

ALASKA LEGISLATURE LOCAL GOVERNMENT STUDY 1979
361 SCOM10:

difference between the two processes is that the state has the final say over the ACMP comments. The MOA is obligated to conduct and coordinate the the area-wide and local government review of proposed Federal activity within the MOA area as to its consistency with the MOA's district Coastal Management plan contained in the ACMP. If the MOA finds a proposed activity to be controversial, it may request the state to hold a public hearing in Anchorage. In the event that the MOA determines that the Federal project is inconsistent with its district coastal management plan, the MOA shall specifically describe the inconsistency and suggest alternatives which would alleviate them. If, in the event the state will send comments that are contrary to the feelings of the MOA, the state will initiate discussions with the MOA in order to resolve any disagreements. The state, however, will have the final word concerning impact by Federal proposed activities on the Coastal Management Program. Not surprisingly, the MOA is seeking more say in the process.

LC:jjd

see A C M P

August 28, 1979

THE MUNICIPALITY OF ANCHORAGE A-95 CLEARINGHOUSE PROCESS

INTRODUCTION

In response to the need for coordination and planning development of activities within and among the Federal, State and local levels of government, Congress has passed legislation which would attempt to avoid duplicative and conflicting programs and policies, one of which is referred to as the A-95 Clearinghouse Process. It is derived principally from the Intergovernmental Cooperation Act of 1968 and Section 204 of the Demonstration Cities and Metropolitan Development Act of 1966. Its primary objective is for state and local government, through state and area-wide clearinghouses, an opportunity to assess the relationship of Federal projects or projects with Federal assistance to state, area-wide and local plans and programs. Federal agencies are to consider these assessments in deciding whether to proceed with the proposed project. The manner in which states, regions and local governments conduct this project is generally left up to the discretion of the particular governments. Again, it should be emphasized the Federal government is simply seeking the assessment of the different levels of government on proposed projects and an endorsement of such a project does not insure positive action by the Federal government nor does, on the other hand, will negative comments result in the cancellation of such a project.

THE MUNICIPALITY OF ANCHORAGE (MOA) A-95 CLEARINGHOUSE PROCESS

The procedure used by the MOA would normally commence when a federal agency or an organization with Federal assistance proposes to start a new project or program within the MOA area. The organization will send to the MOA a Notification of Intent (NOI) as early as possible. The MOA Clearinghouse will request review and comment from municipal, state and Federal agencies, along with non-profit service organizations, which they feel would have pertinent input. The MOA encourages a wide variety of input and, as a general policy, will not refuse any group's comments. The MOA allows (generally) 30 days for review and comment except in unusual circumstances. After obtaining the responses from the various agencies and groups, and, if in the view of the MOA, there are no substantive negative comments, the MOA will send the comments to the agency proposing the project (they, in turn, must send these comments to the funding agency or department). However, if the MOA feels that the NOI does not adequately describe what the project or program will entail, it may request additional information before it will allow clearance. Or,

if MOA feels that there are substantive negative comments, it will act as a mediator between the two parties in hopes of alleviating their differences. If this exercise is unsuccessful, and the MOA still feels that the negative comments are justified, it will allow them to go to the Federal Regional Council (FRC)*. The FRC will then require a response from the agency or group seeking clearance concerning the negative comments.

The potential power of this process obviously lies with the MOA. It has the discretion to forward negative comments to the FRC which could conceivably result in the delay or cancellation of a project. Hence, in many cases it may be to the agency or group's advantage to settle what differences the MOA feel are important at an early stage of the process. The effectiveness of the MOA in using this planning and coordinative role depends primarily on the Clearinghouse utilizing municipal resources and its relationship with state and Federal agencies. According to the MOA Clearinghouse Director, this occurs at a satisfactory level.

THE RELATIONSHIP BETWEEN THE STATE OF ALASKA AND THE MOA CONCERNING THE A-95 PROCESS

The State**and MOA are the only two government units in Alaska which have A-95 Clearinghouse systems. They are currently attempting to coordinate their activities where both are involved and may have similar interests, goals and objectives. The two have agreed upon a number of points in operating their Clearinghouses through an informal memorandum of understanding. According to this understanding, MOA will "assume primary responsibility for coordinating state, area-wide, and local government review of proposed federal activities. . . (that) occurs exclusively within MOA boundaries." The state, on the other hand, will "assume primary responsibility for coordinating state, area-wide and local government review of proposed Federal activities. . . (that) do not occur exclusively within the MOA boundaries." Hence, by coordinating their efforts, the two governments avoid duplicative activities. Additionally, the MOA will serve as a mediator to solve differences between parties concerning exclusively within the MOA area, where the state will carry out function concerning a project not exclusively in the MOA. The agreement also states that the body responsible for sending the final response to Federal proposals and which receives an agency or group's responses (to negative comments) to

* the Federal Regional Council is primarily composed of the regional directors of the various federal agencies and departments.

** the Division of Policy Development and Planning is responsible for the State Clearinghouse functions.

provide the other body a copy of such a response if it contains substantive comment by the latter body. This allows the body not primarily responsible to know what comments received by the entity making the proposal and possibly the FRC (this would, as mentioned earlier, be in the case of a Clearinghouse sending negative comments). Additionally, both parties are also obligated to respond to a request of review in a 25 day time frame (after receiving the Notification of Intent).

NON-FEDERAL ASSISTED PROGRAMS WHICH MAY GO THROUGH THE A-95 ✓

REVIEW AND COMMENT PROCESS

The existence of a structurally sound review and comment framework allows the MOA to use it for non-Federal assisted activities which they feel need to pass through a similar process. This often includes, but not limited to, actions and activities such as:

- I. The Alaska Division of Land permits
- II. Corps of Engineers projects
- III. Review of proposed state and Federal regulations

A-95 FUNDING

The MOA does not receive direct Federal funds for their A-95 program, the staff salary is either funded by the MOA or CETA. Funding is available for A-95 activities through the Public Works and Economic Development Amendments of 1974 and the Economic Development Administration and HUD Comprehensive Planning Program (701). Given the numerous requirements for the various funds, however, the MOA has declined to seek them.

A growing problem in Anchorage as well as other cities has been the funding for staff time of the agencies monitoring the different projects. This increasing demand for this activity has posed budgetary and manpower strains on the MOA. In light of the fact that the A-95 program was initiated by the Federal government, many officials have expressed the desire for Federal aid for different aspects of the process. However, to date, no such allocation of funds has occurred.

THE MOA AND STATE RELATIONSHIP WITH THE ALASKA COASTAL MANAGEMENT PROGRAM (ACMP)

In addition to the A-95 agreement between the state and the MOA, the two have an understanding concerning the Alaska Coastal Management Program which has many goals and objectives very similar to that of the A-95 Process. The principle

difference between the two processes is that the state has the final say over the ACMP comments. The MOA is obligated to conduct and coordinate the the area-wide and local government review of proposed Federal activity within the MOA area as to its consistency with the MOA's district Coastal Management plan contained in the ACMP. If the MOA finds a proposed activity to be controversial, it may request the state to hold a public hearing in Anchorage. In the event that the MOA determines that the Federal project is inconsistent with its district coastal management plan, the MOA shall specifically describe the inconsistency and suggest alternatives which would alleviate them. If, in the event the state will send comments that are contrary to the feelings of the MOA, the state will initiate discussions with the MOA in order to resolve any disagreements. The state, however, will have the final word concerning impact by Federal proposed activities on the Coastal Management Program. Not surprisingly, the MOA is seeking more say in the process.

LC:jjd

9/4/79

GENE:
THIS IS STILL
AN INFORMAL
AGREEMENT
— LAMAR

DRAFT # 2

MEMORANDUM OF UNDERSTANDING

between the

MUNICIPALITY OF ANCHORAGE

and the

DIVISION OF POLICY DEVELOPMENT AND PLANNING

implementing the

OMB CIRCULAR A-95 (as revised)

and

SECTION 307 of the

COASTAL ZONE MANAGEMENT ACT of 1972 (as amended)

The Municipality of Anchorage (MOA) and the Division of Policy Development and Planning (DPDP), Office of the Governor, State of Alaska wish to establish procedures for coordinating plans and programs at federal, state, areawide, and local levels.

The authority to enter into this Memorandum of Understanding is based upon the Office of Management and Budget (OMB) Circular A-95, Parts I and II (as revised on January 2, 1976) and upon Section 307 of the Coastal Zone Management Act of 1972, as amended (P.L. 92-583 and P.L. 94-370) and the regulations published pursuant to 307 of the Federal Act (15 CFR 930).

The purpose of this agreement is to coordinate the state and Municipality of Anchorage review of proposed federal activities which may affect the plans and programs of both the state and the MOA. [The notification and review process described in the OMB Circular A-95 facilitate required federal agency consultation with the Governor, state and areawide clearinghouses, and local elected officials to assure that proposed federal programs, projects and uses of federal lands and resources (subject to coverage in paragraph 3, OMB Circular A-95) are, to the maximum extent possible, consistent with local, areawide and state plans.] This Memorandum of Understanding outlines the procedures to be used to coordinate the state and MOA review process under the OMB Circular A-95. [The process will also provide for the coordinated review of the proposed federal activities subject to the consistency requirements of the Coastal Zone Management Act of 1972, as amended, and which may also affect the MOA.]

It is Mutually Assumed That:

- (1) Both DPDP and the MOA are interested in the appropriate and timely exchange of information, evaluation, and review of proposed federal activities subject to coverage under the OMB Circular A-95 which may affect the plans, programs, and policies of state, areawide, and local agencies; and,
- (2) Both DPDP and the MOA are interested in avoiding duplication of effort in their respective clearinghouse review processes; and,
- (3) both DPDP and the MOA are interested in implementing the Alaska Coastal Management Act (AS 46.40), which provides for the coordinated and rational use of coastal resources.

THE FOLLOWING PROCEDURES WILL BE EMPLOYED:

I. In Relation to OMB Circular A-95:

A. THE MUNICIPALITY OF ANCHORAGE AGREES TO DO THE FOLLOWING:

- (1) Assume primary responsibility for coordinating the state, areawide, and local government review of proposed federal activities, subject to OMB Circular A-95 coverage, when such

activities are proposed to occur exclusively within the MOA boundaries. The MOA will distribute those plans, policies, and environmental assessments provided by federal agencies on such activities to the appropriate state, areawide, and local governments. The subsequent review will focus on the relationship of the proposals to state, areawide, and local plans and programs and upon potential environmental affects. The MOA, in addition, will provide a copy of proposals which may impact state plans, programs, and policies along with their corresponding distribution lists to DPDP. DPDP will retain the option of circulating such proposals to reviewers not included on MOA's distribution lists.

AZ (2) Request DPDP to comment on federal proposals distributed by the MOA according to the following time frames:

(a) at the earliest practicable time not to exceed 25 days after date on cover letter for a notification of intent by an applicant applying for federal assistance.

(b) at the earliest practicable time not to exceed 25 days after date on cover letter for a completed application that has been preceded by a notification of intent from an applicant applying for federal assistance. If a completed application is submitted to the MOA during the first 25 days after a notification of intent has been submitted, DPDP will have 25 days plus the number of days remaining in the initial 25-day notification period to complete its review.

(c) at the earliest practicable time not to exceed 50 days after date on cover letter for a completed application that has not been preceded by a notification of intent from an applicant applying for federal assistance.

