

**HB**

**35**

**SFIN**

**FILE**

# SENATE FINANCE COMMITTEE REPORT

DATE: 3/10/97

REPORTED OUT OF  
FURTHER: SFC 5/01/97

DATE TURNED  
IN TO OFFICE: 5/01/97

Finance Committee considered HOUSE BILL NO. 35

"An Act extending the termination date of the Alaska regional economic assistance program; and providing for an effective date."

and recommends:

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

- Senate Bill:**
- same title
  - new title
- House Bill:**
- same title
  - technical change
  - new: SCR# \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Dee E. Bell</i>	✓	<i>Paul Farrell</i>	✓		
<i>John Ryan</i>		<i>Carolee</i>		✓	
Co-Chair: <i>Peace</i>	✓	Co-Chair: <i>Paul Farrell</i>			
Co-Chair: <i> </i>		Co-Chair: <i> </i>			

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal
DC & RA / Comm. & Ec. Dev.	5/1/97	Ø	

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

Revision Date: \_\_\_\_\_ Dept. Affected: Community & Regional Affairs  
 Title: An Act extending the termination date of BRU: Community & Economic Development  
the Alaska regional economic assistance ... Component: Community & Economic Development  
 Sponsor: Rep. Austerman  
 Requestor: State Finance COMPONENT SERIAL NO. 2151

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

REVENUE FUND SOURCE: \_\_\_\_\_

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

Estimate of current (FY97) impact \$ None

**ANALYSIS:** (Attach a separate page if necessary)

This bill continues the Alaska Regional Development Organization (ARDOR) program for three more years (FY98-00). Ineragency receipts in the amount of 666.4 from the Alaska Industrial Development and Export Authority will fund the program in FY98 and until the ARDOR program sunsets as provided in the bill. This amount is requested in the FY98 Governor's budget request. There are 12 ARDORs covering most regions of the State.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708  
 Division: Division of Administrative Services Date: 5/1/97  
 Approved by Commissioner: *Mike Irwin* Date: 5/1/97  
 Agency: Mike Irwin, Dept. of Community & Regional Affairs

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# FISCAL NOTE

Revision Date: \_\_\_\_\_ Dept. Affected: Community & Regional Affairs  
 Title: An Act extending the termination date of BRU: Community and Economic Development  
the Alaska regional economic assistance ... Component Community and Economic Development  
 Sponsor: Rep. Austerman  
 Requestor: House C&RA COMPONENT SERIAL NO. 2151

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 03	FY 04
PERSONAL SERVICES	46.4	46.4	46.4	0.0	0.0	0.0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	620.0	620.0	620.0	0.0	0.0	0.0
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>666.4</b>	<b>666.4</b>	<b>666.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (I/A)	666.4	666.4	666.4	0.0	0.0	0.0
<b>TOTAL</b>	<b>666.4</b>	<b>666.4</b>	<b>666.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	1.0	1.0	1.0	0.0	0.0	0.0
TEMPORARY						

Estimate of current (FY97) impact \$ none

ANALYSIS: (Attach a separate page if necessary)

This bill continues the Alaska Regional Development Organization (ARDOR) program for three more years (FY 98 -00). Interagency receipts from the Alaska Industrial Development and Export Authority will fund the program in FY98 and until the ARDOR program sunsets as provided in the bill. There are 12 ARDORs covering most regions of the State. The Amounts above are presented for information purposes only - they reflect amounts requested in the FY 98 Governor's budget request.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708

Division: Division of Administrative Services Date: 1/30/97

Approved by Commissioner: *Michael Durbin* Date: 1/30/97

Agency: Community & Regional Affairs

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## REPRESENTATIVE ALAN AUSTERMAN Alaska State Legislature

P.O. Box 2368, Kodiak, Alaska 99615 (907) 486-5930 • Session: State Capitol, Juneau, Alaska 99801 465-2487

### SPONSOR STATEMENT - HB 35

In 1988 the Alaska Regional Development Organizations program was created in statute. Commonly referred to as ARDOR's, they are private, nonprofit corporations formed by local initiative to promote private sector economic development within their designated regions.

The statutory authority for the program, previously AS 44.33.026, is now found in AS 44.47.900. The program was transferred by Executive Order 93, from the Department of Commerce and Economic Development to the Department of Community & Regional Affairs and is under the administrative oversight of the Division of Municipal & Regional Assistance.

The ARDOR program has led to the formation of 11 regional development organizations such as the Southwest Alaska Municipal Conference, the Southeast Conference, the Lower Kuskokwim Economic Development Council and the Anchorage Economic Development Corporation. Nearly two hundred representatives of local political, social and economic interests, who serve on ARDOR boards of directors, are working together to lead their regions to greater economic self-sufficiency.

The ARDOR grants, while not particularly large, are not tied to specific projects and so may be used for operating expenses and to leverage dollars from other sources. These are the hardest kind of dollars to find and are, therefore, extremely valuable to the organizations. Millions of additional dollars have been leveraged from federal, private and other funding sources.

ARDOR's are achieving significant success in sustainable development through the establishment of production and marketing cooperatives, improved access to capital, development and marketing of tourism destinations, technical assistance and training for local businesses and entrepreneurs, support to value added production and proactive involvement in locally initiated economic development projects.

