistant
Joel Lockman, Research Assistant

GUESTS:

Ron Punton, Fairbanks City Council	Candace Magnuson, Wordsmith Agency
Ruth Burnett, Fairbanks City Council	Virgil Severns, Cooperative Extension Service
Thomas A. Bazan, Real Estate Associates	Ray Morgan, Cooperative Extension Service
Charlie Backus, Photographer	Dave Rasley, Operating Engineers, Local 302
Don Nelson, KJNP	Paula Schiller, KUAC-FM
Darlene Pasley-Nebeker, Dept. of Labor, Fairbanks Job Service	Senator Bettye Fahrenkamp, Alaska State Senate
Steve Porten	Lottie Fleeks, Dept. of Labor, Fairbanks Job Service
Mark Boyer, Office of Senator Mike Gravel	

CALL TO ORDER

INTRODUCTION OF NEW BOARD MEMBERS

It was noted that there was not a quorum of either the full Board of Directors nor the Executive Committee present at the time the meeting was called to order.

Mr. Smetzer briefly explained the layout of the "Budget Planning Document." He called attention to the "Status of Projects and Programs" document which was a summary of each of the tasks listed in the "Overall Economic Development Program for Fairbanks and the Interior of Alaska through 1981" (OEDP). An estimate of costs to carry out those tasks had been developed, and a chronology as well as a current project status report as of December 1979, was given.

REVIEW OF PROJECT AND PROGRAM STATUS



Melle Terwilliger, Tok; Bill Green, Fairbanks; and Larry Crouder, Fairbanks, listen to a report of project status.

1. ECONOMIC DEVELOPMENT

Mr. Smetzer explained Major Program Category #1, Economic Development, Goal A, Task #1, Economic Diversification Strategy. He stated that the Title IX Strategy Program was one means of accomplishing the Board's desire to develop

greater public awareness of the economic development needs in the area. A \$75,000 Title IX Strategy Development grant from EDA as well as \$25,000 matching funds from the Fairbanks North Star Borough had been appropriated and after a rigorous selection process by the Fairbanks based Task Force on Economic Development, the consulting firm of Economics Research Associates of Los Angeles had been chosen, Mr. Smetzer explained.

Referring to Task #2, Small Industries Development concerning cottage industries, he reported that the Association was proposing to work jointly with the Adult Learning Programs of Alaska, Inc. to develop a five year program of assistance to resident-owned small businesses. Mayor Wood announced that he would be attending a White House Conference on small businesses in January and welcomed any comments, suggestions on assistance to identify the primary problems associated with small industry development.

Concerning Goal B, Task #4, Fairbanks Downtown Revitalization, Mr. Smetzer noted that while several rural communities had expressed an interest to develop a tourism trade, there were many villages which did not desire involvement in that industry. However, regarding Tanana Mission Restoration, included in Task #4, Mr. Smetzer also noted that the City of Tanana was interested in restoring its old mission church and FTVAD staff was assisting.

Goal C, Task #5, New Loan Funds, Mr. Smetzer remarked that the Association had been talking with various state and federal lending assistance agencies in the hope of getting a public lending authority into the area to make loans for private business ventures.

Referring to Goal D, Task #6, Decentralization, the recommendation for federal decentralization, Mr. Smetzer explained that Title V Commissions were used as a federal device for linking states into a common planning apparatus in a region. The legislation for a single state Title V Commission for Alaska was currently being considered in Congress. He spoke briefly on local decentralization and efforts to work with Tanana Chiefs Conference in sub-regional and comprehensive planning in the villages. TCC was currently in the process of decentralizing its offices and operations, he added.

A brief discussion ensued concerning unorganized boroughs and legislative attempts to develop a statute which would organize the unorganized boroughs.

In response to Mr. Smetzer's statement regarding a proposed recommendation to the State of Alaska by the Board of Directors concerning decentralization of state government, Mr. Ray Kent suggested tabling action until a quorum was present.