(d) at the earliest practicable time not to exceed 50 days after date on cover letter for a notification of intent accompanying a comprehensive description of a proposed direct federal activity or development project.

MEDIANE
DOWNS
2011
AGENCIES
(3) Serve to facilitate communication, and, if necessary, attempt resolution of differences between the federal agency (and applicant, if appropriate) contemplating a proposed federal activity to occur exclusively within MOA boundaries and the state, areawide, and local agencies that have plans, policies, or projects which may be affected by the proposed activity.

(4) Provide DPDP with the final MOA response to federal proposals when such a response contains substantive DPDP comments.

M
W4/5-11
(5) Provide DPDP with the federal agency response to the comments generated by the MOA review when such a review contains substantive DPDP comments.

(6) In the event that DPDP is the primary coordinator of the state, areawide, and local review of federal proposals and requests MOA review of such proposals, the MOA will provide DPDP with information on the consistency and relationship of proposed federal activities to areawide and local plans, policies, and programs, according to the time frames prescribed by DPDP.

(7) In the event that DPDP is the primary coordinator of the state, areawide, and local review of federal proposals and written MOA comments on such proposals will likely arrive after the review deadline, the MOA will transmit substantive comments to DPDP verbally or request an extension.

(8) Should the MOA be unable to attend a meeting of mutual interest to both the MOA and DPDP as it relates to the review of federal proposals subject to coverage under the OMB Circular A-95, it may request DPDP to represent its concerns on a case-by-case basis.

B. THE DIVISION OF POLICY DEVELOPMENT AND PLANNING AGREES TO DO THE FOLLOWING:

DPDP

(1) Assume primary responsibility for coordinating the state, areawide, and local government review of proposed federal activities, subject to OMB Circular A-95 coverage, when such proposed activities may affect the MOA but do not occur exclusively within the boundaries of the MOA. DPDP will distribute those plans, policies, and environmental assessments provided by federal agencies on such activities to the appropriate state, areawide, and local governments. The subsequent review will focus on the relationship of the proposals to state, areawide, and local plans and programs and upon potential environmental affects. DPDP, in addition, will provide a copy of proposals which may affect the MOA along with their corresponding distribution lists to the MOA. The MOA will retain the option of circulating such proposals to reviewers not included on DPDP's distribution lists.

(2) Allow the MOA to comment on federal proposals distributed by DPDP according to the following time frames:

(a) at the earliest practicable time not to exceed 25 days after date on cover letter for a notification of intent by an applicant applying for federal assistance.

(b) at the earliest practicable time not to exceed 25 days after date on cover letter for a completed application that has been preceded by a notification of intent from an applicant applying for federal assistance. If a completed application is submitted to the MOA during the first 25 days after a notification of intent has been submitted, DPDP will have 25 days plus the number of days remaining in the initial 25-day notification period to complete its review.

(c) at the earliest practicable time not to exceed 50 days after date on cover letter for a completed application that has not been preceded by a notification of intent from an applicant applying for federal assistance.

(d) at the earliest practicable time not to exceed 50 days after date on cover letter for a notification of intent accompanying a comprehensive description of a proposed direct federal activity or development project.

MEAD
[(3) Serve to facilitate communication, and if necessary, attempt resolution of differences between the federal agency (and applicant, if appropriate) contemplating a proposed federal activity and the state, areawide, and local agencies that have plans, policies, or projects which may be affected by the proposed activity.

[(4) Provide the MOA with the final DPDP response to federal proposals when such a response contains substantive MOA comments.

(5) Provide the MOA with the federal agency response to the comments generated by the DPDP review when such a review contains substantive MOA comments.

(6) In the event that the MOA is the primary coordinator of the state, areawide, and local review of federal proposals and requests DPDP review of such proposals, DPDP will provide the MOA with information on the consistency and relationship of proposed federal activities to state and areawide plans, policies, and programs, according to the time frames prescribed by the MOA.

(7) In the event that the MOA is the primary coordinator of the state, areawide, and local review of federal proposals and written DPDP comments on such proposals will likely arrive after the review deadline, DPDP will transmit substantive comments to the MOA verbally or request an extension.

(8) Should DPDP be unable to attend a meeting of mutual interest to both DPDP and the MOA as it relates to the review of federal proposals subject to coverage under the OMB Circular A-95, it may request the MOA to represent its concerns on a case-by-case basis.

II. In Relation to the Alaska Coastal Management Program:

A. THE MUNICIPALITY OF ANCHORAGE AGREES TO DO THE FOLLOWING:

(1) Upon receiving from DPDP a statement on the consistency of a proposed federal activity or action with the ACMP to be conducted in the MOA, the MOA will conduct and coordinate the areawide and local government review of the proposed federal activity or action. Such review will focus on the consistency of the proposed activity or action with the MOA's district coastal management plan contained in the ACMP and will be conducted within the time frames prescribed by DPDP. In addition if the MOA finds a proposed activity to be controversial during the course of the MOA's consistency review, the MOA may request DPDP to hold a public hearing in Anchorage.

(2) In the event that the MOA determines a federal proposal is inconsistent with the MOA's district coastal management plan, the MOA will respond to DPDP describing (1) how the proposed activity will be inconsistent with specific elements of the district coastal management program, and (2) alternative measures (if they exist) which, if adopted by the federal agency, would allow the activity to proceed in a manner consistent to the maximum extent practicable with the district coastal management program.

B. THE DIVISION OF POLICY DEVELOPMENT AND PLANNING AGREES TO DO THE FOLLOWING:

(1) Provide the MOA with a copy of any federal proposals requiring a consistency finding with the ACMP and which occur in the Anchorage, Mat-Su, or Kenai Peninsula boroughs.

(2) Request the MOA to comment on federal proposals distributed by DPDP according to the following time frames:

(a) at the earliest possible time not to exceed 30 days after date on cover letter for direct federal activities/development projects.

(b) at the earliest possible time not to exceed 30 days after date on cover letter for federal license and permit activities.

(c) at the earliest possible time not to exceed 30 days after date on cover letter for federal license and permit activities described in detail in Outer Continental Shelf (OCS) plans.

(d) at the earliest possible time not to exceed 30 days after date on cover letter for review of federally-assisted projects.

Time may be shortened or lengthened by mutual agreement.

(3) Consider the MOA comments and recommendations on the relationship of proposed federal activities to the MOA coastal management district plan in DPDP's consistency finding.

(4) Upon realizing that DPDP will likely issue a consistency finding contrary to MOA's recommendation, DPDP will initiate discussions with the MOA in order to resolve any serious disagreements. If necessary, DPDP will request a time extension for review from the federal agency to facilitate such discussion with the MOA.

(5) Provide the MOA with the option of joining in the informal and formal mediation procedures between DPDP and a federal agency in the event that DPDP and a federal agency have serious disagreement concerning the consistency of a proposed federal activity with the ACMP, and the MOA supports DPDP's position.

MOA by
DPDP if
MOA dis.
w/ Fed Proj
in April

? in re MOA.

It is Mutually Agreed That;

- (1) Failure to provide comments on proposed federal activities within the appropriate time periods above implies tacit agreement with those proposed activities, unless a time extension is mutually agreed upon or additional information at a later date substantially changes the impact of the proposed activities.
- (2) In the course of a joint review, if either DPDP or MOA is of the opinion that the comments generated by a joint review warrant objection or intervention by the lead party in the review and there is not agreement between DPDP and MOA as to the course of action that should be taken, the party requesting official action will have the option of operating as an independent clearinghouse and may pursue the course it deems appropriate.
- (3) Time periods may be shortened or extended by mutual agreement.
- (4) This agreement will be reviewed annually or as required to determine the adequacy of the review process.
- (5) Nothing herein will be construed as obligating the MOA or DPDP to violate existing laws or regulations.
- (6) The agreement will become effective on _____ as evidenced by the signatures below. This agreement will remain in effect until revised in writing or until 30 days after notice of termination.

THIS AGREEMENT WAS REVIEWED AND REAFFIRMED BY THE PARTIES SHOWN BELOW:

Division of Policy Development
and Planning
Frances A. Ulmer

Municipality of Anchorage

Office of the Governor
Division of Policy Development
and Planning
State of Alaska

Municipality of Anchorage

DRAFT

By: _____

By: _____

Date: _____

Date: _____

SCOMM

10:45

May 14, 1979

The Honorable Jay S. Hammond
Governor
State of Alaska
Pouch A
Juneau, Alaska 99811

Re: FCCSNB 359 (relating to
salmon enhancement)
Our file: J-88-054-79

Dear Governor Hammond:

At your request, we have reviewed FCCSNB 359 which makes certain amendments to the existing statutory scheme for private regional aquaculture as a means of rehabilitating and enhancing Alaska's salmon fisheries, AS 16.10.375 - 16.10.620. In addition, the bill sets out several legislative findings of fact related to the private aquaculture program and its financing scheme as well as a generalized statement of the purpose of the program.

The legislative findings include: salmon enhancement results in a general benefit to the state and a greater direct benefit to commercial, subsistence and sport fisheries; the benefit to the commercial fisheries results in enhanced economic benefits to commercial fishermen; a regional approach to salmon enhancement is most desirable; fisheries commerce overlaps local government boundaries, and it is impracticable for local governments to be the vehicle for efficient salmon enhancement; and the most equitable and non-discriminatory method to provide revenues for regional salmon enhancement is to levy assessments against commercial fishermen in the region.

The bill provides that a qualified regional aquaculture association, upon becoming a non-profit corporation, is established as a service area in the unorganized borough for the purpose of providing salmon enhancement services in the area. The creation of such service areas is authorized by art. X, § 6 of the Alaska Constitution and AS 29.03.020.

The Honorable Jay S. Hammond
Governor

May 14, 1979

- 2 -

The bill provides that the assessments levied against commercial fishermen to finance the activities of regional aquaculture associations henceforth would be "royalty assessments" instead of mere "assessments." Standing alone, this change conceivably could create a problem regarding the constitutional prohibition on dedicated funds. Ak. Const., art IX, §7; See May 2, 1975 Attorney General's Opinion re: Dedication of Revenues Derived From the Lease or Sale of State Natural Resources. However, the particular label given by the legislature to a monetary exaction is not determinative; rather, the court will look to the real nature of the obligation imposed. Northwestern Mutual Life Insurance Company v. State Board of Equalization, 166 P.2d 917 (Cal. 1946); Smith v. Carbon County, 63 P.2d 259 (Utah 1936). For this reason, we believe that this change presents no problem.

The bill also provides that a precondition to imposition of an assessment is that the Commissioner of Commerce and Economic Development enter into any necessary agreements with local governments. Such agreements are authorized in Article X, § 13 of the Ak. Const., and arguably are a constitutional precondition to the legislature establishing a service area which includes land within the boundaries of an organized borough. This change statutorily imposes such a requirement, thereby obviating any constitutional challenge to the overall program which might have been mounted on this ground.

The bill provides that an assessment levied may be equal to either 2 or 3 per cent of the fair market value of the fish sold within a particular region, but may not exceed 3 per cent of such value. The existing scheme sets no values for the assessment, another possible ground for constitutional challenge of the overall scheme obviated by the bill.

The bill provides that an assessment may be terminated upon a majority vote of commercial fishermen in a given region either before any financial obligations relating to the assessment have been incurred or after all financial obligations relating to the assessment have been met. Existing law provides that an assessment may be terminated only at the request of a qualified regional association after all financial obligations relating to the assessment have been met; this latter provision would be retained under the bill.