Another important benefit afforded ARDOR's by statute is the ability of state agencies to enter into contracts, with them being exempt from a competitive procurement process. This has proven beneficial to ARDOR's, who are able to provide greater local expertise in service delivery or project implementation, and to state agencies who through the ARDOR's, are able to deliver services or projects more efficiently and with less administrative burden.

Sound economic development relies heavily on solid partnerships between the public and private sectors. The ARDOR's were conceived to facilitate this kind of partnering and to bring a regional perspective to the discussion of economic development issues.

The original legislation had a sunset clause that ended the program in 1993, but was extended until the end of fiscal year 1997. I believe it is in the best interest of the State of Alaska to continue the ARDOR program to insure the ongoing economic viability of Alaska's various regions.

## Article 9A. Regional Economic Assistance Program.

### Section

900. Alaska regional economic assistance program

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**Effective dates.** — Section 8, E.O. No. 93, makes this article effective July 1, 1996.

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**Sec. 44.47.900. Alaska regional economic assistance program.** (a) The department shall

(1) encourage the formation of regional development organizations by providing assistance in forming organizations to interested individuals, including information on how to qualify and apply for regional development grants and federal funding under 42 U.S.C. 3121 — 3246 (Public Works and Economic Development Act of 1965), as amended;

(2) assist an interested individual in establishing boundaries for a proposed organization to ensure that the region

(A) is of sufficient geographic size and contains a large enough population to form an economically viable unit with shared interests, resources, traditions, and goals;

(B) contains at least one municipality that serves as a regional center; and

(C) contains the entire area of each municipality included in the region;

(3) gather information about regional economic issues, international trade, and tourism from organizations;

(4) serve as liaison between organizations and other state agencies and encourage other agencies to make resources available to help accomplish goals of the organizations;

(5) assist each organization to

(A) provide services designed to encourage economic development to local communities and businesses;

(B) collect and distribute economic information relevant to the region;

(C) participate in state marketing campaigns and join state trade missions that are relevant to the region; and

(D) develop and implement strategies to attract new industry, expand international trade opportunities, and encourage tourism within the region.

(b) Subject to (c) of this section, the department may make regional development grants to organizations for projects the department determines will be of value in encouraging economic development. During a fiscal year the department may make no more than 15 grants and may only make grants to one organization from a particular region. An organization that is designated an economic development district under 42 U.S.C. 3171 qualifies for grants under this subsection. The department shall by regulation adopt procedures for applying for regional development grants, including application deadlines. The department may by regulation establish additional grant eligibility requirements.

(c) To qualify for a grant, a regional development organization must match the grant by providing an amount of money from nonstate sources. The department shall establish by regulation a formula that determines the amount of the match required under this subsection based upon the capability of each organization to generate money from nonstate sources. The amount of match required may not exceed the amount of grant money and may not be less than 20 percent of the grant. The total amount of grant money provided to an organization during a fiscal year may not exceed \$100,000.

(d) There is established in the department the regional development fund consisting of appropriations to the fund. Money from the fund may be used only for regional development grants.

(e) In this section, "regional development organization" or "organization" means a nonprofit organization or nonprofit corporation formed to encourage economic development within a particular region of the state that includes the entire area of each municipality within that region and that has a board of directors that represents the region's economic, political, and social interests. (E.O. No. 93 § 4 (1996))

**Repeal of section.** — Under § 3, ch. 94, SLA 1988, as amended by § 1, ch. 35, SLA 1992 and § 6, E.O. 93, this section is repealed effective July 1, 1997.

**Cross references.** — For transitional provisions relating to the 1996 transfer of responsibility for the

Alaska regional economic assistance program from the Department of Commerce and Economic Development to the Department of Community and Regional Affairs, see § 7, E.O. 93, in the Executive Orders pamphlet.

### Article 10. General Provisions

Section  
980. Regulations  
998. Definitions

**Sec. 44.47.980. Regulations.** The department may adopt regulations in accordance with AS 44.02 (Administrative Procedure Act) to carry out the purposes of this chapter. (§ 2 ch 200 SLA 1972)

**Revisor's notes.** — Formerly AS 44.47.160. Renumbered in 1980.

**Sec. 44.47.998. Definitions.** In this chapter

- (1) "commissioner" means the commissioner of community and regional affairs;
- (2) "community" means home rule cities and boroughs, cities and boroughs of any class, and unorganized boroughs and villages that are social units;
- (3) "department" means the Department of Community and Regional Affairs;
- (4) "region" means an area larger than a community, or including all or part of more than one community, but sufficiently integrated that it may be treated as a unit for administration of particular services. (§ 2 ch 200 SLA 1972)

**Revisor's notes.** — Formerly AS 44.47.170. Renumbered in 1980.

## Chapter 50. Notaries Public.

Section  
10. Appointment and commission  
20. Qualifications  
30. Term of office  
40. Fees  
50. Duties  
70. Presence and identification required  
80. Seal  
90. Protest of bill or note  
100. Return of papers to lieutenant governor  
110. Application of Administrative Procedure Act to revocation of notary commission

Section  
120. Bond  
130. Filing oath and bond  
140. Disposition of bond  
150. Copy of bond as evidence  
160. Misconduct or neglect  
170. State employees as notaries  
180. Postmasters as notaries  
190. Savings clause

**Revisor's notes.** — In 1971 "lieutenant governor" was substituted for "secretary of state" in this chapter to conform with the 1970 amendment to the state constitution.

