

**ALASKA LEGISLATURE COMMITTEE FILES, 2003-2004 8672**

**10722 HOUSE COMMUNITY & REGIONAL AFFAIRS**

## Financial Assistance

The Division administers a number of programs that provide financial assistance to communities to supplement local revenue generation. A number of them are revenue programs which share State or federal funds with local communities. The Division also administers grant programs which can help communities with the finances to build the infrastructure needed to support community and business development. Federally funded programs and State resources support this effort. Some of these programs continue from year-to-year and some are special programs that have a limited time frame or limited funding. Grant staff are available to answer questions about the various funding sources and help direct communities to the most appropriate source for a proposed project.

### Shared Revenue Programs

#### *Federal Payments in Lieu of Taxes (PILT) for Cities in the Unorganized Borough*

Division staff worked closely with Senator Ted Stevens to establish and administer this program which expanded federal Payment in Lieu of Taxes (PILT) payments to include cities located in Alaska's unorganized borough. The Division distributed \$6,083,870 to 97 Alaska cities in FY04. These federal funds will be especially crucial for many cities as they deal with the elimination of State Revenue Sharing, Safe Communities, and Capital Matching Grant funding upon which they relied to provide basic public services.

#### *Fisheries Resource Landing Tax*

A Fisheries Resource Landing Tax is levied on processed fishery resources first landed in Alaska, or any processed fishery resource subject to Sec. 210(f) of the American Fisheries Act. The State tax is based on the unprocessed value of the resource, which is determined by multiplying a statewide average price per pound (based on Alaska Department of Fish and Game data) by the unprocessed weight. Fisheries Resource Landing Tax is collected primarily from factory trawlers and floating processors which process fishery resources outside of the State's three mile limit and bring their products into Alaska for transshipment. The Fisheries Resource Landing Tax revenues are allocated to eligible municipalities on the same basis as the Shared Fisheries Business Tax Program.



### ***Shared Fisheries Business Tax Program***

This program provides for an annual sharing of State fish tax collected outside of municipal boundaries on the basis of nineteen "fisheries management areas." The funding available within each of these areas is distributed among municipalities in that area based on the level of significant impacts resulting from fishing industry activity compared to the level of impacts experienced by other municipalities in that area. In FY04, \$1,362,651 in State tax will be distributed to 95 eligible municipalities.

### ***National Forest Receipts***

The Department distributes federal National Forest Receipts under the authority of 16 USC 500 and under AS 41.15.180. The federal law was amended in 2000 under the "Secure Rural Schools and Community Self Determination Act." The Act provides that for State fiscal years FY02-FY07, the State shall receive an annual payment equal to the average of the three highest National Forest Receipts payments made to the State during fiscal years FY87-FY00. In FY04, the Department allocated over \$9 million to 9 boroughs, 18 cities, 4 Regional Educational Attendance Areas, and the Metlakatla reservation under the amended law.

### ***Temporary Fiscal Relief***

Using \$17,902,564 in federal funds received under the "Jobs and Growth Tax Relief Reconciliation Act" of 2003, the Division administers the Temporary Fiscal Relief Program to provide one-time transitional assistance to municipalities, unincorporated communities, and volunteer fire departments. This transitional assistance was necessitated by the elimination of funding for the long-standing State Revenue Sharing, Safe Communities and Capital Matching Grant programs. Payments to municipalities were calculated based upon each municipality's proportional share of the total payments made to all municipalities in FY03 under the State Revenue Sharing and Safe Communities programs, while providing for a "minimum entitlement" of \$40,000 for each municipality. Eligible unincorporated communities received a \$3,500 payment and eligible volunteer fire departments received \$1.50 per capita for the population served.

## **Grant Programs**

### ***Community Development Block Grant Program (CDBG)***

The goal of the federally funded Community Development Block Grant (CDBG) Program is to enhance the quality of life for low-and moderate-income residents, particularly in rural Alaska. The Program provides grants for public facilities and planning activities which address conditions detrimental to the health and safety of local residents. The grants reduce the costs of essential community services. Special economic development funds may be used to provide capital to assist in the creation or retention of jobs that principally benefit low-and moderate-income persons. During FY04 approximately \$3.5 million was made available for the program.

### ***Community Services Block Grant Program***

The goals of the federal Community Services Block Grant Program (CSBG) are to reduce and/or prevent poverty through community-based educational activities, which lead to a greater degree of self-sufficiency on the part of low-income persons. Services are provided through the State's only Community Action Agency, RurALCAP. During FY04 approximately \$2.5 million was made available to RurALCAP to provide eligible services to people in poverty across the State.

### ***Emergency Shelter Grant Program***

The goals of the federal Emergency Shelter Grant Program are to assist with the following activities relating to emergency shelter for the homeless: renovation, major rehabilitation, or conversions of buildings for use as emergency shelters for the homeless; payment of maintenance, operation, insurance, utilities, and furnishings; and payment for provision of essential community services including those concerned with employment, health, substance abuse, education, food, or prevention. During FY04 approximately \$118,000 was made available statewide for the program.

### ***Legislative Grants Program***

Legislative grants are awarded by the State Legislature, with final approval by the Governor (delegated to a specific Department for administration). It is the Department's responsibility to notify grantees of their awards, and to develop and execute grant agreements based on each project. These awards can be for a variety of projects such as health, fire and safety, water and sewer, construction of community facilities, cemetery restoration, and program operations. This section also ensures grantees obtain site control, State Fire Marshal approval, and other regulatory agency permits as required. The Division currently administers approximately 300 active legislative grants for a total value of \$69 million.

### ***Mini-Grants***

The Mini-Grant Assistance Program is federally funded by the Denali Commission and the U.S. Forest Service. The program provides grants on an annual competitive basis to rural Alaska communities for a wide range of development projects and development strategies. Grants are awarded to the most viable projects which promote development by diversifying the economic base to provide jobs, income and long lasting economic benefits to the communities served. One application per community is accepted for a maximum of \$30,000. The funding level in FY04 was approximately \$500,000.

The Mini-Grant Assistance Program is one of the most popular grant programs the Department administers. We generally receive between 75 and 100 applications requesting in excess of \$1.5 million. The program provides a source of funding for many activities which are not funded through other means. Planning activities (including feasibility studies, business plans, and community development plans) are very popular as are projects that provide seed money for economic development activities. Without the Mini-Grant Assistance Program many innovative and exciting projects would likely never get off the ground. Although a small investment, the Mini-Grant Assistance Program provides significant benefits to a large number of communities across the State annually.

### ***Flood Mitigation Assistance (FMA) Program***

This is a federal grant program that provides assistance to National Flood Insurance - participating communities for flood mitigation planning and project activities. The DCA administers these Federal Emergency Management Agency pass-through grants.

### ***Multi-Use Facility Grants***

The Multi-Use Facility Grant Program is federally funded by the Denali Commission. The purpose of the program is to encourage consolidation of compatible essential community services while eliminating duplication of services and increasing the efficiency with which services are provided. Multi-Use Facilities can meet a variety of needs in Alaska and enhance the delivery of vital community services. Priority for funding goes to projects associated with life, health, and safety. Projects funded with Multi-Use Facility funds are generally limited to serving communities with populations of no greater than 2,500 people. Eligible applicants may ask for either construction funding only or for combined design and construction funding. Economically distressed communities must provide a 10% local match and non-distressed communities must provide a minimum 25% match. Requests may not exceed \$1 million per applicant with a maximum of \$25,000 for design completion. In FY04, a total of 11 projects were funded totaling \$7,562,509.

### ***Fisheries Economic Development Grant***

In the Spring of 2003 Governor Murkowski announced the State's Fisheries Revitalization Strategy. The Revitalization Strategy combines federal funds authorized under Title V-Fisheries Disaster, Section 501(b) of the 2003 Federal Appropriations Bill, and Southeast Sustainable Salmon Fund monies authorized under the Pacific Coastal Salmon Recovery Fund.

The Revitalization Strategy is a multi-level, multi-year plan designed to spur increased productivity and innovation in the Alaska fishing industry by investing considerable economic resources into critical commercial fisheries infrastructure and capital projects.

A key component of the Strategy is the Fisheries Economic Development Grant Program. This program is intended to assist communities throughout the salmon fishing regions of Alaska impacted by the downturn in the salmon industry. Assistance may be provided in the form of one-time grants to finance fisheries related infrastructure or economic development projects that have the potential to increase Alaska seafood/product quality; increase Alaska seafood/product diversity and/or value; increase industry efficiencies; or lower costs within the industry. Approximately \$13 million has been awarded under this program.

### ***Alaska Salmon Marketing Grant Program***

The Alaska Salmon Marketing Grant Program is also a component of the Revitalization Strategy. The purpose of the program is to assist Alaska salmon marketers in funding industry's "best thinking" on how to most effectively market wild Alaska salmon. Approximately \$10 million in grant funds have been made available for this component. Applications were accepted under three categories:

- ◆ Major Grant Program: Directed toward major processors/marketers and geared to the scale and capabilities of larger companies; approximately \$7.7 million was made available.
- ◆ Mini-Grant Program: Directed toward mid-sized and growing companies and programs meeting the threshold identified by SBA requirements; approximately \$2.4 million was made available.
- ◆ Micro-Grant Program: Directed toward the small and emerging marketing sector which includes primarily the Alaskan direct marketing sector. This category is open to business's that have no more than 10 full-time equivalent employees; approximately \$460,000 was made available.

### *Direct Aid to Fisheries Impacted Communities*

On July 3, 2003, The Division issued checks to municipalities impacted by the recent downturn in the salmon industry. \$7 million was divided among 63 coastal communities where salmon processing is an important economic activity. The money is designed to offset the loss in salmon landing taxes in recent years.

### *National Petroleum Reserve – Alaska (NPR-A) Impact Program*

Under 42 U.S.C. § 6508, the State of Alaska receives 50 percent of the revenues from federal oil and gas lease sales in the NPR-A. Use of those funds is for planning; construction, maintenance, and operation of essential public facilities; and other necessary provision of public service, with priority use given to municipalities most heavily impacted by oil and gas development in the NPR-A.

The DCED is required to adopt regulations under which municipalities impacted by NPR-A oil and gas development may apply for and be eligible to receive grants to alleviate that impact (AS 37.05.530). Those regulations are set out in 3 AAC 150.010 - 3 AAC 150.090. The DCED's Division of Community Advocacy administers the NPR-A Impact Program and is responsible for providing public notice of funding availability; soliciting, accepting, and reviewing grant applications; making grant funding recommendations; and negotiating, writing, monitoring, and administering the grants.

In 2003, the DCED amended its NPR-A regulations to change the deadline by which grant applications must be filed. The deadline for submitting applications was changed from September 15 to November 15. The primary purpose of the change was to allow an expanded period of time for municipalities to prepare and submit applications for funding. In conjunction with the regulation change, the DCED also made extensive revisions to the forms for applying for NPR-A impact assistance.

In September 2003, Division staff traveled to Barrow to conduct a workshop for communities within the NPR-A. Staff reviewed the overall program objectives, eligible activities, completion of application forms, and the level of funds anticipated to be available, and answered specific questions from community representatives. Staff also reviewed general grant management expectations. Feedback was positive and the Division plans to offer similar workshops in coming years.

In December 2003, the DCED recommended that ten projects in three NPR-A communities be awarded funds totaling \$3,030,000. The DCED expects that those projects will be under grant agreement and effective July 1, 2004, when the funding is deposited into the NPR-A Special Revenue Fund.

### ***Denali Commission***

The Division administers several Denali Commission grants (using an administration fee of 1.1%), such as the Mini-Grants, Multi-Use Facilities, and Community Priorities Grants. Since 2001, the Division has administered over 100 Denali Commission grants totaling \$13.6 million. Thirty-five grants are currently open and active, totaling \$10.1 million. The Division also supports a position to liaison with Denali Commission full-time on development issues, as do several other state and federal agencies.

### ***Grants Tracking Information System Database***

An Internet-based management system was completed in May 2000 for internal use by the Division's Grant Administrators. The database tracks detailed information needed for all of the grants administered by the Division. Some of the information from the Grants Tracking System is available to the public in the Community Funding Database, at [http://www.dced.state.ak.us/cbd/commdb/CF\\_Grants.htm](http://www.dced.state.ak.us/cbd/commdb/CF_Grants.htm).

## Information Resources

One important function of the Division is to collect and publish local government information and economic development information. The Division is a leader in providing information resources to the public.

### Products

#### *Community Database/Community Profiles*

This database provides a wide range of community-based information and data for planning, policy making and technical assistance decisions. Information is available through an interactive database on the Internet. Users include other State and federal agencies, private non-profit organizations, legislators and their staff, and the general public, both in Alaska and around the world. The database provides for "standard" comprehensive community profiles and customized queries of specific community data. The website includes a feature that allows users to automatically e-mail themselves the data they need ([http://www.dced.state.ak.us/dca/commdb/CF\\_COMDB.htm](http://www.dced.state.ak.us/dca/commdb/CF_COMDB.htm)).

#### *Economic Development Resource Guide (EDRG)*

This guide is designed to bring together in one place a listing of programs and services that provide economic development assistance to Alaska individuals, communities, organizations and businesses. The EDRG includes over 120 resources for financial and technical assistance targeted at economic development. These resources include federal and State agencies, national non-profit and State non-profit organizations, and private for-profit organizations. The EDRG is also on the web with a user-friendly interface that provides users with targeted searches to retrieve those resources that apply to their specific eligibility and needs (<http://www.dced.state.ak.us/dca/edrg/EDRG.htm>).

#### *RAPIDS Capital Project Database*

This Internet-based system provides information on many of the capital grants and community improvements administered by over 20 State and federal agencies, such as Department of Transportation & Public Facilities, Alaska Native Tribal Health Consortium, and U.S. Housing & Urban Development. The Rural Alaska Project Identification and Delivery System (RAPIDS) database contains information such as project descriptions, funding levels and construction status. Portions of this database are also available to the public on the web, at [http://www.dced.state.ak.us/dca/commdb/CF\\_RAPIDS.htm](http://www.dced.state.ak.us/dca/commdb/CF_RAPIDS.htm).

## ***IMPLAN Economic Model***

IMPLAN is an economic “impact planning” input/output model. IMPLAN estimates current economic activity and the positive or negative impacts of specific changes. IMPLAN is becoming a standard tool among federal agencies, State agencies, and private consultants to model economic impacts industry by industry.

Current measures of Alaska’s economy usually rely on Department of Labor’s employment and wage data. Since Alaska does not have an income or sales tax, it does not have readily available economic indicators that exist in other states. Although Labor’s data is very reliable, it does not include proprietors and partnerships — which account for 47% of the total personal income in Alaska. IMPLAN accounts for all legal sources of personal income and includes rents, interest, dividends and transfer payments. IMPLAN also accounts for corporate profits and indirect business taxes.

Using past trends and new assumptions, IMPLAN can estimate the current status of the entire economy or any one of 528 economic sectors. IMPLAN can be used to:

- ◆ Monitor the status of the economy
- ◆ Compare the relative contribution of industries
- ◆ Estimate the gain/loss of industries
- ◆ Estimate the impacts of new infrastructure
- ◆ Estimate impacts due to regulatory changes
- ◆ Estimate impacts of different public policies

## ***Alaska Economic Information System (AEIS)***

Until recently, information about Alaska’s economy, labor force and industrial sectors was scattered among a large number of agencies and organizations. The Alaska Economic Information System (AEIS) was created to provide user-friendly access to all this information at a one-stop portal on the web. The AEIS is a tremendous resource for businesses, communities and individuals – saving them significant time and effort in collecting the information on which to base development decisions and plans. Starting from a map of Alaska, users can “click” on a census area, and quickly get the picture of that area’s basic economic industries such as tourism, oil and gas, mining, and seafood. Detailed information is also provided for the critical infrastructure elements of transportation, energy, and utility sectors that support long-term viable economic development. A statewide perspective is also provided for each sector of the economy, and the Alaska economy as a whole. Users can “drill down” through the information on the AEIS website to get to greater levels of detail about their specific areas of interest, including maps, charts and working spreadsheets that users can download to their own computers for further analysis. As a web portal, the AEIS contains a host of links to other websites relevant to an understanding of the Alaska economy, its work force and its economic sectors ([http://www.dced.state.ak.us/cbd/AEIS/AEIS\\_Home.htm](http://www.dced.state.ak.us/cbd/AEIS/AEIS_Home.htm)).