2. TRANSPORT DEVELOPMENT

Mr. Smetzer called the board's attention to Major Program Category #2, Transport Development, Task #1, Fairbanks Airport Development. The major program of this category was development of Fairbanks International Airport, he stated and added that the representatives of Economics Research Associates had had discussions with various airport personnel and air carriers on that subject. Other matters related to airport development were the hydrant fueling system, which had recently received a favorable report from the revenue bonding authority as a feasible facility and would soon be ready to go to market; the air cargo facility; a port authority and a Foreign Trade Zone.

In response to a request from Mr. Williams, Mr. Smetzer explained the Foreign Trade Zone (FTZ) concept as a means of assembling foreign components into domestic products - thus reducing customs duties on finished products. He added that Economics Research Associates had experience in the area of FTZ's

and had worked with the City of San Jose to set one up. They would be considering all points of the issue quite closely as part of the Fairbanks Investment Strategy. Mr. Smetzer stated that he did not foresee spending much time on the FTZ until the consultants had looked into it, and had explored the competitive advantages and disadvantages of a Fairbanks or Anchorage zone.

Referring to Task #2, Rural Airport Development, and Improvements for six rural airports, Mr. Smetzer stated that the Department of Transportation and Public Facilities (DOTPF) was currently working on those projects.

Task #3, Local Service Roads, Mr. Smetzer reported, concerned Local Service Roads and Trails projects in Anvik, Grayling and Holy Cross, but until the issue involving gravel was resolved work could not be completed on those projects. A court determination made in December, 1978 stated that regional corporations owned the gravel and therefore it could not be used as local match by the community. Mr. Spud Williams suggested that the Association's efforts could be aimed at changing DOTPF's concept of the local match and maintained that since the Department did not expect free gravel in the Fairbanks area projects, it was not equitable to expect it from the rural communities. Mr. Mike Andon suggested that the Association consider the possibility of changing the state's policy on the purchase of gravel. Mr. Smetzer advised that the matter be brought up for consideration when a quorum of the Board of Directors was present.

3. COMMUNITY FACILITIES DEVELOPMENT

Major Program Category #3, Community Facilities Development, Mr. Smetzer explained, encompassed an effort to overcome some of the facility problems in the rural communities, and emphasized construction activities in those communities. Two active projects were facilities in the City of McGrath and the City of Fort Yukon. He related that Bob Grove had been hired with a grant from FmHA to work with 14 rural communities which had requested assistance with their facilities by developing a method to fit them into the communities' goals and objectives and helping to work with the various state and federal sources of capital project financing.

Mr. Grove explained that the legislature had appropriated \$250,000 and FmHA had granted a \$35,000 guaranteed industrial loan for the City of Fort Yukon's common-use maintenance facility to house a fire department and the maintenance equipment for the roads and airport. It was also expected that EDA may appropriate additional funding for the building if a clear stimulus to the local economy could be shown.

In McGrath, he stated, the residents were attempting to renovate an already existing structure to permit housing of the health center as well as space for maintenance equipment.

Referring to other villages, Mr. Grove explained that his efforts were directed mainly at coordinating some of the programs that were already in progress and also working closely with the TCC survey. He noted that in many cases government agencies had constructed facilities without any consideration being given to the desires of the village residents.

Mr. Eddie Bergman stated that the community of Allakaket was in need of a new office building and in March had submitted an application to the Association for assistance in getting the facility to which Mr. Grove responded that he was in the process of organizing his office since taking over his present position and would make every effort to follow through on any unfinished projects. Mr. Smetzer, referring to Task #4, Rural Capital Improvements, in the cate-

gory, related that 14 rural communities had adopted formal resolutions requesting the Association's assistance with capital improvement projects and that the office had just recently received a request from the City of Delta Junction to be added to that list.

Mayor Wood commented that a frequent problem with construction of facilities in the small rural communities was assuring a feasible way for them to be maintained after they were built, to which Mr. Dave Brennen stated that this should also be a matter of consideration by the state in dealings with its rural facilities.