The Honorable Jay S. Hammond
Governor

May 14, 1979

- 3 -

The bill provides that a limited entry permit holder qualified to vote on an assessment levied by a regional association may request the Commissioner of Commerce and Economic Development to reduce or terminate the assessment. The Commissioner may terminate or reduce the assessment if he finds it to be unreasonable or no longer needed by the regional association. It also authorizes commercial fishermen to petition for an election of all limited entry permit holders within the region on the issue of terminating the assessment if all financial obligations relating to the assessment have been met.

Finally, the bill makes a number of technical amendments to the existing private aquaculture statutory scheme.

The statutory scheme relating to private aquaculture, and particularly the method of financing it, is currently the subject of a lawsuit in the First Judicial District at Juneau. Alex et al. v. Southern Southeast Regional Aquaculture Association, et al., No. 1JU-78-191 Civil. The state is a named defendant in that action, and conceivably could be found liable for an amount exceeding one million dollars. The impact of this bill on that litigation is unclear at this time. However, it is our opinion that nothing contained in this bill will prejudice the state's position in that action. On the other hand, certain provisions of this bill -- the findings and statement of purpose; the recognition of qualified regional associations as service areas; the setting of the assessment rate at either 2 or 3 per cent of the fair market value of fish sold; the provisions for termination of the assessment upon request of limited entry permit holders -- actually may strengthen the state's position in the litigation.

Summarizing, the existing statutory scheme has been challenged on constitutional grounds. This bill does not address all of the constitutional challenges raised in that litigation. However, it does not create any additional constitutional difficulties and may, in fact, strengthen the state's position in that litigation. The Department of Law has no objection to it becoming law.

Sincerely,

Avrum M. Gross
Attorney General

AMG:d1m:GTK

Original sponsor: Gardiner

Offered: 5/1/79

1 IN THE HOUSE

BY THE FREE CONFERENCE COMMITTEE

2 FREE CONFERENCE CS FOR HOUSE BILL NO. 359

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to salmon enhancement."

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 * Section 1. FINDINGS AND PURPOSE. (a) The legislature finds that

9 (1) efficiently enhancing the salmon fisheries will result in a
10 substantial contribution to increased food production and is an appropriate
11 use of the resource;

12 (2) efficiently enhancing the common property salmon fisheries
13 will result in a general benefit to the state and in a greater direct benefit
14 to the commercial, subsistence, and sport fisheries;

15 (3) a direct economic benefit to the commercial fisheries results
16 from efficient salmon enhancement and includes enhanced economic return to
17 those persons commercially harvesting the resource;

18 (4) efficient salmon enhancement will result in increased economic
19 benefit to the coastal and interior regions of the state;

20 (5) regional user involvement in salmon enhancement planning and
21 production will promote maximum benefit to the users as well as maximum
22 resource protection;

23 (6) fisheries commerce in the coastal and interior regions of the
24 state overlap many local government boundaries, is not tied to local govern-
25 ment boundaries, and is primarily in the unorganized borough;

26 (7) it is impracticable for the framework of local government in
27 the state to be the vehicle for efficient aquaculture development;

28 (8) regional organizations comprised of user groups will effec-
29 tively promote aquaculture development in the state;

(9) the most equitable and nondiscriminatory method for providing revenues for regional salmon enhancement is to authorize regional associations to assess percentage royalty shares against those persons commercially harvesting the resource within the region.

(b) It is the purpose of AS 16.10.375 - 16.10.620 to provide for continuing efficient aquaculture development in the coastal and interior regions of the state in a manner which equally affects and benefits all persons similarly situated and to encourage the development of small, private, non-profit hatcheries that may provide important benefits to the state through increased employment, educational training, and research opportunities.

* Sec. 2. AS 16.10.380 is amended by adding a new subsection to read:

(c) A qualified regional association, when it becomes a nonprofit corporation under AS 10.20, is established as a service area in the unorganized borough under AS 29.03.020 for the purpose of providing salmon enhancement services.

* Sec. 3. AS 16.10.440(b) is amended to read:

(b) The Board of Fisheries may, after the issuance of a permit by the commissioner, amend by regulation adopted in accordance with the Administrative Procedure Act (AS 44.62), the terms of the permit relating to the source and number of salmon eggs, the harvest of fish by hatchery operators, and the specific locations designated by the department for harvest. The Board of Fisheries may not adopt any regulations nor take any action regarding the issuance or denial of any permits required in [PROMULGATE REGULATIONS NECESSARY TO IMPLEMENT] AS 16.10.400 - 16.10.470.

* Sec. 4. AS 16.10.470(b) is amended to read:

(b) A person who holds a permit for the operation of a salmon hatchery under AS 16.10.400 - 16.10.470 and each regional association levying a royalty assessment under AS 16.10.530 shall submit an annual

(Chenoweth)
Asian power
to the
questioned
no they don't
good nature
this is
seen as a
unorganized
that's

afternoon

1 financial report to the Department of Commerce and Economic Development
2 on a form to be provided by the Department of Commerce and Economic
3 Development.

4 * Sec. 5. AS 16.10.510(9) is amended to read:

5 (9) make grants for organizational and planning purposes to
6 qualified regional associations which have formed a nonprofit corpora-
7 tion, in amounts not exceeding \$100,000 per region and up to an addi-
8 tional \$100,000 on a 50/50 cash matching basis with the regional associ-
9 ations which have an authorized royalty assessment under AS 16.10.530 or
10 AS 16.10.540. The state portion of the matching share shall be avail-
11 able when a final vote for assessments is made under AS 16.10.530 or
12 AS 16.10.540. This provision also applies to qualified regional asso-
13 ciations which have formed a nonprofit corporation before June 24, 1977.

14 * Sec. 6. AS 16.10.520(b) is amended to read:

15 (b) Loans for the total project costs may be made if the commis-
16 sioner determines that the applicant has sufficient financial resources
17 to insure the establishment of an equity position in the project equal
18 to 10 per cent of the loan within six years or less, either through
19 a royalty [AN] assessment levied under AS 16.10.530 or AS 16.10.540 or
20 other means approved by the commissioner. For purposes of this subsec-
21 tion, "total project costs" includes planning and construction costs for
22 the facility and the cost of operations for not more than the first six
23 years. The costs for operations shall be loaned on an annual basis.

24 * Sec. 7. AS 16.10.520(c) is amended to read:

25 (c) All loans must be secured by collateral satisfactory to the
26 commissioner, including but not limited to a first deed of trust, assign-
27 ment of lease and leasehold improvements, sale of surplus fish from the
28 hatchery, or royalty assessments from fishermen levied under AS 16.10.-
29 530 - 16.10.540.

1 * Sec. 8. AS 16.10.530 is amended to read:

2 Sec. 16.10.530. ROYALTY ASSESSMENT ON SALE OF SALMON. (a) The
3 commissioner, on request of the qualified regional association for the
4 area in which the royalty assessment is to be levied, [AND] after consul-
5 tation with the commissioner of fish and game and after reaching any
6 necessary agreements with local governments, shall establish areas in
7 which a royalty [AN] assessment shall be levied on the sale of one or
8 more species of salmon caught by persons holding entry permits
9 [LICENSED] under AS 16.43.010 - 16.43.380 [AS 16.05.540 - 16.05.600], in
10 the area in which the royalty assessment is to be levied. A request by
11 the qualified regional association shall include a description of com-
12 pliance with (e) of this section. The commissioner shall determine
13 whether the procedural requirements under (e) of this section were
14 followed and whether the proposed assessment is reasonable. A royalty
15 [AN] assessment levied under this section shall be for the purpose of
16 providing revenue for the qualified regional association for the area in
17 which the royalty assessment is made. The rate and conditions of
18 royalty assessments, including species to be involved, shall be stated
19 by the appropriate qualified regional association in conjunction with
20 the request to the commissioner under this subsection. The royalty
21 assessment may be equal to either two or three per cent of the fair
22 market value of the fish but may not exceed three per cent of the fair
23 market value of the fish.

24 (b) (repealed)

25 (c) The commissioner and the appropriate qualified regional asso-
26 ciation must agree on a means of collection of the royalty assessment
27 and the commissioner may, by regulation, require its collection by
28 buyers of the salmon upon the sale of which a royalty [AN] assessment is
29 levied.

1 (d) The royalty assessment shall terminate

2 (1) upon request of the qualified regional corporation when
3 all financial obligations relating to the royalty assessments have been
4 met; or

5 (2) upon majority vote at an election held under (h) of this
6 section, in the area in which the royalty assessment is levied either
7 before any financial obligations relating to the royalty assessment
8 have been incurred or after all financial obligations relating to the
9 royalty assessment have been met.

10 (e) Before a royalty [AN] assessment is made under this section,
11 the qualified regional association for the area in which the royalty
12 assessment is to be levied shall hold an initial public meeting to
13 explain and discuss the necessity for the royalty assessment and to
14 explain the registration procedure established under (f) of this sec-
15 tion. Reasonable public notice of the meeting shall be sent to all
16 limited entry permit holders actively participating in a fishery in the
17 area, posted in at least three centrally located public places in the
18 area, and published in at least one newspaper of general circulation at
19 least one time a week for three consecutive weeks in the area, if one
20 exists. The notice shall briefly state the amount of the royalty assess-
21 ment and a short general description of the purposes for which the
22 royalty assessment money will be used. A ballot shall be mailed to all
23 limited entry permit holders actively participating in a fishery in the
24 area at least 20 days before the initial public meeting and contain a
25 copy of the notice and ask the question whether a royalty [AN] assess-
26 ment shall be imposed. At the public meeting the returned ballots shall
27 be counted by a special committee appointed by the regional association
28 for that purpose, and a vote by written ballot shall be taken on the
29 question from among the limited entry permit holders present at the

1 initial public meeting. After the vote is taken at the initial meeting
2 a second public meeting shall be held, upon the limited notice of publi-
3 cation in a newspaper of general circulation, each day for five consecu-
4 tive days and the mailing of personal notice to all limited entry permit
5 holders who actively participate in a fishery in the area at least
6 14 ys before the second public meeting, to give those who did not vote
7 by written ballot at the initial public meeting an opportunity to vote.
8 These votes shall be counted with the votes counted at the initial
9 meeting. A majority vote for the royalty assessment is required from
10 the combined total of the returned ballots and the votes by ballot cast
11 at both public meetings, before a royalty [AN] assessment may be im-
12 posed. No person may vote twice.

13 (f) The qualified regional association shall establish standard
14 registration procedures for voting on royalty assessments under this
15 section.

16 (g) A limited entry permit holder who would be qualified to vote
17 on a royalty assessment levied by a regional association may request the
18 commissioner to reduce or terminate a royalty assessment in the region.
19 The commissioner may terminate or reduce the royalty assessment if he
20 finds the royalty assessment to be unreasonable or to be no longer needed
21 by the regional association to meet the purposes of AS 16.10.372 - 16.-
22 10.620.

23 (h) Upon receipt of a petition requesting termination of the
24 royalty assessment and signed by not less than 10 per cent of the number
25 of persons qualified to vote under (e) of this section in the election
26 levying the royalty assessment in the area, the commissioner shall
27 determine if there are any outstanding financial obligations relating
28 to the royalty assessment. If the commissioner determines that there
29 are no outstanding financial obligations relating to the royalty assess-

1 ment, the commissioner shall notify the qualified regional association
2 for the area of his determination. The qualified regional association
3 shall, within two months after receiving notice of the commissioner's
4 determination, hold public meetings and, mail ballots in accordance
5 with (e) of this section. The ballots shall ask the question whether
6 the royalty assessment for the area shall be continued. Only a person
7 who is qualified to vote in accordance with (e) of this section may
8 receive and cast a ballot under this subsection.