**Cross references.** — For provisions governing oaths, acknowledgments and related matters, see AS 09.63.

1/97

## ALASKA REGIONAL DEVELOPMENT ORGANIZATIONS

### ANCHORAGE ECONOMIC DEVELOPMENT CORPORATION

Designation Date: April 11, 1989  
Max Lowe, Chairman  
Patricia DeMarco, President  
550 West 7th Avenue, Suite 1400  
Anchorage, AK 99501  
Phone: 258-3700 Fax: 258-6646  
*AEDC @ alaska.net*

### ARCTIC DEVELOPMENT COUNCIL

Designation Date: March 1, 1991  
David Baker, President  
Don Schindler, Executive Director  
P.O. Box 1353  
Barrow, AK 99723  
Phone: 552-4146 Fax: 552-2683

### COPPER VALLEY ECONOMIC DEVELOPMENT COUNCIL

Designation Date: November 1, 1990  
Carol Neeley, President  
Donna Tollman, Executive Director  
P.O. Box 9  
Glennallen, AK 99588  
Phone: 822-5001 Fax: 822-5009

### KENAI PENINSULA BOROUGH ECONOMIC DEVELOPMENT DISTRICT

Designation Date: February 22, 1989  
James Elson, Chairman  
Stan Steadman, Executive Director  
P.O. Box 3029  
Kenai, AK 99611  
Phone: 283-3335 Fax: 283-3913

### LOWER KUSKOKWIM ECONOMIC DEVELOPMENT COUNCIL

Designation Date: September 17, 1991  
Andrew Guy, Chairman  
Carl Berger, Executive Director  
P.O. Box 2021  
Bethel, AK 99559  
Phone: 543-5967 Fax: 543-2255

### LOWER YUKON ECONOMIC DEVELOPMENT COUNCIL

Designation Date: November 1, 1991  
Larry Lujan, President  
Susan Anderson, Executive Director  
P.O. Box 2021  
Anchorage, AK 99524  
Phone: 271-2424 Fax: 271-3951

### MAT-SU RESOURCE CONSERVATION AND DEVELOPMENT, INC.

Designation Date: November 1, 1993  
Ted Smith, President  
Douglas Smith, Executive Director  
351 West Parks Highway, Suite 100  
Wasilla, AK 99654  
Phone: 373-1062 Fax: 373-1064

### NORTHWEST ARCTIC BOROUGH ECONOMIC DEVELOPMENT COMMISSION

Designation Date: June 28, 1989  
Charlie Curtis, Chairman  
Jeff Hadley, Executive Director  
P.O. Box 1110  
Kotzebue, AK 99752  
Phone: 442-2500 Fax: 442-2027

### PRINCE WILLIAM SOUND ECONOMIC DEVELOPMENT COUNCIL

Designation Date: November 1, 1991  
Jackie Robb, President  
~~Paul Reelman~~, Executive Director  
P.O. Box 2353  
Valdez, AK 99686  
Phone: 835-3775 Fax: 835-5770  
*James Winchester*

### SOUTHEAST CONFERENCE

Designation Date: April 14, 1989  
J. Allan MacKinnon, President  
Berne Miller, Executive Director  
124 West Fifth Street  
Juneau, AK 99801  
Phone: 463-3445 Fax: 463-4425

### SOUTHWEST ALASKA MUNICIPAL CONFERENCE

Designation Date: April 6, 1989  
Alice Ruby, President  
Mary Stadum, Executive Director  
3300 Arctic Boulevard, Suite 203  
Anchorage, AK 99503  
Phone: 562-7380 Fax: 562-0438

# FY 96 Alaska Regional Development Organization Funding Sources to Date - March 1996

	Anchorage Economic Development Corporation	Arctic Development Council	Copper Valley Economic Development Council	Kenai Peninsula Borough Economic Development District	Lower Kuskokwim Economic Development Council	Lower Yukon Economic Development Council	Mat-Su Resource Conservation and Development, Inc.	Northwest Arctic Borough Economic Development Commission	Prince William Sound Economic Development Council	Southeast Conference	Southwest Alaska Municipal Conference	Funding Source Totals
<b>Federal Funds</b>												
Commerce - EDA				108.9							65.0	173.9
Agriculture - USFS				17.6								17.6
Agriculture - FUS			487.0									487.0
Agriculture - NRCS				12.8	7.0	10.0	136.4			15.1		181.3
Agriculture - FEED					2.5	97.3						99.8
Other		18.0				21.7		15.0				54.7
<b>State Funds</b>												
DCED - ARDOR	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	605.0
DCED - Other				12.9							5.5	18.4
DCRA			60.0									60.0
H&HS				37.9								37.9
Local Government	370.0						10.0	155.7				535.7
Membership Fees							.8		35.2	48.5	40.0	124.5
Local Communities			150.0	50.0		2.0	3.0					205.0
Private Sector	300.0	33.0	.4		3.5		2.0				9.0	347.9
Fees for Services	255.0	868.0		470.4	7.2	83.0			1,489.6		4.5	3,177.7
Private Sector Grants				27.5						40.0	2.5	70.0
In-Kind Contributions	100.0		.2		5.0			60.0			9.0	174.2
Interest Income	10.0		.4	23.0	1.1	1.2				2.0	1.2	38.9
Other	2.0			93.5	4.0				5.5	22.5	48.0	175.5
<b>BUDGET TOTALS</b>	<b>1,092.0</b>	<b>974.0</b>	<b>753.0</b>	<b>909.5</b>	<b>85.3</b>	<b>270.2</b>	<b>207.2</b>	<b>285.7</b>	<b>1,585.3</b>	<b>183.1</b>	<b>239.7</b>	<b>6,585.0</b>



**KODIAK  
CHAMBER  
OF COMMERCE**

File  
HB 35

A

P.O. Box 1485, Kodiak, Alaska 99615

(907) 486-5557

FAX: (907) 486-7605

February 17, 1997

Honorable Tony Knowles  
Governor  
State of Alaska  
P.O. Box 110001  
Juneau, Alaska 99811-0001

RECEIVED

FEB 21 1997

Ans'd.....