## Publications

Publications are used by the Division to provide technical assistance and materials to local governments and other clients. Many of the printed publications are available on the Internet at <http://www.dccd.state.ak.us/dca/StaffDir/GetPubl.cfm>. The Division also produces a variety of Internet-based information resources that are not available in a printed format (noted previously). Division publications produced during the past year include:



### Small Business Development

- Alaska Economic Performance Report 2002 (Nov. 2002)
- Starting a Small Business in Alaska (updated July 2003)
- Economic Development Resource Guide (updated June 2003)
- Alaska Salmon Industry Baseline Study (Sept. 2003)
- Strategic Economic Concepts for the Alaska Fishing & Seafood Industry (Sept. 2002)

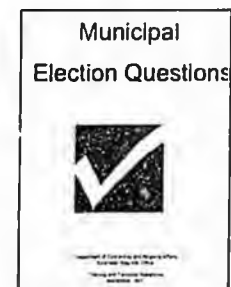
### Local Government

- A Primer for City Council Members (updated July 2003)
- Mayor's Handbook: A Primer for Small City Mayors (updated July 2003)
- Municipal Elections Questions Handbook (updated July 2003)
- Non-Profit Community Handbook (updated July 2003)
- Alaska Planning Commission Handbook (updated July 2003)
- What is Site Control? ...and why is it important in planning and building community projects? (updated March 2003)
- Alaska Taxable 2002 (Jan. 2003)
- Local Boundary Commission - Annual Report to the Legislature (Jan. 2003)
- Local Boundary Commission - Unorganized Borough Review (SB 359) (Jan. 2003)
- Division of Community & Business Development Annual Report (Jan. 2003)
- FY04 Municipal Budget Manual (updated March 2003)
- FY03 Municipal Certified Financial Statement (updated March 2003)



### Water & Sewer Utility Operations

- A Plain English Guide to Alaska Drinking Water and Wastewater Regulations (updated in 2002)
- Alaska Sanitation Planning Guide for Small Communities (plus Technical Appendix)
- Utility Management Workshop Curriculum Series: Introduction to Utility Management
- Utility Management Workshop Curriculum Series: Organizational Management
- Utility Management Workshop Curriculum Series: Financial Management
- Utility Management Workshop Curriculum Series: Operational Management
- Utility Management Workshop Curriculum Series: Utility Planning
- Utility Management Workshop Curriculum Series: Personnel Management



### Information & Mapping

- Community Profiles (updated Nov. 2003)
- Community Profile Maps (several produced in 2003)
- Community/Borough Map of Alaska (24" X 36" format) (updated June 2003)
- Municipal Officials Directory 2004 (updated Jan. 2004)
- Rural Alaska Project Identification and Delivery System (RAPIDS) (updated Nov. 2003)



## Major Issues Facing the Division

**ISSUE: Many of Alaska's small cities are struggling to survive.**

Due to their small size, isolated geographic locations, and very limited economic bases, most of Alaska's small city governments rely significantly on financial assistance from the State for the provision of very basic local government functions. With the elimination of funding for the FY 05 State Revenue Sharing, Safe Communities and Capital Project Matching Grant Programs, these small city governments now face a serious threat to their viability.

The possible consequences of the elimination of these long-standing State financial assistance programs are numerous. They include:

- 1) Inability to Provide Basic Public Services.** Many communities lack the financial and personnel resources to successfully operate their utilities and perform basic government functions. Low wages, part-time work and no training create significant staff turnover and ongoing personnel and management problems. The Division continues to work with elected officials and staff to develop the skills to provide public services. The Division helps city councils, city clerks and other staff through on-site and regional training in financial management, water and sewer utilities management, and election procedures. The elimination of State financial assistance exacerbates these issues and threatens valuable infrastructure and other facilities.
- 2) Municipal Dissolution:** Because there is virtually no additional capacity to generate local revenues, some city governments may no longer afford to remain functional. These city governments may choose to formally dissolve their local government structure or, more likely, city government officials and local residents may simply "walk away" from their city government. Unfortunately, this leaves municipal assets, liabilities and local services in limbo.
- 3) Inability to Purchase Necessities Including Insurance and Fuel:** Small cities often use their State financial assistance to pay annual insurance premiums and bulk fuel purchases. Without these funds, some cities will be without insurance coverage and unable to purchase their bulk fuel.
- 4) Deteriorating Infrastructure:** Maintenance and operation of public facilities may cease which would result in the rapid deterioration of millions of dollars of public infrastructure constructed in Alaska over the last twenty years. Small cities also often use their State financial assistance to subsidize the operation of their water, sewer, and electric utilities. Consequently, residents may lose access to clean drinking water, safe sewerage systems and reliable power.
- 5) Increased IRS, PERS and ESC Problems:** As financial resources become tight, communities often view payroll deposits to the IRS, PERS, and ESC as low priorities. This results in substantial penalties and interest which places an additional burden on the community's limited operating resources.

**6) Decline in Urban/Rural Business Activity:** As economic activities within the cities weakens, urban businesses can expect to see significant decreases to their incomes derived from rural Alaska activities.

***RESPONSE: Continued Support for Local Government Assistance and the Rural Utilities Business Assistance Program.***

With the significant decline in state financial assistance to communities, and a very limited local tax base and cash economy, the situation many communities face is serious. The Division works closely with communities to help them maximize the effectiveness of revenues, to identify new sources of local revenue, and to provide advice on how to use their limited resources most effectively. Many communities lack the financial and personnel resources to successfully operate and maintain their utilities and other services. The federally-funded Rural Utility Business Advisor (RUBA) program helps assess the management of a community water and sewer utility, recommends corrective action, and provides assistance and on-site training specific to the management needs of the utility. The program assists utilities in creating sound financial systems and adequate management practices. The Division also provides utility management workshops for groups of communities in regional hubs. This program needs to receive the resources and support required to provide these services and to protect valuable infrastructure and essential community facilities.

**ISSUE: Municipal assessment practices may be creating inequities in the State's financial assistance programs.**

The Full and True Value Determination (FTVD) is an important factor in determining a locality's entitlement under several State financial assistance programs. Financial assistance for municipal school districts is probably the most significant program that uses the FTVD to determine a municipality's entitlement. The inaccurate FTVDs result in incorrect and inequitable payments to municipalities.

Because of continuing fiscal pressures, many municipalities feel a need to maximize their efforts to obtain State financial assistance. One of the results of these local fiscal pressures has been an increase in localities "pushing the envelope" of acceptable assessment practices.

***RESPONSE: Increased Support for the State Assessor's Office***

The State Assessor's review of local assessment practices is critical to assuring the integrity of the Full and True Value Determination (FTVD) that is made for property in each municipality. The State Assessor's Full and True Value Determination serves as the State's independent assessment of the full and true value of all taxable property within a given locality.

The State Assessor's office is currently functioning with one position. As a result of an increasing work load, the State Assessor is not able to review the property assessment practices used by municipalities on a timely basis. The Division needs to provide additional support to the State Assessor, which will enable thorough and timely review of local assessment practices and property value determinations. This in turn will insure that all municipalities receive the amount of funding to which they are entitled.

**ISSUE: Deterioration in the fisheries industry is seriously impacting businesses and communities.**

The seafood industry is important to the economic health of our entire State, of which salmon is an important component. The downturn in the salmon industry threatens economies as the sale of local goods and services are reduced. Revenues from fish taxes and sales taxes are reduced as a result. Assisting industry to overcome increased competition in the market is a vital role of the State. In that process, implementing programs that increase the actual value of the seafood industry to Alaskans is a vital function of the Office of Fisheries Development.

**Fisheries Rationalization:** Emerging federal rationalization efforts in recent years will have serious economic and market repercussions for all of Alaska's groundfish fisheries and coastal communities. The Office tracks these proposals to assist in advising the State on policy considerations to protect Alaska's fishing and processing interests.

***RESPONSE: Continued support of fisheries development.***

The Division has two full-time development specialists, one non-permanent development specialist, and one grants administrator working on fisheries programs and issues. The grant administrator and non-permanent development specialist work exclusively on meeting the Department's responsibilities under the Governor's Fisheries Revitalization Strategy. The full-time development specialists maintain lead roles in several programs under the Revitalization Strategy and focus on other fisheries economic issues, projects and crisis with Alaska's fisheries. The specialists are responsible for projects such as salmon industry revitalization, new fisheries development, ground-fish industry issues and inclusion of seafood in the USDA programs.



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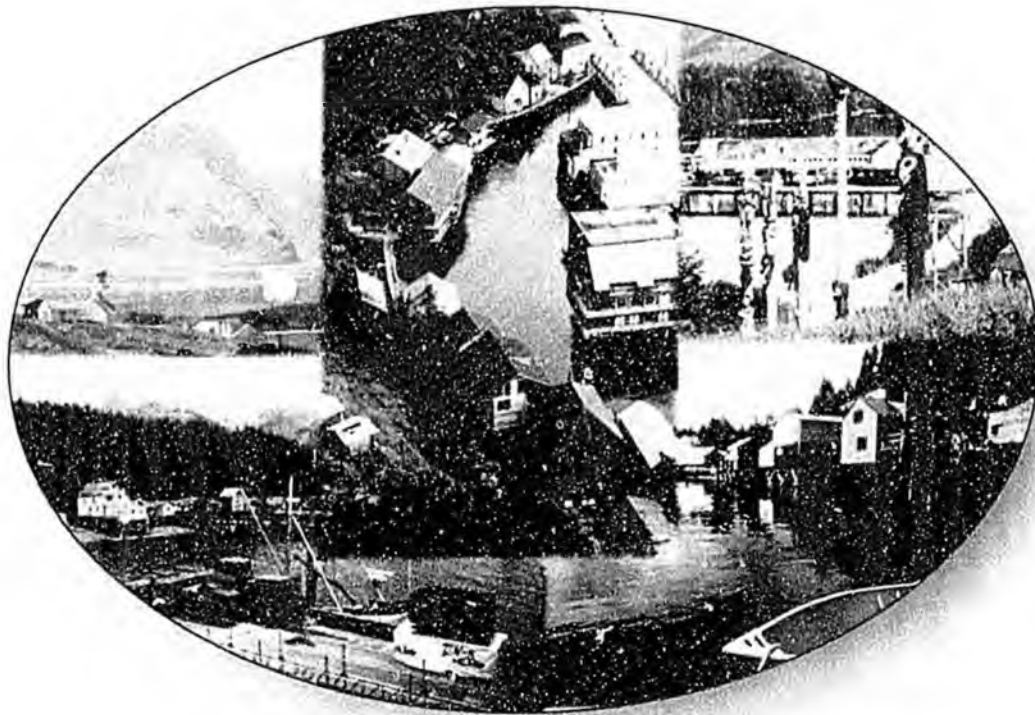
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# Annual Report

## Division of Community and Business Development

### January 2003



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## Division of Community & Business Development

### MISSION

**Promote strong communities and healthy economies by providing information, technical and financial assistance and other capacity building resources.**

The Division of Community and Business Development (DCBD) has two major elements - community development and business development. We also have two important support functions which are essential to our mission - providing financial assistance and information. Services provided by the Division run the full range from identifying community needs and economic development goals, to obtaining funding for specific projects, and providing technical assistance to new or expanding businesses. The Division provides services to individuals, communities, various organizations and specific industries.

The Division delivers its services from eight locations. To provide more direct service to the people they serve, DCBD staff are stationed at regional offices located around the state. Staff in these regional offices are in frequent contact with the communities they serve. The goal of this effort is to develop and maintain local capacities which help ensure efficient and effective local governments.

In addition, the Division has an office in the Tok Alaska Public Lands Information Center. The Center is mandated by the Alaska National Interest Lands Conservation Act of 1980, and is one of four interagency centers operating around the state. It is a cooperative effort by eight state and federal agencies to provide information and referral about Alaska's tremendous variety of public lands. In one stop, visitors can obtain all the information needed to plan their Alaska Adventure. Services offered include tourist information, trip planning services and Alaska Marine Highway reservations.



## Community Development

The focus of community development staff is technical assistance and training for communities that lack various resources needed to effectively operate their local government. When working with a community to resolve a specific problem, staff also work towards the more general goal of "capacity building," increasing the capacity of local people and organizations to deal with local problems. The Division also supports the provision of professional training and development opportunities in cooperation with organizations such as the Alaska Association of Municipal Clerks, Alaska Association of Assessing Officers, Alaska Planners Association, and the Alaska Municipal League.

### Local Government Development

The fundamental purpose of Local Government Development is to help local and regional governments to become more self sufficient in providing effective government services to community residents.

The writers of Alaska's constitution mandated the creation of a "local affairs agency." Article X, Section 14. Local Government Agency of the State Constitution states: 'An Agency shall be established by law in the executive branch of the state government to advise and assist local governments. It shall review their activities, collect and publish local government information, and perform other duties prescribed by law.'

The framers of the Alaska Constitution clearly indicated their belief that local government would play a critical role in Alaska's future; and that the state had a responsibility to work with local governments to help them be successful in providing local governance and effective public services for community residents.

The Alaska Constitution also specifically provides for maximum local self government. However, the framers of Alaska's Constitution also recognized that many local governments in the state were not fully developed and would not have the resources to achieve strong local self-determination unless they were assisted in this effort. A large part of the state consists of the "unorganized borough" in which there is no regional form of government. DCBD fulfills this mandated assistance function by offering local governments and other community entities a broad range of support for local development efforts.

### *Financial Management Assistance*

A division priority is helping communities establish and maintain basic financial management systems. This focus on financial management has had positive results. While some communities continue to struggle financially, their status has stabilized with fewer crises disrupting day-to-day operations. In addition to city officials, DCBD staff provide training for elected local officials who may not have an adequate understanding of their financial management responsibilities.

## *Local Government Management Assistance*

Alaska's Constitution, statutes and regulations define the powers and responsibilities of local governments. Various programs in DCBD were created to assist local governments in utilizing these powers to improve the efficiency of their organizations and the quality of life for residents in their communities. Assistance can be provided or arranged on just about any aspect of municipal government. Examples of assistance and training topics or activities provided by DCBD include:

- ◆ Ordinance development and codification.
- ◆ Elections training.
- ◆ Personnel practices.
- ◆ Tax assessment and collection.
- ◆ Title 4 (Alcohol) local option laws.
- ◆ Council powers and procedures.
- ◆ Interpretation of State and local laws.
- ◆ Land management and planning.
- ◆ Development of land disposal ordinances.
- ◆ ANCSA 14(c)(3) negotiations & agreements.
- ◆ Community Visioning.
- ◆ Newly Elected Officials (NEO) training.
- ◆ Grant writing training and assistance.



### ☆☆ Success Story ☆☆

DCBD staff assisted the City of Nondalton in identifying management problems that have resulted in the city incurring debt of over \$400,000. Operations and financial management plans were developed to address the problems. Following are steps the community has taken with DCBD assistance:

**Operations Management** - The Council amended their ordinance to eliminate a paid mayor position and instituted an emergency-staffing plan that reduced the costs of the city. The Council adopted a new water and sewer ordinance to facilitate the City's collection of water and sewer revenue.

**Financial Management** - The City has worked with DCED staff to draft a realistic budget and debt repayment plan. The plan is now being implemented and progress is being made at becoming debt free.

**Planning/land use** - The City also addressed long-standing planning concerns. They signed an ANCSA 14(C) agreement to settle land title issues in the City. They updated their land disposal ordinance for City property and corrected inconsistencies in their previous process.

A side benefit of these actions is that community members are moving toward more involvement in city government. At one community meeting attended by DCED staff, approximately 30 members of the public were present showing support for the Council's actions and an eagerness to help get the city on track.

## *Local Boundary Commission*

The Local Boundary Commission (LBC) has the power and duty to judge proposals for:

- ◆ incorporation of cities and boroughs;
- ◆ reclassification of cities;
- ◆ annexation to cities and boroughs;
- ◆ detachment from cities and boroughs;
- ◆ dissolution of cities and boroughs;
- ◆ merger of cities and boroughs; and
- ◆ consolidation of cities and boroughs.



Additionally, the LBC has the duty to make studies of local government boundary problems. It is one of five State boards with origins in Alaska's constitution (Article X, Section 12).

The LBC consists of five members appointed by the Governor. One member is appointed from each of Alaska's four judicial districts; the fifth member is appointed at-large. Members of the LBC serve overlapping five-year terms.

DCBD staff provides technical support to the Commission, petitioners, and other interested individuals and organizations. DCBD's responsibilities in that regard include:

- ◆ providing technical assistance to prospective petitioners and other interested individuals and organizations regarding matters that come before the LBC;
- ◆ performing feasibility and policy analysis of proposals and prospective proposals to the LBC;
- ◆ conducting public informational meetings concerning proposals pending before the LBC;
- ◆ preparing reports and recommendations on matters pending before the LBC;
- ◆ providing technical support to the LBC at its public hearings;
- ◆ drafting decisional statements regarding actions taken by the LBC;
- ◆ implementing decisions of the LBC;
- ◆ certifying the creation and alteration of municipalities' actions; and maintaining incorporation and boundary records for each of Alaska's 161 cities and boroughs.