Mayor Wood went on to comment that the matter could perhaps qualify as a legitimate use of the state's permanent fund to be included in a broad category for fuel, energy, health, safety, etc., so that whatever facility was constructed or installed in a rural community, the operational costs would be partially offset from income derived from the fund.



Mayor John A. Carlson, Fairbanks North Star Borough, shares an observation with Mayor William R. Wood, City of Fairbanks, during board discussion.

2. TRANSPORT DEVELOPMENT

Reverting to Major Program Category #2, Transport Development, Mr. Smetzer commented briefly on various transportation problems in the bush areas. He related that he and Mr. Anderson had attended a White House sponsored conference on that subject in Anchorage recently. Basically, over the past few

months, there had been a 50-60% increase in the cost of passenger and freight transportation to and from the rural areas. In that regard, there had been discussions in the planning session the day before that the Association's efforts be concentrated heavily on restoring the barging system on the Yukon and on any other matters which might help alleviate some of the transportation related problems.

Mr. Fred Alexie noted that it cost \$17.50 per 5-gallon can of gasoline to transport it into Kaltag.

Mr. Smetzer suggested that the Board of Directors consider adopting a resolution encouraging improvements in the transportation category.

4. ENERGY CONSERVATION AND HOUSING REHABILITATION

Referring to Major Program Category #4, Energy Conservation and Housing Rehabilitation, Mr. Smetzer reported that within this category the Association had been pursuing a program for about 1½ years under the guidance of Ron Ponchione to install insulation, storm windows and doors, etc., for people who came within the guidelines, generally low income people or senior citizens. To date, work had been done on 225 houses in the Fairbanks North Star Borough.

The Association was presently investigating opportunities in energy conservation projects and had considered the testing of prototypes, including the utilization of MUS waste heat, Mr. Smetzer stated. Mayor Wood remarked that the use of waste heat had many ramifications for a diversity of projects, one of them being increasing the area's self-sufficiency in production of food. Mr. Smetzer commented that the Association would not be directly involved with the prototype projects, but would like to initiate the machinery to get them started and financed.

5. PETROLEUM RESOURCE POLICY

Regarding Major Program Category #5, Petroleum Resource Policy, Goal B, Task #4, Gas Conditioning Plant, Mr. Smetzer remarked that Mayor Carlson had sent a letter concerning the three major areas involving location of the gas conditioning plant that needed investigation. The funds for the studies would be allocated by the state, but should be under local control, he stated. Mr. Smetzer stated that he expected to continue working closely with Mayor Carlson and the Borough to raise the estimated half million necessary to conduct the basic feasibility studies.

Concerning Goal A, Task #1, Oil and Gas Management, Mr. Smetzer briefly commented on location of all public and private offices with northern oil and gas development, management and research responsibilities in Fairbanks. Of the three parties concerned with the gas pipeline - state, federal and private - the federal office had not yet determined where to locate within the state, but it was hoped that when a final decision was made that office would locate in Fairbanks as well. Regarding the Beaufort Sea lease sale, Mr. Smetzer remarked that due to local efforts, including those of the Association, the sale had been held in Fairbanks, as would, hopefully, the next Beaufort sale scheduled for February, 1983.

It was suggested by Mayor Wood that if the Fairbanks area wished to have this type of business activity in the future it might behoove the residents to have a welcoming committee and demonstrate some enthusiasm. Mr. Smetzer pointed out that efforts were made to work with the state and federal sale managers, but they made it clear they didn't need any help from Fairbanks.

Mr. Smetzer commented briefly on SB 1880, the Inland Energy Impact Assistance Bill, and the advantages it would provide to areas such as the Interior if it was approved by Congress. The Bill would allow access to public works grants, business and development loans, as well as other federal programs to assist the community in avoiding problems and taking advantage of projects such as the gas pipeline.