Dear Governor Knowles,

Enclosed please find Kodiak Chamber of Commerce resolution 97-02-01 in support of continuation of the Alaska Regional Development Organizations (ARDOR'S) program. This resolution was passed and approved by the Board of Directors of the Kodiak Chamber of Commerce at its regular Board meeting on January 27, 1997. The Board firmly believes in this cooperative regional economic development model. It has been a successful program in providing an arena where regions can work on issues of common interest.

As a member of the Southwest Alaska Municipal Conference (SWAMC), we have first hand knowledge of the power of regional collaboration and cooperation on issues facing our region. We have participated with SWAMC on a number of projects including support for the Taiwanese delegation that visited southwest Alaska this past summer.

We support the passage of HB 35 which extends the sunset clause on the ARDOR program. The Board of Directors urges you to add your support to the continuation of the ARDOR program and the positive work that has come from the regional ARDOR'S.

Your careful attention and thoughtful consideration of this request for support is genuinely appreciated.

Yours in economic prosperity,

*Tom Merriman*  
Tom Merriman VEC  
Vice President

- cc: Senator Jerry Mackie, Chair, Community and Regional Affairs Committee
- Senator Gary Wilken, Vice Chair, Community and Regional Affairs Committee
- Senator Drue Pearce, Co-Chair, Finance Committee
- Senator Bert Shultz, Co-Chair, Finance Committee
- Representative Alan Austerman
- Representative Ivan Ivan, Chair, Community and Regional Affairs Committee
- Representative Mark Hanley, Co-Chair, Finance Committee
- Representative Gene Therriault, Co-Chair, Finance Committee

Dedicated to Kodiak's Future

**SOUTHWEST ALASKA**  
MUNICIPAL  
CONFERENCE



3300 Arctic Boulevard, Suite 203  
Anchorage, Alaska 99503  
Phone (907) 562-7380  
Fax (907) 562-0438


RESOLUTION 97-06

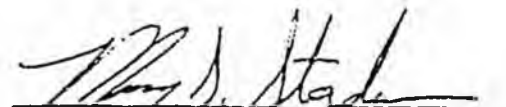
**A RESOLUTION URGING FULL SUPPORT FOR HOUSE BILL 35,  
EXTENDING THE TERMINATION DATE OF THE  
ALASKA REGIONAL ECONOMIC ASSISTANCE PROGRAM**

- WHEREAS, among the most successful strategies for sustainable economic development are those that support the greatest participation at the local and regional levels; and
- WHEREAS, the Alaska Regional Development Organizations (ARDORs) were established by state statute for the express purpose of fostering local economic development capacity and implementing locally-conceived economic development strategies; and
- WHEREAS, since the inception of the ARDOR program, significant achievements have been realized by the ARDORs which lay the foundation for greater local leadership and responsibility for economic development; and
- WHEREAS, as an ARDOR, the Southwest Alaska Municipal Conference has assisted Southwest communities in (1) stabilizing their economies through supporting fisheries policies, such as the CDQ program, (2) fostering economic development through tourism and small business development and training, (3) supporting and helping to expand the Alaska Marine Highway Service and intra-regional transportation in Southwest Alaska, and (4) helping communities address solid waste management and other environmental issues; and
- WHEREAS, House Bill 35 will extend the termination date of the ARDOR program from July 1, 1997 until July 1, 2000.

**NOW, THEREFORE BE IT RESOLVED** by the Southwest Alaska Municipal Conference that the Alaska State Legislature is urged to support and pass House Bill 35, extending the termination date of the ARDOR program to July 1, 2000.

PASSED AND APPROVED BY THE SOUTHWEST ALASKA MUNICIPAL CONFERENCE THIS  
1st DAY OF FEBRUARY, 1997.