Major activities of the Local Boundary Commission and DCBD Staff:

### *Regulation Revisions*

The LBC completed reforms to its procedural regulations in 2002. The changes bring the Commission's regulations into conformity with State Statutes. The revisions were warranted since the last comprehensive review of the Commission's regulations occurred more than ten years ago. Since then, there have been numerous changes in State statutes concerning matters involving the Commission. During the past three years, the Commission and staff have devoted considerable effort to revision of its regulations in Title 3 of the Alaska Administrative Code.

Five work sessions to address the proposed changes were conducted in the year 2000. The Commission held a public hearing on the proposed changes in 2001. They met again in 2001 to review the written and oral testimony concerning the proposed regulations. At that time, the Local Boundary Commission approved the proposed regulation changes. On April 17, 2002, the Commission re-adopted the revised regulations following technical review by the Alaska Department of Law. Following that adoption, the Department of Law filed the regulations with the Lieutenant Governor. The new regulations took effect on May 20, 2002.

*Unorganized Borough Review*

During the 2002 legislative session, a bill was approved and subsequently signed into law requiring the Local Boundary Commission to review conditions in the unorganized borough and report to the legislature the areas it has identified that meet the standards for incorporation. The Commission met to discuss the review and adopted a project work plan. Under the plan, DCBD staff reviewed all of the areas in the unorganized borough and compiled information for the Commission that would reflect on the economic viability or fiscal viability of prospective boroughs in the unorganized borough. The Commission reviewed the economic information compiled by DCBD and made a preliminary determination that eight areas of the unorganized borough would be subject to further review. These areas that will be subject to further review are comprised of the following model borough boundary areas:

Aleutians West and Aleutians-Military (combined)	Chatham
Copper River	Delta-Greely
Glacier Bay	Prince William Sound
Upper Tanana	Wrangell-Petersburg

The Commission's report to the Legislature will be rendered by February 19, 2003.

*City of Haines/Haines Borough Consolidation*

The City of Haines petitioned the Local Boundary Commission for consolidation of the third class Haines Borough and the first class City of Haines. DCBD accepted the Petition for filing following its technical review. The Commission convened the hearing which approximately seventy-five local residents attended. At the conclusion of the hearing, the Commission convened a decisional meeting and concluded that each of the applicable legal standards governing consolidation of city and borough governments was satisfied with respect to the Haines consolidation proposal. Commission members amended various aspects of the Petition. Consolidation was approved by Haines voters and the consolidation election was certified by the Division of Elections on July 11, 2002.

*Palmer Annexation*

The City of Palmer formally initiated efforts on to expand its boundaries to encompass an additional estimated 921.34 acres. Members of the Commission inspected the territory proposed for annexation and held a public hearing on the City's annexation proposal. Following the hearing, the Commission

convened a decisional session. Guided by the fourteen city annexation standards set out in State law, the Commission determined that it would be appropriate to reduce the size of the area proposed for annexation to 861.44 acres.

More information about the LBC is available on the web at: <http://www.dced.state.ak.us/cbd/lbc/lbc.htm>



Recent LBC hearing

## ***Rural Utility Business Advisor (RUBA)***

The goal of the RUBA Program is to prepare rural communities for, and help them meet the challenge of managing and operating sanitation utilities. RUBA is achieving this goal by providing assistance in the areas of business, finance, personnel, and general management to governments and organizations responsible for operating water and sewer utilities in rural Alaska.

### **2002 RUBA Activities:**

- ◆ Made 102 trips to 50 different communities to provide on-site RUBA assistance.
- ◆ Presented thirteen 32-hour Utility Management Classes in 9 different regional centers throughout the State. One hundred-thirteen utility managers completed the classes.
- ◆ Developed debt reduction plans for two communities. One community had debts of approximately \$250,000, the other had debts over \$1 million. Both communities were suffering delays in sanitation projects due to financial management issues.
- ◆ Developed capacity indicators for evaluating financial and managerial capacity of utilities. These standard indicators were developed in relation to the Denali Commission's adopted definitions of sustainability.
- ◆ Worked with the Regulatory Commission of Alaska (RCA) to develop a simple standardized Chart of Accounts for use by small water and wastewater utilities. The standardized COA was implemented in five utilities that RUBA worked with to convert their accounting systems to QuickBooks.
- ◆ Hired accounting contractors to provide training on Quickbooks Pro, and install and train utility staff in four communities (Stebbins, False Pass, Huslia, and Marshall). Staff worked directly with several other communities directly to implement Quickbooks as an accounting package, or adopt changes to existing QuickBooks practices.
- ◆ Revised the publication Plain English Guide to Alaska Drinking Water and Wastewater Regulations to reflect changes in regulations over the past four years.
- ◆ Completed the development of the fifth (Financial Management) in a series of six classes on Utility Management. The materials, once completed, are anticipated to be the base curriculum for utility manager certification program.
- ◆ Participated in sanitation policy meetings of the Governor's Council on Rural Sanitation, Rural Development Sustainable Utilities Subcommittee, and the Rural Alaska Sanitation Coalition.
- ◆ Presented information sessions at the following annual conferences: Alaska Water and Wastewater Manager's Association (AWWMA), National Rural Water Association - Alaska, Alaska Municipal League, and the SE conference of the AWWMA.
- ◆ Served on the evaluation committee's for Denali Commission Washeteria grants, Denali Commission Small Clinic Grants, Village Safe Water Planning and Capital Improvement Grants.



☆☆ Success Story ☆☆

The RUBA program has for the past several years worked with utilities to install, train, and support the use of QuickBooks Pro accounting software. The program has done this through a variety of methods including using program staff, and contracting with private accounting firms to provide some of the training and assistance. Two recent municipal owned utilities that we have worked with in implementing the system are False Pass and Stebbins.

The False Pass City Clerk reported that the annual audit was recently completed in two days. Previous audits had taken at least three days, often more. The cost of the audit was ½ of the cost of previous audits. Both the reduction in time and the lower cost were due to efficiencies in the recently installed accounting system.

The City Manager reported to our RUBA staff that, "He should watch Eleanor [utility clerk] when she does the quarterly tax reports. Her eyes get big because the reports get done within minutes! She used to hate doing the reports manually because it took so long."

### *Office of the State Assessor (OSA)*

In accordance with state law, the Office of State Assessor (OSA) conducted the annual full value determination (FVD) for taxable property in organized boroughs and home rule, first class, and second class cities (with a population over 750) whether or not they levy property taxes. The OSA published the results in a report titled, "Alaska Taxable". To review the report, visit the Division's website or contact the OSA.

To assure equitable treatment for all taxpayers and to assure the State disburses school funding equitably to each municipality, the OSA monitored municipal assessment practices. This past year, the OSA discovered that a borough had been using some erroneous sales ratio practices that could have cost the state several thousands of dollars of educational funds. The OSA worked with the borough to correct this and has been assured this will not occur in the future. The OSA also monitored municipal property assessment and taxation practices for compliance with state and federal tax laws, and addressed issues of noncompliance.

The OSA advised and assisted municipalities on assessment and taxation issues and provided training for municipal assessment personnel. For example, the City of Nenana lost its long time employee responsible for administering the annual assessments. The OSA spent several weeks assisting the newly appointed individual in completing the assessment roll for the year.

In accordance with State law, the OSA also provided guidance with interpreting state mandated exemptions; established standards for assessment practices for use by local assessing offices; assisted in developing ordinances dealing with property assessment issues; and developed assessment models for use with value projections in the Unorganized Borough.

## *Volunteers in Service to America (VISTA)*

VISTAs serve Alaska's urban and rural communities. This year, DCBD had 16 VISTAs in 13 communities. DCBD also received approval for 20 new VISTA positions. Six of these VISTAs will serve under the Indian Set Aside Grant. Sponsoring entities will be community and regional organizations that serve Alaska Natives. Currently, DCBD is working on a grant for six additional Entrepreneur Corps VISTAs. The Entrepreneur Corps VISTAs will use their business experience and skills to establish and strengthen development programs in communities.

### ☆☆ *Success Story* ☆☆

**Andy Schmahl**, VISTA member and Project Coordinator with the Kenai Peninsula Economic Development District (KPEDD), arrived in Alaska, August 2002, all the way from New York. Before starting his VISTA year, Andy worked as an investment banker in Manhattan.

Since his arrival, Andy has worked on several projects for the KPEDD. Most recently, he helped organize the first ever Kenai Peninsula Funding Summit for Small Communities. More than 80 representatives from about a dozen communities and 15+ agencies participated in the Summit, far surpassing the expected attendance. "Our initial expectations were to have about 45 attend," said Andy. "The response was overwhelming."

The event put officials from small towns and villages face to face with frontline decision-makers from a host of State and federal funding agencies, including the U.S. Department of Agriculture, Economic Development Administration, federal Department of Housing and Urban Development, Alaska Department of Community and Economic Development and others.

Currently, Andy is working with Jim Carter, Executive Director for KPEDD, on the Third Annual Borough Economic Outlook Forum. The Forum is a two-day event in which Peninsula residents can help plot economic development strategy in their communities.

## Land Management

The Land Management and Community Planning programs provide assistance to communities on regional and local land issues. The main areas of assistance are technical advice and training on local planning and land management efforts, the Alaska Coastal Management Program, the Municipal Lands Trustee Program, and the National Flood Insurance Program.

### *Alaska Coastal Management Program (ACMP)*

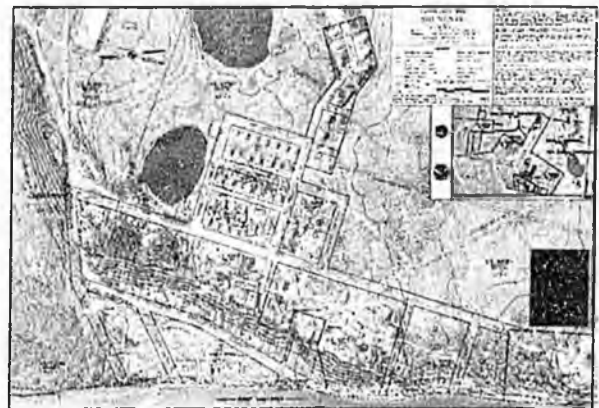
Through balanced stewardship, the ACMP strives to sustain the long-term economic and environmental productivity of the Alaska coast. The ACMP provides a balance of decision making that addresses all interests, coastal resources, and coastal uses. Thirty coastal districts participate in the program by developing local coastal management plans, implementing local plans through the consistency review process, and informing and educating the public about the ACMP. The Department's role in the program, which is established in AS44.47.095, supports the coastal districts through research, training, and technical assistance. DCBD also manages the ACMP grant program, which awards \$1 million annually in grant funds to the coastal districts.



### *Community Mapping*

Unresolved land claims and inadequate information about land sometimes hinder development for both the private and public sectors. The land management section provides information, maps and assistance to agencies, contractors and rural communities so they may overcome land problems that currently impede development. Some of the services provided include the following:

- ◆ **Site Control.** This includes preparing title opinions and providing maps, sample documents and technical assistance to assure a proper ownership interest for publicly funded projects. Site control helps protect state and local government investment in buildings and facilities.
- ◆ **Community Profile Mapping.** By assisting groups that are contracting for the preparation of community mapping we ensure that community maps are prepared to a standard compatible with other users, that existing mapping data is used whenever possible and that the project is coordinated with other mapping efforts that may be taking place. At the completion of the project, partners allow DCBD to add the maps to its community mapping library and share the maps with private and public entities working in the community. DCED's current mapping partnerships are developing aerial photo based community maps in 27 rural communities.



## *Land Management Program*

Section 14(c) of the Alaska Native Claims Settlement Act (ANCSA) provides that certain land in ANCSA communities be made available to residents, businesses, non-profits, communities and airport operators. DCBD provides community mapping and land management assistance to municipalities, unincorporated communities, and Native village corporations so they may carry out the process of identifying and conveying 14(c) land claims. Once the land claims have been placed on a community's "map of boundaries" the layout can be submitted to the Bureau of Land Management for surveying and platting. This year DCBD's assistance was instrumental in the settlement of land claims and the submission of maps of boundaries in the communities of Manley Hot Springs, Naknek, Nikolai, and Nondalton. Surveying and platting of land claims was completed in Allakaket, Alatna, Koliganek and Nome. The settlement of the ANCSA 14(c) land claims is an essential step in clearing land title in the community and providing a base of land for private and public land development. Many of the State, Federal and local initiatives to improve sanitation and develop infrastructure in rural Alaska benefit from the settlement of 14(c) land claims and the surveying and platting of local subdivisions. In unincorporated communities DCBD carries out the community planning and negotiation of the 14(c)(3) community land on behalf of a future municipal corporation (Municipal Trust Land). Leases, deeds and easements of Municipal Trust Land were issued this year for housing, sewer and water facilities, a school, bulk fuel storage facilities, clinics, a church, an airport and roads and boardwalks.

## *Floodplain Management/National Flood Insurance Program (NFIP)*



state and federal agencies in a variety of ways specific to flood and erosion management. Flood mitigation grants for planning and projects are now available to NFIP communities.

The mission of the Division's Floodplain Management Program is to reduce public and private sector losses and damage from flooding and erosion by providing coordination, funding, and technical assistance to NFIP communities. The Division serves as the state coordinating agency for the NFIP. The program provides over \$326.2 million in flood insurance coverage to individuals, businesses, and renters in 37 cities and boroughs. The total flood insurance premiums paid for flood coverage exceed \$1 million. The average annual premium is \$429. The average flood insurance claim payment is \$12,946. Division staff assist local officials, residents, developers, lenders, insurance agents, Realtors, and



## Business Development



The focus of business development staff is to provide technical assistance to those communities desiring economic growth; and technical assistance and basic research information to new businesses or businesses seeking to expand or diversify. Facilitating value-added manufacturing projects and sustainable development are the goals of Business Development specialists in the fields of mining, forest products, seafood and tourism. Staff also assist with planning and training for communities and organizations looking for a reprieve from the boom and bust cycles of resource extraction and export. The business development element of our mission includes serving as a commercial liaison for the state and for private sector businesses. The efforts of the Division are part of the State of Alaska's overall economic development strategy to increase employment and diversify our economic base.

Some of the Division's programs are regional in nature. The goals of these programs are to stimulate economic development in the different regions by preparing strategies, assisting communities in implementing the strategies and providing opportunities for communities to participate in economic activities area not previously available to them.

### *Alaska Regional Development Organizations (ARDORs) Program.*

The Legislature established the ARDOR Program in 1988 in support of the widely held belief that a locally driven initiative, in partnership with the State and other entities, can most effectively stimulate economic development and produce healthy, sustainable local economies. An ARDOR is a non-profit organization of local volunteers, representing numerous public and private interests, working together to achieve economic development in their region. Each ARDOR prepares a regional economic development strategy and assists communities and businesses to implement the strategy. The ARDORs are eligible for State matching grants. There are currently 13 ARDORs. DCBD administers the grants and manages the ARDOR program. Funding is provided by the Alaska Industrial Development & Export Authority (AIDEA).

☆☆ *Success Story* ☆☆

During FY02, the U.S. Department of Agriculture designated three ARDORs (the Copper Valley Economic Development Council, Lower Kuskokwim Economic Development Council, and the Bering Strait Development Council) as Resource Conservation and Development Districts (RC&D). This designation brings three professional federal positions to rural Alaska and makes available valuable resources in developing the economies of the regions.

Also during FY02, the U.S. Department of Commerce designated another ARDOR, the Southeast Conference, as an Economic Development District (EDD). This designation provides access to valuable resources in developing the economy of the region. Southeast Conference is the first organization to hold all three designations of ARDOR, RC&D, and EDD.

### *Community Development Quota Program*

The Community Development Quota (CDQ) Program is a federal fisheries program that was created in 1992. The North Pacific Fishery Management Council approved the CDQ Program as a means to address serious economic and social problems of the western coastal region of Alaska. Eligibility to participate in the program is restricted to 65 communities located within 50 miles of the Bering Sea coastline. Over the last ten years, the program has generated over \$400 million in revenues and employed more than 12,000 western Alaska residents, creating over \$80 million in wages. The program has provided an opportunity for these communities to participate in the harvesting of the nearby multimillion-dollar groundfish industry through the formation of organizations called CDQ groups. Through the allocation of multi-species quotas, including pollock, halibut and crab, western Alaska residents have been given the opportunity to work on offshore vessels and in shoreside processing plants to gain experience in the business operations of the CDQ group's industry partners.