Goal A, Task #3, Alaska Regional Center, U.S.G.S., Mr. Smetzer stated, concerned the location of the proposed U.S.G.S. Alaska Regional Center in Fairbanks. Last August, he reported, an announcement had been made stating that the center would be located in Anchorage. But he had been assured by Dr. Menard in a letter that this involved only a few employees and that he would fully consult with all communities interested prior to making a final decision on the matter.

Concerning Goal B, Task #5, Mineral Industry Development, Mr. Smetzer reported that the Association would start working on that project next year. Mr. Brennen remarked that at its meeting the previous evening, the Fairbanks North Star Borough Assembly had adopted an ordinance creating a mineralized mining zone to help prevent future conflicts between surface rights land use and sub-surface rights mineral use. Mr. Williams maintained that this concept could also be applied to future resource and residential use of land in the rural areas. Mr. Brennen assured Mr. Williams that he would shortly receive a copy of the ordinance.

6. WORKFORCE DEVELOPMENT

Mr. Smetzer briefly reviewed Major Program Category #6, Workforce Development, and added he hoped that Mr. Dave Rasley, Business Agent for Operating Engineers Local 302, would be able to attend the meeting later that day to comment on his union's hiring practices.

Mr. Smetzer also stated that considerable effort was going into the coordination of local school district and Tanana Valley Community College programs at the Hutchison Career Development Center. Mr. Smetzer stated that he is involved in those efforts and will continue to press for more regional adult programs at Hutchison.

7. RENEWABLE RESOURCE DEVELOPMENT

Referring to major Program Category #7, Renewable Resource Development, Mr. Smetzer explained that the organization was not directly involved with many programs in this area, but hoped to get into some by July, 1980. Mr. Brennen commented that the Borough Assembly had recently adopted a resolution requesting the State of Alaska to establish a state forest in all the feasible areas of the borough to, hopefully, provide the land management mechanism to sustain full commercial utilization. Mr. Williams related that Tanana Chiefs Conference was doing comprehensive forest inventories in its own region for marketing purposes, basically on requests concerning funding availability, for such communities as Tetlin, Dot Lake, Nenana and Venetie.

A short discussion ensued on establishing a quorum for the meeting. Mr. Anderson noted that in the event that a quorum of the full Board of Directors was not present, a quorum of the Executive Committee could be established and those members could act in behalf of the full board.

EXECUTIVE COMMITTEE RECOMMENDATION

At 11:15 a.m., a meeting of the Executive Committee of the Fairbanks Town and Village Association for Development, Inc. was called to order by President Chris Anderson.

EXECUTIVE COMMITTEE MEMBERS PRESENT:

Chris Anderson, President
Spud Williams, Vice-President
Mellie Terwilliger, Secretary
Jonathan Solomon, Member

A roll call of the Board of Directors of the Fairbanks Town and Village Association for Development, Inc. was then taken. Only 18 members were present. Nineteen members were required to establish a quorum.

MELLIE TERWILLIGER
seconded by **JONATHAN SOLOMON**

moved to accept Eddie Bergman of Allakaket as a member of the Board of Directors of the Fairbanks Town and Village Association for Development, Inc.

MOTION CARRIED UNANIMOUSLY



the FCC had approved the Dot Lake location, and that both actions were positive steps. Mr. Andon questioned the possibility of getting the translators into other areas as well, to which Reverend Nelson replied that it would depend on financing and also whether or not there was already a facility in those areas.

MOTION CARRIED UNANIMOUSLY

Mr. Smetzer recalled that during discussions earlier that morning there had been five suggested resolutions. The first dealt with the Association's recommendations to the State of Alaska on decentralization of its administration and management of state agencies; the second had to do with the organization's recommendation to DOTPF to allow purchase of gravel under the Local Service Roads and Trails program in the villages; the third, dealing with the KJNP translator station in Dot Lake, had been adopted by the Board of Directors; the fourth suggested adding the City of Delta Junction to the list of communities desiring capital improvements assistance; and fifth was a non-specific resolution to reaffirm the Association's efforts in the area of rural transportation systems.