9 * Sec. 9. AS 16.10.540(a) is amended to read:

10 (a) In place of or in addition to an assessment levied under
11 AS 16.10.530, an association of persons who hold entry permits [LI-
12 CENSED] under AS 16.43.010 - 16.43.380 [AS 16.05.540 - 16.05.600], which
13 consists of at least 51 per cent of the persons holding entry permits
14 [SO LICENSED] and actively participating in a fishery to be benefited by
15 a hatchery program, may levy and collect an assessment from among its
16 members for the purpose of securing and repaying a loan made under
17 AS 16.10.510.

18 * Sec. 10. AS 44.62.330(a) is amended by adding a new paragraph to read:

19 (46) Department of Commerce and Economic Development con-
20 cerning the Fisheries Enhancement Loan Program (AS 16.10.500 16.10.-
21 620).

SCOMM

10:46

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.

MEMORANDUM

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

TO: ☐

Murray Walsh
Coordinator, Office of
Coastal Management
Office of the Governor

DATE:

August 28, 1979

FILE NO:

TELEPHONE NO:

FROM:

Lawrence H. Kimball, Jr.
Director
Division of Community Planning

SUBJECT:

Amendment to RSA.

Attached is a proposed amendment to this Department's FY 1980 ACMP RSA. The amendment concerns the "Study of Options for Managing Coastal Resources in the Unorganized Borough."

LHKjr:am
Attachment

ACMP RSA: STUDY OF OPTIONS FOR MANAGING COASTAL
RESOURCES IN THE UNORGANIZED BOROUGH

BACKGROUND

Unorganized Borough Defined

The Alaska Constitution mandates that the entire State be divided into boroughs, organized and unorganized. A borough is a regional government similar to a county or township. An unorganized borough is an area outside the boundaries of a borough incorporated under State law.

Geographic Extent

Nearly 435,000 square miles, 75 percent of Alaska's total land area, lies within the unorganized borough. Except for Bristol Bay Borough (1,200 square miles), and part of the North Slope Borough, the entire west coast of the State is in the unorganized borough. Two other coastal areas have large stretches of unincorporated areas. These are Prince William Sound and Southeast Alaska.

Population

The unorganized borough is sparsely populated. Rough estimates indicate a civilian population of approximately 10,000 in areas outside an organized city or borough. In addition, approximately 60,000 persons live in the 116 incorporated cities which lie outside boroughs. Only 11 of these 116 cities have populations over 1,000 and few exercise municipal planning powers.

Importance of Planning and Management in the Unorganized Borough

Though sparsely populated, the unorganized borough warrants greater attention to planning and management of coastal resources for the following reasons: (1) major resource development is either under way in the unorganized borough or contemplated the future, (2) subsistence is a valued and irreplaceable way of life for many residents of the unorganized borough, (3) land ownership patterns are changing with millions of acres of federally owned land passing into private, State, or municipal ownership, and (4) provision of public services in the unorganized borough entails massive public investment and extraordinary logistical efforts.

Among the principal resource developments (existing and proposed) in the unorganized borough are: (1) logging (Chugach and Tongass National Forests and former federally owned forest land to be conveyed to Native corporations), (2) mining (Borax molybdenum mine near Ketchikan, Noranda mining operations on Admiralty Island, Inspiration Mining Company's operation on Chichagof Island, and placer mining on Seward Peninsula and the Norton Sound area), (3) fisheries (expansion of salmon catch, expansion into bottom fisheries in the Aleutian Islands and elsewhere), and (4) energy development (OCS lease sales scheduled for Norton Sound and Bristol Bay).

Legal Context

Article X of the Alaska Constitution addresses local government.

Pertinent sections from that article are the following:

SECTION 1. The purpose of this article is to provide for maximum local self-government with a minimum of local government units, and

to prevent duplication of tax-levying jurisdictions. A liberal construction shall be given to the powers of local government units.

SECTION 2. All local government powers shall be vested in boroughs and cities only.

SECTION 6. The legislature shall provide for the performance of services it deems necessary or advisable in unorganized boroughs, allowing for maximum local participation and responsibility. It may exercise any power or function in an unorganized borough which the assembly may exercise in an organized borough.

Title 29, Chapter 03, of the Alaska Statutes, pertains to the unorganized borough. In addition to defining the unorganized borough, that Chapter describes service areas as a means of providing services in the unorganized borough.

Sec. 29.03.020. Service areas. Allowing for maximum local participation, the legislature may establish, alter, or abolish service areas within the unorganized borough to provide special services, which may include but are not limited to schools, utilities, land use regulations and fire protection. A new service area may not be established if the new service can be provided by an existing service area, by incorporation as a city, or by annexation to a city. (§2 ch 118 SLA 1972)

Under Title 29, first-class and home-rule cities in the unorganized borough must exercise planning powers and second-class cities are authorized but not required to do so.

In 1975, the State Legislature enacted legislation important to provision of services in the unorganized borough. Pertinent excerpts from Chapter 124, Session Laws of Alaska 1975, are the following:

Sec. 14.08.021. Authority. The legislature delegates to school boards for each regional educational attendance area the authority to operate the public schools in those areas in accordance with the provisions of this chapter, subject to the provisions of this title and the regulations promulgated under it that apply to all school districts in the state.

Sec. 14.08.031. Regional Educational Attendance Areas.

(a) The Department of Community and Regional Affairs in consultation with the Department of Education and local communities shall divide the unorganized borough into educational service areas using the boundaries or subboundaries of the regional corporations established under the Alaska Native Claims Settlement Act, unless by referendum a community votes to merge with another community contiguous to it but within the boundaries or subboundaries of another regional corporation.

(b) An educational service area established in the unorganized borough under (a) of this section constitutes a regional educational

attendance area. As far as practicable, each regional educational attendance area shall contain an integrated socio-economic, linguistically and culturally homogeneous area. In the formation of the regional educational attendance areas, consideration shall be given to the transportation and communication network to facilitate the administration of education and communications between communities that comprise the area. Whenever possible, municipalities, other governmental or regional corporate entities, drainage basins and other identifiable geographic features shall be used in describing the boundaries of the regional school attendance areas.

Sec. 14.12.020(c). The legislature shall provide the state money necessary to maintain and operate the regional educational attendance areas. The borough assembly for a borough school district, and the city council for a city school district, shall provide the money which must be raised from local sources to maintain and operate the district.

Criteria specified for delineating boundaries of the regional educational attendance areas are similar to standards for incorporating an organized borough but do not include the following incorporation standard:

Sec. 29.18.030. (3) the economy of the area includes the human and financial resources capable of providing local services; evaluation of an area's economy includes land use, property valuations, total economic base, total personal income, resource and commercial development, anticipated functions, expenses, and income of the

proposed borough;

The Alaska Coastal Management Act used the regional educational attendance area as the basic unit for developing district coastal management programs in the unorganized borough. Residents of regional educational attendance areas may organize a coastal resource service area to develop a program which State agencies will implement.

During the 1979 State legislative session, a bill was introduced which included a provision to allow formation of coastal resource areas in areas smaller than a regional educational attendance area. The provision was deleted from the bill.

Issues

Two regions in the unorganized borough have already organized into coastal resource service areas according to procedures outlined in the Alaska Coastal Management Act and associated regulations. Both regions are predominantly Native and are served by organized Native non-profit organizations which served as catalysts in organizing the service area. Such favorable conditions are not found in all the remaining regional educational attendance areas. Unorganized areas in the Aleutian Islands, Prince William Sound, and Southeast Alaska have a sizeable non-Native population and in the latter two vast stretches of federal land holdings separate State and private land, which will be most directly affected by coastal management programs developed for the unorganized borough.

Although organization of coastal resource service areas in the Northwest

Alaska (NANA) region and the Yukon/Kuskokwim Delta region have commenced, concerns about subsequent stages in program development and implementation for these service areas and organizational problems expected in other parts of the unorganized borough have prompted the Department of Community and Regional Affairs to propose the work program described in the following section.

WORK PROGRAM

Purpose

The purpose of the proposed study is to examine options now available or possible, with certain legislative changes, to effectively plan for and manage coastal resources in the unorganized borough.

Products

There will be four products from this study:

1. A technical report summarizing the study methodology, key findings of a literature search, the identification and analysis of options, and results of public involvement activities.
2. Legislative recommendations, if any, described in sufficient detail to enable the Governor's Office to assess their value and draft appropriate legislation if desired.
3. Recommendations to the Administration on administrative changes which could improve management of coastal resources in the unorganized

borough.

4. A brief written document informing coastal service area board members of mechanisms available to manage coastal resources in the unorganized borough.

Study Approach

I. Perspective

The first step in the proposed study would be to provide perspective on the unorganized borough in general and organizational aspects of service delivery in particular. Key person interviews and case studies will be primary information sources for this part of the study. The interviews will be supported by a literature search and data gathering from secondary sources.

Specific questions to be addressed include the following:

- A. Who lives in the unorganized borough and why?
- B. What economic activities (market and non-market) provide sources of livelihood to residents of the unorganized borough?
- C. How are coastal resources now managed and by whom? What difficulties or inefficiencies are encountered?
- D. How are "local" decisions made?
- E. What has been the history of local government in the unorganized borough, i.e., why have certain communities in the unorganized borough

incorporated, which settlements or regions have attempted incorporation and failed (or considered it and then rejected it) and why, how effective have incorporated cities in the unorganized borough been and what has contributed to their success or failure?

F. How effective have the regional educational attendance areas and other service delivery mechanisms been and what problems have they encountered?

G. What trends are anticipated in any of the factors addressed above?

II. Identification of Planning and Management Options

The second element in the study will identify planning and management options now available to the unorganized borough, or possible with certain legislative changes. Options will be identified through a literature search, supported by key person interviews. In addition to the Alaska Statutes, sources to be tapped include literature and pertinent expertise on Maine (which has a relatively large unorganized area) and Canada (especially its management system in territories), and prominent public affairs research institutions throughout the country.

Planning options to be considered include organizational alternatives to the service area concept described in the Alaska Coastal Management Act. Management options include concrete mechanisms whereby a district program developed by a coastal resource service area board or other planning organization could be implemented.

III. Evaluation of Planning and Management Options

Planning and management options would be evaluated against the following criteria:

- A. Costs and Incidence of Costs: There will be costs associated with any planning or management options. It is important that the total costs be assessed for each alternative; it is equally important to identify all entities directly and indirectly absorbing the costs.
- B. Availability of Funds: One elementary requirement for any successful planning effort is financial resources; the funds may come from grants, tax revenues, revenue sharing, or some other source, but they must be available for both the development and implementation of a plan. All alternatives should be evaluated for the availability of funds for all stages of the planning program.
- C. Availability of Staff: In line with funds, planning efforts will need and must have easy and continual access to capable staff for both plan development and implementation tasks.
- D. Existing or Politically Feasible Mandates: The viability of a planning structure or program for Alaska's unorganized borough is largely dependent upon a mandate for that planning program. A mandate may occur in a number of ways: a legislative act, an administrative act of the Governor, public referendum or local election, or through a State agency program or regulation.

