

HB

79

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 79
 () Publish Date: _____

Revision Date/Time (Note if correction): 2/10/03 Dept. Affected: DCED
 Title AK Regional Economic Asst Program BRU Comm Assist & Econ. Dev. (405)
 Component Community & Business Development
 Sponsor House Community & Regional Affairs
 Requester House Community & Regional Affairs Component No. 2486

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

| OPERATING EXPENDITURES | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
|------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Personal Services | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 |
| Travel | | | | | | |
| Contractual | | | | | | |
| Supplies | | | | | | |
| Equipment | | | | | | |
| Land & Structures | | | | | | |
| Grants & Claims | 620.0 | 620.0 | 620.0 | 620.0 | 620.0 | 620.0 |
| Miscellaneous | | | | | | |
| TOTAL OPERATING | 650.0 | 650.0 | 650.0 | 650.0 | 650.0 | 650.0 |

| | | | | | | |
|-----------------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | |
|-----------------------------|--|--|--|--|--|--|

| | | | | | | |
|-------------------------------|--|--|--|--|--|--|
| CHANGE IN REVENUES () | | | | | | |
|-------------------------------|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | | | | | | |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other (RSA from AIDEA) | 650.0 | 650.0 | 650.0 | 650.0 | 650.0 | 650.0 |
| TOTAL | 650.0 | 650.0 | 650.0 | 650.0 | 650.0 | 650.0 |

Estimate of any current year (FY2003) cost: 650.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

| | | | | | | |
|-----------|-----|-----|-----|-----|-----|-----|
| Full-time | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Part-time | | | | | | |
| Temporary | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

This is an existing program that is scheduled to sunset 6/30/03. Reauthorization will continue the program for 5 years (until 6/30/08). The \$650.0 comes to the department via a Reimbursable Services Agreement (RSA) from the Alaska Industrial Development and Export Authority (AIDEA) Enterprise Development Fund (AS 44.88.155). The department awards \$620.0 in grants to 13 existing Alaska Regional Development Organizations (ARDORs) (\$47.7 each). \$30.0 in personal services pays for a portion of DCED staff time associated with administering the grants and the ARDOR program in general. This funding is included in the current fiscal year budget and is included in the Governor's proposed FY 2004 budget.

Prepared by: Gene Kane, Acting Director
 Division Community & Business Development
 Approved by: Edgar Blatchford, Commissioner
 Agency Department of Community & Economic Development

Phone 907-269-4587
 Date/Time 2/10/03 2:36 PM
 Date 2/10/2003

SITE: JUNEAU LIO

COMMITTEE: HCRA

DATE: 02/11/03

SUBJECT OF MEETING: HB79

UPDATE #:



PLEASE SIGN IN

P R I N T YOUR NAME

ADDRESS (MAILING & ZIP)

REPRESENTING

**DO YOU WANT
TO TESTIFY?
Y or N**

| | | | |
|---|--|--------------------|---|
| Representatives: Morgan Samuels Anderson Chenault Wolf Kookesh | | | |
| Testifiers: Sue Stancliff | | Rep. Morgan's aide | Y |
| Observers: 3 | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Email address: | | | |
| | | | |

SITE: ANCHORAGE LIO

COMMITTEE: HCRA

DATE: 2-11-03

SUBJECT OF MEETING:

HB 79

UPDATE #:Final Stats



P R I N T YOUR NAME

ADDRESS (MAILING & ZIP)

REPRESENTING

**DO YOU WANT
TO TESTIFY?
Y OR N**

| | | | |
|----------------------|--|-----------|----------------|
| Sue Cogswell | 2207 Spenard #207, Anchorage 99503 | PWSEDD | Y-HB 79 |
| Email address: | <u>Sue cogo@yahoo.com</u> 222-2440 | | |
| Wanetta Ayers | 3300 Arctic Blvd #203, Anchorage 99503 | SWAMC | Y-HB 79 |
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| Midge Clouse | 550 W 7 th #1770, Anchorage 99501 | DCED/DCBD | N-HB 79 |
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| | | | |
| Email address: | | | |
| | | | |
| Email address: | | | |
| | | | |
| Email address: | | | |
| | | | |
| Email address: | | | |

SITE: Kenai LIO

COMMITTEE: HCRA

DATE: 02-11-03

SUBJECT OF MEETING:

HB79: Extending AK Regional
Economic Assistance Program
Final Stats



PLEASE SIGN IN

P R I N T YOUR NAME **ADDRESS (MAILING & ZIP)** **REPRESENTING** **DO YOU WANT TO TESTIFY? Y or N**

| | | | |
|-------------------|--------------------------------|----------------------------|----------|
| Jim Carter | PO Box 3029 Kenai 99611 | Kenai Peninsula EDD | Y |
| Email address: | jscarter@gci.net | | |
| | | | |
| Email address: | | | |



Alaska State Legislature

HOUSE COMMITTEE ON COMMUNITY AND REGIONAL AFFAIRS

Sponsor Statement

The Alaska Regional Development Organizations (ARDOR) Program is the State's contribution to regional initiatives for developing Alaska's economy. In 1988, the Legislature recognized that a locally driven initiative, in partnership with the State, is the most effective approach to creating and sustaining a strong and healthy economy. The Legislature established the ARDOR Program to create a network of organizations to plan and support economic development at the regional level.

There are currently 14 ARDOR's. The ARDORs, like their counterparts nationwide:

- Enable local officials and businesses to pool their limited resources and work together on economic development issues,
- Develop partnerships among public, private and other organizations, and
- Provide needed technical assistance via direct links with local citizens.

It's not the State trying to determine what's best for the region; rather, it's the residents and those doing business in the region working together to create their economic future.

The ARDOR Program is providing a return for the State's investment. The State provides \$620,000 in grant funds for the ARDOR Program. The accomplishments of the ARDORs are impressive. Additionally, the ARDORs have used \$620,000 in State grant funds to leverage over \$3.6 million in other funds.

Board members participation reflects a local commitment to the ARDOR Program. The 14 ARDOR boards, each with 10-20 members, constitutes 150 plus local, civic-minded individuals who volunteer their time to achieve a stronger economic base in their region.

The original intent of the ARDOR Program was to create regional entities that could improve the local economy and eliminate region-wide economic development barriers. The ARDORs are meeting this legislative intent. The ARDORs work on a wide range of projects. Some, like Anchorage's "Military Hub Study" have regional or statewide impacts. Other projects, such as the Arctic Development Council's Revolving Loan Fund, assist individuals and businesses.

This legislation would extend the sunset date to July 1, 2008.

SCS HB 79

AMENDMENT #1

OFFERED BY: Senator Seckins

Pg. 1, Line 6

Delete: 2004

Insert: 2008

Extends the sunset date for five years. The Alaska Regional Economic Assistance program best know as the ARDOR program is due to sunset July 1st of this year, 2003.

The ARDOR's have been given one year to prove themselves and comeback with more results; this is reasonable as all departments and divisions are doing this through the means of Missions & Measures. However, I believe that the ARDOR's need more than one year; how can they possibly plan ahead beyond one year and anticipate leveraging federal grants that come directly to their communities? When programs are given only one year that usually constitutes a wind down period.

The legislature has appropriation authority; if the ARDOR's do not show reasonable results, the legislature simply reduces the funding.

Alaska Regional Development Organizations Annual Report

Anchorage Economic Development Corporation

Arctic Development Council

Bering Strait Development Council

Copper Valley Economic Development Council

Fairbanks North Star Borough Economic Development Commission

Interior Rivers Resource Conservation and Development Council

Kenai Peninsula Borough Economic Development District

Lower Kuskokwim Economic Development Council

Mat-Su Resource Conservation & Development, Inc.

Northwest Arctic Borough Economic Development Commission

Prince William Sound Economic Development District

Southeast Conference

Southwest Alaska Municipal Conference

January 2003



Mark Cushing

Frequently Asked Questions

What is an ARDOR? A nonprofit organization of local volunteers, representing numerous public and private interest, working together to achieve economic development in their region. An ARDOR is organized in accordance with Alaska Statute 44.33.026 and the Alaska Administrative Code (3 AAC 57).

Why have a regional organization do economic development? The Legislature established the ARDOR Program in 1988, and again in 2000, in support of the widely held belief that a locally driven initiative, in partnership with the State and other entities, can most effectively stimulate economic development and produce healthy, sustainable local economies.

How does an ARDOR get established? The State Department of Community and Economic Development (DCED) approves an ARDOR designation. To be approved, the ARDOR must (1) be large enough and contain adequate resources to support a regional economic development program, and (2) be an economically viable unit with shared interests, resources, traditions, and goals. Currently, there are 13 ARDORs in all regions of Alaska, except for most of the Doyon region.

How does as an ARDOR work? Each ARDOR is guided by a Board comprised of the economic development interests in the region. Board members are usually appointed by organizations in the region; however some are elected. The Board hires an Executive Director to work with the Board to ensure the annual work plan is implemented. The Board oversees and directs the activities of the ARDOR.

What are the ARDOR Program goals? Encourage a healthier economic climate to increase the number of jobs, strengthen existing businesses, attract new businesses, and encourage economic diversification.

What does an ARDOR actually do? Each ARDOR is different with regard to existing

economic development infrastructure, a marketable natural resource; an educated work force, and a cohesive leadership organization-factors in achieving economic development. Thus, ARDOR activities are unique to that ARDOR. Generally, however, ARDOR's:

- conduct economic development related research and planning including develop and implement a regional economic development strategy,
- respond to information requests,
- coordinate ARDOR's activities with other economic development activities,
- provide services designed to encourage economic development,
- collect and distribute economic information,
- develop and maintain community and village economic profiles,
- coordinate State economic or business development efforts, and
- serve as a liaison between State government and the region.

How is an ARDOR funded? DCED annually awards a State grant to each ARDOR that satisfies the statutory and regulatory requirements, including the requirement that each ARDOR provide a local, non-State match. For FY03, each ARDOR is receiving an average of \$47,692. The State grant and required match is usually not the ARDOR's only source of funding. ARDORs can and do receive funding from a variety of sources.