## *Funding Summits*

A Funding Summit is a two day meeting where regional non-profit, State and federal funding agencies, and community and regional representatives come together to discuss community priority projects in a particular region. Usually, about 10 communities participate—but it can be more or less. Typically, 15-25 agency representatives are in attendance.



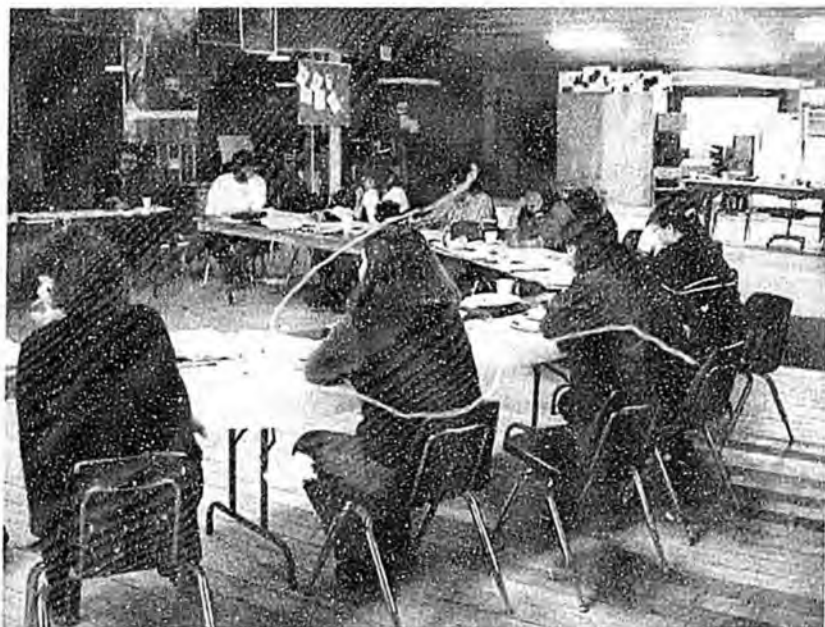
The Funding Summits, are a joint effort of the Denali Commission, USDA Rural Development, U.S. Department of Housing and Urban Development (HUD), Department of Community and Economic Development (DCED), Department of Environmental Conservation (DEC), Rural Alaska Community Action Program (RurAL CAP) and regional and local partners.

The goals of a Funding Summit are to:

- ◆ enable community and agency representatives to resolve problems associated with and identify funding options for community priority projects;
- ◆ establish working relationships between community and agency participants; and
- ◆ enable all participants to learn new ways to make projects happen.

DCED established a website for the Summits: <http://www.dced.state.ak.us/cbd/grt/fundingsummits.htm>

In 2002, the partnership held Summits in Fort Yukon, Nome, Glennallen and Soldotna. In 2003, DCED anticipates Summits will be held in Anchorage (for Southwest Alaska communities), Barrow, Southeast, Iliamna, and Kotzebue.



## *Community Tourism Development*

The goal of this program within the Division of Community and Business Development is to identify and foster the development of tourism business and employment opportunities for Alaskans. Tourism staff, assisted by other industry specialists and research analysts within the department, provide technical assistance in the areas of research, business development, planning, hospitality training, and product



development. The division conducts research such as the Alaska Visitor Statistics Program, Alaska Monthly Arrival Report, and a tourism economic impact study. The division also manages the AlaskaHost hospitality training program and produces publications like the Tourism Funding Guide and The Alaska Community Tourism Handbook. The Department of Community and Economic Development manages the State of Alaska's contract with the Alaska Travel Industry Association to market the state as a destination in national and international markets.

### *☆☆ Success Story ☆☆*

The Alaska Division of Community and Business Development has made a great deal of progress this year with administration and promotion of the AlaskaHost program. AlaskaHost is a one-day seminar that promotes high-quality, professional customer service standards and teaches participants to communicate more effectively with Alaska's visitors. AlaskaHost skills will not only prepare people for careers in the hospitality industry, they are instrumental in encouraging repeat visitation and increased economic benefit from Alaska's visitors.

This past year, division staff designed and created a website ([www.alaskahost.org](http://www.alaskahost.org)) and brochure to use as promotional materials in spreading the word about AlaskaHost. Due to the renewed promotion of the program, 500 AlaskaHost packets were distributed through seminars throughout the state throughout the winter and spring of 2002. In March, 2002 DCBD coordinated with the University Cooperative Extension Service and Fairbanks Convention and Visitors Bureau to offer the AlaskaHost Seminar Leader's Training Class, in which a total of 12 individuals joined the ranks of certified AlaskaHost seminar leaders, doubling the numbers of trainers and infusing the program with fresh energy!

In the coming year DCBD plans to promote the program to various local community organizations such as visitor bureaus, chambers of commerce and native non-profit organizations and to coordinate with various partners to offer seminar leader training classes to the staff of these organizations. The strategy of training local seminar leaders will insure that the AlaskaHost message and materials are accessible to a wider audience throughout the state, and will help communities to build economic independence and internal capacity for tourism development.

## *Fisheries Development*

The Division currently has two full-time development specialists working on fisheries issues. Current duties include analyzing and reporting on economic issues, working with entrepreneurs, encouraging and facilitating new product development, supporting development of growth sectors, and networking economic development specialists with industry. The fisheries development program strives to increase the income and employment of Alaskans from seafood. Recent, current and proposed projects include:

- ◆ seeking sustainable fisheries label for Alaska salmon through the Marine Stewardship Council,
- ◆ developing supportive information for the growing direct market vessel sector,
- ◆ facilitating and holding seafood marketing workshops and conducting direct market vessel workshops,
- ◆ providing detailed reports for the Alaska Economic Information System;
- ◆ overseeing a comprehensive review of the inputs into the Alaska seafood processing sector;
- ◆ overseeing a freight consolidation facility review;
- ◆ overseeing a review of seafood and fisheries development related programs in the Federal government;
- ◆ maintaining a seafood related current events calendar;
- ◆ supporting and communicating with the USDA on pink salmon purchase programs;
- ◆ administering the Alaska Regional Salmon Marketing Mini-Grant Program;
- ◆ administered the Specialty Salmon Marketing Mini-Grant Program;
- ◆ oversee a seafood quality infrastructure review.

Tracking and developing policy considerations to protect Alaska's fishing and processing interests has become a major focus for the State of Alaska, and, as such, involved the expertise of the Division's Fisheries Development staff. At the same time, many proposals to rationalize other fisheries are emerging. Community and market concerns are included in the analysis and discussion of these proposals.



## *Minerals Development*

The goal of the mining program is to facilitate mineral exploration, development and employment in Alaska. Mining Development Specialists provide information on Alaska's mineral resources to prospective developers, investors and affected communities, and attend national and international mining shows to showcase Alaska mining development opportunities. Staff provides accurate information on



what mining can mean to a community including jobs, environmental quality, quality of life, required infrastructure, and geology of an area. The Division has facilitated airborne geophysical surveys in many areas around the state, to improve base line information on mining resources and promote the efficiency of exploration activities. Staff provides technical support to the Alaska Minerals Commission, researching numerous issues of concern to the industry and publishing an annual report to the Governor and Legislature.

## *Small Business Development*

The Small Business Development program supports the start-up and expansion of small businesses around the state. Assistance provided includes:

- ◆ Responding to information requests from business owners.
- ◆ Developing publications on business topics.
- ◆ Assisting with the planning and delivery of small business training in workshops and conferences.

The Small Business Development Specialist works closely with the staff of other state and federal agencies to efficiently provide a high level of service to the business community.

☆☆ *Success Story* ☆☆

In early 2002, Development Specialist Ruth St. Amour participated in the planning and delivery of a series of conferences on business practices for arts and crafts. Conference activities were held in Bethel, Nome, and Kotzebue and served nearly 100 artists and crafts people. The conferences provided an opportunity for artists to learn marketing and other business skills, and to network for the sharing of professional skills and marketing opportunities. Partners in the conferences included the Alaska State Council on the Arts and Alaska Cooperative Extension Service as well as a variety of local partners.

Alaska's second Biz Fair, a free one-day event with small business workshops and information booths, held in Anchorage in May 2002, drew approximately 300 participants from across Southcentral Alaska. DCBD development specialists participated in planning and organizing the event. Partner agencies for Biz Fair included the U.S. Small Business Administration, Internal Revenue Service, Small Business Development Center, and Alaska Department of Labor.

### *Made in Alaska Program*

The intent of the Made in Alaska (MIA) program is to promote and increase the sale of Alaskan manufactured and/or made products. The Made In Alaska program identifies and promotes the purchase of products manufactured and crafted in Alaska, ranging from small gift items to large industrial modules. Alaska businesses manufacture high quality products for Alaskan, domestic and international markets.

Products which meet program criteria are eligible to use the Made In Alaska logo. Permits authorizing the use of the Made In Alaska logo serve both producers and consumers by certifying product authenticity.



## Financial Assistance

The Division administers a number of programs that provide financial assistance to communities to supplement local revenue generation. A number of them are revenue programs which share State or Federal funds with local communities. The Division also administers grant programs which can help communities with the finances to build the infrastructure needed to support community and business development. Federally funded programs and state resources support this effort. Some of these programs continue from year-to-year and some are special grant type program that have a limited time frame or limited funding. Grant staff are available to answer questions about the various funding sources and help direct communities to the most appropriate source for a proposed project.

### Shared Revenue Programs

#### *Safe Communities Program*

Division staff worked closely with the legislative sponsor to develop the Safe Communities Program legislation that replaced the Municipal Assistance Program in 1997. The revised program requires that funding received by a municipality be used for a priority list of services including police, public safety, fire protection, emergency medical services, and water and sewer.

According to state law, the Legislature may appropriate to the Safe Communities Program an amount equal to or greater than 30 percent of the corporate income tax revenue received by the State for the previous fiscal year. The FY03 appropriation of \$16,775,500 represents 24% of the estimated \$231,800,000 in corporate income tax revenue received by the State in FY02.

#### *State Revenue Sharing*

The State Revenue Sharing Program includes two components:

- ◆ **State Aid for Municipal Services** provides money for public roads, ice roads, hospitals, health facilities, unincorporated communities, and volunteer fire departments. FY03 funding of \$4,285,067 resulted in prorated payments at 14.5% of the statutory allocations.
- ◆ **Municipal Tax Resource Equalization** rewards municipalities for local fiscal effort. Total FY03 funding is \$8,570,133. This account also provides for a minimum entitlement of \$25,000 for municipalities, with a geographic location adjustment. Due to low funding levels, municipalities have not been receiving the minimum amount.

## ***Federal Payments in Lieu of Taxes (PILT) Program for Cities in the Unorganized Borough***

Division staff worked closely with Senator Ted Stevens to establish and administer a new program which expanded federal Payment in Lieu of Taxes (PILT) payments to include cities located in Alaska's unorganized borough. The division distributed \$5,267,071 to 97 Alaska cities in FY03. These additional federal funds are especially crucial for many cities which continue to deal with the impacts of failed fishing seasons, a downturn in the timber industry, and drastic cuts to state revenue sharing and safe communities funding.

### ***Fisheries Resource Landing Tax***



A Fishery Resource Landing Tax is levied on processed fishery resource first landed in Alaska or any processed fishery resource subject to Sec. 210(f) of the American Fisheries Act. The tax is based on the unprocessed value of the resource, which is determined by multiplying a statewide average price per pound (based on Alaska Department of Fish and Game data) by the unprocessed weight. Fishery Resource Landing Tax is collected primarily from factory trawlers and floating processors which process fishery resource outside of the state's three mile limit and bring their products into Alaska for transshipment.

### ***Shared Fisheries Business Tax Program***

This program provides for an annual sharing of fish tax collected outside of municipal boundaries on the basis of nineteen "fisheries management areas." The funding available within each of these areas is distributed among municipalities in that area based on the level of significant impacts resulting from fishing industry activity compared to the level of impacts experienced by other municipalities in that area. In FY03, \$1,396,076 will be distributed to 109 eligible municipalities.

### ***National Forest Receipts***

The department distributes National Forest Receipts under the authority of 16 USC 500 and under AS 41.15.180. The Federal law was amended in 2000 under the "Secure Rural Schools and Community Self Determination Act." The Act provides that for state fiscal years FY02-FY06, the State shall receive an annual payment equal to the average of the three highest National Forest Receipts Payments made to the State during fiscal years FY87-FY00. In FY03, the department allocated \$9,236,907 to nine boroughs, 18 cities, four Regional Educational Attendance Areas, and the Metlakatla reservation under the amended law.



## **Grant Programs**

### ***Capital Project Matching Grants Program***

This program provides grants to eligible municipalities and unincorporated communities for capital projects. A community is determined eligible for an allocation in a fiscal year if the community was eligible for the department's State Revenue Sharing Program during the preceding year. A local contribution is required for each project. The Legislature determines a lump-sum appropriation to be made into the grant fund. This is then allocated to individual grant accounts that are created for each eligible community. Once allocated to an account, money remains in that account until a second appropriation may remain in the grant account for up to five years before lapsing back into the general fund. In this manner, a community may accumulate funds for up to five years, to allow financing for larger projects or to allow better long-range planning for a sequence of projects. There are approximately 980 grants being administered for a total value of \$62 million.

### ***Community Development Block Grant Program (CDBG)***

The goal of the federally funded Community Development Block Grant (CDBG) Program is to enhance the quality of life for low and moderate-income residents, particularly in rural Alaska. The Program provides grants for public facilities and planning activities, which address conditions detrimental to the health and safety of local residents. The grants reduce the costs of essential community services. Special Economic Development funds may be used to provide capital to assist in the creation or retention of jobs that principally benefit low and moderate-income persons.

### ***Community Services Block Grant Program***

The goals of the federal Community Services Block Grant Program (CSBG) are to reduce and/or prevent poverty through community-based educational activities, which lead to a greater degree of self-sufficiency on the part of low-income persons. Services are provided through the State's only Community Action Agency, RurAL CAP.

### ***Emergency Shelter Grant Program***

The goals of the Emergency Shelter Grant Program are to assist with the following activities relating to emergency shelter for the homeless: renovation, major rehabilitation, or conversions of buildings for use as emergency shelters for the homeless; payment of maintenance, operation, insurance, utilities, and furnishings; and payment for provision of essential community services including those concerned with employment, health, substance abuse, education, food, or prevention.

### ***Legislative Grants Program***

Legislative grants are awarded by the Legislature, with final approval by the Governor (delegated to a specific department for administration). It is the department's responsibility to notify grantees of their awards, and to develop and execute grant agreements based on each project. These awards can be for a variety of projects such as health, fire and safety, water and sewer, construction of community facilities, cemetery restoration, and program operations. This section also ensures grantees obtain site control, State Fire Marshal approval and other regulatory agency permits as required. The Division currently administers 324 active grants for a total value of \$69 million.

## ***Mini-Grants***

The State and federally-funded Mini-Grant Program provides grants on an annual competitive basis to rural Alaska communities for a wide range of economic development projects and economic development strategies. Grants are awarded to the most viable projects, which promote development by diversifying the economic base to provide jobs, income and long lasting economic benefits to the communities served. One application per community is accepted for a maximum of \$30,000. The funding level in FY03 was about \$650,000.

## ***Community Priorities Program (CPP)***

The Denali Commission has targeted funds for the Community Priorities Program, which is administered in cooperation with the Denali Commission. The maximum grant amount is \$500,000.

The Program is intended to provide supplemental funding for a community fixed infrastructure project. To qualify, a project must:

- ◆ be identified as a priority in a community plan;
- ◆ have documented community support and be “construction ready;”
- ◆ the applicant must have a commitment for at least 1/3 of the funding needed;
- ◆ the funding being requested can’t be available elsewhere; and
- ◆ the applicant must provide a 10% local cash match.

Eligible applicants include municipal governments, tribal governments, community based non-profit corporations, and regional organizations representing communities with populations of 1500 or less or which are on the Denali Commission’s “distressed community list”. A total of 39 applications were reviewed in 2002, seven grants were awarded for a total of \$2,210,949. The grants included projects for a Business Center, Educational Facilities and Community centers. Two applications are still in the process, seven full applications were reviewed and denied and 23 pre-applications were reviewed and denied.

## ***Flood Mitigation Assistance (FMA) Program***

This is a grant program that provides assistance to National Flood Insurance Program - participating communities for flood mitigation planning and project activities. The DCBD administers this Federal Emergency Management Agency pass-through grants.