E. Public Acceptability: Akin to political feasibility is the need for public acceptability of a planning or management option. A planning program is not viable unless it is acceptable to the involved and affected citizens, particularly if the structure or program depends upon formal (electoral) approval of the people.

Assessing the public acceptability of planning and management alternatives could be accomplished through an opinion survey of residents and public leaders in the unorganized borough and of various State leaders. A case study of public reactions in the past to proposed planning structures and programs might be another means of determining public acceptability.

F. Quality of Service Delivery: This is a multi-faceted criterion by which alternative planning structures and programs are to be evaluated. The quality of service delivery depend on a number of things, many of which are included in the other criteria. The objective, however, is not to repeat previous analyses, but to consider whether or not the planning alternatives are based upon "logical" planning units and how they will affect other public services and service areas.

For an unorganized borough, public services such as schools, utilities, and fire protection are usually provided on a service area basis, and individual service areas are established to provide specific services. As the rationale and purpose of the service areas vary, generally, so do their boundaries and jurisdiction.

In identifying and evaluating possible planning structures for an

unorganized borough, it is important to consider the logic and efficiency of the unit or area of service. The rationale for and the boundaries of existing service areas may not be appropriate for the delivery of planning services. Geographic features (e.g., mountain ranges, rivers, watersheds), for instance, may be more important than regional corporation boundaries or cultural features for defining a planning area.

On the other hand, before proposing a new service system and area, it is important to consider its effect on existing service areas. Is the planning unit going to compete with, overlap, confuse, or fragment the functioning of and services provided by other resource service areas in a region?

G. Implementation Authority (planning options only): In almost all cases, a plan is only as good as its implementation. Therefore, an effective planning structure or organization must have appropriate implementation authorities and powers.

SCHEDULE

	1979					1980					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May Jun
I. Perspective	/-----/										
II. Identification	/-----/										
of Planning and											
Management Options											

1979

1980

Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr May Jun

III. Evaluation of

/-----/

Planning and Manage-
ment Options

IV. Preparation of

/-----/

Products (technical
report, legislative and
administrative recommen-
dations, technical
assistance document)

BUDGET

	<u>Federal Share</u>	<u>State Share</u>	<u>Total</u>
Personal services	\$ 32,800.00	\$ 8,200.00	\$ 41,000.00
Travel and per diem	3,200.00	800.00	4,000.00
Contractual	40,400.00	10,100.00	50,500.00
Commodities	160.00	40.00	200.00
Equipment	<u>640.00</u>	<u>160.00</u>	<u>800.00</u>
Total	\$77,200.00	\$19,300.00	\$96,500.00

The proposed budget would fund 6 person-months of a Planner IV position (range 19), 6 person-months of a Planner III position, and 4 person-months of a Clerk Typist III position. The Planner IV assigned to this study has an educational background and professional experience in

public administration and planning and the Planner III has extensive practical experience in the unorganized borough.

Contractual services would enable the Division to (1) enter into small contracts with research institutes and/or consulting firms to conduct literature searches and parts of the analysis, especially financial and legal considerations, (2) fund a public involvement component (workshop series and/or survey) and (3) print final products.

RELATIONSHIP TO OTHER STUDIES

During the past year, the State has experienced an upsurge of interest in the unorganized borough. Major projects and their relationships to the study proposed in this reimbursable services agreement (RSA) are described below:

Local Government Study

The standing committees of the House and Senate CRA Committees are conducting a Local Government Study during the interim. According to the committees' June 14 study plan, the product of the study will be a legislative package to be compiled by December. In comparing the Local Government Study schedule with the schedule proposed for this RSA, there are three distinct points at which a constructive exchange could take place:

- X 1. October. The Division could provide the committees with a draft of its narrative providing a perspective on planning and management in the

unorganized borough. This information could be used as background for the local hearings and field visits planned for October. The Division, in turn, would obtain and use proceedings of the committees' August 4-5 symposium, analysis, and regional workshops.

2. December. The Division could provide the committees a preliminary description of planning and management options which would be evaluated later in the study. The Division, in turn, would obtain and use transcripts of the local hearings scheduled for October. (The Division's public involvement program would span a longer period of time and be integrated into other functions such as board meetings of regional non-profit organizations and would occur during the analysis phase, November through April.)

3. November-December. The Division will share with the committee findings of its evaluation of planning and management options. While the Division's evaluation will continue several months into the 1980 legislative session, it is possible that some of its findings would be available to influence the legislative package either before the package is compiled in December or during committee hearings.

Tanana Chiefs Conference Proposal

The Tanana Chiefs Conference has proposed three alternatives for planning in the unorganized borough: (1) planning undertaken directly by a Native non-profit organization, (2) planning undertaken by advisory planning commissions recognized by the State under AS 44.19.880(c), and (3) planning and implementation undertaken by subregional planning commissions the governmental authority of which would be vested in the

Department of Community and Regional Affairs. Legal opinions rendered by the Legislative Affairs Legal Section and forthcoming from the Attorney General's office will be useful in assessing the legality of each option. Furthermore, the Tanana Chiefs Conference project and proposals could serve as a case study to help the Division study team evaluate the three options listed above.

NANA Regional Strategies

In 1978, the Mauneluk Association undertook a three-year project to develop a regional strategy for development of the Northwest Alaska Region. During the second year of this project, efforts will be devoted to exploring concrete mechanisms for implementing such a regional strategy in the unorganized borough.

The study team performing work proposed in this RSA will closely coordinate their efforts with those of the Mauneluk Association. Coordination will occur through the Division staff member assigned to the NANA Regional Strategy Steering Committee.

Division of Policy Development and Planning

The Division of Policy Development and Planning is approaching the unorganized borough in two ways: (1) seeking the Attorney General's advice on the Tanana Chiefs Conference's request to have six subregional planning commissions designated advisory bodies by the Governor, and (2) working with other offices in the Administration to develop rural policy. The Department of Community and Regional Affairs has been and will continue to work closely with the Division of Policy Development and

Planning on both these efforts. Findings of the study proposed in this RSA will be made available to the Division of Policy Development and Planning as expeditiously as possible for use in formulating rural policy.

MJW:am
8-28-79

PLEASE NOTE: THE PRECEDING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.



Official Business

Alaska State Legislature

JOINT SENATE AND HOUSE
COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
LOCAL GOVERNMENT STUDY

Co-Chairmen
Senator Arliss Sturgulewski
Representative Bill Parker

Address all
correspondence to:

LOCAL GOVERNMENT STUDY

Pouch V
State Capitol
Juneau, Alaska 99811

November 29, 1979

TO: Joint C&RA Committee Members
FROM: Senator Arliss Sturgulewski
Co-Chairman

SUBJECT: Status of Coastal Resource Service Area Organization

As you may know, the Senate and House Community and Regional Affairs Committees will have four coastal resource service area plans in this year for consideration. Additionally, a number of coastal resource service areas are in the organizational process. I thought it would be of interest to you to see the status of some of the proposed plans. You will be receiving information at the beginning of the Session as to the specific plans that have been completed. These plans have to go to the Coastal Policy Council for their consideration and possible adoption. After the Council acts, they will submit the plans to the Senate and House Community and Regional Affairs Committees for their consideration and action.

Enclosures

MEMORANDUM

State of Alaska

TO: Senator Arliss Sturgulewski

DATE: Nov. 26, 1979.

FILE NO:

TELEPHONE NO:

FROM: Murray Walsh, Coordinator *MW*
Office of Coastal Management

SUBJECT: Status of Coastal Resource
Service Area Organization

You asked for a status report on the progress of Coastal Resource Service Area (CRSA) organization progress. I am sorry this comes so late, but I hope this memo will still be of some use. For discussion purposes the unorganized area of the state should be divided into three areas: Western Alaska/Aleutian Islands; Prince William Sound; and, Southeast.

Western Alaska/Aleutian Islands

As you may recall, two or more REAAs may be combined by DCRA to form one CRSA. This has occurred twice so far, resulting in seven potential CRSAs in this part of the state. More such consolidations could occur but this is seen as unlikely by most observers. So, by potential CRSA, this is what is happening:

NANA or Kotzebue Region: Both an organization election and a planning board election have been held with affirmative votes in both cases. As of this writing, the planning board has met at least once. Much remains, but grants are now in the works, and the area has been involved already in the "regional strategies" program funded by HUD.

Norton Sound or Nome Region: The first organization election has been scheduled for late January

AVCP or Bethel Region: Both elections have been successfully held and the planning board has met once or twice. A small grant to develop an extensive work program is pending. Major activity should start in just a few months.

Bristol Bay or Dillingham Region: No elections held or scheduled thus far, but this region contains both the City of Dillingham and the Bristol Bay Borough. Both of these districts are now active in ACMP and are negotiating with DCRA for program development grants.

Aleutian Islands/Lower Alaska Peninsula Region: The Aleutian-Pribilof Islands Association is seeking an education grant from DCRA to begin groundwork for elections.

Adak: Adak is still a separate REAA and so far, there has not been much enthusiasm from any quarter for consolidating Adak with the rest of the Aleutian Chain in a single CRSA. There has been no other activity other than raising the consolidation question well over a year ago.

Pribilof Islands: Basically the same situation as Adak. However, the Aleutian-Pribilof Islands Association request is apparently aimed at all three areas.

Summary All told, we are fairly optimistic about the Western Alaska/Aleutian region. In fact, I rather think that the unorganized borough provisions in the Alaska Coastal Management Act had this part of the state in mind. Many problems remain, not the least of which is the current five year leasing schedule planned by BLM. This has caused the fear that CRSA planning efforts will come too late to be of much use to the residents. There are a good many other reasons for engaging in coastal planning and we hope to emphasize these as well as seek delays in the sales, and a speed-up of organizational and planning efforts.