How much money does the State contribute to the ARDORs?

| | FY99 | FY00 | FY01 | FY02 | FY03 |
|-------------|---------|---------|---------|---------|---------|
| Total | \$620.0 | \$620.0 | \$620.0 | \$620.0 | \$620.0 |
| Each Grant | \$51.7 | \$47.7 | \$44.3 | \$44.3 | \$47.7 |
| # of ARDORs | 12 | 13 | 14 | 14 | 13 |

Note: Amounts are \$1, 000.

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* Interior Rivers Resource Conservation and Development Council did not provide information for this Annual Report.

Overview

The Alaska Regional Development Organizations (ARDOR) Program is the State's contribution to regional initiatives for developing Alaska's economy. In 1988, the Legislature recognized that a locally driven initiative, in partnership with the State, is the most effective approach to creating and sustaining a strong and healthy economy. The Legislature established the ARDOR Program to create a network of organizations to plan and support economic development at the regional level.

There are currently 13 ARDORs. The ARDORs, like their counterparts nationwide:

- enable local officials and businesses to pool their limited resources and work together on economic development issues;
- develop partnerships among public, private and other organizations; and,
- provide needed technical assistance via direct links with local citizens.

It's not the State trying to determine what's best for the region; rather, it's the residents and those doing business in the region working together to create their economic future.

The ARDOR Program is providing a return for the State's investment. The State provides \$620,000 in grant funds for the ARDOR Program. As indicated on the following pages, the accomplishments of the ARDORs are impressive. Additionally, for FY02, the ARDOR's used the \$620,000 in State grant funds to leverage over \$3 million in other funds.

Board member participation reflects a local commitment to the ARDOR Program. The 13 ARDOR boards, each with 10-20 members, constitute 150+ local, civic minded individuals who volunteer their time to achieve a stronger economic base in their region.

The original intent of the ARDOR Program was to create regional entities that could improve the local economy and eliminate regionwide economic development barriers, such as inadequate transportation or uncoordinated marketing efforts. As reflected on the following pages, the ARDORs are meeting this Legislative intent. The ARDORs work on a wide range of projects. Some, like Anchorage's Industrial Park project, have regional or statewide impacts. Other projects, such as the Northwest Arctic Borough's Revolving Loan Fund, assist individuals and businesses.

Legislative Performance Measures

The Legislature established performance measures for the ARDOR Program. Using these measures, each ARDORs performance is reported on the following pages.

Legislative Performance Measures:

1. The number of coordinated regional efforts resulting in the creation of new business opportunities. (The reporting period used on the following pages is 7/1/01-6/30/02.)

Comment: This measure counts certain ARDOR activities but it does not reflect the range of ARDOR activities. For example, many ARDORs provide training opportunities ranging from small business development to grant writing.

2. The % of goals identified through regional processes that are achieved. (The percentage reported on the following pages was derived by comparing the goals stated in the January 2002 ARDOR Annual Report with the final progress report submitted by each ARDOR for the period 7/1/01-6/30/02.)

The difficulty in applying this measure is that the ARDORs' goals varied in specificity. For example, ARDORs devote time to improving their organizations. Some ARDORs have simple short term goals, while others have multi-year goals that can't be accomplished in one year.

3. The amount of non-State funds leveraged by the ARDOR grants. (The dollar amount reported on the following pages provided is the amount reported by each ARDOR in their FY03 ARDOR grant application submitted in July, 2002.)

Following is a summary of the ARDOR budgets for all 13 ARDOR's.

FY 2003 ARDOR Program Budget

| | |
|--------------------|---|
| \$ 620,000 | State ARDOR grants |
| 748,470 | Other State funds |
| 1,165,068 | Federal funds |
| 1,017,579 | Private sector funds |
| 944,159 | Any other non-federal, non-State funds |
| \$4,495,276 | Total ARDOR Budget (total of above 5 lines) |
| \$3,126,806 | Amount of Non-State Funds Leveraged (7/1/02 - 6/30/03) |
| \$549,700 | Total ARDOR In-Kind Contributions |

The ARDORs and Department of Community and Economic Development (DCED) support the notion of using performance measures. The ARDORs and DCED look forward to working together and with the Legislature to develop performance measures that will be effective in evaluating ARDOR performance.

Anchorage Economic Development Corporation

Mission Statement

The Anchorage Economic Development Corporation exists to encourage growth and diversity in the Anchorage economy, promote a favorable business climate and improve the economic standard of living of Anchorage residents.



FY 2003 Goals

- ★ Implement a comprehensive strategic marketing plan designed to create new jobs and new investment in Anchorage.

FY 2003 Top Economic/Business Needs

1. New business parks both on and off airport property
2. More land for industrial development
3. Better trained work force
4. Change perception of Anchorage as a cold, dark and distant place to do business through a marketing/public relations firm
5. Develop competitive local and state incentives

FY 2003 Budget

| | |
|-------------|---|
| \$47,220 | State ARDOR grant |
| \$310,000 | Amount of other State funds |
| \$0 | Amount of federal funds |
| \$669,000 | Amount of private sector funds |
| \$491,500 | Any other non-federal, non-State funds |
| <hr/> | |
| \$1,517,720 | Total FY03 ARDOR Budget (<i>total of above 5 lines</i>) |
| \$24,000 | Total FY03 ARDOR In-Kind Contributions |

FY 2002 Coordinated Regional Efforts Resulting in New Business Opportunities

Board of Directors

1. Attended two Mat-Su Economic Development Planning meetings.
2. Have worked to include both Mat-Su and Kenai into our Vision Anchorage economic development planning process.
3. Continued support of regional economic development initiatives.

Please see page 9.

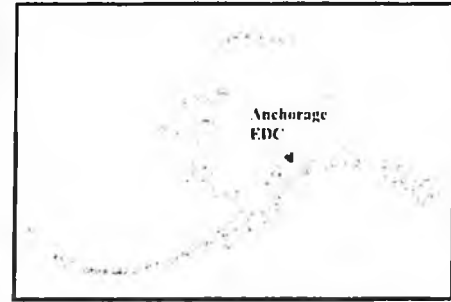
FY 2002 Goals * (Percentages of goal achieved: 100%. A ✓ indicates the goal was accomplished.)

- ✓ Develop and execute a well-organized plan to encourage expansion of existing businesses.
- ✓ Implement a strategic marketing plan focused on attracting new businesses in select industries with the most potential for leveraging growth, incorporating a network of Anchorage business leaders who can help build relationships with others in the industry sector.
- ✓ Provide Anchorage economic development data and information to businesses.
- ✓ Align with other appropriate organizations in Anchorage to prevent duplication of efforts and to communicate and market a common vision for economic development and growth.
- ✓ Communicate the direction of AEDC to all members and better align them to AEDC efforts, ensuring they see positive contributions and value for their investment in AEDC.
- ✓ Oversee management of financial and personnel resources, ensuring resources are allocated properly to achieve the strategies above in a positive team environment.

* A Legislative performance measure discussed on pages 4 and 5.

continued . . .

continued . . .



Anchorage Economic Development Corporation

Other FY 2002 Accomplishments

- Completed community-wide economic development plan named – Vision Anchorage, A Call to Action
- Developed Ambassador of the World program
- Developed Business Retention program
- Created property database on website
- Attracted Multiple Technologies Corporation to Anchorage – 20 new jobs
- Continued development of global logistics

Board of Directors

Voting Members

| | |
|---------------------------------|---|
| Gene O'Hara, Chair | Chief Executive, Providence Alaska Medical Center |
| Kathy Porterfield, Vice Chair | Managing Partner, KPMG |
| Larry Cash, Secretary/Treasurer | President, RIM Architects |
| Nancy Bear Usera | Sr. VP Corporate Development, Alaska USA Federal Credit Union |
| Dennis Bird | Managing Director for AK Operations, Federal Express |
| Steve Butterworth | VP, Finance, Planning & Control, Phillips Alaska, Inc. |
| Sherry Combs | Manager of Supply Chain Management, BP Exploration (Alaska) |
| Bill Fowler | President & COO, Northern Air Cargo |
| Joe Griffith | General Manager, Chugach Electric Association, Inc. |
| Tony Izzo | President & CEO, ENSTAR Natural Gas Company |
| Jim Kubitz | VP, Real Estate & Project Planning, Alaska Railroad Corporation |
| Ed Lamb | CEO & President, Alaska Regional Hospital |
| Tom Maloney | VP, Marketing & Business Development, VECO Alaska, Inc. |
| Kirk McGee | VP, Real Estate, CIRI |
| Dale Morman | President, Anchorage Sand & Gravel, Inc. |
| Rick Morrison | President, Eero Volkswagen of Anchorage/Saturn of Anchorage |
| Brian Nerland | District President, KeyBank National Association |
| Carolyn Ottosen | AK Division Manager, United Parcel Service |
| Frank Peake | VP & General Manager, CSX Lines |
| Mary Ann Pease | VP of Corporate Communications, ACS |
| Mark Pfeffer | President, Koonce Pfeffer Bettis |
| Diane Prier | President, Williams AK Petroleum, Inc. |
| Royce Rock | Business Manager, Carpenters Union, Local 1281 |
| Richard Strutz | President, Wells Fargo Bank AK |

Ex-Officio Members -- Legislators

| | |
|----------------------|--|
| Sen. Johnny Ellis | Senator, Alaska State Legislature |
| Sen. Ben Stevens | Senator, Alaska State Legislature |
| Rep. Ethan Berkowitz | Representative, Alaska State Legislature |
| Rep. Lisa Murkowski | Representative, Alaska State Legislature |

Ex-Officio Members -- Assembly

| | |
|---------------------|--|
| Mayor George Wuerch | Mayor, Municipality of Anchorage |
| Allan Tesche | Assembly Member, Municipality of Anchorage |
| Brian Whittle | Assembly Member, Municipality of Anchorage |

Ex-Officio Members -- Former Board Chairs

| | |
|--------------|--|
| Mike Brady | President, Ken Brady Construction Co. Inc. |
| Jim Gorski | Partner, Hughes, Thorsness, Powell, Huddleston & Bauman |
| Ernie Hall | President, Alaska Furniture Manufacturers, Inc. |
| Mary Hughes | Of Counsel, Hughes, Thorsness, Powell, Huddleston & Bauman |
| Mel Nichols | Vice President of Operations, DOWL Engineers |
| Tennys Owens | President, Artique, Ltd. |

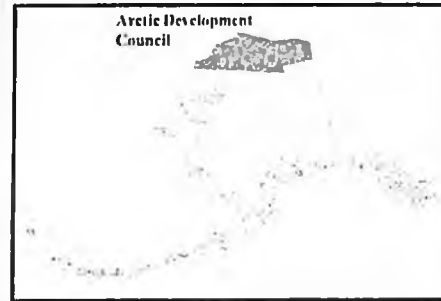
Ex-Officio Members -- Appointed by the Board

| | |
|------------------|---|
| Lee Gorsuch | Chancellor, University of Alaska, Anchorage |
| Mort Plumb | Airport Director, Ted Stevens Anchorage International Airport |
| Debby Sedwick | Commissioner, State of Alaska, DCED |
| Jim McMillan | Acting Executive Director, AIDEA |
| | President, Anchorage Chamber of Commerce |
| Bruce Bustamante | President & CEO, Anchorage Convention & Visitor's Bureau |

Arctic Development Council

Mission Statement

The Corporation is formed as a cooperative effort of the public and private sectors within the area encompassed by the North Slope Borough of Alaska to address the economic issues and potential growth of the region by coordinating private and public resources to support economic growth and development.



