

State of Alaska FY2023 Governor's Operating Budget

Department of Commerce, Community, and Economic Development Community and Regional Affairs Results Delivery Unit Budget Summary

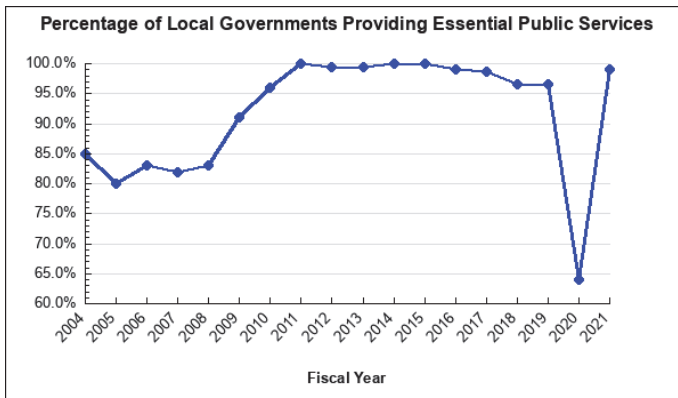
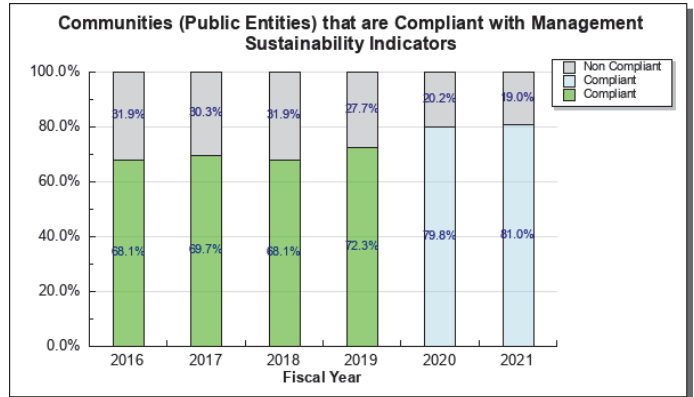
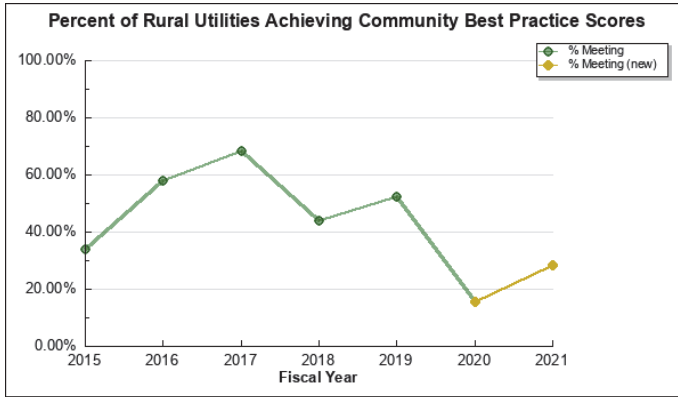
Community and Regional Affairs Results Delivery Unit

Contribution to Department's Mission

Promote strong communities and healthy economies.

Results

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)



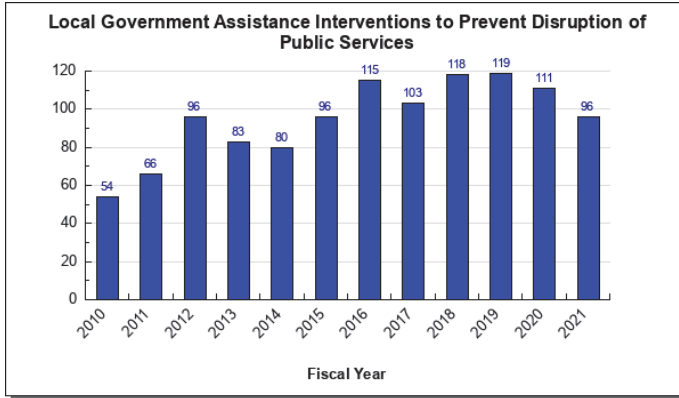
Core Services

- Local Government Assistance - Training and technical assistance to develop and maintain local capacities for administering essential government services
- Rural Utility Business Advisor (RUBA) - Increase the managerial and financial capacities of rural water and wastewater utilities
- Land Management Assistance - Assist and train communities on regional and local basis to address and resolve land and planning issues
- Financial Assistance - Administer multiple grant and funding distribution programs
- Information Resources - Collect, analyze and publish local government and economic development information
- Local Boundary Commission staff - Prepare and distribute information and reports on incorporation, dissolution, annexation, or consolidation
- State Assessor - Technical assistance to municipal assessors on property value assessments to promote equity in the distribution of education funding and other shared revenue programs
- Serve Alaska - Provide National Service and volunteerism opportunities within Alaska