Prince William Sound

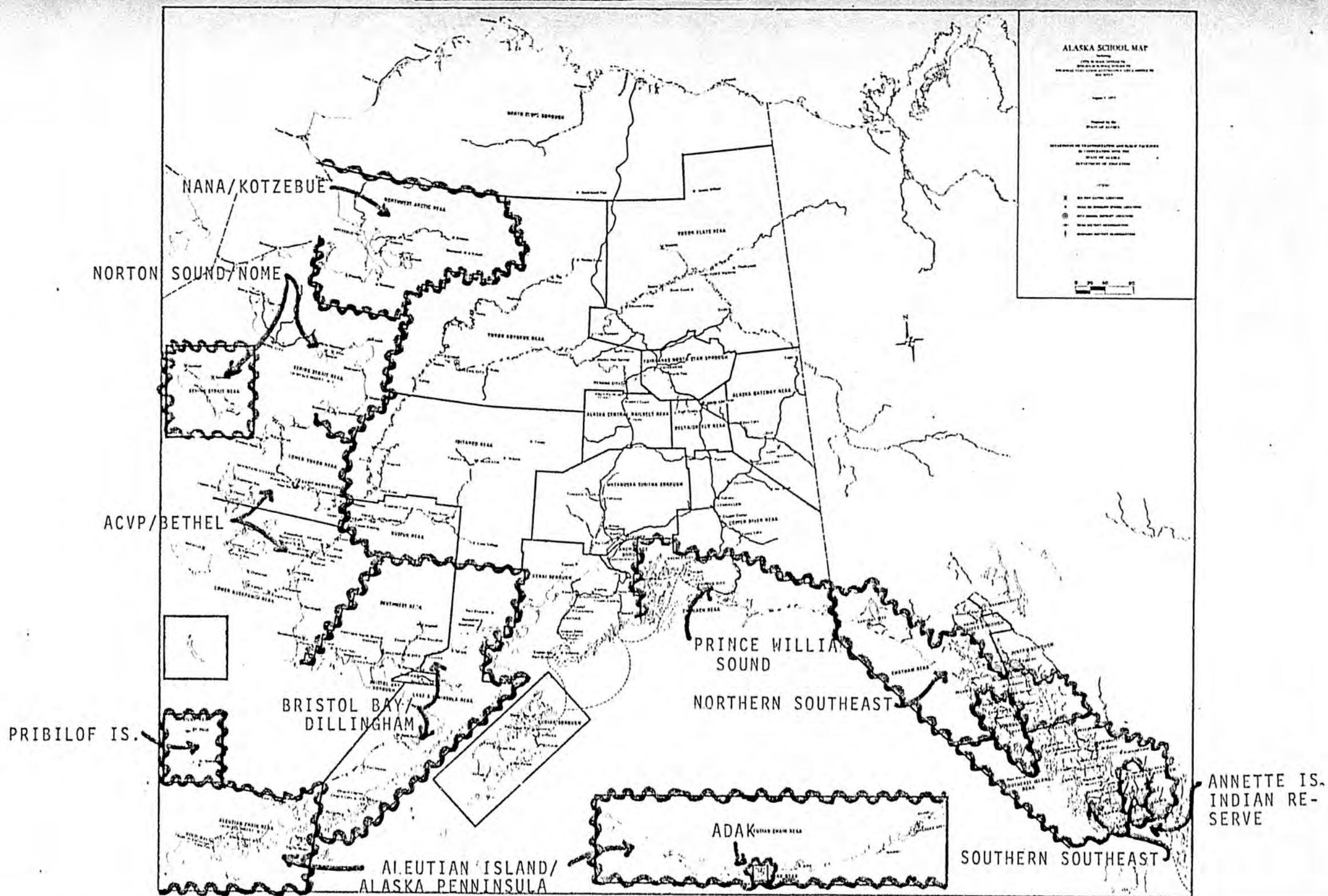
While we have had some inquiries from residents of this area, I do not anticipate much effort toward forming a CRSA. Apart from a very few people who live in small settlements, most of the residents live in Cordova, Valdez and Whittier. Cordova and Valdez have active coastal programs now underway. Cordova's should be done in a few more months. Whittier is negotiating for a program development grant. About the only reason for creating a CRSA in Prince William Sound would be if the three cities wanted to get together and create a regional plan for the area. This can be done because a city may choose to include itself within an REAA for the purpose of developing a coastal program. Such an event would be a deviation, I think, from the original purpose of the CRSA provisions in the coastal Act, but not necessarily a bad idea.

Southeast Alaska

Here too, we have had inquiries but no substantive action. Southeast is not at all well suited to the CRSA format because of the extensive waterways and other separations between groups. Southeast has three REAAs: the entire northern half; the Southern half; and a part of the southern for the the Annette Islands Indian Reserve. Much more sensible planning units would be whole islands or other geographic features rather than the rather huge regions that are now available. It was for this reason that OCM and the Coastal Policy Council sought an amendment to the coastal Act that would have allowed less-than-REAA-sized CRSAs last year. As well, most Southeast residents already live in first or second class cities or boroughs and can develop programs through the normal method. A number of the second class cities are so small that this will be difficult, but the means are available if the locality is sufficiently interested. In a number of cases as well, there are no burning issues or fearful trends that could stimulate a demand for a local coastal program, and so we tend to concentrate our efforts where problems exist or are pending.

I hope this memo provides you with the information you need. Please do not hesitate to contact me again if you need more details. Thank you for your interest in ACMP.

COASTAL RESOURCE SERVICE AREAS



ALASKA SCHOOL MAP

Copyright © 1988 by the Alaska Department of Education
 All rights reserved. No part of this publication may be reproduced without the written permission of the Alaska Department of Education.

Scale: 1 inch = 100 miles

Legend:

- School District Boundary
- Major City
- State Boundary
- National Boundary
- Water Body
- Mountain Range
- River
- Road
- Airport
- Rail Station
- Port
- Island
- Peninsula
- Strait
- Sound
- Bay
- Gulf
- Ocean
- Lake
- Pond
- Stream
- Creek
- River
- Canal
- Dam
- Bridge
- Tunnel
- Ferry
- Ship
- Boat
- Plane
- Helicopter
- Car
- Truck
- Bus
- Train
- Ship
- Boat
- Plane
- Helicopter
- Car
- Truck
- Bus
- Train

Scale: 0 50 100 Miles

North Arrow

ANNETTE IS.
INDIAN RE-
SERVE

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.

ACMP RSA: STUDY OF OPTIONS FOR MANAGING COASTAL
RESOURCES IN THE UNORGANIZED BOROUGH

BACKGROUND

Unorganized Borough Defined

The Alaska Constitution mandates that the entire State be divided into boroughs, organized and unorganized. A borough is a regional government similar to a county or township. An unorganized borough is an area outside the boundaries of a borough incorporated under State law.

Geographic Extent

Nearly 435,000 square miles, 75 percent of Alaska's total land area, lies within the unorganized borough. Except for Bristol Bay Borough (1,200 square miles), and part of the North Slope Borough, the entire west coast of the State is in the unorganized borough. Two other coastal areas have large stretches of unincorporated areas. These are Prince William Sound and Southeast Alaska.

Population

The unorganized borough is sparsely populated. Rough estimates indicate a civilian population of approximately 10,000 in areas outside an organized city or borough. In addition, approximately 60,000 persons live in the 116 incorporated cities which lie outside boroughs. Only 11 of these 116 cities have populations over 1,000 and few exercise municipal planning powers.

Importance of Planning and Management in the Unorganized Borough

Though sparsely populated, the unorganized borough warrants greater attention to planning and management of coastal resources for the following reasons: (1) major resource development is either under way in the unorganized borough or contemplated the future, (2) subsistence is a valued and irreplaceable way of life for many residents of the unorganized borough, (3) land ownership patterns are changing with millions of acres of federally owned land passing into private, State, or municipal ownership, and (4) provision of public services in the unorganized borough entails massive public investment and extraordinary logistical efforts.

Among the principal resource developments (existing and proposed) in the unorganized borough are: (1) logging (Chugach and Tongass National Forests and former federally owned forest land to be conveyed to Native corporations), (2) mining (Borax molybdenum mine near Ketchikan, Noranda mining operations on Admiralty Island, Inspiration Mining Company's operation on Chichagof Island, and placer mining on Seward Peninsula and the Norton Sound area), (3) fisheries (expansion of salmon catch, expansion into bottom fisheries in the Aleutian Islands and elsewhere), and (4) energy development (OCS lease sales scheduled for Norton Sound and Bristol Bay).

Legal Context

Article X of the Alaska Constitution addresses local government.

Pertinent sections from that article are the following:

SECTION 1. The purpose of this article is to provide for maximum local self-government with a minimum of local government units, and

to prevent duplication of tax-levying jurisdictions. A liberal construction shall be given to the powers of local government units.

SECTION 2. All local government powers shall be vested in boroughs and cities only.

SECTION 6. The legislature shall provide for the performance of services it deems necessary or advisable in unorganized boroughs, allowing for maximum local participation and responsibility. It may exercise any power or function in an unorganized borough which the assembly may exercise in an organized borough.

Title 29, Chapter 03, of the Alaska Statutes, pertains to the unorganized borough. In addition to defining the unorganized borough, that Chapter describes service areas as a means of providing services in the unorganized borough.

Sec. 29.03.020. Service areas. Allowing for maximum local participation, the legislature may establish, alter, or abolish service areas within the unorganized borough to provide special services, which may include but are not limited to schools, utilities, land use regulations and fire protection. A new service area may not be established if the new service can be provided by an existing service area, by incorporation as a city, or by annexation to a city. (§2 ch 118 SLA 1972)

Under Title 29, first-class and home-rule cities in the unorganized borough must exercise planning powers and second-class cities are authorized but not required to do so.

In 1975, the State Legislature enacted legislation important to provision of services in the unorganized borough. Pertinent excerpts from Chapter 124, Session Laws of Alaska 1975, are the following:

Sec. 14.08.021. Authority. The legislature delegates to school boards for each regional educational attendance area the authority to operate the public schools in those areas in accordance with the provisions of this chapter, subject to the provisions of this title and the regulations promulgated under it that apply to all school districts in the state.

Sec. 14.08.031. Regional Educational Attendance Areas.

(a) The Department of Community and Regional Affairs in consultation with the Department of Education and local communities shall divide the unorganized borough into educational service areas using the boundaries or subboundaries of the regional corporations established under the Alaska Native Claims Settlement Act, unless by referendum a community votes to merge with another community contiguous to it but within the boundaries or subboundaries of another regional corporation.

(b) An educational service area established in the unorganized borough under (a) of this section constitutes a regional educational

attendance area. As far as practicable, each regional educational attendance area shall contain an integrated socio-economic, linguistically and culturally homogeneous area. In the formation of the regional educational attendance areas, consideration shall be given to the transportation and communication network to facilitate the administration of education and communications between communities that comprise the area. Whenever possible, municipalities, other governmental or regional corporate entities, drainage basins and other identifiable geographic features shall be used in describing the boundaries of the regional school attendance areas.

Sec. 14.12.020(c). The legislature shall provide the state money necessary to maintain and operate the regional educational attendance areas. The borough assembly for a borough school district, and the city council for a city school district, shall provide the money which must be raised from local sources to maintain and operate the district.

Criteria specified for delineating boundaries of the regional educational attendance areas are similar to standards for incorporating an organized borough but do not include the following incorporation standard:

Sec. 29.18.030. (3) the economy of the area includes the human and financial resources capable of providing local services; evaluation of an area's economy includes land use, property valuations, total economic base, total personal income, resource and commercial development, anticipated functions, expenses, and income of the

proposed borough;

The Alaska Coastal Management Act used the regional educational attendance area as the basic unit for developing district coastal management programs in the unorganized borough. Residents of regional educational attendance areas may organize a coastal resource service area to develop a program which State agencies will implement.

During the 1979 State legislative session, a bill was introduced which included a provision to allow formation of coastal resource areas in areas smaller than a regional educational attendance area. The provision was deleted from the bill.

Issues

Two regions in the unorganized borough have already organized into coastal resource service areas according to procedures outlined in the Alaska Coastal Management Act and associated regulations. Both regions are predominantly Native and are served by organized Native non-profit organizations which served as catalysts in organizing the service area. Such favorable conditions are not found in all the remaining regional educational attendance areas. Unorganized areas in the Aleutian Islands, Prince William Sound, and Southeast Alaska have a sizeable non-Native population and in the latter two vast stretches of federal land holdings separate State and private land, which will be most directly affected by coastal management programs developed for the unorganized borough.

Although organization of coastal resource service areas in the Northwest

Alaska (NANA) region and the Yukon/Kuskokwim Delta region have commenced, concerns about subsequent stages in program development and implementation for these service areas and organizational problems expected in other parts of the unorganized borough have prompted the Department of Community and Regional Affairs to propose the work program described in the following section.

WORK PROGRAM

Purpose

The purpose of the proposed study is to examine options now available or possible, with certain legislative changes, to effectively plan for and manage coastal resources in the unorganized borough.