  
\_\_\_\_\_  
Alice J. Ruby, President

  
\_\_\_\_\_  
Mary S. Stadum, Executive Director

**SOUTHWEST ALASKA**  
MUNICIPAL  
CONFERENCE

3300 Arctic Boulevard, Suite 203  
Anchorage, Alaska 99503  
Phone (907) 562-7380  
Fax (907) 562-0438

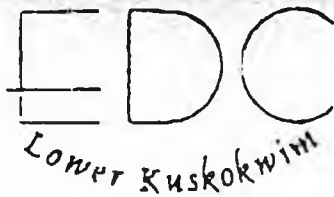
RESOLUTION 96-20

**A RESOLUTION URGING FULL SUPPORT FOR THE ALASKA REGIONAL DEVELOPMENT ORGANIZATION (ARDOR) PROGRAM**

- WHEREAS,** it is well-recognized by both the public and private sectors that among Alaska's greatest challenges is the expansion and diversification of its undeveloped economy; and
- WHEREAS,** among the most successful strategies for sustainable economic development are those that support the greatest participation at the local and regional levels; and
- WHEREAS,** the Alaska Regional Development Organizations (ARDORs) were established by state statute for the express purpose of fostering local economic development capacity and implementing locally-conceived economic development strategies; and
- WHEREAS,** since the inception of the ARDOR program significant achievements have been realized by the ARDORs which lay the foundation for greater local leadership and responsibility for economic development; and
- WHEREAS,** as an ARDOR, the Southwest Alaska Municipal Conference (SWAMC) provides the structure for a membership organization that speaks with a collective voice on issues important to Southwest Alaska communities; and
- WHEREAS,** SWAMC helps promote economic opportunities to improve the quality of life and influences long-term, responsible development;
- WHEREAS,** SWAMC has assisted Southwest Alaska communities in (1) stabilizing their economies through supporting fisheries policies, such as the CDQ program, (2) fostering economic development through tourism and small business development and training, (3) supporting and helping to expand the Alaska Marine Highway Service and intra-regional transportation in Southwest Alaska, and (4) helping communities address solid waste management and other environmental issues; and
- WHEREAS,** the ARDOR program will sunset July 1, 1997 unless reauthorized by the Legislature.

**NOW, THEREFORE, BE IT RESOLVED** by the Southwest Alaska Municipal Conference that the Knowles Administration and the Alaska State Legislature are urged to fully support legislation authorizing the continuation of, and funding for, the ARDOR program for an additional five years.

**Kodiak Island ♦ Alaska Peninsula ♦ Bristol Bay ♦ Aleutian Chain ♦ Pribilof Islands**



FEBRUARY 4, 1997

REP. IVAN M. IVAN  
ALASKA STATE LEGISLATURE  
JUNEAU, ALASKA FAX: 465-4589

DEAR REP. IVAN:

HB 35: ARDOR REAUTHORIZATION  
HEARING, WEDS. FEB 5, 1997

I UNDERSTAND THAT THE HOUSE COMMITTEE ON COMMUNITY & REGIONAL AFFAIRS, WHICH YOU CHAIR, WILL BE HOLDING HEARINGS TOMORROW ON HB 35, WHICH SEEKS TO REAUTHORIZE OUR PROGRAM FOR AN ADDITIONAL THREE YEARS.

I WILL BE IN EEK, MAKING A PRESENTATION ON SMALL BUSINESS AT THE HIGH SCHOOL AND WORKING WITH THE TRIBAL ADMINISTRATOR TO FINALIZE A PROPOSAL FOR FUNDING THAT IS DUE NEXT WEEK, SO WILL PROBABLY BE UNABLE TO PARTICIPATE IN YOUR HEARING FROM THERE.

AS THE VICE CHAIRMAN OF THE LOWER KUSKOKWIM ECONOMIC DEVELOPMENT COUNCIL, I'M SURE YOU ARE AWARE OF THE CONTINUING NEED FOR ECONOMIC ASSISTANCE THROUGHOUT OUR REGION. WITHOUT THE ARDORS, THERE WOULD BE LITTLE TO NO LOCAL ASSISTANCE AVAILABLE FOR PEOPLE NEEDING ASSISTANCE TO START A BUSINESS OR EXPAND AN EXISTING ONE, SECURE NEEDED FINANCING, LEARN OF APPLICABLE REGULATIONS, AND THE MANY OTHER SERVICES NOW PROVIDED BY ARDORS.

YOUR SUPPORT IS REQUESTED, TO EXTEND THE OPERATIONS OF ARDORS FOR THE NEXT THREE YEARS, THROUGH FY 2000.

VERY TRULY,

A handwritten signature in cursive script that reads 'Carl Berger'.

CARL BERGER, EXECUTIVE DIRECTOR  
LOWER KUSKOKWIM ECONOMIC DEVELOPMENT COUNCIL

---

Lower Kuskokwim Economic Development Council  
PO Box 1021  
Bethel, AK 99559  
Phone: 1907/543-5967  
FAX: 1907/543-2255

# SOUTHEAST CONFERENCE

An Alaska Regional Development Organization and USDA Resource Conservation and Development Council

February 3, 1997

Representative Albert Kookesh  
State Capital  
Juneau, AK 99801

Dear Representative Kookesh:

House Bill 35, an Act Extending the Alaska Regional Economic Assistance Program, is scheduled to be heard before the House Community and Regional Affairs Committee this Wednesday. When enacted, the Bill will extend the life of the Alaska Regional Development Program to the end of this century.

Attached you will find a copy of Southeast Conference Resolution 97-6 urging reauthorization of the ARDOR Program. This Resolution was adopted unanimously by Conference members during their Annual Meeting in Juneau last September. For more information about Southeast Conference and its activities as the ARDOR for Southeast Alaska, please see the Conference's *Regional Development Strategy and Area Plan* and *Annual Report for Membership Year 1996* sent you with our last letter.

I regret I will be unable to attend the Committee's hearing. I must be in Ketchikan to join with federal, state, and local representatives who are meeting to consider the kind of partnership to put together to aid southern Southeast Alaska's recovery from the recent and impending downturn in the timber industry. Should you have an urgent need for more information, I can be reached through the Cape Fox Hotel.

Thanks you for your interest.