FY 2003 Goals

- ★ Strengthen Technical Assistance Program
- ★ Provide technical assistance on federal and state projects.
- ★ Provide technical assistance to the outlying villages on the North Slope when requested.
- ★ Provide North Slope Residents affordable research materials related to small business environments.
- ★ Provide gap financing by reestablishing revolving loan fund discontinued by North Slope Borough.
- ★ Design and implement an annual evaluation procedure to guide the on-going progress of ADC programs.

FY 2003 Top Economic/Business Needs

Expansion of economic base via small business development and tourism; revolving loan funds are needed and incubator space.

FY 2003 Budget

| | |
|----------|--|
| \$47,870 | State ARDOR grant |
| \$0 | Amount of other State funds |
| \$0 | Amount of federal funds |
| \$31,332 | Amount of private sector funds |
| \$0 | Any other non-federal, non-State funds |
| <hr/> | |
| \$79,202 | Total FY03 ARDOR Budget <i>(total of above 5 lines)</i> |
| \$2,000 | Total FY03 ARDOR In-Kind Contributions: City of Barrow equivalent for use of Council Chambers |

FY 2002 Coordinated Regional Efforts Resulting in New Business Opportunities

Assisted and completed three business plans in three different villages. Informed village governments & non-profits about grant opportunities.

FY 2002 Goals * (Percentages of goal achieved: 50%. A ✓ indicates the goal was accomplished.)

- ✓ Promote ADC programs, services and economic development on the North Slope
- ✓ Strengthen technical assistance program for potential and existing business owners on the North Slope.
- ✓ Provide technical assistance to villages
- ✓ Worked with Tuzzy Library & increased inventory of business related books and materials
- Provide North Slope contractors with bid information on federal and State projects.
- Reopen the Revolving Loan Fund program, which was discontinued in August 2001 by the North Slope Borough.
- Promote tourism slope wide through assisting with small business start-up and expansion.
- Evaluate, revise and implement programs and services in accordance with the needs of North Slope residents.

* A Legislative performance measure discussed on page: 4 and 5.

Other FY 2002 Accomplishments

Three workshops and one seminar were held.

Board of Directors

Executive Committee

Robert Harcharek, (President),
Education - North Slope
Borough School District
Dwain McKenzie, (Vice-Pres),
Small Business Section -
Arctic Video Production
Lucy Brown, (Sec-Treas),
Private Sector - Native
Village of Barrow

Members

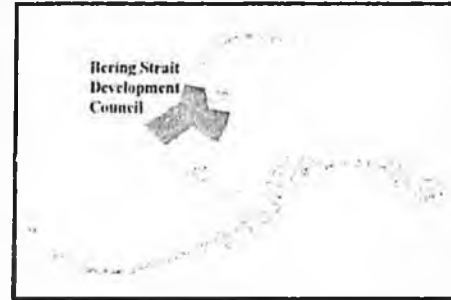
Forrest "Deano" Olemaun,
ASRC
John Gleason, Banking - Wells
Fargo
Paula Bush, North Slope Borough
Edith Vorderstrasse, City of
Barrow
Edith Tagoseak, Inupiat Comm.
of the Arctic Slope
Scott Danner, Ukpeagvik Inupiat
Corporation

Contact

Jan Phillips
Executive Director
P.O. Box 1353 .
Barrow, Alaska, 99723
Phone: 852-4146
Fax: 852-4147
E-Mail: adcl@barrow.com
Web Site:
www.arcticdevelopment.org/

Mission Statement

To strengthen and diversify the regional economy through training and technical assistance in community planning and business development.



Bering Strait Development Council

FY 2003 Goals

- ★ Update Regional Economic Development Strategy (REDS)
- ★ Plan and coordinate the Bering Strait Regional Economic Development Conference for 275 participants.
- ★ Work with EDA grant recipients in completing business development planning for businesses located in the 8 EDA multipurpose facilities.
- ★ Support entrepreneurship and small business development and promote e-commerce in the Region.
- ★ Support and assist in the promotion of regional economic development projects, natural resource products and support and promote regional infrastructure expansion efforts
- ★ Conduct Bering Strait Development Meetings while continuing a working relationship between BSDC and Kawerak, Inc..
- ★ Coordinate and Support other ARDORs, EDDs and RC&Ds
- ★ Travel to economic development conference
- ★ Review/comment on DCBD community profiles and review/comment on DCBD AEIS profiles
- ★ Assist communities in grant informational activities for DCBD grant programs
- ★ Provide statistical info for DCBD, as appropriate

FY 2003 Top Economic/Business Needs

- A need for a clear vision in our Region to sustain business as business, not as temporary welfare programs.
- Work with local governments (tribal and city) to foster an environment in which businesses can succeed.
- Work force training programs to increase long-term employment.
- Increased community planning assistance.
- Technical assistance in business and e-commerce development focusing on sustainable business growth and expansion.
- Utilization of the appropriate models of Native Nation Building and rural business development that emphasizes social, cultural, and political development for the communities in our Region.
- Access to growth and high-risk capital for new and existing businesses.

FY 2003 Budget

| | |
|-----------|---|
| \$47,820 | State ARDOR grant |
| \$0 | Amount of other State funds |
| \$59,000 | Amount of federal funds |
| \$0 | Amount of private sector funds |
| \$15,781 | Any other non-federal, non-State funds |
| <hr/> | |
| \$122,601 | Total FY03 ARDOR Budget <i>(total of above 5 lines)</i> |
| \$0 | Total FY03 ARDOR In-Kind Contributions |

FY 2002 Coordinated Regional Efforts Resulting in New Business Opportunities

Eight (8) preliminary business plans have been completed for the tribal governments that are receiving EDA Fisheries Disaster funding for eight multipurpose facilities. These facilities will be home to private investments that will create or save an average of twelve jobs in their communities. These businesses include: ivory/craft shops, small café's-coffee shops, small store-gift shops, rooms for overnight accommodations, and laundry facilities.

FY 2002 Goals * (Percentages of goal achieved: 91%. A ✓ indicates the goal was accomplished.)

- ✓ Update Regional Economic Development Strategy (REDS).
- ✓ Implementing strategies for the USDA-RD Funding Summit Forum.
- ✓ Work with EDA grant recipients in completing construction on a multipurpose building.
- ✓ Improve transportation infrastructure.
- ✓ Support entrepreneurship and small business development.
- ✓ Promote e-commerce in region.
- Assist in development of micro business.
- ✓ Increase regional and financial support.
- ✓ Conduct Bering Strait Development Meetings.
- ✓ Continue working relationship between Bering Strait Development Council and Kawerak, Inc.
- ✓ Coordinate and support other ARDORs, Economic Development Districts and Resource Conservation & Development Districts.

* A Legislative performance measure discussed on pages 4 and 5.

Other FY 2002 Accomplishments

- This was the first year for our traveling business development workshops to three communities in our Region: Brevig Mission, Wales and Shishmaref. Business development and planning workshops and information were presented for: bed and breakfasts, birding, small engine repair shops and web design. There were a total of 36 individuals at the workshops.
- Business Planning and Community Planning packets completed.

Board of Directors

Executive Committee

Wayne Mundy (Chair),
Bering Strait Regional
Housing Authority

Vacant (Vice-Chair)

John Baker (Secretary),
Banking/Finance

Members

Sue Greenly, Alaska Airlines

Seat A: Transportation

Howard Farley, NSEDC

Seat B: Fisheries

Ron Engstrom

Seat C: Mining

Mark Johnson

Seat E: Tourism

Kevin Zweifel, NSHC-OEH

Seat F: Health

Wayne Mundy, Chairman

Bering Strait Regional Housing
Authority

Seat G: Housing

Randy Romencesko

Seat H: City of Nome

Robert Keith, Elim IRA Council

Seat I: Kawerak Board

Victor Ongtawasruk

President, Wales IRA

Kawerak Board

Seat J: Northern Sub-Region

Lincoln Simon, WMO IRA

Kawerak Board

Seat K: S. Central Sub-Region

Simon Bekoalok, Jr, KBM

Shaktoolik IRA Council

Kawerak Board

Seat L: Southeast Sub-Region

Leslie Immingan

Savoonga IRA Council

Seat M: St. Lawrence Island

Steve Longley, KBM

Council Traditional Council

Kawerak Board

Seat N: Nome Sub-Region

Contact

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Kawerak, Incorporated

Economic Development Planner

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Web site: www.kawerak.org/

Copper Valley Economic Development Council



FY 2003 Goals

- ★ The CVEDC is an efficiently run organization representative of the region it serves. Projects reflect the needs of the region.
- ★ Natural Resources Conservation and Community Development
- ★ Develop local economic opportunities
- ★ Develop CVEDC resources to implement financial self-sufficiency and ability to fully implement strategies and work plan.