Products

There will be four products from this study:

1. A technical report summarizing the study methodology, key findings of a literature search, the identification and analysis of options, and results of public involvement activities.
2. Legislative recommendations, if any, described in sufficient detail to enable the Governor's Office to assess their value and draft appropriate legislation if desired.
3. Recommendations to the Administration on administrative changes which could improve management of coastal resources in the unorganized

borough.

4. A brief written document informing coastal service area board members of mechanisms available to manage coastal resources in the unorganized borough.

Study Approach

I. Perspective

The first step in the proposed study would be to provide perspective on the unorganized borough in general and organizational aspects of service delivery in particular. Key person interviews and case studies will be primary information sources for this part of the study. The interviews will be supported by a literature search and data gathering from secondary sources.

Specific questions to be addressed include the following:

- A. Who lives in the unorganized borough and why?
- B. What economic activities (market and non-market) provide sources of livelihood to residents of the unorganized borough?
- C. How are coastal resources now managed and by whom? What difficulties or inefficiencies are encountered?
- D. How are "local" decisions made?
- E. What has been the history of local government in the unorganized borough, i.e., why have certain communities in the unorganized borough

incorporated, which settlements or regions have attempted incorporation and failed (or considered it and then rejected it) and why, how effective have incorporated cities in the unorganized borough been and what has contributed to their success or failure?

F. How effective have the regional educational attendance areas and other service delivery mechanisms been and what problems have they encountered?

G. What trends are anticipated in any of the factors addressed above?

II. Identification of Planning and Management Options

The second element in the study will identify planning and management options now available to the unorganized borough, or possible with certain legislative changes. Options will be identified through a literature search, supported by key person interviews. In addition to the Alaska Statutes, sources to be tapped include literature and pertinent expertise on Maine (which has a relatively large unorganized area) and Canada (especially its management system in territories), and prominent public affairs research institutions throughout the country.

Planning options to be considered include organizational alternatives to the service area concept described in the Alaska Coastal Management Act. Management options include concrete mechanisms whereby a district program developed by a coastal resource service area board or other planning organization could be implemented.

III. Evaluation of Planning and Management Options

Planning and management options would be evaluated against the following criteria:

- A. Costs and Incidence of Costs: There will be costs associated with any planning or management options. It is important that the total costs be assessed for each alternative; it is equally important to identify all entities directly and indirectly absorbing the costs.
- B. Availability of Funds: One elementary requirement for any successful planning effort is financial resources; the funds may come from grants, tax revenues, revenue sharing, or some other source, but they must be available for both the development and implementation of a plan. All alternatives should be evaluated for the availability of funds for all stages of the planning program.
- C. Availability of Staff: In line with funds, planning efforts will need and must have easy and continual access to capable staff for both plan development and implementation tasks.
- D. Existing or Politically Feasible Mandates: The viability of a planning structure or program for Alaska's unorganized borough is largely dependent upon a mandate for that planning program. A mandate may occur in a number of ways: a legislative act, an administrative act of the Governor, public referendum or local election, or through a State agency program or regulation.

E. Public Acceptability: Akin to political feasibility is the need for public acceptability of a planning or management option. A planning program is not viable unless it is acceptable to the involved and affected citizens, particularly if the structure or program depends upon formal (electoral) approval of the people.

Assessing the public acceptability of planning and management alternatives could be accomplished through an opinion survey of residents and public leaders in the unorganized borough and of various State leaders. A case study of public reactions in the past to proposed planning structures and programs might be another means of determining public acceptability.

F. Quality of Service Delivery: This is a multi-faceted criterion by which alternative planning structures and programs are to be evaluated. The quality of service delivery depend on a number of things, many of which are included in the other criteria. The objective, however, is not to repeat previous analyses, but to consider whether or not the planning alternatives are based upon "logical" planning units and how they will affect other public services and service areas.

For an unorganized borough, public services such as schools, utilities, and fire protection are usually provided on a service area basis, and individual service areas are established to provide specific services. As the rationale and purpose of the service areas vary, generally, so do their boundaries and jurisdiction.

In identifying and evaluating possible planning structures for an

unorganized borough, it is important to consider the logic and efficiency of the unit or area of service. The rationale for and the boundaries of existing service areas may not be appropriate for the delivery of planning services. Geographic features (e.g., mountain ranges, rivers, watersheds), for instance, may be more important than regional corporation boundaries or cultural features for defining a planning area.

On the other hand, before proposing a new service system and area, it is important to consider its effect on existing service areas. Is the planning unit going to compete with, overlap, confuse, or fragment the functioning of and services provided by other resource service areas in a region?

G. Implementation Authority (planning options only): In almost all cases, a plan is only as good as its implementation. Therefore, an effective planning structure or organization must have appropriate implementation authorities and powers.

SCHEDULE

	1979						1980					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
I. Perspective	/-----/											
II. Identification	/-----/											
of Planning and												
Management Options												

1979

1980

Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr May Jun

III. Evaluation of

/-----/

Planning and Manage-
ment Options

IV. Preparation of

/-----/

Products (technical
report, legislative and
administrative recommen-
dations, technical
assistance document)

BUDGET

	<u>Federal Share</u>	<u>State Share</u>	<u>Total</u>
Personal services	\$ 32,800.00	\$ 8,200.00	\$ 41,000.00
Travel and per diem	3,200.00	800.00	4,000.00
Contractual	40,400.00	10,100.00	50,500.00
Commodities	160.00	40.00	200.00
Equipment	<u>640.00</u>	<u>160.00</u>	<u>800.00</u>
Total	\$77,200.00	\$19,300.00	\$96,500.00

The proposed budget would fund 6 person-months of a Planner IV position (range 19), 6 person-months of a Planner III position, and 4 person-months of a Clerk Typist III position. The Planner IV assigned to this study has an educational background and professional experience in

public administration and planning and the Planner III has extensive practical experience in the unorganized borough.

Contractual services would enable the Division to (1) enter into small contracts with research institutes and/or consulting firms to conduct literature searches and parts of the analysis, especially financial and legal considerations, (2) fund a public involvement component (workshop series and/or survey) and (3) print final products.

RELATIONSHIP TO OTHER STUDIES

During the past year, the State has experienced an upsurge of interest in the unorganized borough. Major projects and their relationships to the study proposed in this reimbursable services agreement (RSA) are described below:

Local Government Study

The standing committees of the House and Senate CRA Committees are conducting a Local Government Study during the interim. According to the committees' June 14 study plan, the product of the study will be a legislative package to be compiled by December. In comparing the Local Government Study schedule with the schedule proposed for this RSA, there are three distinct points at which a constructive exchange could take place:

1. October. The Division could provide the committees with a draft of its narrative providing a perspective on planning and management in the

unorganized borough. This information could be used as background for the local hearings and field visits planned for October. The Division, in turn, would obtain and use proceedings of the committees' August 4-5 symposium, analysis, and regional workshops.

2. December. The Division could provide the committees a preliminary description of planning and management options which would be evaluated later in the study. The Division, in turn, would obtain and use transcripts of the local hearings scheduled for October. (The Division's public involvement program would span a longer period of time and be integrated into other functions such as board meetings of regional non-profit organizations and would occur during the analysis phase, November through April.)

3. November-December. The Division will share with the committee findings of its evaluation of planning and management options. While the Division's evaluation will continue several months into the 1980 legislative session, it is possible that some of its findings would be available to influence the legislative package either before the package is compiled in December or during committee hearings.

Tanana Chiefs Conference Proposal

The Tanana Chiefs Conference has proposed three alternatives for planning in the unorganized borough: (1) planning undertaken directly by a Native non-profit organization, (2) planning undertaken by advisory planning commissions recognized by the State under AS 44.19.880(c), and (3) planning and implementation undertaken by subregional planning commissions the governmental authority of which would be vested in the

Department of Community and Regional Affairs. Legal opinions rendered by the Legislative Affairs Legal Section and forthcoming from the Attorney General's office will be useful in assessing the legality of each option. Furthermore, the Tanana Chiefs Conference project and proposals could serve as a case study to help the Division study team evaluate the three options listed above.

NANA Regional Strategies

In 1978, the Mauneluk Association undertook a three-year project to develop a regional strategy for development of the Northwest Alaska Region. During the second year of this project, efforts will be devoted to exploring concrete mechanisms for implementing such a regional strategy in the unorganized borough.

The study team performing work proposed in this RSA will closely coordinate their efforts with those of the Mauneluk Association. Coordination will occur through the Division staff member assigned to the NANA Regional Strategy Steering Committee.

Division of Policy Development and Planning

The Division of Policy Development and Planning is approaching the unorganized borough in two ways: (1) seeking the Attorney General's advice on the Tanana Chiefs Conference's request to have six subregional planning commissions designated advisory bodies by the Governor, and (2) working with other offices in the Administration to develop rural policy. The Department of Community and Regional Affairs has been and will continue to work closely with the Division of Policy Development and

Planning on both these efforts. Findings of the study proposed in this RSA will be made available to the Division of Policy Development and Planning as expeditiously as possible for use in formulating rural policy.

MJW:am
8-28-79

PLEASE NOTE: THE PRECEDING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.



Official Business

Alaska State Legislature

JOINT SENATE AND HOUSE
COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
LOCAL GOVERNMENT STUDY

Co-Chairmen
Senator Arliss Sturgulewski
Representative Bill Parker

Address all
correspondence to:

LOCAL GOVERNMENT STUDY

Pouch V
State Capitol
Juneau, Alaska 99811

November 29, 1979

TO: Jan Erickson
Office of Coastal Management
Marge Gorsuch, AA
Local Government Study Staff
Gene Walsh, AA
Local Government Study Staff
FROM: AS Arliss Sturgulewski, Co-Chairman
Local Government Study
SUBJECT: DCRA's Amendment to RSA

I would like to make the following comments on the material from Jan Erickson regarding the revised DCRA's Amendment to RSA for the unorganized borough study. I agree that the completion date for the study should be November 30, 1980, or thereabouts, so that the proposed legislative changes can be considered during the 1981 Session.

Page 4 refers to the purpose of the study - "to examine all the possible options now available or possible for legislative change to effectively plan for and manage coastal resources in the organized borough." It seems to me it might be important to add more explanation to the fact that any changes must be considered in light of possible future organization of local governments. I think special attention needs to be paid to the fact that we do not want to institutionalize any methods that might be barriers toward forming local government. Local government would have the ability, of course, to solve any zoning or implementation of coastal plans.

Page 5 talks about various dates, products and schedules. It is obvious from these dates that there will likely be no developments of the study that will affect the outcome of the legislation during the 1980 Session. Nevertheless, it would be helpful to write in a mandate that there be a sharing of the proposal with the respective Senate and House Community and Regional Affairs Committees.

Pages 8 and 9 talks about specific questions to be addressed. It seems to me that you ought to include questions that would be relevant to the legislation that is being proposed. For example, in Item G you are talking about trends. In the event that legislation is passed, as is currently being considered by the Joint C/RA Committees, definite impacts can be ascertained immediately, as well as new trends, which are being established.

MEMORANDUM

TO: ☐

Gene Walsh
Marge Gorsuch
Joint Committee

FROM: Jan Erickson
OCM

State of Alaska

Office of Coastal Management

DIV. _____

SEC. _____

DATE : Nov. 27, 1979

SUBJECT: Various and sundry things

Attached please find a copy of the somewhat revised DCRA RSA for their unorganized borough study. We are reviewing this in-house and will be finalizing the agreement soon. I would appreciate it, if you have any comments, to please let me know ASAP. I also attach comment made by one of our staff people because it relates to your activities.