Sincerely,



Berne C. Miller  
Executive Director

Attachment

# SOUTHEAST CONFERENCE

An Alaska Regional Development Organization and USDA Resource Conservation and Development Council

## A RESOLUTION URGING REAUTHORIZATION OF THE ALASKA REGIONAL DEVELOPMENT ORGANIZATION (ARDOR) PROGRAM

(Resolution 97-6)

- WHEREAS one of the most serious challenges facing Alaskans today is expansion, diversification, and stabilization of the State's economy, and
- WHEREAS among the most successful approaches to economic expansion, diversification, and stabilization is one that encourages and facilitates a high level of participation at local and community levels, and
- WHEREAS the Alaska Regional Development Organization (ARDOR) Program was established to create and sustain regional development capacity by fostering effective public-private partnerships to implement locally conceived and executed economic and community development projects, and
- WHEREAS the ARDOR Program will "sunset" in 1997 unless reauthorized by the Legislature, and
- WHEREAS ARDORs statewide have laid a solid foundation for greater responsibility and leadership in economic and community development at the regional level, and
- WHEREAS Southeast Conference has assisted the people and communities of Southeast Alaska by: 1) supporting and helping improve and expand marine and land transportation infrastructure; 2) helping communities address solid waste management, household hazardous waste disposal, and other environmental needs; and 3) helping communities plan and execute development efforts responsive to local needs and priorities.

### NOW THEREFORE BE IT RESOLVED THAT,

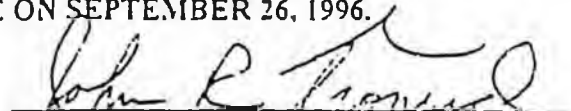
Southeast Conference urges the Administration and Legislature to fully support the ARDOR Program through appropriate administrative policies and appropriation of funds adequate to sustain the ARDORs' mission of building local capacity and developing sustainable economies.

Southeast Conference urges the Administration and Legislature to reauthorize the ARDOR Program during the next legislative session.

This Resolution be sent to the Governor, the Legislature, the Department of Community and Regional Affairs, the Department Commerce and Economic Development, and the Alaska Industrial Development and Export Authority.

ADOPTED BY SOUTHEAST CONFERENCE ON SEPTEMBER 26, 1996.

Witness:

  
John Tronrud - President Southeast Conference

Attest:

  
Berne C. Miller - Executive Director

## ALASKA STATE CHAMBER OF COMMERCE RESOLUTION

### *SUPPORTING THE CONTINUATION OF THE ALASKA REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION PROGRAM*

WHEREAS, the Alaska state legislature created the Alaska Regional Economic Development Organization (ARDOR) program in 1988; and

WHEREAS, the legislation created a program that encouraged the formation of regional development organizations such as the Southeast Conference, the Southwest Alaska Municipal Conference, and others around the State of Alaska to address the economic problems of those regions; and

WHEREAS, the ARDOR'S are private nonprofit corporations formed by local initiative for the purpose of promoting private sector economic development within their designated regions; and

WHEREAS, the ARDOR'S represent an economically viable unit with shared interests, resources traditions and goals; and

WHEREAS, those ARDOR'S have successfully coordinated private and public resources to support economic development in their regions; and

WHEREAS, they have provided the State with information on regional economic issues, tourism and opportunities for international trade; and

WHEREAS, they have provided assistance in local economic diversification and development efforts during a time of turmoil and troubles in those local regions; and

WHEREAS, the ARDOR'S serve as a liaison between local governments and businesses in the region and the State of Alaska on issues of a common nature; and

WHEREAS, those organizations have been successful in their economic development mission; and

WHEREAS, the original legislation had a sunset clause that ended the program in 1993; and

WHEREAS, that repeal was extended until the end of fiscal year 1997; so

NOW THEREFORE BE IT RESOLVED BY THE Alaska State Chamber of Commerce that it is in the best interest of the State of Alaska to continue the ARDOR program and to insure the ongoing economic viability of Alaska's various regions; and

FURTHER BE IT RESOLVED BY the Board of Directors of the Alaska State Chamber of Commerce we support this issue as being of statewide importance in the process of adopting our legislative priorities for the 1997 legislative session.

Passed and approved by the Board of Directors of the Alaska State Chamber of Commerce this 6th day of December, 1996.



## What is ARDOR?

As we approach the eighth anniversary of the first Alaska Regional Development Organization (ARDOR), there are many accomplishments to point to and many challenges that remain.

Each ARDOR has become the focal point for development activity in its region. Local residents and organizations are looking to ARDORs for economic development services and leadership.

As regional non-profits, ARDORs have the unique ability to forge strong partnerships with the public and private sectors within their regions and collectively throughout the state. These partnerships are now becoming a reality as each ARDOR develops and as opportunities and needs manifest themselves.

ARDORs have successfully leveraged millions of dollars into regions throughout the state for a number of projects and services vital to the strong economic growth of Alaska. The regional strategies developed by each ARDOR lay out a framework for project development and funding.

Each year we face many new challenges in our efforts to grow a sustainable economy. Regional efforts focusing on creative planning, partnerships, and leveraged funding have turned economic opportunities into realities throughout Alaska.