DAVE BRENNEN moved to adopt the staff's recommendation on state decentralization.
seconded by JONATHAN SOLOMON

Mr. Solomon commented that the recommendation of the staff included a statement concerning a six region concept; however, there were 12 native corporations in existence and he felt that those should be used.

JONATHAN SOLOMON moved to amend the first paragraph to read: "... within the legal boundaries formed by the twelve native regional corporations created under the authority of the Alaska Native Claims Settlement Act of 1971."
seconded by MELLIE TERWILLIGER

In response to a question from Mr. Williams, Mr. Smetzer explained that the six regions were the physiographic regions of the state - southeast, southcentral, southwest, northwest, north and interior. It was set up that way because it was generally in conformance with the six native corporation boundaries except in some cases where regional corporations were combined in a single region. Mr. Kent commented that the legislature and the state's Department of Community and Regional Affairs were currently involved in a study on the subject, but felt that the organization should support the regional corporation boundaries. Mr. Stokes felt that the McGrath sub-region was better served by the southcentral region and favored following the REAA boundaries. Mr. Williams stated that while he was sympathetic to Mr. Stokes' concerns, he felt that the area of policy and planning and the area of service delivery could be most compatible with use of the native corporation regions.

MOTION TO AMEND THE RECOMMENDATION CARRIED

The staff recommendation to be considered by the Board of Directors would read as follows:

- "1. The Governor should by Administrative Order immediately institute a common system of regional planning, development, and government administration boundaries within the legal boundaries formed by the twelve native regional corporations created under the authority of the Alaska Native Claims Settlement Act of 1971.

2. The Governor should by Executive Order begin immediately the decentralization of administrative decision making into these regions by divesting agencies of the state of their accumulations of centralized authority which were not explicitly granted by the constitution.

3. The Governor should by Executive Order begin immediately the democratization of the state's administration of planning, development, project recommendation and priority setting activities, and the delivery of needed government services within these regions by financing and contracting their provision through fiscally sound, locally controlled non-profit, quasi-governmental corporations conducting related activities."

MOTION CARRIED UNANIMOUSLY

DAVID MILLER
seconded by DAVE BRENNEN

moved to add the City of Delta Junction to the list of communities named under Task #4, Community Facilities Development category who have officially requested FTVAD staff assistance in developing local capital improvement projects.

MOTION CARRIED UNANIMOUSLY



Jeff Stokes, Nikolai, confers with Muelle Terwilliger, Tok, during lunch.

Mr. Anderson called the board's attention to the issue of the state's gravel purchase policy. Mr. Smetzer suggested that the Board of Directors consider a

resolution to strongly recommend to the State of Alaska Department of Transportation and Public Facilities that their procedures be changed to allow the purchase of gravel in rural communities for local service roads. Mr. Williams suggested adding purchase of rights-of-way as well. Mayor Carlson remarked that under the current state statutes, Local Service Roads and Trails funds could not be utilized to purchase rights-of-way and to effect such a policy would take a change in legislation and not procedure.

MIKE ANDON
seconded by SPUD WILLIAMS

moved that FTVAD strongly recommend that DOTPF change in procedures under its Local Service Roads and Trails program to allow the purchase of gravel for local service roads and further recommend that that statute be changed to allow purchase of rights-of-way for local service roads.

MOTION CARRIED UNANIMOUSLY

SPUD WILLIAMS
seconded by DAVID MILLER

moved to recess for lunch and reconvene at 1:30 p.m.

MOTION CARRIED UNANIMOUSLY

At 12:12 p.m., the Board of Directors recessed for lunch.



Victor Nicholas, Nulato, discusses the need for runway lighting in his community. Fred Baker, Fairbanks, listens.

At 1:01 p.m., the Board of Directors reconvened for a "Round Table" discussion.

Fred Baker stated that he had no comments to make.

Mayor Carlson commented that the board meeting gave several groups of people an opportunity to get together to discuss problems and possible solutions.

Adele Chase declined to comment.