## Special Grant Programs

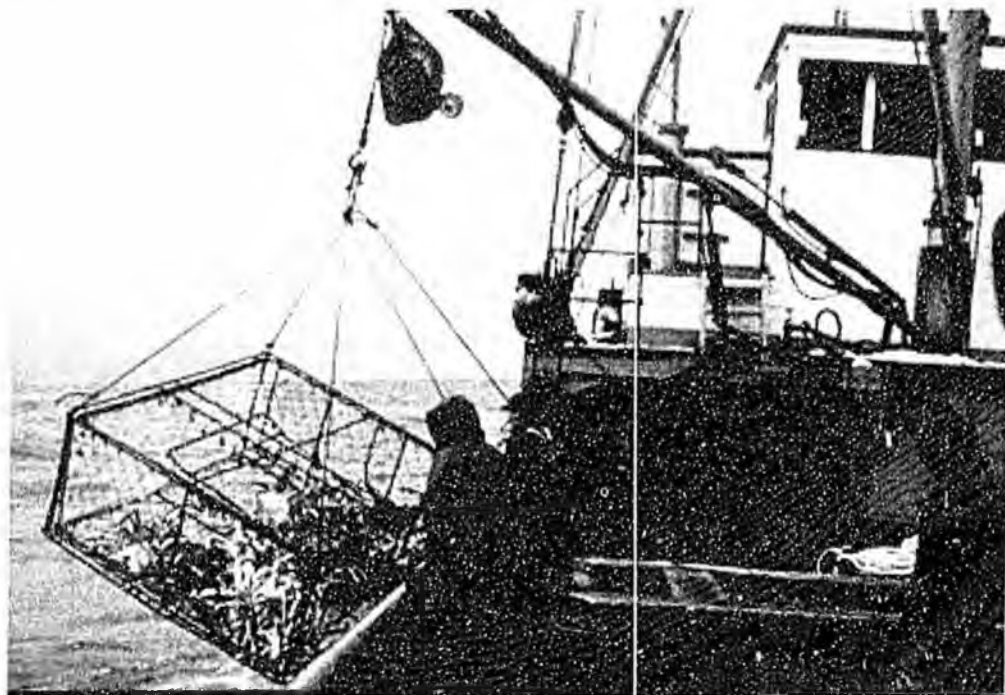
### *National Petroleum Reserve – Alaska (NPR-A) Program*

Under the National Petroleum Reserve-Alaska (NPR-A) program, the U.S. Department of Interior refunds a portion of fees received as a result of oil development in the reserve to the State of Alaska. These funds are for the purpose of granting monies to communities that have experienced adverse effects due to oil development. If any funds remain after these grants have been awarded, then the funds are distributed as mandated by law between the Permanent Fund, the School Trust Fund, and the General Fund. The Department of Revenue, as the manager of this fund, reports to this department the amount of deposits available for granting each fiscal year.

### *Opilio Crab Disaster Grants*

In 2000, the Pribilof Islands, and other Bering Sea communities were declared part of a federal disaster area, due to the near collapse of the Opilio Crab populations. The Governor requested assistance for Bering Sea communities affected by the sudden downturn in snow crab stocks. Commerce issued a declaration of a commercial fisheries failure due to natural and environmental factors and \$10 million in assistance was approved by Congress. These funds were made available to assist the affected communities and to improve fisheries research, management, and coordination to help restore the fisheries and prevent similar failures in the future.

Out of this amount \$7 million is to be used for projects that will help mitigate the effects of the current disaster, and prevent future crab fisheries problems from harming the economy in the future. The Division is administering these Opilio grant funds. The grants were awarded to the Aleutians East Borough, St. Paul, St. George, and Unalaska. Each of the 4 entities identified projects for their share of the funds. These projects are agreed upon by the City, the Tribal Government, and the Corporation. A majority of the funds have been obligated and projects are underway in the communities.



## Information Resources

One other important function of the Division is to collect and publish local government information and economic development information. The Division is a leader in providing information resources to the public.

### Products

#### *Alaska Economic Information System (AEIS)*

Until recently, information about Alaska's economy, labor force and industrial sectors was scattered among a large number of agencies and organizations. The Alaska Economic Information System (AEIS) was created to provide user-friendly access to all this information at a one-stop portal on the web. The AEIS represents a tremendous development resource for businesses, communities and individuals – saving them significant time and effort in collecting the information on which to base development decisions and plans.



Starting from a map of Alaska, users can "click" on a census area, and quickly get the picture of that area's basic economic industries such as tourism, oil and gas, mining, and seafood. Detailed information is also provided for the critical infrastructure elements of transportation, energy, and utility sectors that support long-term viable economic development. A statewide perspective is also provided for each sector of the economy, and the Alaska economy as a whole. Users can "drill down" through the information on the AEIS website to get to greater levels of detail about their specific areas of interest, including maps, charts and working spreadsheets that users can download to their own computers for further analysis. As a web portal, the AEIS contains a host of links to other websites relevant to an understanding of the Alaska economy, its work force and its economic sectors. ([http://www.dced.state.ak.us/cbd/AEIS/AEIS\\_Home.htm](http://www.dced.state.ak.us/cbd/AEIS/AEIS_Home.htm)).

#### *Community Database/Community Profiles*

This database provides a wide range of community-based information and data for planning, policy making and technical assistance decisions. Information is available through an interactive database on the Internet. Users include other state and federal agencies, private non-profit organizations, legislators and their staff, and the general public, both in Alaska and around the world. The database provides for "standard" comprehensive community profiles and customized queries of specific community data. The website includes a feature that allows users to automatically e-mail themselves the data they need ([http://www.dced.state.ak.us/cbd/commdb/CF\\_COMDB.htm](http://www.dced.state.ak.us/cbd/commdb/CF_COMDB.htm)).

## ***Economic Development Resource Guide (EDRG)***

This guide is designed to bring together in one place a listing of programs and services that provide economic development assistance to Alaska individuals, communities, organizations and businesses. The EDRG includes over 120 resources for financial and technical assistance targeted at economic development. These resources include federal and state agencies, national and state non-profit organizations, and private for-profit organizations. The EDRG is also on the web with a user-friendly interface that provides users with targeted searches to retrieve those resources that apply to their specific eligibility and needs (<http://www.dced.state.ak.us/cbd/edrg/EDRG.htm>).



## ***Grants Tracking Information System Database***

An Internet-based management system was completed in May 2000 for internal use by the Division's Grant Administrators. The database tracks detailed information needed for all of the grants administered by the Division, including Capital Matching grants, Legislative grants, State Revenue Sharing, National Petroleum Reserve-A (NPR-A) grants, Mini-Grants, Opilio Crab Disaster grants, Community Development Block Grants, and Community Priorities Program grants. Some of the information from the Grants Tracking System is available to the public on the Internet, at [http://www.dced.state.ak.us/cbd/commdb/CF\\_Grants.htm](http://www.dced.state.ak.us/cbd/commdb/CF_Grants.htm)

## ***RAPIDS Capital Project Database***

The Rural Alaska Project Identification and Delivery System (RAPIDS) database contains information on state- and federally-funding capital projects in Alaska communities, including project descriptions, funding levels and status. Portions of this database are also available to the public in the web, at [http://www.dced.state.ak.us/cbd/commdb/CF\\_RAPIDS.htm](http://www.dced.state.ak.us/cbd/commdb/CF_RAPIDS.htm).

## ***Local Government Online (LOGON)***

LOGON was developed in 2002 and launched to the public in November 2002, although it continues to be expanded. LOGON was developed for administrators and city clerks, elected and appointed officials, tribal governments, community leaders, and others interested in local government operations, public services, and community development in Alaska.

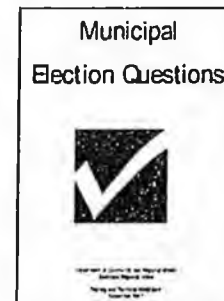
LOGON provides information and resources to communities regarding: municipal government structure, elections, public meetings, ordinances, taxation, financial management, grant management, personnel management, payroll, tribal and municipal agreements, water and sewer utility management, coastal and floodplain management, revenue sharing programs, and grants for infrastructure or economic development. LOGON also provides references to other state and federal resources of concern to communities, including education, public safety, health care, environmental, social services, transportation, and energy programs. LOGON brings together division applications, publications, sample documents, and other web resources. The system may be explored at <http://www.dced.state.ak.us/cbd/LOGON/home.cfm>

## Publications

Publications staff coordinate development of technical assistance documents and distribution of material produced by the Division to local governments and other client organizations. Many of the printed publications are updated annually and are available on the Internet; Title 29 is now available on CD-ROM. In addition, the Division produces a variety of Internet-based information resources that are not available in a printed format. Division publications include:

### **Small Business Development:**

A Customs Guide to Alaska Native Arts (created in 2001)  
AlaskaHost Program Participant Training Manual (updated in 2001)  
Community Tourism Planning Guidebook (created in 2001/2002)  
Establishing a Small Business in Alaska (updated in 2002)  
Economic Development Resource Guide (updated in 2001)  
Tourism Funding Programs (created in 2001)



### **Local Government:**

A Primer for City Council Members  
Alaska Planning Commission Handbook (to be updated in 2002)  
Alaska Taxable 2001 (updated Jan. 2002)  
Background on Boroughs in Alaska  
Capital Project Management Handbook (updated in 2001)  
Certified Financial Statement Manual (updated in 2001)  
Getting Started on ANCSA 14(c)(3) – A Basic Guide  
Grant Training Manual  
Home Rule Municipalities in Alaska  
Local Boundary Commission Annual Report to the Legislature  
Local Government in Alaska (updated in 2001)  
Mayor's Handbook: A Primer for Small Town Mayors  
Model Borough Boundary Study (June 1997)  
Model Financial Record Keeping System (1994)  
Municipal Budget Manual (updated in 2002)  
Municipal Elections Questions Handbook – Volumes I & II  
Municipal Incorporation, Annexation, Consolidation, Dissolution Procedures  
Non-Profit Community Handbook (1993)  
Payroll Handbook for Small Communities (updated in 2002)  
The Federal Voting Rights Act – Meeting the Standards (1991)  
The Need to Reform State Laws Concerning Borough Incorporation and Annexation  
Title 29 of Alaska Statutes, 2002 – Municipal Government (updated in 2002)  
Title 4: Local Option Law Handbook (1995)

**Water & Sewer Utility Operations:**

A Plain English Guide to Alaska Drinking Water and Wastewater Regulations (updated in 2002)

Alaska Sanitation Planning Guide for Small Communities (plus Technical Appendix)

Utility Management Workshop Curriculum Series: Introduction to Utility Management

Utility Management Workshop Curriculum Series: Organizational Management

Utility Management Workshop Curriculum Series: Financial Management

Utility Management Workshop Curriculum Series: Operational Management

Utility Management Workshop Curriculum Series: Utility Planning

Utility Management Workshop Curriculum Series: Personnel Management

**Background on  
Boroughs in Alaska**

December 1994



Alaska  
Department of  
Community and  
Economic Development

**Information & Mapping:**

Community Profiles (updated in 2002)

Community Profile Maps

Community/Borough Map of Alaska (24" X 36" format)

Municipal Officials Directory 2003 (updated Jan. 2003)

Rural Alaska Project Identification and Delivery System (RAPIDS)

## Major Issues Facing the Division

**ISSUE:** Many communities in Alaska are struggling to maintain basic services.

This situation threatens the State's investment in essential community facilities and poses a threat to the health and well being of Alaska's residents. **Limited Revenue Resources.** With the significant decline in state financial assistance to communities and the very limited local tax base and private economy the situation many communities' face is serious. The Division works closely with them to maximize the effectiveness of shared revenues, to identify sources of local revenue and provide advice on how to use these limited resources most effectively. **Ongoing Personnel and Management Problems.** Another major issue is the lack of financial management and local government skills at the local government level. This has primarily been linked to frequent staff turnover due to low wages, part-time work, no training, and lack of consistent policies and procedures. The Division continues to work with city and tribal staff and elected officials to develop the skills they need to perform their responsibilities. The Division helps communities establish and maintain sound financial practices, thereby preventing the loss of hundreds of thousands of dollars each year. The Division provides this assistance through on-site community training, regional training and coordination with regional and statewide organizations such as Boroughs, Alaska Municipal League, and Alaska Clerk's Association.

**RESPONSE:** *Continued Support for the Rural Utilities Business Assistance Program:*

Adequate and affordable sanitation systems are critical for the health of rural residents and critical for the development of rural communities. State and Federal sanitation task forces have repeatedly concluded that capital investments alone will not achieve long-term improvements in sanitation because many communities lack the financial and personnel resources to successfully operate and maintain their utilities.

The Division's Rural Utility Business Advisor (RUBA) program helps address this issue in a number of ways. **Needs Assessments.** RUBA personnel complete an assessment of a community's management of its water and sewer utility. Corrective action is recommended and assistance is provided. **Training.** After the assessment, RUBA staff then provides on-site training specific to the management needs of the utility. Additionally, the Division provides utility management workshops for groups of communities in regional hub communities. **Financial Management Systems.** The program also offers assistance to utilities in establishing sound financial management systems and practices for the operation of water and sewer utilities. **Publications Development** The RUBA program has in cooperation with other agencies produced publications that provide technical assistance on utility planning, understanding sanitation regulations, and managing capital construction projects. This program needs to receive the resources required to provide these services to protect valuable infrastructure and essential community facilities.

**ISSUE: Municipal assessment practices may be creating inequities in the State's financial assistance programs.**

The Full and True Value Determination (FTVD) is an important factor in determining a locality's entitlement under several State financial assistance programs. Financial assistance for municipal school districts is probably the most significant program that uses the FTVD to determine a municipality's entitlement. The inaccurate FTVDs result in incorrect and inequitable payments to municipalities.

Because of continuing fiscal pressures, many municipalities feel a need to maximize their efforts to obtain state financial assistance. One of the results of these local fiscal pressures has been an increase in localities "pushing the envelope" of acceptable assessment practices.

***RESPONSE: Increased Support for the State Assessor's Office***

The State Assessor's review of local assessment practices is critical to assuring the integrity of the Full and True Value Determination (FTVD) that is made for property in each municipality. The State Assessor's Full and True Value Determination serves as the State's independent assessment of the full and true value of all taxable property within a given locality.

As a result of an increasing work load, the State Assessor is not able to review the property assessment practices used by municipalities on a timely basis. The Division needs to provide additional support to the State Assessor, which will enable thorough and timely review of local assessment practices and property value determinations. This in turn will insure that all municipalities receive the amount of funding to which they are entitled.

**ISSUE: Need for coordinated agency response to communities and regions.**

The traditional model for community assistance, where agencies respond separately within their areas of expertise, has undergone considerable evolution as the State has lead efforts to respond to severe economic dislocations. To increase their effectiveness, State and Federal agencies are taking steps to work cooperatively and coordinate services delivery. A new approach to community assistance work is emerging, where the resources of several agencies are leveraged and/or coordinated to improve efficiency and quality in service delivery. Additionally, the public, agencies, and other entities doing business in our state need access to a variety of information by region or sub-region. Good information is the foundation of sound decision making. Currently, an individual often has to access multiple websites or other sources of information to get data on a particular region. For example, information about Alaska's economy, labor force and industrial sectors is widely scattered among various agencies and organizations.

***RESPONSE: Implementation of the Alaska Economic Information System.***

Now in development by the Division, the Alaska Economic Information System (AEIS) is designed to provide user-friendly access an array of information on the web. The AEIS will:

- ◆ Provide timely, current, Alaska-specific information
- ◆ Bring together agency information on one website
- ◆ Tell prospective investors about our resources and opportunities

- ◆ Create a base line for evaluating industry activity
- ◆ Offer a user-friendly, easy-to-navigate format
- ◆ House the most comprehensive economic development site on Alaska

The system will be useful for businesses, communities and individuals – saving them significant time and effort in formulating development plans. The system will also benefit agency coordination, as well as local government, legislative and other decision making.

The AEIS will provide and collate a vast amount of economic and supporting information. **Economic Development Narratives.** Each census area contains a regional economic overview and economic narratives on oil and gas, tourism, mining, fisheries, agriculture, timber, and subsistence. Users will be able to view a map of Alaska on-line, click on a census area, and quickly get the picture of that area's basic economic industries. Narratives will discuss the critical infrastructure components of transportation, energy, and utilities that are needed to support long-term, viable economic development. **Portal to Relevant Material.** The AEIS will link directly to many supporting websites, as well as to specific plans, studies, reports and other related documents relevant to an understanding of the Alaska economy. **Source Material Availability.** The website is graphics-rich and supported throughout with source material. Users will be able to click through the website to get to greater levels of detail about their specific areas of interest, including graphs and working spreadsheets that they can download to their own computers. The user can "drill down" from the narratives and graphics and find the charts, figures, tables and databases that support the text.