## ARDORS:

- Anchorage Economic Development Corporation
- Arctic Development Council
- Bering Straits ARDOR Programs
- Copper Valley Economic Development Council
- Kenai Peninsula Borough Economic Development District
- Lower Kuskokwim Economic Development Council
- Lower Yukon Economic Development Council
- Mat-Su Resource Conservation and Development, Inc.
- Northwest Arctic Borough Economic Development Commission
- Prince William Sound Economic Development Council
- Southeast Conference
- Southwest Alaska Municipal Conference

**Designation Date: March 1, 1991**  
**David Baker, President**

**Helen Haynes, Executive Director**  
**Arctic Development Council**

Arctic Development Council with the support of the State of Alaska, North Slope Borough, and private companies, managed a number of economic development programs in 1996. Two stand out as examples of our efforts:

**Village Outreach Program.** ADC Development Specialists visit each of the seven outlying villages monthly, meeting with individuals interested in starting or growing businesses and furthering various Slope-wide programs.

**Business Incubator for New Businesses.** Two of the early tenants, Howlin' Howards Music and Boynton Printing, have graduated from the incubator to larger commercial space in Barrow. The incubator is still full, with two retail shops and two service businesses.

**Designation Date: April 14, 1989**  
**J. Allan McKinnon, President**

**Berne Miller, Executive Director**  
**Southeast Conference**

Southeast Conference's economic and community development capacity doubled during 1996 with arrival of the USDA Resource Conservation and Development Coordinator. Focusing on Southeast Alaska's smaller communities, the Conference opened a project to help Wrangell plan for and develop a combined museum, cultural center, and visitor center.

It also opened a project to help Thorne Bay complete feasibility and market studies for a kiln drying and planning facility at Tolstoy Bay. Working to retain jobs in the timber industry, the Conference was active in the TLMF revision process, publishing information on the economic impact of TLMF alternatives on Southeast's people and communities. The Conference also worked to bring business development assistance to communities affected by impending closure of the Ketchikan Pulp Company's mill. Finally, the Conference's Residential Household Waste Collection Program was expanded to communities in Prince William Sound in partnership with the PWS ARDOR.



## Training in Session



## Shaping Alaska's Future

**Designation Date: April 11, 1989**  
**Max Lowe, Chairman**

**Patricia DeMarco, President**  
**Anchorage Economic Development Corporation**

The Anchorage Economic Development Council exists to encourage growth and diversity in the Anchorage economy. The AEDC promotes business development by attracting new business, expanding existing business and promoting opportunities for international trade.

Highlights of some of AEDC's major 1996 accomplishments include:

- Establishing the Alaska High Tech Business Council.
  - Producing "Anchorage, Alaska: The New Frontier," a video demonstrating how modern telecommunications allows companies to conduct business from Anchorage.
  - Continuing dialogue with top cargo and third-party logistics prospects and presenting detailed feasibility analyzes to three major companies.
  - Convening the Mayors' Seafood Task Force.
  - Completing the Economic Development Master Plan for Anchorage.
  - Facilitating the organization of the Alaska Resource Alliance (AkRA), a consortium of oilfield service companies.
- The AEDC's 1997 focus is on expanding Anchorage's world class opportunities in the areas of trade and tourism.

**Designation Date: February 22, 1989**  
**James Elson, Chairman**

**Aleja DeVito and Sherry Biggs, Co-Executive Directors**  
**Kenai Peninsula Borough Economic Development District**

As the first ARDOR established in the State, the Kenai Peninsula Borough Economic Development District, Inc. (EDD) has long recognized the importance of small business throughout the region. EDD has established several programs to overcome barriers and offer assistance to business owners, thereby creating and retaining jobs in the local economy.

• EDD offers a Revolving Loan Fund that partners with local banks. To date, EDD has loaned \$363,000 to 14 businesses, with bank participation at \$960,000, and the number of jobs credited to this program at 60.

• EDD operates the Small Business Development Center (SBDC) for the Kenai Peninsula. Since February of 1995, over 260 clients have utilized the free one-on-one business counseling sessions. Workshops and seminars are held throughout the Kenai Peninsula. EDD has assisted 21 clients in successfully creating or

acquiring their own small business.

• EDD's new project for FY98 will be the Business Innovation Center (BIC), a business incubator facility. EDD was awarded a \$1M construction grant from U.S. EDA. EDD expects the BIC to be fully operative by the end of November of 1997. The BIC will provide business development services, intensive oversight, and market rate lease space for new and expanding businesses, increasing the viability of these operations.

**Designation Date: June 28, 1989**  
**Charlie Curtis, Chairman**

**Jeff Hadley, Executive Director**  
**Northwest Arctic Borough Economic Development Commission**

**Designation Date: November 1, 1991**  
**Jackie Robb, President**  
**James Winchester, Executive Director**  
**Prince William Sound**  
**Economic Development Council**

The Prince William Sound Economic Development Council (PWSEDC) encompasses the communities of Chenega Bay, Cordova, Tatitlek, Valdez and Whittier. PWSEDC has three primary areas of activity.

**Small Business Development.** PWSEDC provides ongoing development counseling for both new and established businesses and holds regular small business workshops in the major communities.

**Economic Development Planning.** PWSEDC cooperates with member communities to aid in the development of local economies. Planning is a regular service of PWSEDC and development plans for Tatitlek, Cordova and Valdez were completed in the FY 96/97 time period.

**Infrastructure Development.** PWSEDC has an aggressive infrastructure program geared to job creation. In the FY96/97 time period, PWSEDC has completed or will complete 10 infrastructure projects with budgets from \$50,000 to \$1,500,000. These include recreation areas, trails, derelict vehicle removal, hazardous waste management and subsistence improvements.