FY 2003 Top Economic/Business Needs

1. Plan and implement a fee schedule for services provide by CVEDC as a part of membership.
2. Complete Regional Plan by the end of FY03.
3. Ongoing knife sales and marketing.
4. Contract administration for Copper River LEPC.
5. Feasibility study on community center/small business incubator.
6. Organize another junk car removal program.
7. Micro loan project.
8. Promote local cottage industries by the use of weekend markets.

FY 2003 Budget

| | |
|-------------|---|
| \$47,500.00 | State ARDOR grant |
| \$0.00 | Amount of other State funds |
| \$0.00 | Amount of federal funds |
| \$12,118.43 | Amount of private sector funds |
| \$0.00 | Any other non-federal, non-State funds |
| <hr/> | |
| \$59,618.43 | Total FY03 ARDOR Budget <i>(total of above 5 lines)</i> |
| \$13,400.00 | Total FY03 ARDOR In-Kind Contributions |

FY 2002 Coordinated Regional Efforts Resulting in New Business Opportunities

Develop local economic opportunities

- Small business packet put together for those seeking information on starting a business in the Copper Valley.
- Small business seminars given through a cooperative venture with DCED, Prince William Sound Community College, and CVEDC.
- Job fair promoted through CVEDC.
- Updating of community profiles continues. Cataloging of local resources and contacts has begun.

FY 2002 Goals * (Percentages of goal achieved: 100%. A ✓ indicates the goal was accomplished.)

- ✓ Develop CVEDC resources to implement financial self-sufficiency and ability to fully implement strategies and work plan.
- ✓ Plan and manage regional growth to promote the economic well being of area while maintaining the quality of life and values that residents enjoy.
- ✓ Develop local economic opportunities.

* A Legislative performance measure discussed on pages 4 and 5.

Other FY 2002 Accomplishments

Successfully applied for an Americorp VISTA Volunteer. The VISTA will begin her year of service in July 2002.

Board of Directors

Theresa Absher, (President)
Vickie Snitzler, (Vice-President)
Paul Boos, (Secretary)
Chris Deck, (Treasurer)
Julie Bator, (Director)
Brenda Rebne, (Director)
Michelle Bayless, (Director)
Mike Roscovious, (Director)
Bruce Rogers, (Director)

Contact

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Executive Director
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Fairbanks North Star Borough Economic Development Commission



FY 2003 Goals

- ★ To actively promote, foster, and coordinate public and private initiatives that create or increase economic development opportunities that improve our community's quality of life.

FY 2003 Top Economic/Business Needs

- ✓ Obtaining a grant writer to be utilized by the Organizations represented on the ARDOR Board.
- ✓ Identify appropriate tax incentives that encourage economic development.

FY 2003 Budget

| | |
|----------|---|
| \$47,670 | State ARDOR grant |
| \$0 | Amount of other State funds |
| \$0 | Amount of federal funds |
| \$0 | Amount of private sector funds |
| \$47,670 | Any other non-federal, non-State funds |
| <hr/> | |
| \$95,340 | Total FY03 ARDOR Budget <i>(total of above 5 lines)</i> |
| \$0 | Total FY03 ARDOR In-Kind Contributions |

FY 2002 Coordinated Regional Efforts Resulting in New Business Opportunities

- Coordinated efforts to support Fairbanks Economic Development Corporation in obtaining funds for cold weather test marketing.

FY 2002 Goals * (Percentages of goal achieved: 100%. A ✓ indicates the goal was accomplished.)

- ✓ Completion and Assembly approval of the Comprehensive Economic Development Strategy (CEDS), January 2002.
- ✓ Produced an interactive CD-ROM media tool that markets Fairbanks for economic development.

* A Legislative performance measure discussed on pages 4 and 5.

Other FY 2002 Accomplishments

Obtained a VISTA Volunteer through the ARDOR Program to assist with the Fairbanks North Star Borough Comprehensive Plan update.

Membership

Commission membership consists of one member from the entities designated below and two members representing the community at large.

- Assembly
- Greater Fairbanks Chamber of Commerce
- Fairbanks Industrial Development Corporation
- Fairbanks Convention and Visitors Bureau
- Downtown Association/
Mainstreet Fairbanks
- North Pole Chamber of Commerce
- Representative of Small Minority Business
- University of Alaska Fairbanks
- Alaska Native Interests
- Northern Alaska Environmental Center
- Fairbanks Central Labor Council
- Fairbanks Arts Association
- FNSB Mayor or their designee
- Designee of the Mayor of Fairbanks, with concurrence of the city council
- Designee of the Mayor of North Pole, with concurrence of the city council

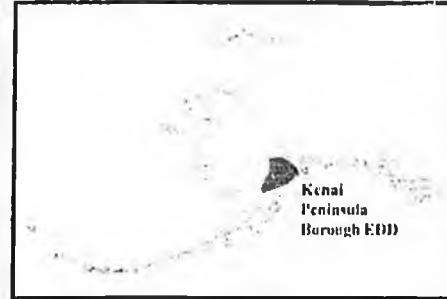
Contact

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Fax: 459-1102
Email:
dleon@co.fairbanks.ak.us
Website: co.fairbanks.ak.us

Kenai Peninsula Borough Economic Development District

Mission Statement

The District is dedicated to the purpose of developing programs that promote and foster economic and workforce opportunities. The District's current services include planning and implementing a borough-wide comprehensive economic development strategy (CEDS), supporting small businesses with technical assistance, operating the Business Innovation Center and assisting communities with capacity building and action plans. These programs are designed to create quality, sustainable employment and related opportunities for Borough residents and complement community and individual development initiatives.



FY 2003 Goals

- ★ Promote employment by providing businesses with Technical Assistance
- ★ Build Economic Development Capacity
- ★ Support quality, sustainable economic development
- ★ Encourage Economic Planning on community and borough levels
- ★ Travel to and participate in economic development conference
- ★ Review DCBD community profiles
- ★ Review/Promote DCBD AEIS profiles
- ★ Assist communities in grant informational activities for DCBD grant programs
- ★ Provide statistical info for DCBD, as appropriate
- ★ Host a Regional Funding Summit

FY 2003 Top Economic/Business Needs

- Work with both public and private partners to improve vocational education and training in the post-secondary institutions.
- Fund vocational courses that are market driven in the secondary schools.
- For the value of our natural resource exports such as timber, oil, natural gas and fish to remain at a stable, sufficient level so that investment in the Peninsula continues.
- Assist the commercial salmon industry with the promotion of the Kenai Peninsula Wild brand, utilize collaborative marketing endeavors to mitigate the negative impacts to commercial fishing and improve management and regulations of the Board of Fish.
- To improve the roadway, marine and airway systems in the Kenai Peninsula in order to make transportation safer and more effective for commercial carriers as well as residents and tourists.

- Promote winter events and market the Peninsula as year-around destination in order to diversify the economy to create employment opportunities.
- To work with communities and support their efforts to develop a convention facility.
- Improve capital markets by expanding EDD's services with financing alternatives. EDD needs to apply for US Department of Treasury designation as a CDFI.
- Continue this year's success with supporting start-up and expanding businesses in the Business Innovation Center.
- Assist and coordinate efforts with the Kenai Peninsula Tourism Marketing Council attracting group tour companies. Promote the Alaska Sea Life Center, the Challenger Learning Center of Alaska and the Pratt Museum to increase visitations.
- Facilitate regional small business development and entrepreneur educational workshops.
- Maintain working relationships with local banks to improve access to capital for entrepreneurs who want to start or expand a business.

FY 2003 Budget

| | |
|-----------|---|
| \$47,570 | State ARDOR grant |
| \$0 | Amount of other State funds |
| \$59,000 | Amount of federal funds |
| \$68,964 | Amount of private sector funds |
| \$90,000 | Any other non-federal, non-State funds |
| <hr/> | |
| \$265,534 | Total FY03 ARDOR Budget <i>(total of above 5 lines)</i> |
| \$0 | Total FY03 ARDOR In-Kind Contributions |

Board of Directors

Executive Committee

Philemon Morris (President)
 Transportation, Kachemak
 City
 Tom Boedeker, (Vice
 President) City Manager,
 City of Soldotna
 John Crawford (2nd Vice
 President), City of Seldovia
 Thomas R. Daly, (Secretary)
 Owner HiSpeed Gear
 Craig Chapman (Treasurer)
 Finance, Kenai Peninsula
 Borough

Members

Blaine Bardarson,
 Representative, City of
 Seward
 Anne Marie Holen,
 Representative, City of
 Homer
 Nathan Orr, Representative,
 City Council, City of
 Seward
 Blake Johnson, Labor, Laborers
 Local 341, Anchorage
 Ron Long, Qutekcak Shellfish
 Hatchery, Kenai Peninsula
 Borough Assembly
 Pete Sprague, Retired Postal
 Employee, Kenai Peninsula
 Borough Assembly
 Emilie Swenning,
 Representative, City of
 Homer
 John Williams, Real Estate,
 City of Kenai

Contact

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 Fax: 283-3913
 E-mail: jcarter@kpedd.org
 Web site: www.kpedd.org/

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Kenai Peninsula Borough Economic Development District



FY 2002 Coordinated Regional Efforts Resulting in New Business Opportunities

- Maintained and provided economic data about the Kenai with our new website and updated resource library.
- Held four Economic Outreach Forums. Two forums were two-day events. Attendance was great and the feedback was very positive.
- Assisted one corporation with relocating to the Peninsula.
- Handed out over 250 brochures in public events. These brochures are designed for industrial recruitment.
- Assisted BIC clients and other small business owners with marketing and networking with other local businesses to create and expand market share.

FY 2002 Goals * (Percentages of goal achieved: 100%. A ✓ indicates the goal was accomplished.)

- ✓ Build Employment by increasing Access to the Capital needed to expand and retain jobs.
- ✓ Promote Employment by providing fledgling Business Ventures with Professional Space, Nurturing Support and Technical Assistance.
- ✓ Support quality, sustainable economic development.
- ✓ Support Economic Development Activities.
- ✓ Encourage Economic Planning on community and Borough levels.
- ✓ Build Economic Development Capacity
- ✓ ARDOR workshop
- ✓ ARDOR teleconferences.

* A Legislative performance measure discussed on pages 4 and 5.