Also, am returning the color prints which you wanted to show Arliss. We can talk later about copies for OCM.

Finally, Murray would like to meet with Arliss this week; he is available for most of the day tomorrow... will be gone on Friday.

MEMORANDUM

TO: Jan Erickson

DATE: 11/27/79

FILE NO:

FROM: Tom Lawson

SUBJECT: DCRA's amendment to RSA
re: UOB

I've done a "quick and dirty" review of the proposed "Study of Options for Managing Coastal Resources in the Unorganized Borough." Overall all, I think it is a good idea. One basic problem I have with it however is amount of time it is anticipated it will take. Under section B. Products and Schedule, 5. the completion of the expert investigations is scheduled for June 30, 1981. It would seem much more appropriate to push this date to Nov. 30, 1980 so that any proposed legislative changes could be considered during the 1981 session. Otherwise we're looking at the 1982 session before any changes might be dealt with. Further, I don't think that a full year is really necessary for these "expert investigations." The only other comment that I have is that some of the questions to be addressed in 1. Perspective (Attachment 1) are too basic. However from a research standpoint I suppose this information must be documented.

MEMORANDUM

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

TO: ☐ Murray Walsh
Coordinator, Office of
Coastal Management
Office of the Governor

FROM: Lawrence H. Kimball, Jr.
Director
Division of Community Planning

DATE:

FILE NO:

TELEPHONE NO:

SUBJECT: Amendment to RSA

Attached is a proposed amendment to this Department's FY 1980 ACMP RSA. The amendment concerns the "Study of Options for Managing Coastal Resources in the Unorganized Borough."

Attachment

REIMBURSABLE SERVICES AGREEMENT

The Division of Policy Development and Planning, Office of hereby request the following
 (Agency) Coastal Management

services to be performed by the Department of Community and Regional Affairs
 (Agency)

PROJECT OR PROGRAM TITLE: Alaska Coastal Management Program

DESCRIPTION AND TERMS OF REIMBURSEMENT: to conduct a study pertaining to
implementation of the Alaska Coastal Management Program in the unorganized
borough. To amend RSA # 01-8008

(Attach additional information as required)

DATE COMPLETION REQUIRED: June 30, 1980

ACCOUNT CODE TO BE CHARGED: 01-48-6-019

CONTINUING FUNDS Yes ☐ No ☒

ESTIMATED COST OF PROJECT OR SERVICES REQUESTED

	<u>ESTIMATE</u>	<u>ACTUAL</u>
Planning, engineering, and supervision	\$ _____	\$ _____
Land acquisition and equipment	\$ _____	\$ _____
Construction	\$ _____	\$ _____
Other (itemize) 100 Personnel	\$ 32,800	\$ _____
200 Travel	\$ 3,200	\$ _____
300 Contractual	\$ 40,400	\$ _____
400 Supplies	\$ 160	\$ _____
500 Equipment	640	\$ _____
TOTAL	\$ 77,200	\$ _____

NOTE: Requesting agency must submit an encumbrance document with this agreement.

I certify, based on the above estimate, that sufficient funds are available to pay this obligation and that the appropriation code to be charged has a sufficient balance to cover this obligation.

APPROVED: _____
 REQUESTING AGENCY

APPROVED: _____
 SERVICING AGENCY

DATE: _____

DATE: _____

APPROVED: _____
 DEPARTMENT OF ADMINISTRATION

Amendment to RSA - July 9, 1979 to June 30, 1980

The Department of Community and Regional Affairs will allocate the following personnel for fulfilling the terms and conditions of this agreement:

See Attached.

FUNDING REQUIREMENTS

	<u>Federal</u>	<u>State</u>	<u>Total</u>
100 Personnel	\$32,800	\$8,200	\$41,000
200 Travel	3,200	800	4,000
300 Contractual	40,400	10,100	50,500
400 Supplies	160	40	200
500 Equipment	<u>640</u>	<u>160</u>	<u>800</u>
	\$77,200	\$19,300	\$96,500

Task E2: Unorganized Borough Management Alternatives

A. Discussion

The Alaska Constitution mandates that the entire State be divided into boroughs, organized and unorganized. A borough is a regional government similar to a county or township. An unorganized borough is an area outside the boundaries of a borough incorporated under State law.

Nearly 435,000 square miles, 75 percent of Alaska's total land area, lies within the unorganized borough. Except for Bristol Bay Borough (1,200 square miles) and part of the North Slope Borough, the entire west coast of the State is in the unorganized borough. Two other coastal areas, Prince William Sound and Southeast Alaska, have large stretches of unincorporated areas.

The unorganized borough is sparsely populated. Rough estimates indicate a civilian population of approximately 10,000 in areas outside of an organized city or borough. In addition, approximately 60,000 persons live in the 116 incorporated cities which lie outside boroughs. Only 11 of these cities have populations of 1,000 and few exercise municipal planning powers.

Though sparsely populated, the unorganized borough warrants greater attention to planning and management of coastal resources for the following reasons: (1) major resource development is either under way in the

unorganized borough or contemplated for the future, (2) subsistence is a valued and irreplaceable way of life for many residents of the unorganized borough, (3) land ownership patterns are changing with millions of acres of federally owned land passing into private, State, or municipal ownership, and (4) provision of public services in the unorganized borough entails massive public investment and extraordinary logistical efforts.

Planning and implementation of coastal management programs in the unorganized borough present many problems. Two regions in the unorganized borough have already organized into coastal resource service areas according to procedures outlined in the Alaska Coastal Management Act and associated regulations. Both regions are predominantly Native and are served by organized Native non-profit organizations which served as catalysts in the organizing service area. Such favorable conditions are not found in all the remaining regional education attendance areas (upon which the coastal resource service areas may be formed). Unorganized areas in the Aleutian Islands, Prince William Sound, and Southeast Alaska have a sizeable non-Native population and in the latter two vast stretches of federal land holdings separate State and private land, which will be most directly affected by coastal management programs developed for the unorganized borough.

Although organization of coastal resource service areas in the Northwest Alaska (NANA) region and the Yukon/Kuskokwim Delta region have commenced, concerns about subsequent stages in program development and implementation for these service areas and organizational problems expected in other parts

of the unorganized borough have prompted the Department of Community and Regional Affairs to propose the attached work program.

The purpose of the study is to examine options now available or possible, with certain legislative changes, to effectively plan for and manage coastal resources in the unorganized borough.

The first step would be to provide perspective on the unorganized borough in general and organizational aspects of service delivery in particular. Key person interviews and case studies will be primary information sources for this part of the study. The interviews will be supported by a literature search and data from secondary sources.

The second element will identify and evaluate planning and management options now available to the unorganized borough, or possible with certain legislative changes. An interim product under this agreement will be a "white paper" discussing major issues in planning and management in the unorganized borough, recommending improvements, and identifying two or three specific areas of further study by experts in law, finance, or public administration. The study approach is described in Attachment 1 of this agreement.

The department will coordinate its study activities with the Joint Senate and House Committee on Regional and Community Affairs Local Government Study in its efforts to prepare a legislative package on the unorganized borough and with the Governor's Office, Division of Policy Development and Planning, in its development of a state rural policy.

B. Products and Schedule

1. On December 31 and March 31, quarterly progress reports.
2. By April 30, a draft of the "white paper" discussing issues in planning and management in the unorganized borough (to be shared with the Joint Senate House Committee on the Regional Affairs, Local Government Study) and detailing further areas of investigation to be undertaken by experts in law, finance, or public administration.
3. By May 15, requests for proposals on investigations identified in the "white paper."
4. By June 30, conclusion of contracts for further study and publication of final version of "white paper," which will include recommendations on legislative and administrative changes (both state and federal) which could improve the management of coastal resources in the unorganized borough.
5. By June 30, 1981, completion of expert investigations conducted under contract.

C. Costs and Contracts

	Federal Share	State Share	Total
Personal Services	\$ 32,800.00	\$ 8,200.00	\$41,000
Travel and per diem	3,200.00	800.00	4,000
Contractual	40,400.00	10,100.00	50,500
Commodities	160.00	40.00	200
Equipment	<u>640.00</u>	<u>160.00</u>	<u>800</u>
Total	\$ 77,200.00	\$19,300.00	\$96,500

The proposed budget would fund 8 person-months of a Planner IV position (range 19), 2 person-months of a Planner VI position, and 4 person-months of a Clerk Typist III position. The Planners assigned to this study would have educational background and professional experience in public administration and planning. The Planner VI would be project manager.

Contractual services would enable the Division to (1) enter into small contracts with research institutes and/or consulting firms to conduct literature

searches and parts of the analysis, especially financial and legal considerations, (2) fund a public involvement component (workshop series and/or survey) and (3) print final products.

Attachment 1

Study Approach

1. Perspective

The first step in the proposed study would be to provide perspective on the unorganized borough in general and organizational aspects of service delivery in particular. Key person interviews and case studies will be primary information sources for this part of the study. The interviews will be supported by a literature search and data gathering from secondary sources.

Specific questions to be addressed include the following:

- a. Who lives in the unorganized borough and why?
- b. What economic activities (market and non-market) provide sources of livelihood to residents of the unorganized borough?
- c. How are coastal resources now managed and by whom? What difficulties or inefficiencies are encountered?
- d. How are "local" decisions made?
- e. What has been the history of local government in the unorganized borough, i.e., why have certain communities in the unorganized borough incorporated, which settlements or regions have attempted incorporation

and failed (or considered it and then rejected it) and why, how effective have incorporated cities in the unorganized borough been and what has contributed to their success or failure?

- f. How effective have the regional educational attendance areas and other service delivery mechanisms been and what problems have they encountered?
- g. What trends are anticipated in any of the factors addressed above?

2. Identification of Planning and Management Options

The second element in the Study will identify planning and management options now available to the unorganized borough, or possible with certain legislative changes. Options will be identified through a literature search, supported by key person interviews. In addition to the Alaska Statutes, sources to be tapped include literature and pertinent expertise on Maine (which has a relatively large unorganized area) and Canada (especially its management system in territories), and prominent public affairs research institutions throughout the country.

Planning options to be considered include organizational alternatives to the service area concept described in the Alaska Coastal Management Act. Management options include concrete mechanisms whereby a district program developed by a coastal resource service area board or other planning organization could be implemented.

3. Evaluation of Planning and Management Options

Planning and management options would be evaluated against the following criteria:

- a. Costs and Incidence of Costs: There will be costs associated with any planning or management options. It is important that the total costs be assessed for each alternative; it is equally important to identify all entities directly and indirectly absorbing the costs.
- b. Availability of Funds: One elementary requirement for any successful planning effort is financial resources; the funds may come from grants, tax revenues, revenue sharing, or some other source, but they must be available for both the development and implementation of a plan. All alternatives should be evaluated for the availability of funds for all stages of the planning program.
- c. Availability of Staff: In line with funds, planning efforts will need and must have easy and continual access to capable staff for both plan development and implementation tasks.
- d. Existing or Politically Feasible Mandates: The viability of a planning structure or program for Alaska's unorganized borough is largely dependent upon a mandate for that planning program. A mandate may occur in a number of ways: a legislative act, an administrative act of the Governor, public referendum or local election, or through a State agency program or regulation.