**ISSUE: Deterioration in the fisheries industry is seriously impacting businesses and communities.**

This industry is important to the economic health of our entire state. The downturn in this economic sector threatens community economies as the sale of local goods and services are reduced. Revenues from fish taxes and sales taxes are reduced as a result. **Decline in Salmon Runs and Market Prices.** Challenges include the unstable market conditions, competition in the global marketplace, and lack of transportation for the export of our products. **Implementation of Federal Fisheries Programs.** The implementation of the Federal American Fisheries Act (AFA) has economic and market repercussions for all of Alaska's ground fisheries, coastal communities and Community Development Quota (CDQ) groups. At the same time, many proposals to rationalize other fisheries are emerging. Tracking and developing these policy considerations to protect Alaska's fishing and processing interests is a major priority for the State.

***Response: Continued support of fisheries development.***

The Division has one full-time development specialist working on fisheries issues. Current duties run the spectrum of economic issues, projects and crisis with Alaska's fisheries. The specialist is responsible for projects such as salmon industry revitalization, new fisheries development, ground-fish industry issues and inclusion of seafood in the USDA programs. However, the work is more than one person can do. Another development specialist is needed to adequately address Alaska's threatened fishing industry.

*Response: Continued support of Operation Renew Hope*

In August, the Governor again declared an economic disaster in the commercial salmon fisheries of the Yukon, Kuskokwim, Norton Sound, Bristol Bay, and Alaska Peninsula regions. In response to this disaster, the Operation Renew Hope will continue to pull together all the various state and federal programs that can respond to the short and long term disaster impacts. The Department's participation in Operation Renew Hope will result in continued responsibilities for Division staff in both coordinating agency responses and addressing the economic impacts of the decline in the fisheries industry.

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Produced by the State Department of Community and Economic Division of Community and Business Development, 550 West 7th Avenue, Suite 1770, Anchorage, AK 99501

For additional copies, download from the DCED website: <http://www.dced.state.ak.us/> or contact Pamela Neale (1-907-269-4580).

DCED complies with Title II of the Americans Disabilities Act of 1990. Upon request, this report will be made available in large print or other accessible formats. Request for such should be directed to DCED at 1-907-269-4580 or TDD 1-800-930-4555.

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January 2004

**ARDOR Annual Report**

# Alaska Regional Development ORganizations

## Leveraging ARDOR Funds

Total State ARDOR grant funds:	\$620,000
TOTAL ARDOR budgets \$2,739,233	Leverage \$1 : \$4.42
Other State funds \$857,575	Leverage \$1 : \$1.38
TOTAL non-State budgets \$1,881,658	Leverage \$1 : \$3.03
Federal funds \$577,068	Leverage \$1 : \$0.93
Private sector funds \$816,869	Leverage \$1 : \$1.32
Other non-federal/non-State funds \$487,721	Leverage \$1 : \$0.79
In-kind contributions \$791,891	Leverage \$1 : \$1.28

# ARDOR Statistics

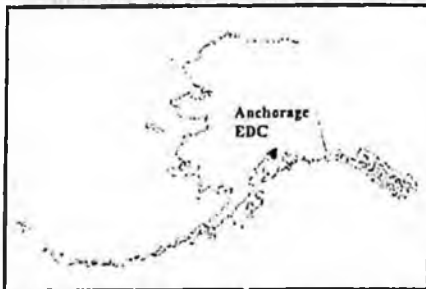
- ✓ Total number of ARDORs = 12
- ✓ Total number of board members = 190
- ✓ Total number FTE staff = 30.57
- ✓ The FTE/per capita ratio ranges from as low as 1 to 1,062 (Copper Valley EDC) to as high as 1 to 60,000 (Mat-Su RC&D).
- ✓ Estimated in-kind contribution of board members ranges from \$136,800 to \$342,000
- ✓ The volunteer contribution of board members is conservatively valued at \$30 per hour. Estimates of the total contribution of board members range from \$136,800 (average of 2 hours per month per board member) to \$342,000 (average 5 hours per month per board member). This is a significant contribution to the ARDOR program and demonstrates a high level of commitment by board members.
- ✓ ARDOR funds spent per capita in each ARDOR region:

	# Board Members	# FTE staff	pop.	FTE/capita	FY04 ARDOR \$	FY04/capita
Anchorage Econ. Dev. Corp.	47	7	260,000	1:37,750	\$47,220	\$0.18/person
Arctic Development Council	9	2	7,500	1:3,750	\$47,870	\$6.38/person
Bering Strait Dev. Council	14	3	27,645	1:9,215	\$47,820	\$1.73/person
Copper Valley Econ. Dev. Council	9	2	2,124	1:1,062	\$47,530	\$22.38/person
Fairbanks No. Star Boro Econ. Dev. Comm.	17	1.4	83,839	1:59,171	\$47,670	\$0.57/person
Kenai Peninsula Econ. Dev. District	13	4	49,692	1:12,423	\$47,570	\$.96/person
Lower Kuskokwim Econ. Dev. Council	12	1	15,915	1:15,915	\$47,720	\$3.00/person
Mat-Su Resource Cons. and Dev., Inc.	23	1	60,000	1:60,000	\$47,450	\$0.79/person
Northwest Arctic Boro Econ. Dev. Comm.	13	2.5	12,012	1:4,805	\$47,820	\$3.98/person
Prince William Sounce Econ. Dev. District	9	1	4,257	1:4,257	\$47,620	\$11.19/person
Southeast Conference	13	2.67	74,760	1:28,000	\$47,720	\$0.64/person
Southwest Alaska Municipal Conference	11	3	29,384	1:9,795	\$48,170	\$4.64/person
<b>TOTAL</b>	<b>190</b>	<b>30.57</b>	<b>627,128</b>	<b>1:20,514</b>	<b>\$572,180</b>	<b>\$0.91/person</b>

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# Anchorage Economic Development Corporation



## ***Mission Statement***

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

## **FY 2004 Goals**

- ★ Implement a well-organized and sustained program to encourage retention and expansion of existing businesses.
- ★ Continue global logistics program.

## **FY 2004 Top Economic/Business Needs**

1. Available property for commercial development.
2. A public relations campaign devoted to changing misperceptions of decision makers around the world.
3. State of Alaska incentives to attract new businesses to our State.
4. Closure of fiscal gap.

## **FY 2004 Budget**

\$47,220	State ARDOR grant
\$314,400	Amount of other State funds
\$0	Amount of federal funds
\$516,500	Amount of private sector funds
\$91,500	Any other non-federal, non-State funds
<hr/>	
\$1,189,620	Total FY03 ARDOR Budget <i>(total of above 5 lines)</i>
\$50,000	Total FY03 ARDOR In-Kind Contributions <i>(No description provided.)</i>

## **Other FY 2003 Accomplishments**

1. Finished TransCare Project, whereby AEDC called on Cargo operators and logistics firm worldwide.
2. Started business retention and expansion program.

## **FY 2003 Coordinated Regional Efforts Resulting in New Business Opportunities**

1. Working with an individual that wishes to start a laminated veneer lumber plant in Anchorage, using wood from the Mat-Su. Also, one of our prospects, Mountain Goat Aircraft located in the Mat-Su.
2. Attended Mat-Su Economic Development Planning meeting.
3. Have worked to include both Mat-Su and Kenai into our Vision Anchorage economic development planning process.

## **FY 2003 Goals \*** (Percentages of goal achieved: 100%. A ✓ indicates the goal was accomplished.)

- ✓ Implement a strategic marketing plan focused on attracting new businesses in select industries with the most potential for leveraging growth, incorporating a network of Anchorage business leaders who can help build relationships with others in related industry sectors.
  - Review Anchorage's Profile/Vision Statement
  - Assess Global Opportunities & Threats
  - Assess Anchorage's Strengths & Weaknesses
  - Develop Assumptions About the Future
  - Perform Competitive Analysis
  - Identify Priority Industries/Opportunities
  - Identify Strategies for Business Development and for Addressing Major Development Barriers
  - Summarize Findings & Recommendations
  - Align with other community organizations and business leaders to guide the plan.

\* A Legislative performance measure discussed on pages 65 and 66.

## **FY 2004 Organizational and Staffing Charts**

Number of Board Members: 47

Board Representation: Unknown

Number FTE staff: 7

FTE staff/capita: 1:37,150

## **FY 2004 Connection to other related services or programs (public or private)**

Partners

- ✓ Local/regional public: Municipality of Anchorage, Mat-Su Borough, Kenai Peninsula Borough

**continued . . .**

# Anchorage Economic Development Corporation

- ✓ Local/regional private: Anchorage Convention and Visitors Bureau, Anchorage Chamber, Eagle River Chamber, Anchorage Downtown Partnership, Vision Anchorage, Girdwood 2020
- ✓ State Public: State of Alaska, Ted Stevens Anchorage International Airport, Alaska Railroad
- ✓ State Private: Alaska High Tech Business Council, Small Business Development Center, University of Alaska Anchorage, Resource Development Council
- ✓ Federal Public
- ✓ Native Private: Cook Inlet Region, Inc., Arctic Slope Regional Corporation

## Customer Testimonials

I want to take this opportunity to thank you and your staff for the assistance you have provided Greatland Laser. As our company progressed over the past two years from research and development to manufacturing products, Anchorage Economic Development Corporation has been there to help answer our questions and steer us to local resources. You were instrumental in helping us locate a facility for our manufacturing operations, hiring employees, assisted with understanding issues concerning export/import regulations, and provided contacts for us to research the best method for shipping our products...to name just a few of the benefits we realized through AEDC.

As a small, locally owned and operated business, resources like the Anchorage Economic Development Corporation are critical to our ongoing success. We greatly appreciate the support and guidance we have received from AEDC in the past and look forward to a long and mutually beneficial relationship in the future.

Kim O'Meara  
CEO, Greatland Laser

## Cost-benefit analysis for FY02 - FY93

	FY02	Leverage
State ARDOR \$	\$51,385	
Total ARDOR \$	\$1,594,629	\$1 to \$31.03
Other State \$	\$319,016	\$1 to \$6.21
Total non-State \$	\$1,224,229	\$1 to \$23.82
Federal \$	N/A	N/A
Private sector \$	\$607,729	\$1 to \$11.83
Other non-federal/non-State \$	\$616,500	\$1 to \$12.00
In-kind contributions	\$26,739	\$1 to \$.52

	FY01	Leverage
State ARDOR \$	\$45,165	
Total ARDOR \$	\$1,253,628	\$1 to \$27.76
Other State \$	\$186,720	\$1 to \$4.13
Total non-State \$	\$1,021,743	\$1 to \$22.62
Federal \$	N/A	N/A
Private sector \$	\$528,743	\$1 to \$11.71
Other non-federal/non-State \$	\$493,000	\$1 to \$10.92
In-kind contributions	\$34,888	\$1 to \$.77

	FY00	Leverage
State ARDOR \$	\$45,989	
Total ARDOR \$	\$1,407,919	\$1 to \$30.61
Other State \$	\$229,296	\$1 to \$4.99
Total non-State \$	\$1,132,635	\$1 to \$24.63
Federal \$	N/A	N/A
Private sector \$	\$639,635	\$1 to \$13.91
Other non-federal/non-State \$	\$493,000	\$1 to \$10.72
In-kind contributions	\$23,717	\$1 to \$.52

	FY99	Leverage
State ARDOR \$	\$49,679	
Total ARDOR \$	\$1,136,782	\$1 to \$22.88
Other State \$	\$77,983	\$1 to \$1.57
Total non-State \$	\$1,009,120	\$1 to \$21.31
Federal \$	N/A	N/A
Private sector \$	\$597,120	\$1 to \$12.02
Other non-federal/non-State \$	\$412,000	\$1 to \$8.29
In-kind contributions	\$60,433	\$1 to \$1.22

	FY98	Leverage
State ARDOR \$	\$51,666	
Total ARDOR \$	\$968,093	\$1 to \$18.74
Other State \$	\$79,953	\$1 to \$1.55
Total non-State \$	\$836,473	\$1 to \$16.19
Federal \$	N/A	N/A
Private sector \$	\$376,757	\$1 to \$7.29
Other non-federal/non-State \$	\$459,717	\$1 to \$8.90
In-kind contributions	\$92,834	\$1 to \$1.80

continued ...

## Board of Directors

### Board of Directors Voting Members

Kathy Porterfield, Chair	Managing Partner, KPMG
Larry Cash, Vice Chair	President, RIM Architects
Ed Lamb, Secretary/Treasurer	CEO & President, Alaska Regional Hospital
Mark Bambridge (Alaska)	Manager of Supply Chain Management, BP Exploration
Nancy Bear Usera Credit Union	Sr. VP Corporate Development, Alaska USA Federal
Bill Behnke	Sr. VP Business Development & Strategic Initiatives, GCI
Steve Butterworth Inc.	VP, Finance, Planning & Control, ConocoPhillips Alaska,
Bill Fowler	President & COO, Northern Air Cargo
Joe Griffith	General Manager, Chugach Electric Association, Inc.
Jim Hatley	Managing Director of AK Operations, Federal Express
Tony Izzo	President & CEO, ENSTAR Natural Gas Company
Jim Kubitz Corporation	VP, Real Estate & Project Planning, Alaska Railroad
Tom Maloney Inc.	VP, Marketing & Business Development, VECO Alaska,
Kirk McGee	VP, Real Estate, CIRI
Dale Morman	President, Anchorage Sand & Gravel, Inc.
Rick Morrison	President, Morrison Auto Group
Brian Nerland	District President, KeyBank National Association
Gene O'Hara	Chief Executive, Providence Alaska Medical Center
Carolyn Ottosen	AK Division Manager, United Parcel Service
Mary Ann Pease	VP of Corporate Communications, ACS
Mark Pfeffer	President, Koonce Pfeffer Bettis
Robert Poe	Senior Vice President- Alaska Operations, ASCG, Inc.
Diane Prier	President, Williams AK Petroleum, Inc.
Ken Privratsky	VP & General Manager, Horizon Lines of Alaska LLC
Royce Rock	Business Manager, Carpenters Union, Local 1281
Richard Strutz	President, Wells Fargo Bank AK
Mark Vasconi	Business Planning Director, AT & T Alascom
Pat Walsh	President & CEO, Walsh Sheppard Flynn

### Ex-Officio Members — Legislators

Johnny Ellis	Senator, Alaska State Legislature
Ben Stevens	Senator, Alaska State Legislature
Ethan Berkowitz	Representative, Alaska State Legislature
Lesil McGuire	Representative, Alaska State Legislature

***Ex-Officio Members — Municipality***

Mayor Mark Begich  
Doug Van Etten  
Brian Whittle

Mayor, Municipality of Anchorage  
Assembly Member, Municipality of Anchorage  
Assembly Member, Municipality of Anchorage

***Ex-Officio Members – Appointed by the Board***

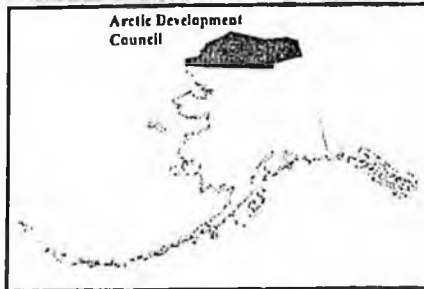
Mike Brady  
Bruce Bustamante  
Jim Gorski  
Lee Gorsuch  
Ernie Hall  
Mary Hughes  
Bauman  
Jim McMillan  
Mel Nichols  
Bill Noll  
Tennys Owens  
Mort Plumb  
George Vakalis

President, Ken Brady Construction Co. Inc.  
President & CEO, Anchorage Convention & Visitor's Bureau  
Partner, Hughes, Thorsness, Powell, Huddleston & Bauman  
Chancellor, University of Alaska, Anchorage  
President, Alaska Furniture Manufacturers, Inc.  
Of Counsel, Hughes, Thorsness, Powell, Huddleston &  
  
Deputy Director-Credit, AIDEA  
Vice President of Operations, DOWL Engineers  
Deputy Commissioner, State of AK - DCED  
President, Artique, Ltd.  
Airport Director, Ted Stevens Anchorage International Airport  
Chair, Anchorage Chamber of Commerce

***Contact***

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# Arctic Development Council



## ***Mission Statement***

Build a sustainable, regional economy by cultivating people-centered economic development, encouraging citizen leadership, and promoting healthy human and natural environment.