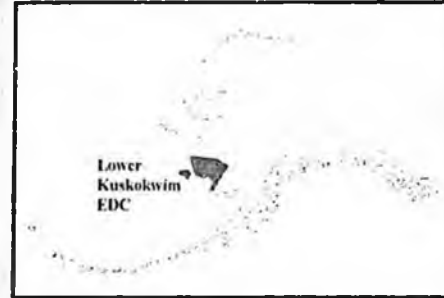
Other FY 2002 Accomplishments

- EDD submitted a grant application to the USDA, Rural Housing, for capacity building training on behalf of nine low-income communities.
- EDD submitted a grant on behalf of the community of Ionia. Ionia requires funding for the community center.
- Marketed the Revolving Loan Fund and made three loans. These loans created four full-time jobs.
- Assisted the City of Soldotna with the enhancement program. Over 20 local businesses participated.
- Applied for and was approved for a VISTA volunteer.
- Worked one-on-one with over thirty-seven entrepreneurs assisting them with marketing, accounting and financial endeavors.
- Finished the fifth and final year as the intermediary for the Port Graham Village and Port Graham Corporation for the Pink Salmon and Streambank EVOS hatcheries.
- Teamed up with communities and other organizations to develop economic projects with the goal of preserving and or enhancing their quality of life.
- EDD's Director taught FastTrac, an entrepreneur education course that was funded with Department of Labor funds.
- EDD made capital improvements to the Business Innovation Center that will improve the marketability of the BIC.

Lower Kuskokwim Economic Development Council

Mission Statement

The Lower Kuskokwim Economic Development Council exists to promote economic development activities in Bethel and 26 surrounding villages. Local planning and assistance to secure funding for small business activities and local infrastructure needs in our region is provided.



FY 2003 Goals

- ★ Develop, expand, diversify and promote quality standards of Lower Kuskokwim fisheries industry.
- ★ Promote development and growth of tourism and visitor industry in the region.
- ★ Develop and expand local & regional retail and service industry in the region.
- ★ Provide for the sound management of the LKEDC.

FY 2003 Top Economic/Business Needs

- New markets for value-added fish products.
- Access to capital for business development.

FY 2003 Budget

| | |
|----------|---|
| \$47,570 | State ARDOR grant |
| \$0 | Amount of other State funds |
| \$13,500 | Amount of federal funds |
| \$13,100 | Amount of private sector funds |
| \$0 | Any other non-federal, non-State funds |
| <hr/> | |
| \$74,170 | Total FY03 ARDOR Budget <i>(total of above 5 lines)</i> |
| \$4,500 | Total FY03 ARDOR In-Kind Contributions: discounted rent, use of office equipment, office supplies, donated airfare. |

FY 2002 Coordinated Regional Efforts Resulting in New Business Opportunities

Eighty fishers received a pay incentive for icing their commercial salmon catch.

FY 2002 Goals * (Percentages of goal achieved: 75%. A ✓ indicates the goal was accomplished.)

- ✓ Develop, expand, diversify and promote quality standards of Lower Kuskokwim fisheries industry.
- ✓ Promote development and growth of tourism and the visitor industry in the region.
- Develop and expand the regional and local retail and service industry in the region.
- ✓ Provide for the sound management of the LKEDC Organization.

* A Legislative performance measure discussed on pages 4 and 5.

Other FY 2002 Accomplishments

We obtained an additional \$26,600 in cash as new funding for program operations.

Board Members

Executive Committee

Fred K. Phillip, (Chair)
Kwik, Inc.

vacant, (Vice Chair)

Alexie Jimmie, (Treasurer)
Bayview Trading Co.

Peter Julius, (Secretary)
Businessman

Members

David Bigger, Native

Village of Kwinhagak

Mary Kapsner, State Rep.

Richard Foster, State Rep.

Sam George, Business,

Yupit School District

Lyman Hoffman, State

Senator

Les Daenzer, Lower

Kuskokwim School

District

Andrew Guy, Calista Corp.

Contact:

Carl Berger

Executive Director

P.O. Box 2021

Bethel, AK 99559

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E-mail:

carl_berger@ddc-alaska.org

Mat-Su Resource Conservation & Development, Inc.



FY 2003 Goals

- ★ Establish industrial sector to provide employment & tax base
- ★ Retain & expand existing business
- ★ Establish anchor attraction for tourism development
- ★ Strive to improve CEDS through participation, public input, and dissemination
- ★ Establish industrial sector to provide employment & tax base
- ★ Support natural resource based opportunities
- ★ Natural resources managed, conserved, and developed making productive use of resources while protecting environmental quality
- ★ Transfer of land (public-private)

FY 2003 Top Economic/Business Needs

- ✓ Infrastructure development, including expansion of electrical grid and expansion of public transportation
- ✓ Funding and Technical Assistance for non profit's and community service organizations
- ✓ Establishment of Transportation/Utility Corridor between Willow and Point MacKenzie
- ✓ Active Recycling program and Permanent Recycling Site
- ✓ Workforce Training Program
- ✓ Access to Capital

FY 2003 Budget

| | |
|-----------|---|
| \$47,450 | State ARDOR grant |
| \$0 | Amount of other State funds |
| \$100,000 | Amount of federal funds |
| \$11,150 | Amount of private sector funds |
| \$10,000 | Any other non-federal, non-State funds |
| <hr/> | |
| \$168,600 | Total FY03 ARDOR Budget <i>(total of above 5 lines)</i> |
| \$0 | Total FY03 ARDOR In-Kind Contributions |

FY 2002 Coordinated Regional Efforts Resulting in New Business Opportunities

- 4th Annual Valley Economic Development Conference
- Regional Recycling Program Development
- Development and expansion of local public transportation
- Value Added Timber Products Feasibility Study
- Port MacKenzie

FY 2002 Goals * (Percentages of goal achieved: 100%. A ✓ indicates the goal was accomplished.)

- ✓ Economic Development: infrastructure development-assisted in implementation of \$750,000 Line extension grant bringing electrical service to unserved areas. Workforce development – represented region in workforce issues, successfully implemented Sutton One-Stop pilot project. Permanent Recycling site acquired, operational funding obtained. Hosted 4th Annual Valley Economic Development Conference.
- ✓ Resource Conservation & Development: Value-Added timber project completed. Mobile Dry Kiln project completed. Open Space Workshop held. Non Timber Forest Products conference held. Completed Timber Bridge Commercialization Project.
- ✓ Community Development: Assisted 5 non profit organizations with funding research. Provided financial management assistance to 6 community organizations.
- ✓ Organization development.

* A Legislative performance measure discussed on pages 4 and 5.

Other FY 2002 Accomplishments

- Assisted North Valley Development Council with organizational development.
- Hatcher Pass Ski Resort project continues to progress.
- Supported development of a regional Multi-Use Sports Complex.
- Supported Borough's application for Landfill expansion.

Board of Directors

Executive Committee

Darcie Salmon, (Pres) Valley Board of Realtors
Dick Zobel, (Vice Pres) AK Soil/Water Conservation District (SWC)
Al Jorgenson, (Sec) Mat-Su Native Federation
Ted Smith, Past President
Rick Leibowitz, Small Business

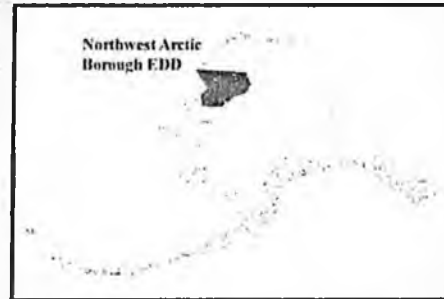
Members

Steve Levine, MSB School District
Ted Smith, Willow Chamber of Commerce
Rose Marie "Tiny" DePriest Alaska Farmers & Stock Growers
Ed Brittingham, Greater Wasilla Chamber
Craig Tytten, Wasilla Soil & Water Conservation District
Janet Kincaid, Mat-Su Convention & Visitors Bureau
Anna Van Reitz, NVDC
Diana Keller, Mayor, City of Wasilla
Kelly Lankford Ladere, Upper Su SWCD
Clarence Furbush Palmer SWCD
Elizabeth Ripley, Greater Palmer Chamber
Dan Deedy, Enstar Gas
Dale Adams, Mayor, City of Houston
Tony Pippel, City of Palmer
Wayne Carnony, Mat-Su Electric Assoc.
Jackie Whitstine, MTA
Debby Rutherford, Wells Fargo Bank
John Duffly, Mat-Su Borough
Angele Rosas, Houston Chamber

Contact

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Web site:

Northwest Arctic Borough Economic Development Commission



FY 2003 Goals

- ★ Administer Small Business Revolving Loan Program
- ★ Administer Small Business Grant Program
- ★ Administer Revolving Arts Purchase and Marketing Program
- ★ Present Annual Arctic Small Business Gathering in Kotzebue

FY 2003 Top Economic/Business Needs

Establish Arts Work Places in at least 6 of 11 villages.

FY 2003 Budget

| | |
|-----------|---|
| \$47,220 | State ARDOR grant |
| \$0 | Amount of other State funds |
| \$55,000 | Amount of federal funds |
| \$0 | Amount of private sector funds |
| \$269,608 | Any other non-federal, non-State funds |
| <hr/> | |
| \$371,828 | Total FY03 ARDOR Budget <i>(total of above 5 lines)</i> |
| \$277,000 | Total FY03 ARDOR In-Kind Contributions |
| | Describe the contributions: This amount is the total of the Northwest Arctic Borough endowments funds for our loan program (\$165,000), arts purchase program (\$105,000) and youth group loan program (\$7,700). |

FY 2002 Coordinated Regional Efforts Resulting in New Business Opportunities

- At least 12 new business began in the region last year, including home-based retail, 2 coffee shops, a catering business, synthetic oil product distributor. Many others sold arts and crafts for the first time. Most notable of these businesses is a espresso/gift shop at the local hotel which was a cooperative effort with the Kotzebue Youth Council and the Youth Opportunity Program. It provides a business education platform for youth who are employed under the Youth Opportunity Program and an additional outlet for arts/crafts sales.
- Cooperated with school district in two Century 21 grants for arts and crafts education in the schools.