Victor Nicholas expressed his concern with transportation problems associated with travel to the rural areas. There were some major concerns in this regard, including the fact that air transportation was essential during emergencies. He also commented on the need for runway lighting in Nulato. Mr. Smetzer advised that he thought funds for lighting several rural runways including Nulato had been included in an appropriation bill last year. He asked Bob Grove to check on it, and write a letter to Mr. Nicholas.

Steve Squires commented on various concerns, stressing the utilization of idle state funds for agricultural development.

Jeff Stokes had no comments.

Mellie Terwilliger remarked that the only outside source of income in many areas was from fire fighting. She expressed her hope that the Small Industries Development Program would improve this situation.

Dave Brennen stated that he was impressed with the Association's work program and accomplishments. He stressed the importance of keeping abreast of the efforts of other agencies and organizations.

Jonathan Solomon declined to comment.

Mr. Smetzer invited the guests present to speak.

Ray Morgan, of the Cooperative Extension Service, maintained that in the future there was the possibility of conflicts developing among the users of timber, but felt that FTVAD could assist in establishing a policy. He could also foresee an increase in commercial fisheries.

Ruth Burnett, member of the Fairbanks City Council, stated she was encouraged by the community interest shown at the meeting.

Jonathan Solomon briefly commented on commercial fisheries and fishing licenses.

Ron Punton, member of the Fairbanks City Council, expressed his hopes that the Title IX strategy development project would lead toward a more organized development of the Fairbanks area. It was essential that groups such as FTVAD, the Chamber of Commerce and the Downtown Association work together for the betterment of the community, he stated.

Dave Rasley, Business Agent for the Operating Engineers Local 302, spoke at length on the hiring practices and procedures for his particular union. He noted that in order for a person to maintain his position on the list, it would be necessary for him to re-register every 90 days following his initial registration date. He added that it was possible to register either by mail or in person. Mr. Rasley noted that a \$10.00 per month fee was charged non-members due to the fact that it was mandatory for the Operating Engineers to maintain records of those individuals for a period of 10 years. In response to a question from Mr. Miller, Mr. Rasley stated that at the present time there would be

a long wait for a person who recently registered to get to the top of the work list, but he encouraged those who desired work through the union to sign up as soon as possible. He commented briefly on the need for native corporations and other interested organizations to supply input to the various companies concerning Alaskan hire. In answer to Mr. Grove's query, Mr. Rasley stated that when a call for workers was received, the union had 48 hours to fill the position, but he noted that in some instances it was necessary to respond to the call immediately ... otherwise expensive equipment had to sit idle.

Mr. Bergman related an experience which had occurred in Allakaket in that a contractor was doing work in the area, but when the work slowed down the local people were laid off first. Mr. Rasley explained that in such a case it was probably a matter of economics; however, he suggested that if this happened in the future that the affected people consult with the contractor and attempt to work out a more equitable solution. His union would cooperate wherever possible.

Dave Rasley,
Fairbanks,
confers with
Fred Alexie,
Kallag, on
union
procedures.



A discussion ensued concerning an Alaskan local hire law and the question of whether or not it was a negotiable item in projects such as the gas pipeline.

Fred Alexie stated he did not wish to comment.

Chris Anderson had no comments.

Mike Andon declined to comment.

Larry Crouder questioned the motion passed by the Board of Directors concerning the Association's support of the KJNP translator station. Mr. Smetzer explained that the action was merely a statement of support by the Board of

Directors and that there were no funds involved as far as the Association was concerned.

Ray Kent had no comments.

Referring to statements made by Mr. Nicholas, Mr. Grove remarked that state funds had been appropriated for various projects, and that some of them had not been carried out, but that he was currently trying to find a recent report by the Legislature on the status of capital appropriations to determine where the problems were, so that FTVD could untangle the red tape and make sure the projects get underway this summer.

Harry Maillelle did not wish to comment.

David Miller declined to comment.

Jonathan Solomon commented briefly.