## **FY 2004 Goals**

- ★ Strengthen TAP
- ★ Expand ADC's On-line presence
- ★ Promote Tourism
- ★ Provide technical assistance on federal and state projects
- ★ Provide technical assistance to villages on the North Slope when requested
- ★ By year three, at least three – five new jobs created or retained
- ★ Provide North Slope Residents affordable research materials related to small business environments
- ★ Provide gap financing by re- establishing revolving loan fund

## **FY 2004 Top Economic/Business Needs**

1. Expansion of Arts and Crafts across the North Slope Borough
2. Workforce training;
3. Develop tourism
4. Gap financing
5. Develop small businesses

## **FY 2004 Budget**

\$47,870	State ARDOR grant
\$0	Amount of other State funds
\$0	Amount of federal funds
\$4,000	Amount of private sector funds
\$19,935	Any other non-federal, non-State funds
<hr/>	
\$71,805	Total FY03 ARDOR Budget <i>(total of above 5 lines)</i>
\$9,000	Total FY04 ARDOR In-Kind Contributions:
	City of Barrow is working on a MOA with ASRC for the second floor of the bank building in Barrow; it is projected to occur before October of this year. When that happens, Native Village of Barrow has rent-free office space for ADC; City of Barrow donates council chambers for board meetings.

## Other FY 2003 Accomplishments

1. Three workshops and one seminar held
2. Assisted local non-profit with tax-related compliance issues – six years of reporting completed.

## FY 2003 Coordinated Regional Efforts Resulting in New Business Opportunities

1. Three village business plans completed
2. Grant information forwarded to villages and non-profits
3. Over 10 business packets delivered to villages
4. Two known new businesses started

## FY 2003 Goals \* (Percentages of goal achieved: 100%. A ✓ indicates the goal was accomplished.)

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

\* A Legislative performance measure discussed on pages 65 and 66.

## FY 2004 Organizational and Staffing Charts

Number of Board Members: 9

Board Representation: Education, Business, Regional Corporation, Banking, Regional Government, Local Government, Regional Tribal Government,

Number FTE staff: 2

FTE staff/capita: 0.01%

continued . . .

★ 11 ★

## Board of Directors

### Executive Committee

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

### Members

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

### Contact

Jan Phillips  
Executive Director  
P.O. Box 1353 .  
Barrow, Alaska, 99723  
Phone: 852-4146  
Fax: 852-4147  
E-Mail: [adc1@barrow.com](mailto:adc1@barrow.com)  
Web Site:  
[www.arcticdevelopment.org/](http://www.arcticdevelopment.org/)

# Arctic Development Council

## FY 2004 Connection to other related services or programs (public or private)

### Partners

- ✓ Local/regional public: Workforce Development - meeting collaboration  
North Slope Borough Planning Department – Regional Economic Development Strategies  
Village Tribal & Municipal Governments – village economic strategies
- ✓ Local/regional private: North Slope Borough, Ilisagvik College  
Multi agency coordination meetings/efforts  
Referrals to business assistance resources  
Native Village of Barrow  
Grant assistance and leads
- ✓ State Public: Possible role as Non Metropolitan Regional planning entity  
DCED  
Funding forum during FY03
- ✓ State Private: PTAC – host one to two workshops a year
- ✓ Federal Public: Natural Resources Conservation Service  
Economic Development Administration  
Working on Designation as regional Economic Development District
- ✓ Native Private: Inupiat Community of the Arctic Slope  
Grant Assistance

## Customer Testimonials

None submitted.

## Cost-benefit analysis for FY02 - FY93

	FY02	Leverage
State ARDOR \$	\$45,945	
Total ARDOR \$	\$68,168	\$1 to \$1.50
Other State \$	N/A	N/A
Total non-State \$	\$22,223	\$1 to \$.48
Federal \$	N/A	N/A
Private sector \$	N/A	N/A
Other non-federal/non-State \$	\$22,223	\$1 to \$.48
In-kind contributions	\$1,985	\$1 to \$.04

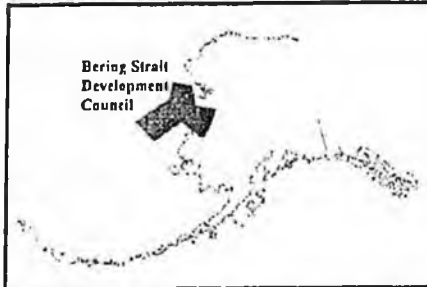
	<b>FY01</b>	<b>Leverage</b>
State ARDOR \$	\$44,285	
Total ARDOR \$	\$368,785	\$1 to \$8.33
Other State \$	N/A	N/A
Total non-State \$	\$324,500	\$1 to \$7.33
Federal \$	N/A	N/A
Private sector \$	\$1,500	\$1 to \$.03
Other non-federal/non-State \$	\$323,000	\$1 to \$7.29
In-kind contributions	N/A	N/A

	<b>FY00</b>	<b>Leverage</b>
State ARDOR \$	\$44,285	
Total ARDOR \$	\$373,546	\$1 to \$8.44
Other State \$	N/A	N/A
Total non-State \$	\$324,500	\$1 to \$7.33
Federal \$	N/A	N/A
Private sector \$	\$1,500	N/A
Other non-federal/non-State \$	\$323,000	\$1 to \$7.29
In-kind contributions	\$4,761	\$1 to \$.11

	<b>FY99</b>	<b>Leverage</b>
State ARDOR \$	\$51,666	
Total ARDOR \$	\$541,571	\$1 to \$10.48
Other State \$	N/A	N/A
Total non-State \$	\$488,000	\$1 to \$9.45
Federal \$	N/A	N/A
Private sector \$	N/A	N/A
Other non-federal/non-State \$	\$488,000	\$1 to \$9.45
In-kind contributions	\$1,905	\$1 to \$.04

	<b>FY98</b>	<b>Leverage</b>
State ARDOR \$	\$51,666	
Total ARDOR \$	\$934,674	\$1 to \$18.09
Other State \$	N/A	N/A
Total non-State \$	\$880,878	\$1 to \$17.05
Federal \$	N/A	N/A
Private sector \$	N/A	N/A
Other non-federal/non-State \$	\$880,878	\$1 to \$17.05
In-kind contributions	\$2,130	\$1 to \$.04

# Bering Strait Development Council



## ***Mission Statement***

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

## **FY 2004 Goals**

- ★ Update Regional Economic Development Strategy (REDS).
- ★ Plan and coordinate the Bering Strait Regional Economic Development Conference for 275 participants
- ★ Work with EDA grant recipients in completing business development planning for businesses located in the 8 EDA multipurpose facilities.
- ★ Support entrepreneurship and small business development and promote e-commerce in the Region.
- ★ Support and assist in the promotion of regional economic development projects, natural resource products (salmon, mining etc) and support and promote regional infrastructure expansion efforts (transportation, housing, etc.)
- ★ Conduct Bering Strait Development Meetings while continuing a working relationship between Bering Strait Development Council and Kawerak, Inc.
- ★ Coordinate and Support other ARDORS, EDDS, RC&Ds, and IDAs.
- ★ Review/comment on DCA community profiles and review/comment on DCA AEIS profiles and provide statistical information.
- ★ Assist communities in grant informational activities for DCA grant programs

## **FY 2004 Top Economic/Business Needs**

1. Work force training programs to increase long-term employment.
2. Sustainable small business, e-commerce, artist, tourism and infrastructure development.
3. Increased community planning assistance and implementation.

4. Utilization of appropriate rural business development models, such as Native Nation Building, which emphasize social, cultural and political development to assist communities to develop a more holistic approach.
5. Access to capital for new and existing businesses

### **FY 2004 Budget**

\$47,820	State ARDOR grant
\$0	Amount of other State funds
\$71,000	Amount of federal funds
\$0	Amount of private sector funds
\$15,781	Any other non-federal, non-State funds
<hr/>	
\$134,601	Total FY03 ARDOR Budget <i>(total of above 5 lines)</i>
\$0	Total FY03 ARDOR In-Kind Contributions

### **Other FY 2003 Accomplishments**

1. Developed a new planning process and now have plans for 10 of our 20 tribes: Teller/Mary's Igloo, Diomede, Wales, Golovin, Shaktoolik, White Mountain, St. Michael, Stebbins, and Unalakleet.

### **FY 2003 Coordinated Regional Efforts Resulting in New Business Opportunities**

1. Continued providing business planning assistance to the communities who received EDA funding for multipurpose buildings and Teller Fish and Meats.
2. Held the 2003 Bering Strait Regional Economic Development Conference for 276 participants.
3. Distributed 88 business information packets for individuals interested in starting or expanding a small business.
4. Out of 14 tuition assistance requests, 6 individuals completed a business related college course and were funded.
5. Artist portfolio development training was held in Shishmaref, Gambell and Savoonga.
6. Began coordination with NRCS RC&D, Alaska Gold and Norton Sound Seafood Products on a test fertilizer project for mining reclamation.

### **Board of Directors**

#### *Executive Committee*

Robert Keith (Chair), Elim IRA Council, Seat I: Kawerak Board Chairman  
 Steven Longley (Vice-Chair), Council Traditional Council, Seat N: Nome Sub-Region  
 Sue Greenly (Secretary), Alaska Airlines, Seat A: Transportation

#### *Members*

Howard Farley, Norton Sound Economic Development Corporation, Seat B: Fisheries  
 Ron Engstrom, Nome Miner's Association, Seat C: Mining  
 Scott Henderson, Wells Fargo, Seat D: Banking/Finance  
 Josie Stiles, Nome Convention and Visitor's Bureau, Seat E: Tourism  
 Kevin Zweifel, Norton Sound Health Corporation-Office of Environmental Health, Seat F: Health  
 Don Fancher, Bering Strait Regional Housing Authority, Seat G: Housing  
 Randy Rornenesko, City of Nome, Seat H: City of Nome  
 Victor Ongtawasruk, Wales IRA Council, Seat J: Northern Sub-Region  
 Lincoln Simon, White Mountain IRA Council, Seat K: South Central Sub-Region  
 Simon Bekoalok Jr., Shaktoolik IRA Council, Seat L: Southeast Sub-Region  
 Ruthie Okoomealingok, Savoonga IRA Council, Seat M: St. Lawrence Island

#### *Contact*

Melissa Boeckmann  
 Kawerak, Incorporated  
 Comm & Econ Dev Prog Director  
 P.O. Box 948  
 Nome, Alaska 99762  
 Phone: (907) 443-9005  
 Fax: (907) 443-2583  
 Email: melissab@kawerak.org  
 Web site: www.kawerak.org

**continued . . .**

# Bering Strait Development Council

## **FY 2003 Goals \*** (Percentages of goal achieved: 100%. A ✓ indicates the goal was accomplished.)

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

\* A Legislative performance measure discussed on pages 65 and 66.

## **FY 2004 Organizational and Staffing Charts**

Number of Board Members: 14

Board Representation: Kawerak, Council Traditional Council, Alaska Airlines, Norton Sound Economic Development Corporation, Nome Miner's Association, Wells Fargo, Nome Convention and Visitor's Bureau, Norton Sound Health Corporation-Office of Environmental Health, Bering Strait Regional Housing Authority, City of Nome, Wales IRA Council, White Mountain IRA Council, Shaktoolik IRA Council, Savoonga IRA Council

Number FTE staff: 3 Kawerak CED staff, 1 RC&D Coordinator

FTE staff/Capita: 1 to 2,304

## **FY 2004 Connection to other related services or programs (public or private)**

- ✓ Local/regional public: Kawerak, Inc.  
Northwest Campus  
City Governments
- ✓ Local/regional private: Alaska Gold-Crab shell fertilizer
- ✓ State public: DCED
- ✓ State private: (none)
- ✓ Federal public: EDA  
USDA RD  
NRCS/RC&D
- ✓ Native public: Bering Strait and Sitnasuak Native Corporation  
IRA's and Traditional Councils, Native Corporations

## **Customer Testimonials**

**Darlene Turner/Shishmaref** - "I would've enjoyed attending this (Bering Strait Development Council) meeting as it is one of [the] more productive committees. Thank you for what you're doing for our region and [I] hope to see you here in Shishmaref soon. I continue to sit on our IRA Council until January and will continue working with you folks. Thanks for all your help this past year.

**Richard Stascenko/Shishmaref** - "This is the most fun I've had at a meeting." (Speaking after a community planning meeting)

### **"What is one way you can help implement the community plan?"**

- ✓ More village participation in the future by notifying others and the community what this meeting was about
- ✓ Sharing what I know
- ✓ Continue to update the priority list
- ✓ Get the community more involved in economy
- ✓ Be involved...give positive support
- ✓ Voice my opinions help make it happen

**continued ...**

# Bering Strait Development Council

## Cost-benefit analysis for FY02 - FY93

	FY02	Leverage
State ARDOR \$	\$44,397	
Total ARDOR \$	\$118,050	\$1 to \$2.66
Other State \$	N/A	N/A
Total non-State \$	\$73,653	\$1 to \$1.66
Federal \$	\$59,000	\$1 to \$1.33
Private sector \$	N/A	N/A
Other non-federal/non-State \$	\$14,653	\$1 to \$.33
In-kind contributions	N/A	N/A

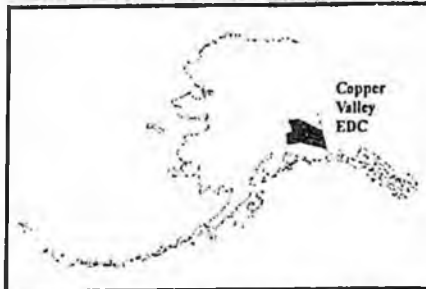
	FY01	Leverage
State ARDOR \$	\$44,285	
Total ARDOR \$	\$108,899	\$1 to \$2.46
Other State \$	N/A	N/A
Total non-State \$	\$64,614	\$1 to \$1.46
Federal \$	\$50,000	\$1 to \$1.30
Private sector \$	N/A	N/A
Other non-federal/non-State \$	\$14,614	\$1 to \$.33
In-kind contributions	\$50,000	\$1 to \$1.13

	FY00	Leverage
State ARDOR \$	\$47,692	
Total ARDOR \$	\$113,588	\$1 to \$2.38
Other State \$	N/A	N/A
Total non-State \$	\$65,896	\$1 to \$1.38
Federal \$	\$50,000	\$1 to \$1.05
Private sector \$	N/A	N/A
Other non-federal/non-State \$	\$15,896	\$1 to \$.33
In-kind contributions	N/A	N/A

	FY99	Leverage
State ARDOR \$	\$51,666	
Total ARDOR \$	\$118,886	\$1 to \$2.30
Other State \$	N/A	N/A
Total non-State \$	\$67,220	\$1 to \$1.30
Federal \$	\$50,000	\$1 to \$.97
Private sector \$	N/A	N/A
Other non-federal/non-State \$	\$17,220	\$1 to \$.33
In-kind contributions	N/A	N/A

	FY98	Leverage
State ARDOR \$	\$51,666	
Total ARDOR \$	\$111,666	\$1 to \$2.16
Other State \$	N/A	N/A
Total non-State \$	\$60,000	\$1 to \$1.16
Federal \$	\$40,000	\$1 to \$.77
Private sector \$	N/A	N/A
Other non-federal/non-State \$	\$20,000	\$1 to \$.39
In-kind contributions	N/A	N/A

# Copper Valley Economic Development Council



## ***Mission Statement***

Copper Valley Economic/RC&D Council is dedicated to perform as a public/private partnership to address the community, economic and natural resource opportunities, and the potential growth of the Copper Valley.

## **FY 2004 Goals**

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

## **FY 2004 Top Economic/Business Needs**

None listed in application.

## **FY 2004 Budget**

\$47,530	State ARDOR grant
\$10,800	Amount of other State funds
\$100,000	Amount of federal funds
\$3,137	Amount of private sector funds
\$0	Any other non-federal, non-State funds
<hr/>	
\$161,467	Total FY04 ARDOR Budget <i>(total of above 5 lines)</i>
\$26,000	Total FY04 ARDOR In-Kind Contributions
	\$2,000 Prince William Sound Community College Donated Classroom space for meetings and workshops.
	\$4,800 Rent paid by NRCS
	\$1,000 NRCS Postal Services unlimited use of postal meter for mailings.
	\$2,000 NRCS Office supply
	\$400 Office Equipment
	\$16,600 Board hours donated (based upon 10 hours per month per board member @ \$15.00/hour)

## Other FY 2003 Accomplishments

1. Successfully applied for AmeriCorp VISTA Volunteer
2. Funding Summit
3. Successfully applied for Comprehensive Economic Development Strategy Grant

## FY 2003 Coordinated Regional Efforts Resulting in New Business Opportunities

1. Coordinated efforts with the Department of Community and Economic Development to offer workshops to enhance existing businesses and to assist those who wish to start a business. Prince William Sound Community College worked with both organizations to offer college credits for these courses, along with supplying the classroom space for workshops.
2. Top of the World Wide Web Productions: new start up business as a result of taking the small business workshops held by CVEDC/DCED/PWSCC
3. Glennallen Storage: New area business started with the assistance of CVEDC.
4. Copper Valley Learning Center and Daycare, Inc. given assistance to apply for AmeriCorp VISTA Volunteer to implement new curriculum programming.