FY 2002 Goals * (Percentages of goal achieved: 100%. A ✓ indicates the goal was accomplished.)

- ✓ Administer Small Business Revolving Loan Program.
- ✓ Administer Small Business Grant Program.
- ✓ Administer Revolving Arts Purchase and Marketing Program.
- ✓ Present Annual Arctic Small Business Gathering in Kotzebue.

* A Legislative performance measure discussed on pages 4 and 5.

Other FY 2002 Accomplishments

- Procured funds from USDA (\$80,000) to add to the Small Business Loan Program, and Maniilaq and NANA (\$25,000 each) to add to the Arts and Crafts Purchase Program. We now have over \$277,000 in endowment funds (revolving funds that are not subject to annual appropriation). The loan program is funded at about \$165,000, art purchase at about \$105,000, and youth group loan fund at \$7,700.
- Provided 6 arts and crafts workshops in villages.

Economic Development Commission

John Schaeffer, (Chair)
Lucy Nelson, For-Profit
Corporation
Brad Reeve, Utilities
Kim Franklin, Banking
Jeannie Westlake, Business

Ex Officio

Walter Sampson, Assem^t
President
Roswell Schaeffer, Borough
Mayor

Contact

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Executive Director
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E-mail: lstoops@northwestarcticborough.org
Web site: www.northwestarcticborough.org

Prince William Sound Economic Development District

PWSEDD, in partnership with the State of Alaska, U. S. Dept. of Commerce and private industry, brought nearly \$6M to the villages and towns in Prince William Sound for regional development since 1991.



FY 2003 Goals

- ★ Create tourism marketing plan with each community
- ★ Continue work with Chenega Bay to build oil spill training center
- ★ Sponsor Funding Summit in Cordova with Chugachmiut
- ★ Continue work with Valdez Fisheries Small Business Incubator/Fish Processing Plant
- ★ Open history museum in Whittier

FY 2003 Top Economic/Business Needs

- ✓ Natural gas line to Valdez
- ✓ Workforce development
- ✓ Provide diversity in local economies
- ✓ Enhance tourism efforts in Prince William Sound

FY 2003 Budget

| | |
|----------|---|
| \$47,620 | State ARDOR grant |
| \$0 | Amount of other State funds |
| \$0 | Amount of federal funds |
| \$15,715 | Amount of private sector funds |
| \$0 | Any other non-federal, non-State funds |
| <hr/> | |
| \$63,335 | Total FY03 ARDOR Budget <i>(total of above 5 lines)</i> |
| \$8,400 | Total FY03 ARDOR In-Kind Contributions: PWSEDD Board of Directors time, travel, volunteer hours pilot/aircraft donation flights to Chenega Bay for meetings. |

FY 2002 Coordinated Regional Efforts Resulting in New Business Opportunities

- Each year PWSEDD and the State of Alaska's Division of Community and Business Development hold training seminars in Prince William Sound. Topics include Starting a Small Business/Writing a Business Plan, Marketing Your Business, and various other courses requested by the community.
- The federal Economic Development Administration recently funded Valdez Fisheries Development Association \$423,000 to build a fish processing plant for the region. This project is being studied as a prototype for other fishing communities in Alaska. PWSEDD worked with Valdez Fisheries in obtaining this grant.
- The City of Whittier and PWSEDD will open a museum in May, 2003. This cultural attraction will offer employment opportunities to Whittier residents while adding to Whittier's appeal as a travel destination

Board of Directors

Dave Dengel (Pres), Valdez
Dave Cobb (Vice Pres), Valdez
Ken Gates (Treas), Cordova Electric
Betty Miller (Sec), Alaska Tanker Co.
Michael Vigil, Chenega IRA Council
Gary Kompkoff, Tatitlek IRA
Council
Robin Moore, Whittier
Chuck Totemoff, Chenega Corporation

Membership

BP Exploration (Alaska)
City of Valdez
Alaska Tanker Company
Chenega IRA Council
Alyeska Pipeline Service Company
City of Cordova
Cordova Electric Cooperative Assoc.
City of Whittier
Chenega Corporation
Tatitlek IRA Council
First National Bank of Anchorage
Petro Star Refinery/Valdez
Wells Fargo
Prince William Sound
Community College
Eagle Quality Center/Safeway, Inc.
Copper Valley Cellular
Valdez Convention & Visitors Bureau
Walker, Walker, Wendlandt &
Osovski, Attorneys

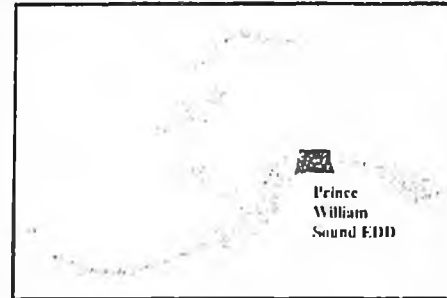
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Sue Cogswell, Executive Director
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E-mail: pwsedc@alaska.net
Web site: www.alaska.net/~pwsdec/

continued . . .

Prince William Sound Economic Development District

Continued . . .



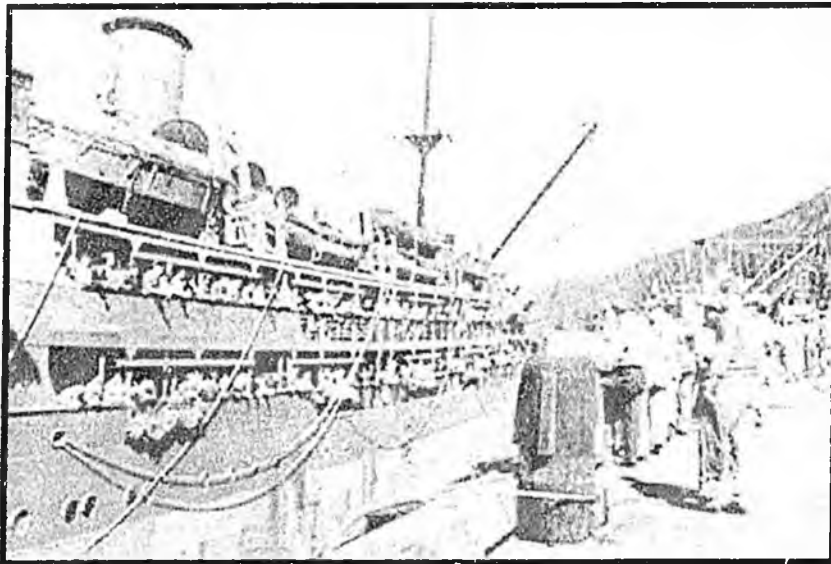
FY 2002 Goals * (Percentages of goal achieved: 100%. A ✓ indicates the goal was accomplished.)

- ✓ Global Oil Spill Training Institute to be built in Valdez with training held in all PWS communities.
- ✓ Establish a Small Business Incubator with Valdez Fisheries to provide state-of-the art facilities to process up to 5,000 lbs. of fish. This will provide a huge benefit to all fishermen in PWS who presently must rely on the major canneries to process their fish.
- ✓ Provide assistance to the Chenega Bay IRA Council to create new Comprehensive Economic Development Strategy.
- ✓ Provide assistance to small business development in region.

* A Legislative performance measure discussed on pages 4 and 5.

Other FY 2002 Accomplishments

- Completed all requirements for EDA grant for fisheries project.
- Recruited new board members.
- To operate more efficiently, moved office to Anchorage.
- Worked with Whittier to build museum.
- Met with Chugach Mountain Festival planners.
- Planned marketing/small business seminars with DCBD.
- Updated Comprehensive Economic Development Strategy.
- Initiated inquiries to Perrier, Int. for bottling plant in Valdez.



Troop ship arriving in Whittier during World War II

Mission Statement

To help develop strong economies, healthy communities, and a quality environment in Southeast Alaska.



Southeast Conference

FY 2003 Goals

- ★ Community Development
 - Infrastructure Development
 - Quality of Life Improvements
 - Capacity Building
- ★ Economic Development
 - Tourism Development
 - Timber Development
 - Fisheries Development
 - Minerals Development
 - Business and Industrial Development
- ★ Environmental Assistance
 - Environmental Quality
- ★ Organizational Development
 - Communications
 - Development Planning
 - Efficiency and Effectiveness

FY 2003 Top Economic/Business Needs

- Reduce operating costs and provide better targeted, cost effective service to local communities of the Alaska Marine Highway System through continued implementation of the Southeast Alaska Transportation Plan and completion of an *AMHS Sustainable Ferries* pilot study.
- Electrical power transmission intertie system to reduce costs of power in smaller communities and reduce fossil fuel based power generation.
- Efforts to diversify local economies, to augment and replace the loss of natural resource based economic output.

FY 2003 Budget

| | |
|-------------|---|
| \$47,720 | State ARDOR grant |
| \$438,470 | Amount of other State funds |
| \$819,568 | Amount of federal funds |
| \$108,600 | Amount of private sector funds |
| \$3,000 | Any other non-federal, non-State funds |
| <hr/> | |
| \$1,417,358 | Total FY03 ARDOR Budget <i>(total of above 5 lines)</i> |
| \$144,800 | Total FY03 ARDOR In-Kind Contributions: Board, Committee and Member hours donated annually. (7,240 hours total at \$20/hour) |

FY 2002 Coordinated Regional Efforts Resulting in New Business Opportunities

- Continued work on Southeast Alaska Transportation Plan and initiated Sustainable Ferries pilot study in order to provide local economies needed transportation infrastructure to diversify industrial base.
- Continued work on Southeast Intertie, will provide lower cost power to many communities that now rely on diesel, where businesses have difficulty competing with the lower cost energy base in other communities.
- Worked with a private operator on Fiber-optics. Assisted with concept of public/private partnership, developing support and public involvement strategy, and in locating potential sources of funding.
- Worked with the Inter-Island Ferry Authority to provide daily reliable transportation between Prince of Wales and Ketchikan for people and cargo.
- Worked with mariculture industry to promote shellfish farming in Southeast Alaska, and to survey possible new shellfish farm sites on Prince of Wales

Board of Directors

Executive Committee

Tom Briggs, (President)
John "J.C." Conley, (Past President)
Murray Walsh, (First Vice President)
Rob Allen, (Second Vice President)
Carol Rushmore, (Treasurer)
Maxine Thompson, (Secretary)

Members

Rosemary Hagevig, Director
Robert Venables, Director
Bob Ward, Director
John Pearson, Director
Keith Perkins, Director

Ex Officio

Loren Gerhard, Projects and Policy Director
Meilani Schijvens, Administrative Director

Contact

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Web Site: www.seconference.org

continued . . .