Spud Williams stated it was his feeling that the concept of the Association had come a long way since its inception and lauded Mr. Smetzer and his staff for their efforts in making the organization a viable one, and, particularly for bringing together so many key people from Fairbanks and the rural areas around it to discuss common problems and try and resolve them.

Mr. Smetzer thanked Mr. Williams and the board for their support over the years and pointed out that little could have been achieved without the dedication and hard work of his staff.

STAFF BUDGET RECOMMENDATIONS

Mr. Smetzer briefly reviewed the budget document, noting that in the current FY '80 budget there was a shortage of funds, due in part to the fact that the Association had been unsuccessful, despite over two years of intensive efforts, in developing annually renewable state financial support for any kind of interior economic development program. However, efforts were being made to come up with those funds. He also noted that the proposed overall budget increase to nearly \$1,000,000 in FY '81 was not a permanent one, but was planned to take the organization through intensive project development activity for next year. Depending on timing and financing these programs would resume their FY '80 level the following year. The assumption is that the overall budget will fall back to current levels in FY '82.

JONATHAN SOLOMON
seconded by MELLIE TERWILLIGER

moved to accept FTVD staff budget recommendation for the FY '80, FY '81, and FY '82 fiscal years as presented in the Budget Planning Document for the currently budget cycle.

In response to questions from Mr. Williams, Mr. Gesin explained that the amount allocated for "Leave" was budgeted in the event that an employee with accrued leave desired to take it out in cash rather than take the leave. The amount for "Equipment Purchase" was for payments on equipment the Association currently had in its possession, and not for new equipment.

Mr. Smetzer explained that the current fiscal year's projected shortfall was a management problem at this point, but if any changes in staff or other important decisions were to be made, the Executive Committee would be consulted first. In response to a question from Mike Andon, he stated that the Title IX

program was a one year intensive program and would terminate at the end of the current fiscal year.

MOTION CARRIED UNANIMOUSLY



Spud Williams, Fairbanks,
listens to board debate.

ELECTION OF OFFICERS

SPUD WILLIAMS
seconded by MIKE ANDON

moved to nominate the current members of the Board's Executive Committee with the exception that Dave Brennen be nominated in place of Ernie Holmberg.

MOTION CARRIED UNANIMOUSLY

SPUD WILLIAMS
seconded by JONATHAN SOLOMON

moved that nominations close.

MOTION CARRIED UNANIMOUSLY

The Executive Committee members are as follows:

Chris Anderson, President
Spud Williams, Vice-President
Wally Burnett, Treasurer
Mellie Terwilliger, Secretary

Jack Coghill, Member
Dave Brennen, Member
Jonathan Solomon, Member

In response to various comments, Mr. Solomon maintained that it was difficult to negotiate on local minority hire, especially that related to the pipeline, when there was no state financial participation for that project.

SPUD WILLIAMS
seconded by JONATHAN SOLOMON

moved that FTVAD support the state's efforts in tying one of the stipulations of state participation in financing the Alcan Gas Line to local hire provisions in the pipeline labor agreement.

MOTION CARRIED UNANIMOUSLY

There being no further business to come before the board, the meeting was adjourned at 2:17 p.m.



Dave Brennen, Fairbanks; Jonathan Solomon, Fort Yukon; and Jerry Smetzer, FTVAD staff, Fairbanks, discuss boroughs after the board meeting.

Fairbanks Town & Village
Association
for
Development, Incorporated



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THE ANNUAL BOARD MEETING
OF THE
FAIRBANKS TOWN AND VILLAGE ASSOCIATION FOR DEVELOPMENT, INC.

MINUTES

Executive Committee: Thursday, December 13, 1979
Board of Directors: Friday, December 14, 1979
Arctic Room, Polaris Building
Fairbanks, Alaska

"Serving the People and Communities of Interior Alaska"

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Jonathan Solomon, Fort Yukon, discusses the need for state support and financing for economic development programs in Alaska's several geographic regions. Dave Miller, Takotna; and Dave Rasley, Fairbanks, listen.