## FY 2003 Goals \* (Percentages of goal achieved: 100%. A ✓ indicates the goal was accomplished.)

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

\* A Legislative performance measure discussed on pages 65 and 66.

## Board of Directors

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

## Contact

John Downes,  
Executive Director  
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Glennallen, Alaska 99588  
Phone: 822-5001  
Fax: 822-5009  
Email: [cvedc@cviternet.net](mailto:cvedc@cviternet.net)  
Web Page:  
[www.alaskaeconomicdevelopment.org/](http://www.alaskaeconomicdevelopment.org/)

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# Copper Valley Economic Development Council

## FY 2004 Organizational and Staffing Charts

Number of Board Members: 9

Board Representation: Business/Economic Development/Jobs, Financial/Banking, Health Care, Tribal Governments/Non-Profits, Education/Environmental Education, Low-Income, Community Councils & Leagues, Conservation, Land Management-Planning

Number FTE staff: 2

FTE staff/capita 1:1062

## FY 2004 Connection to other related services or programs (public or private)

### Partners

- ✓ Local/regional public: PWSCC, Copper Valley Seniors, Kenny Lake League
- ✓ Local/regional private:
- ✓ State Public: DOT/PF, DNR
- ✓ State Private:
- ✓ Federal Public: BLM, NPS
- ✓ Native Private:

## Customer Testimonials

None submitted.

## Cost-benefit analysis for FY02 - FY93

	FY02	Leverage
State ARDOR \$	\$44,107	
Total ARDOR \$	\$77,536	\$1 to \$1.76
Other State \$	N/A	N/A
Total non-State \$	\$33,429	\$1 to \$.76
Federal \$	\$23,500	\$1 to \$.53
Private sector \$	\$9,929	\$1 to \$.23
Other non-federal/non-State \$	N/A	N/A
In-kind contributions	N/A	N/A

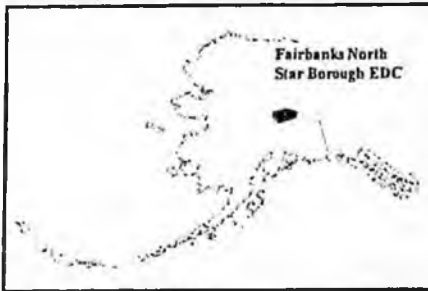
	FY01	Leverage
State ARDOR \$	\$44,285	
Total ARDOR \$	\$47,607	\$1 to \$1.08
Other State \$	N/A	N/A
Total non-State \$	N/A	N/A
Federal \$	N/A	N/A
Private sector \$	\$3,322	\$1 to \$.08
Other non-federal/non-State \$	N/A	N/A
In-kind contributions	N/A	N/A

	FY00	Leverage
State ARDOR \$	\$47,692	
Total ARDOR \$	\$52,146	\$1 to \$1.09
Other State \$	N/A	N/A
Total non-State \$	N/A	N/A
Federal \$	N/A	N/A
Private sector \$	\$4,454	\$1 to \$.09
Other non-federal/non-State \$	N/A	N/A
In-kind contributions	N/A	N/A

	FY99	Leverage
State ARDOR \$	\$51,666	
Total ARDOR \$	\$60,921	\$1 to \$1.18
Other State \$	N/A	N/A
Total non-State \$	N/A	N/A
Federal \$	N/A	N/A
Private sector \$	\$9,255	\$1 to \$.18
Other non-federal/non-State \$	N/A	N/A
In-kind contributions	N/A	N/A

	FY98	Leverage
State ARDOR \$	\$51,666	
Total ARDOR \$	\$85,209	\$1 to \$1.65
Other State \$	\$26,666	\$1 to \$.52
Total non-State \$	N/A	N/A
Federal \$	N/A	N/A
Private sector \$	\$6,877	\$1 to \$.13
Other non-federal/non-State \$	N/A	N/A
In-kind contributions	N/A	N/A

# Fairbanks North Star Borough Economic Development Commission



## ***Mission Statement***

To improve the quality of life and the standard of living for the residents of the Fairbanks North Star Borough by developing goals, establishing objectives and implementing strategies that sustain, enhance, or increase economic and social opportunities for the individuals in the region.

## **FY 2004 Goals**

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

## **FY 2004 Top Economic/Business Needs**

1. Develop business incentives that encourage economic development.
2. Explore and implement funding opportunities for economic development including revolving loan funds.
3. Collaborate with UAF to facilitate technology transfer.

## **FY 2004 Budget**

\$47,530	State ARDOR grant
\$0	Amount of other State funds
\$0	Amount of federal funds
\$0	Amount of private sector funds
\$206,080	Any other non-federal, non-State funds
<hr/>	
\$253,610	Total FY04 ARDOR Budget <i>(total of above 5 lines)</i>
\$74,241	Total FY04 ARDOR In-Kind Contributions:
	One-third Executive secretary salary and benefits: \$20,491
	Approved FY04 Economic Development Coordinator: \$53,750

## Other FY 2003 Accomplishments

1. The Proposed Regional Comprehensive Plan is under development.
2. Grant to study and improve air quality
3. 60 new small businesses opened during the year.
4. Construction of 218 new housing units
5. GVEA installed battery plants to provide more reliable power

## FY 2003 Coordinated Regional Efforts Resulting in New Business Opportunities

1. Wal-Mart and new Fred Meyer superstores under construction.
2. Hawaiian Vacations flying to Fairbanks
3. Delta selected for missile defense site
4. Pogo Mine development approved
5. Hutchinson Career Center and TVC renovation to train workforce for jobs
6. FMHS constructed phlebotomy laboratory
7. UAF Museum Renovation/Addition
8. Stryker Brigade selected Ft Wainwright
9. New 380 space parking garage opened

## FY 2003 Goals \* (Percentages of goal achieved: 100%. A ✓ indicates the goal was accomplished.)

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

\* A Legislative performance measure discussed on pages 65 and 66.

## Membership

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

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

## Contact

Kathryn Dodge, Economic Development Division  
P. O. Box 71267  
Fairbanks, AK 99707  
Phone: 907-459-1309  
Fax: 907-459-1102  
Email:

[kdodge@co.fairbanks.ak.us](mailto:kdodge@co.fairbanks.ak.us)  
Website:  
[www.co.fairbanks.ak.us](http://www.co.fairbanks.ak.us)

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## **FY 2004 Organizational and Staffing Charts**



Number of Board Members: 17

Board Representation: Local Government, Small Business, Real Estate, Organized Labor, Workforce Development, Chamber of Commerce, Black Chamber, Accounting, Mining, Tourism, Environmental, Education, Arts, Technology

Number FTE staff: 1.4

FTE staff/capita: .0016%

## **FY 2004 Connection to other related services or programs (public or private)**

### Partners

- ✓ Local/regional public: FNSB Community Research Center; Cities of Fairbanks and North Pole; Fairbanks North Star Borough.
- ✓ Local/regional private: Downtown Association - Mainstreet Fairbanks; Fairbanks Arts Association; Fairbanks Central Labor Council; Fairbanks Black Chamber of Commerce; Fairbanks Chamber of Commerce; Fairbanks Convention & Visitors Bureau; Fairbanks Economic Development Corporation; Fairbanks Neighborhood Housing Services; Festival Fairbanks; Northern Alaska Environmental Center.
- ✓ State Public: Department of Community and Economic Development; Department of Labor and Workforce Development Small Business Development Center; University of Alaska Fairbanks; University of Alaska TVC.
- ✓ State Private: Alaska Municipal League; Cold Climate Housing Research Center.
- ✓ Federal Public: Denali Commission; Economic Development Administration; USARAK. US Department of Agriculture; Rural Development.
- ✓ Native Private: Doyon Corporation.

## Customer Testimonials

My business was at a critical juncture when I called our local ARDOR. I was being courted by another state that offered me financing for expansion and manufacturing and was at a point where I was going to have to take them up on the offer. I had contacted other local bodies before, and didn't expect any more support than I had gotten before: I was in for a surprise. Our ARDOR manager listened to my concerns and challenges and found me options for financing my operation. While my business turned around without the financial support the ARDOR referred me to, I am encouraged to see that they have made providing business incentives and a revolving loan fund two of their three business goals for the year. This leaves no doubt in my mind that they heard my concern, recognized that it was important to helping businesses remain and flourish in the Fairbanks North Star Borough, and are taking action.

There is no doubt that my business is the exception that proves the rule. I was unable to receive funding from any source, public or private, to build the proto types needed to prove that my heater design was an improvement over existing technology. I can only wonder how many viable ideas have never materialized because of the lack of support in the past. If we as a community and a State are going to expand our economy we must look at value added products.

This year my manufacturing company will payout over \$500,000 to employees and suppliers in the Fairbanks area. I realize this is a very small amount in our overall economy, however if we are able to add only two new businesses the same size as mine each year, over time the impact will become significant.

Please support small manufacturers,  
R. Terry Wornath, President  
Equipment Source Inc.

Since 1999, the Fairbanks Economic Development Corporation (FEDC) has been collaborating with the Fairbanks North Star Borough (FNSB) Economic Development Division, an ARDOR, on issues of importance to Interior Alaska. The FNSB ARDOR helped facilitate economic development projects which were presented to FEDC or the FNSB by working the public end of the public/private partnerships all projects require.

Some of these projects include developing the cold weather test industry, working with the state to develop our forestry products industry, and putting together a video for national television. Without the ARDOR many of our projects would have a more difficult time moving forward. Economic Development is tough work, without the FNSB ARDOR it would be more difficult.

Ronald L. Ricketts  
Acting President/CEO  
Fairbanks Economic Development Corporation

continued . . .

Come to FAIRBANKS

a great place  
in a big space



### **Customer Testimonials (continued)**

Clear Channel Radio-Fairbanks has been coordinating with Economic Development Coordinator, Kathryn Dodge on a Tanana River area beautification project. Ms Dodge has been essential in cultivating this seedling of an idea into a future community event.

It's so easy to respond with the "no we can't's" when there are challenges attached. From the beginning, Ms. Dodge has been open-minded and motivated with seeing this project happen. She has shared with us the vision of developing it into an on-going beautification project. We appreciate her enthusiasm for a good idea and her efforts to turn it into action.

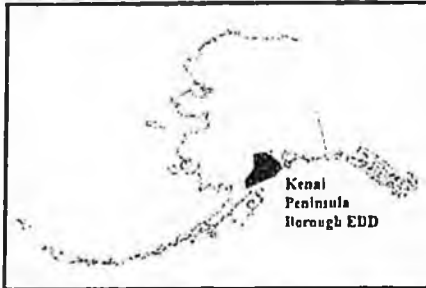
Chrys Castle  
Promotions Director  
Clear Channel Radio

### Cost-benefit analysis for FY02 - FY93

	FY02	Leverage
State ARDOR \$	\$45,745	
Total ARDOR \$	\$155,990	\$1 to \$3.41
Other State \$	N/A	N/A
Total non-State \$	\$110,245	\$1 to \$2.41
Federal \$	N/A	N/A
Private sector \$	N/A	N/A
Other non-federal/non-State \$	\$110,245	\$1 to \$2.41
In-kind contributions	\$30,450	\$1 to \$.67

	FY01	Leverage
State ARDOR \$	\$12,260	
Total ARDOR \$	\$125,130	\$1 to \$10.21
Other State \$	N/A	N/A
Total non-State \$	\$112,870	\$1 to \$9.21
Federal \$	N/A	N/A
Private sector \$	N/A	N/A
Other non-federal/non-State \$	\$112,870	\$1 to \$9.21
In-kind contributions	\$31,349	\$1 to \$2.56

# Kenai Peninsula Borough Economic Development District



## ***Mission Statement***

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

## **FY 2004 Goals**

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

## **FY 2004 Top Economic/Business Needs**

1. Assist the commercial salmon industry with the promotion of the Kenai Wild brand, utilize collaborative marketing endeavors to mitigate the negative impacts to commercial fishing and improve management and regulations of the Board of Fish.
2. Consistent, equitable regulatory climate that promotes natural resource exports and that promotes investment in the Peninsula continues.
3. Promote winter and conference events and market the Peninsula as year-around destination in order to diversify the economy to create employment opportunities.
4. Assist and coordinate efforts with the Kenai Peninsula Tourism Marketing Council attracting group tour companies. Promote the Alaska Sea Life Center, the Challenger Learning Center of Alaska, the Island and Ocean Visitor Center and the Pratt Museum to increase visitations.
5. Develop the west side of Cook Inlet
6. Develop a Rural Learning Center at the Kenai Peninsula College that includes student housing and culture center.

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-dictionary-

7. Improve and expand career and vocational education classes in the secondary and post-secondary institutions.
8. Expand medical facilities and attract a skilled workforce to fill the vacancies.
9. Build and operate more senior housing and assisted living facilities.
10. To improve the roadway, marine and airway systems in the Kenai Peninsula in order to make transportation safer and more effective for commercial carriers as well as residents and tourists.
11. Produce a feasibility study on a marine "people mover" from Homer to Kenai.
12. To work with communities and support their efforts to develop convention facility or improved chamber facilities.
13. Maintain working relationships with local banks to improve access to capital for entrepreneurs who want to start or expand a business. Continue this year's success with supporting start-up and expanding businesses in the Business Innovation Center.
14. Facilitate regional small business development and entrepreneur educational workshops.

### **FY 2004 Budget**

\$47,570	State ARDOR grant
\$0	Amount of other State funds
\$59,000	Amount of federal funds
\$75,000	Amount of private sector funds
\$50,000	Any other non-federal, non-State funds
<hr/>	<hr/>
\$231,570	Total FY03 ARDOR Budget <i>(total of above 5 lines)</i>
\$0	Total FY03 ARDOR In-Kind Contributions

### **Other FY 2003 Accomplishments**

1. Completed the M. O. U. and the Workforce Development Action Plan is available on our website. [www.kpedd.org](http://www.kpedd.org).

### **Board of Directors**

#### *Executive Committee*

John Frohrip (President), Local Government, Seldovia City Official

Casey Reynolds (Vice Pres.), Community & Economic Development, Kenai Appointee

Scott McLane (Secretary), Professional Services, Soldotna City Official

Brandii O'Reagan (Treasurer), Fishing & Nonprofits, Soldotna Appointee

#### *Members*

Blaine Bardarson, Property Management, Seward Appointee

Anne Marie Holen, Tourism, Homer City Official

Blake Johnson, Organized Labor, Under/Unemployed, EDD Appointee

Ron Long, Mariculture, Borough Official, Seward

Phil Morris, Transportation / Labor, Kachemak City Official

Ed Oberts, Local Government, Borough Official, Soldotna

Nathan Orr, Visitors Industry, Seward City Official

Paul Shadura II, Commercial Fishing, Borough Appointee, Minority Rep.

Pete Sprague, Education, Borough Official

John Torgerson, Workforce Development, EDD Appointee

John Williams, Real Estate, Kenai City Official

#### *Contact Person*

Dee Gaddis

Admin. & Finance Coordinator  
14896 Kenai Spur Hwy, 103-A  
Kenai, AK 99611

Phone: 907-283-3335 ext. 223

Fax: 907-283-3913

E-mail: [dgaddis@kpedd.org](mailto:dgaddis@kpedd.org)

Web site: [www.kpedd.org/](http://www.kpedd.org/)

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# Kenai Peninsula Borough Economic Development District

## **FY 2003 Coordinated Regional Efforts Resulting in New Business Opportunities**

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

## **FY 2003 Goals \*** (Percentages of goal achieved: 100%. A ✓ indicates the goal was accomplished.)

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

\* A Legislative performance measure discussed on pages 65 and 66.

## **FY 2004 Organizational and Staffing Charts**

Number of Board Members: 13

Board Representation: Local Government,  
Fishing, Non Profit Sector, Real Estate,  
Labor, Tourism

Number FTE staff: 4

FTE staff/capita: 0.000078

## **FY 2004 Connection to other related services or programs (public or private)**

### Partners

- ✓ Local/regional public: Port Graham Council
- ✓ Local/regional private:
- ✓ State Public: Department of Community & Economic Development,  
Department of Labor, Kenai Peninsula College, Alaska Vocational  
Technical Center
- ✓ State Private: Alaska Village Initiatives
- ✓ Federal Public: Economic Development Administration, Resource Conservation  
& Development
- ✓ Native Private: Kenaitze Native Association, Cook Inlet Regional Corporation,  
Port Graham Village Corporation

**continued . . .**