Continued . . .



FY 2002 Goals * (Percentages of goal achieved: 100%. A ✓ indicates the goal was accomplished.)

- ✓ Infrastructure development.
- ✓ Quality of life.
- ✓ Capacity building.
- ✓ Tourism.
- ✓ Timber development.
- ✓ Fisheries.
- ✓ Minerals development.
- ✓ Business development.
- ✓ Environmental quality.
- ✓ Communications.
- ✓ Efficiency.

* A Legislative performance measure discussed on pages 4 and 5.

Southeast Conference

Other FY 2002 Accomplishments

Craig Prepared application for EDA grant funds (\$75,000) for a Hydraulic Boat Trailer to service medium size commercial boats at the JT Brown Industrial Park. This equipment will reduce maintenance and storage costs for local fishermen, provide revenue for the City of Craig and support local marine service and repair businesses. Researched Alaska fish processing businesses to market JT Brown Icehouse development and prepared a prospectus for mass mailing to advertise business opportunity in Craig. Provide technical assistance with site selection for King Salmon Hatchery development

Ketchikan Assist Ketchikan Indian Corp. with funding for (\$50,000) in renovations to KIC Tribal Hatchery. The renovations will improve efficiency and safety to keep the Hatchery running. Prepared Cost/benefit analysis for a Native Carving Apprenticeship Program to employ KIC members and develop job skills.

- Hydaburg** Prepared Rural Development grant application (\$6,500) for mechanical assessment of Hydaburg Cold Storage. Assist with Rural Business Enterprise Grant for Cold Storage renovation. Provide technical assistance with funding strategies.
- Hyder** Prepare Rasmuson Foundation Grant application (\$24,000) for funding to purchase a palletizing machine for the Hyder Water works.
- Thorne Bay** Provide technical assistance for Library Committee in funding strategies and development. Assist with community planning process.
- Naukati** Provide technical assistance for resolution for second class city status decision. Prepare DCED grant application (\$42,000) for engineering work on waterfront development projects. Assist Naukati West Homeowners Association members with planning and community development projects and strategies. Prepare application for road construction and upgrade (2.4 million) through Forest Road Program
- Coffman Cove** Provide support for community planning process including review of OEDP and waterfront development plan. Assist project managers with funding strategies and Empowerment Zone analysis. Research funding opportunities for IFA terminal development and lands purchase. Assist with feasibility study of hydroelectric plant. Facilitate community planning process and community business plan for future project funding.
- Wrangell** Prepare application for DCED grant (\$48,000) for feasibility study of marine haulout development to support local fishing industry and marine repair and maintenance jobs. Research Alaska businesses for marketing Spur Rd. industrial property development. Provide technical assistance developing questionnaire and data analysis for Zemovia zoning district.
- Hoonah** Prepare application for DCED grant (\$50,000) for engineering and design of marine bulkhead and vessel haulout to support local fishing and processing industry, transportation infrastructure and local marine repair and maintenance jobs. Develop hydraulic boat trailer project with local private business and prepare Rural Development grant application (\$80,000) for Rural Business Enterprise Grant to finance equipment purchase. Provide technical assistance in funding for marine bulkhead construction (1.3 million dollars). Prepared grant application for Community Development Block grant to improve water and sewer system.
- Haines** Assist with marketing plan for Lutak industrial park development. Wrote Mini-Grant application for feasibility study. Prepared Sustainable Salmon Fund Proposal for Ice Plant and Fisheries development. Prepared Rural Development RBEG Grant application to purchase Ice Plant. Provide technical assistance to Chilkat Indian Association for funding a Community Center.
- Sitka** Provide technical assistance to Non-Profit group for grants and project development for transitional living center.

Regional Projects

- Fiber-optic Link** Provide technical assistance with data collection and analysis of cost/benefits for Fiber-optic cable network throughout SE Alaska. Assist AK Fiber-link with grant application preparation and review.
- Prince of Wales Tourism Plan** Develop scope of work for Prince of Wales area Tourism Plan including facilitation of the planning process. Provide technical support and grant application preparation for POW Tourism Coordinator position with Prince of Wales Chamber of Commerce.
- Transportation Study** Wrote grant application for SEC proposal to develop a region wide intermodal transportation study
- Fisheries** Prepared project nominations for Sustainable Salmon Funds Infrastructure grant (\$700,000) to support development of region salmon transportation network and infrastructure.

Mission Statement

SWAMC advances the collective interests of Southwest Alaska's people, businesses, and communities by promoting economic opportunities that improve quality of life and influences long-term responsible development.



Southwest Alaska Municipal Conference

FY 2003 Goals

- ★ Fisheries Development
- ★ Infrastructure Development
- ★ Tourism Development
- ★ Education/Public Services Development
- ★ Organizational Development

FY 2003 Top Economic/Business Needs

- Establish a coordinated and collaborative approach to overcome economic development challenges within the entire SWAMC region
- Revise a comprehensive regional economic development plan
- Assist in developing a knowledgeable and skilled population
- Strengthen physical infrastructure within the region
- Promote the creation of dynamic local economies
- Provide regional advocacy for policy and funding decisions at the State and Federal level

FY 2003 Budget

| | |
|-----------|---|
| \$48,170 | State ARDOR grant |
| \$0 | Amount of other State funds |
| \$59,000 | Amount of federal funds |
| \$87,600 | Amount of private sector funds |
| \$16,600 | Any other non-federal, non-State funds |
| <hr/> | |
| \$211,370 | Total FY03 ARDOR Budget <i>(total of above 5 lines)</i> |
| \$0 | Total FY03 ARDOR In-Kind Contributions |

FY 2002 Coordinated Regional Efforts Resulting in New Business Opportunities

- Conducted a regional conference that included training on tourism development, infrastructure development.
- Provided a forum for discussion of the benefits of regional cooperation in economic development and establishing a model to develop regional unity.
- Regional conferences provide critical communication and networking opportunities for southwest Alaska.

FY 2002 Goals * (Percentages of goal achieved: 100%. A ✓ indicates the goal was accomplished.)

- ✓ Conducted a successful regional conference
- ✓ Continued efforts to improve visibility and utilization of regional tourism services and facilities
- ✓ Provided a strong voice on public policy issues affecting the southwest region

* A Legislative performance measure discussed on pages 4 and 5.

Other FY 2002 Accomplishments

- ☐ Coordinated a grass roots effort to communicate critical issues and action alerts to members directed toward legislative agencies and National Marine Fisheries Service.
- ☐ Completed the process of developing an economic relief program for communities, businesses, individuals and other entities affected by the Steller sea lion protection measures – distributing funds to approximately 15,000 recipients
- ☐ With State funds, engaged a professional consulting firm and published an Economic Impact Study that:
 - Documented economic losses incurred to date due to Federal Steller seal lion conservation measures.
 - Developed forecasts of local and regional economic impacts attributable to alternative federal management measures proposed for Steller sea lion conservation.
 - Provided additional background on economic trends and prospects for the region's salmon and shellfish industries.
 - Developed proposed economic recovery strategies for the region's boroughs and major local governments.

Board of Directors

Members

Wayne Stevens (Pres.),
Municipal Representative-
Kodiak Island
Alice Ruby (Vice Pres.),
Municipal Representative-
Bristol Bay
Frank Kely (Sec/Treas.),
Municipal Representative-
Aleutians/Pribilofs
Elary Gromoff,
Associate Representative-
Aleutians/Pribilofs
Mayor Glen Gardner, Jr.,
Municipal Representative-
Aleutians/Pribilofs
Debora King,
Associate Representative -
Kodiak Island
Dave Woodruff,
Municipal Representative -
Kodiak Island
Myra Olsen,
Associate Representative -
Bristol Bay
Carvel Zimin,
Municipal Representative -
Bristol Bay
Kara Sandvik,
Associate Representative -
At Large
Joe Sullivan,
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Cathryn
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Website: co.fairbanks.ak.us

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¹ Designation Date

Produced, in cooperation with the 13 ARDORs, by the State Department of Community and Economic Development, Division of Community and Business Development, 550 W. 7th Avenue, Suite 1770, Anchorage, AK 99501.

For additional copies, download from the ARDOR Program web site:

http://www.deed.state.ak.us/cbd/ardor/pub/03_ARDOR_rpt.pdf

or contact Judy Hargis (1-907-269-4565). For more information on the ARDOR Program, call Midge Clouse (1-907-269-4587).

DCED complies with Title II of the Americans with Disabilities Act of 1990. Upon request, this report will be made available in large print or other accessible formats. Request for such should be directed to DCED at 1-907-269-4581 or TDD 1-800-930-4555.

FISCAL NOTE

**STATE OF ALASKA
2003 LEGISLATIVE SESSION**

Fiscal Note Number: _____
 Bill Version: HB 79
 () Publish Date: _____

Revision Date/Time (Note if correction): 2/19/03 Dept. Affected: DCED
 Title AK Regional Economic Asst Program BRU Comm Assist & Econ. Dev. (405)
 Component Community & Business Development
 Sponsor House Community & Regional Affairs
 Requester House Finance Component No. 2486

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

| OPERATING EXPENDITURES | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
|------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Personal Services | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 |
| Travel | | | | | | |
| Contractual | | | | | | |
| Supplies | | | | | | |
| Equipment | | | | | | |
| Land & Structures | | | | | | |
| Grants & Claims | 620.0 | 620.0 | 620.0 | 620.0 | 620.0 | 620.0 |
| Miscellaneous | | | | | | |
| TOTAL OPERATING | 650.0 | 650.0 | 650.0 | 650.0 | 650.0 | 650.0 |

| | | | | | | |
|-----------------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | |
|-----------------------------|--|--|--|--|--|--|

| | | | | | | |
|-------------------------------|--|--|--|--|--|--|
| CHANGE IN REVENUES () | | | | | | |
|-------------------------------|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | | | | | | |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other (RSA from AIDEA) | 650.0 | 650.0 | 650.0 | 650.0 | 650.0 | 650.0 |
| TOTAL | 650.0 | 650.0 | 650.0 | 650.0 | 650.0 | 650.0 |

Estimate of any current year (FY2003) cost: 650.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

| | | | | | | |
|-----------|-----|-----|-----|-----|-----|-----|
| Full-time | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Part-time | | | | | | |
| Temporary | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

This is an existing program that is scheduled to sunset 6/30/03. Reauthorization will continue the program for 5 years (until 6/30/08). The \$650.0 comes to the department via a Reimbursable Services Agreement (RSA) from the Alaska Industrial Development and Export Authority (AIDEA). The funding for the RSA is included in AIDEA's operating budget. The department awards \$620.0 in grants to 13 existing Alaska Regional Development Organizations (ARDORs). \$30.0 in personal services pays for a portion of DCED staff time associated with administering the grants and the ARDOR program in general. This funding is included in the current fiscal year budget and is included in the Governor's proposed FY 2004 budget.