In addition to the management of infrastructure projects, PWSEDC provides support for economic development initiatives in all communities of the Sound.



Photo courtesy of Samuel J. Fox Museum

**Designation Date: April 6, 1989**  
**Alice Ruby, President**  
**Mary Stadum, Executive Director**  
**Southwest Alaska**  
**Municipal Conference**

The Southwest Alaska Municipal Conference (SWAMC), with over one hundred thirty public and private sector members, advances the region's collective interests and helps promote economic opportunities to improve the quality of life and influence long-term, responsible development.

SWAMC publishes an annual Overall Economic Development Plan for Southwest Alaska, including an overview of the area and its economy. SWAMC conducts two annual training conferences each year, attracting over 100 participants each. They focus on economic development and municipal issues, and provide information and training on fisheries, tourism, small business development, and transportation. Through SWAMC's resolutions and Legislative policy process, SWAMC members develop positions on critical issues for Southwest Alaska that are distributed to state and federal policy makers.

**Designation Date: November 1, 1991**  
**Larry Lujan, President**  
**Scotti Wagner, Executive Director**  
**Lower Yukon Economic**  
**Development Council**

The Lower Yukon Economic Development Council, led by a local Board of Directors, focuses on business and community development as the means of achieving its mission of helping residents of the region to strive toward economic independence. In 1996 LYEDC, through its partnership with the local CDQ, assisted in securing over \$430,000 in loans to purchase fishing permits and gear. In addition, LYEDC developed training programs, offered locally, in tax preparation, business planning, and bookkeeping. Through partnerships with the Lower Yukon School District they also facilitated arts and crafts classes in a village school. These programs offer local residents the opportunity to take control of their economic destinies.

**Designation Date: September 17, 1991**  
**Andrew Guy, Chairman**  
**Carl Berger, Executive Director**  
**Lower Kuskokwim Economic**  
**Development Council**

The Lower Kuskokwim Economic Development Council is finalizing a plan to supply schools and local institutions such as the Bethel Correctional Center and Youth Facility with locally caught chum salmon for food service use. This will partially replace purchase of foodstuffs from outside the region; and provide local fishermen a higher price for their catch.

LKEDC has assisted in establishing tourism related businesses in several villages in the Region, such as a sportsfishing operation in Quinhagak and two locally operated guiding and fishing businesses in Mckoryuk. They are also working with individuals in Goodnews, Hooper and Toksook Bay on similar ventures.

LKEDC is assisting the Fish & Wildlife Service in developing a plan to utilize national refuge lands for locally based tourism ventures and is co-sponsoring a workshop with them in Bethel. These lands make up 75% of land ownership in the region and their access and use will provide local job opportunities.

LKEDC is working with two villages to help them develop their first local economic development planning document.

**Designation Date: November 1, 1990**  
**Carol Neely, President**  
**Donna Tollman, Executive Director**  
**Copper Valley Economic**  
**Development Council**

Copper Valley Economic Development Council, Inc., the ARDOR for the Eastern Interior of Alaska, was formed in 1990, with an office opening in 1991. The mission is to promote infrastructure that allows economic development to occur in a sound and sustainable manner. Among the projects we have developed are tourism destination between communities, workforce development and a strong small business technical assistance program targeting both existing and new businesses. CVEDC is a private non profit that is also being asked to fill the gaps left by diminishing state resources within our region. The effort is to promote partnerships with state, federal and private resources to meet economic development objectives of the State of Alaska and the Copper River region.

**Designation Date:**  
**November 1, 1993**  
**Ted Smith, President**  
**Douglas Smith, Executive Director**  
**Mat-Su Resource**  
**Conservation**  
**& Development Inc.**

Made up of representatives of some twenty local organizations, Mat-Su RC&D has a common sense approach to development. One goal is to inject private sector principles into government regulations. We support forest management, sale of unreserved government land, legalization of aquacultural and investment in the infrastructure needed to attract industry.

Projects currently underway:

**Hatcher Pass Ski Area:** Strong advocate for resolution of problems with developer including lack of performance and tax delinquency. New management has successfully dealt with those issues.

**Marketing Port MacKenzie:** Marketing agent for Port Commission. Activities include targeted mailings, meetings with potential developers and marketing trip to Tokyo.

**Community Development Work:** Managed accounts for Palmer Children's Playground, Wasilla Wonderland, Wasilla Skateboard Park, Houston Homesteaders and Goldrush Centennial.

**Small Business Assistance:** Conducting feasibility studies for a Birch Dry Kiln operation and a Birch Syrup Processing facility.



**FY97 Grant Funding**

	State Funds	Match Funds		State Funds	Match Funds
Anchorage Economic Development Corporation	\$55,058	\$1,046,942	Mat-Su Resource Conservation and Development, Inc.	\$55,058	\$141,745
Arctic Development Council	55,058	1,259,019	Northwest Arctic Borough Economic Development Commission	55,058	35,000
Copper Valley Economic Development Council	58,058	819,181	Prince William Sound Economic Development Council	55,058	185,289
Kenai Peninsula Borough Economic Development District	55,058	557,410	Southeast Conference	58,058	137,900
Lower Kuskokwim Economic Development Council	55,058	18,353	Southwest Alaska Municipal Conference	58,058	175,932
Lower Yukon Economic Development Council	46,428	31,960			

Sources of match funds include: Fees for service, USDA, local communities, local government, membership fees and private sector contributions. Source: FY97 Grant Agreements