Prepared by: Gene Kane, Acting Director
 Division: Community & Business Development
 Approved by: Edgar Blatchford, Commissioner
 Agency: Department of Community & Economic Development

Phone 907-269-4587
 Date/Time 2/19/03 8:38 AM
 Date 2/19/2003

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 79
 () Publish Date: _____

Revision Date/Time (Note if correction): 2/10/03
 Title AK Regional Economic Asst Program

Dept. Affected: DCED
 BRU Comm Assist & Econ. Dev. (405)
 Component Community & Business Development
 Component No. 2486

Sponsor House Community & Regional Affairs
 Requester House Community & Regional Affairs

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

| OPERATING EXPENDITURES | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
|------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Personal Services | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 |
| Travel | | | | | | |
| Contractual | | | | | | |
| Supplies | | | | | | |
| Equipment | | | | | | |
| Land & Structures | | | | | | |
| Grants & Claims | 620.0 | 620.0 | 620.0 | 620.0 | 620.0 | 620.0 |
| Miscellaneous | | | | | | |
| TOTAL OPERATING | 650.0 | 650.0 | 650.0 | 650.0 | 650.0 | 650.0 |

| | | | | | | |
|-----------------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | |
|-----------------------------|--|--|--|--|--|--|

| | | | | | | |
|-------------------------------|--|--|--|--|--|--|
| CHANGE IN REVENUES () | | | | | | |
|-------------------------------|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | | | | | | |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other (RSA from AIDEA) | 650.0 | 650.0 | 650.0 | 650.0 | 650.0 | 650.0 |
| TOTAL | 650.0 | 650.0 | 650.0 | 650.0 | 650.0 | 650.0 |

Estimate of any current year (FY2003) cost: 650.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

| | | | | | | |
|-----------|-----|-----|-----|-----|-----|-----|
| Full-time | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Part-time | | | | | | |
| Temporary | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

This is an existing program that is scheduled to sunset 6/30/03. Reauthorization will continue the program for 5 years (until 6/30/08). The \$650.0 comes to the department via a Reimbursable Services Agreement (RSA) from the Alaska Industrial Development and Export Authority (AIDEA) Enterprise Development Fund (AS 44.88.155). The department awards \$620.0 in grants to 13 existing Alaska Regional Development Organizations (ARDORs) (\$47.7 each). \$30.0 in personal services pays for a portion of DCED staff time associated with administering the grants and the ARDOR program in general. This funding is included in the current fiscal year budget and is included in the Governor's proposed FY 2004 budget.

Prepared by: Gene Kane, Acting Director
 Division Community & Business Development
 Approved by: Edgar Blatchford, Commissioner
 Agency Department of Community & Economic Development

Phone 907-269-4587
 Date/Time 2/10/03 2:36 PM
 Date 2/10/2003

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SCSHB 79 (FIN)
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: DCED
Title AK Regional Economic Assistance Program BRU Comm Assist & Econ. Dev. (405)
Component Community & Business
Sponsor House Community & Regional Affairs Development
Requester Senate Rules Component No. 2486

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

| OPERATING EXPENDITURES | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
|------------------------|--------------|------------|------------|------------|------------|------------|
| Personal Services | 30.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Travel | | | | | | |
| Contractual | | | | | | |
| Supplies | | | | | | |
| Equipment | | | | | | |
| Land & Structures | | | | | | |
| Grants & Claims | 620.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Miscellaneous | | | | | | |
| TOTAL OPERATING | 650.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | |
|-----------------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | |
|-----------------------------|--|--|--|--|--|--|

| | | | | | | |
|-------------------------------|------------|------------|------------|------------|------------|------------|
| CHANGE IN REVENUES () | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
|-------------------------------|------------|------------|------------|------------|------------|------------|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|--------------------------|--------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | | | | | | |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other (RSA from AIDEA) | 650.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL | 650.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2003) cost: 650.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

| | | | | | | |
|-----------|--|--|--|--|--|--|
| Full-time | | | | | | |
| Part-time | | | | | | |
| Temporary | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

The Alaska Regional Development Organizations (ARDOR) program is an existing program that is scheduled to sunset 6/30/03. This Senate Committee Substitute extends the ARDOR program for one additional year (until 6/30/04). The \$650.0 comes to the department via a Reimbursable Services Agreement (RSA) from the Alaska Industrial Development and Export Authority (AIDEA) Enterprise Development Fund (AS 44.88.155). The department awards \$620.0 in grants to 13 existing ARDORs (\$47.7 each). \$30.0 in personal services pays for a portion of department staff time associated with administering the grants and the ARDOR program in general. This funding is included in the current fiscal year budget and is included in the Governor's proposed FY 2004 budget.

Prepared by: Gene Kane, Director Phone 907-269-4587
Division Community and Business Development Date/Time 5/7/03 4:13 PM
Approved by: Edgar Blatchford, Commissioner Date 5/7/2003
Agency Department of Community and Economic Development



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February 20, 2003

Representative Carl Morgan, Chair
House Community & Regional Affairs Committee
State Capitol, Room 408
Juneau, AK 99801-1182

Re: HB 79

Dear Representative Morgan,

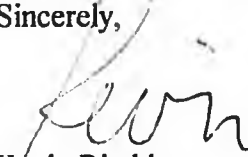
The Alaska Municipal League supports the reauthorization of the ARDOR Program.
The 2003 Alaska Municipal League Policy Statement reads:

Alaska Regional Development Organizations: The League urges the state legislature to increase funding to the Alaska Regional Development Organizations (ARDOR), to allow for greater amounts of private funds to be leveraged with public monies and to require DCED and other state agencies to coordinate their economic development activities with local ARDOR organizations.

The purpose of the ARDOR Program, established in 1988 by the State Legislature, is to facilitate economic development by establishing a network of regional development organizations designed to advance local control of economic development efforts and to increase the flow and retention of dollars in local economies. The program provides matching grants of up to \$100,000 per year for financial assistance to each designated regional development organization. The legislation establishing the program allows for a maximum of fifteen regional development organizations to be funded in any year. At the present time, almost all regions of the state are organized into ARDORs.

a. **Performance Based Outcomes:** As a condition of state funding, the League supports establishment of practices that ensures maximum local participation from all communities within the ARDOR. Further the League supports creation of performance measures for the goals and employees of the ARDOR. The legislature has moved to performance-based budgeting. This will enhance efforts to increase funding to the ARDOR's and support for a regionally based statewide economic development plan.

Thank you for the opportunity to support this bill.
Sincerely,



Kevin Ritchie
Executive Director

cc: Representative Kelly Wolf, Vice-Chair
House Cmte Community & Regional Affairs

Introduced by: Sprague, Long
Date: 03/11/03
Action: Adopted
Vote: 8 Yes, 0 No, 1 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2003-030**

**A RESOLUTION SUPPORTING THE PASSAGE OF HOUSE BILL 79 AND SENATE
BILL 62 WHICH EXTENDS THE TERMINATION DATE OF THE ALASKA
REGIONAL ECONOMIC ASSISTANCE PROGRAM**

WHEREAS, the Kenai Peninsula Borough Economic Development District is and has been an Alaska Regional Development Organization since 1988; and

WHEREAS, the Kenai Peninsula Borough Economic Development District provides economic development services throughout the Borough consistent with the goals and objectives of the Alaska regional economic assistance program; and

WHEREAS, the Kenai Peninsula Borough Economic Development District provides services to the Kenai Peninsula Borough that includes producing the Borough's Comprehensive Economic Development Strategy (CEDS), operates the state's only Business Incubator Center, counsels entrepreneurs, manages a revolving loan fund, assists communities with capacity building initiatives, and facilitates community and economic forums; and

WHEREAS, the Kenai Peninsula Borough Economic Development District has qualified for financial assistance under the Alaska regional economic assistance program since 1988; and

WHEREAS, House Bill 79 and Senate Bill 62 have been introduced and will provide an extension of the Alaska regional economic assistance program through 2008;

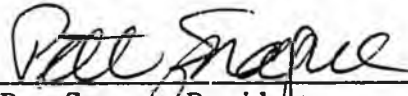
NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1: That the Kenai Peninsula Borough Assembly urges the 23rd Alaska State Legislature to enact House Bill 79 and Senate Bill 62, acts extending the termination date of the Alaska regional economic assistance program.

SECTION 2: That copies of this resolution shall be sent to Senator Con Bunde, Senator Georgiana Lincoln, Senator Gary Stevens, Senator Tom Wagoner, Representative Mike Chenault, Representative Mike Hawker, Representative Carl Morgan, Representative Paul Seaton, Representative Kelly Wolf, Governor Frank Murkowski and Commissioner of Community and Economic Development Edgar Blatchford.

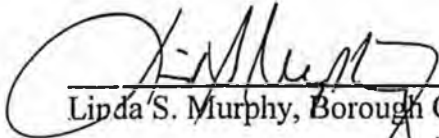
SECTION 3: That this resolution takes effect immediately upon its enactment.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 11TH DAY OF MARCH 2003.



Pete Sprague, President

ATTEST:



Linda S. Murphy, Borough Clerk