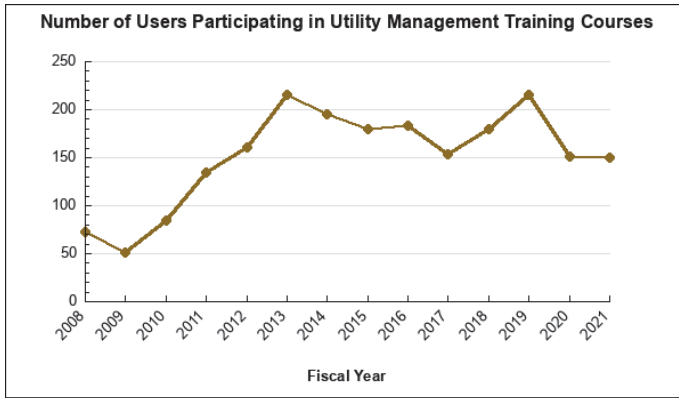
Measures by Core Service

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

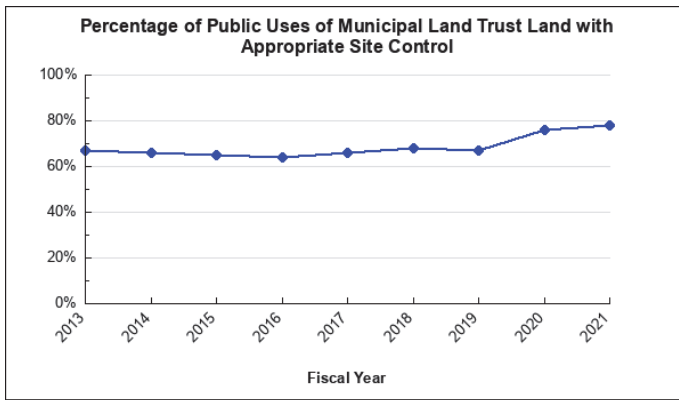
1. Local Government Assistance - Training and technical assistance to develop and maintain local capacities for administering essential government services



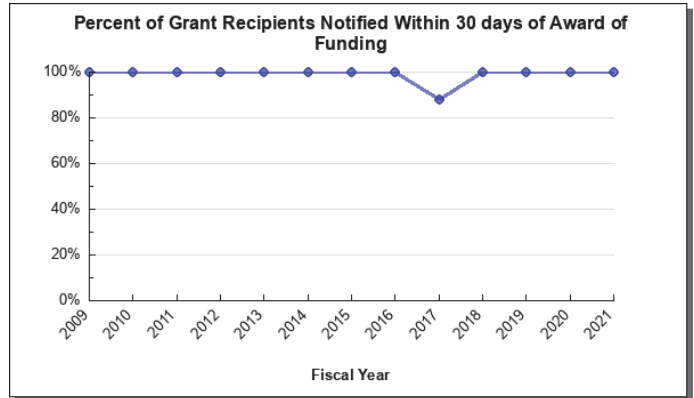
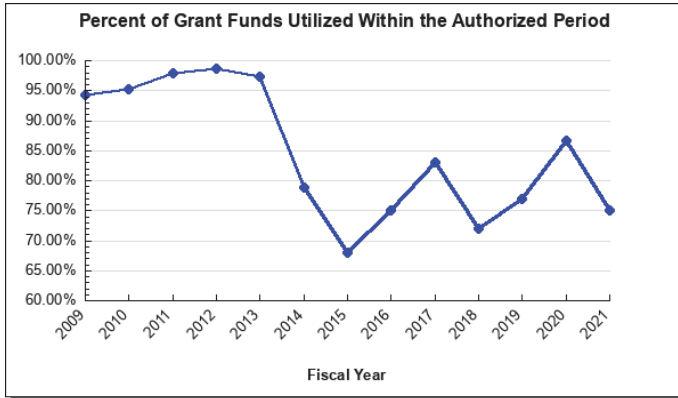
2. Rural Utility Business Advisor (RUBA) - Increase the managerial and financial capacities of rural water and wastewater utilities



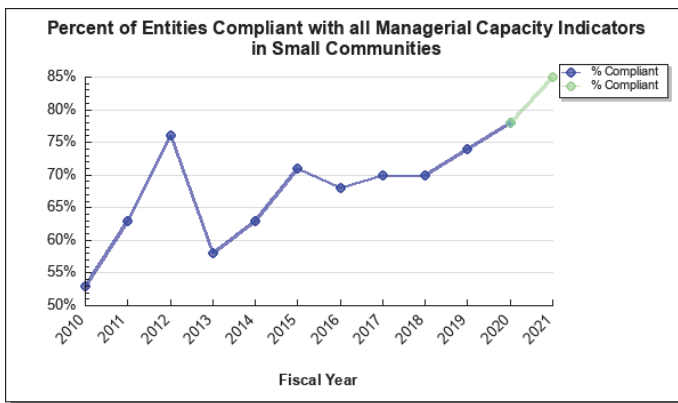
3. Land Management Assistance - Assist and train communities on regional and local basis to address and resolve land and planning issues



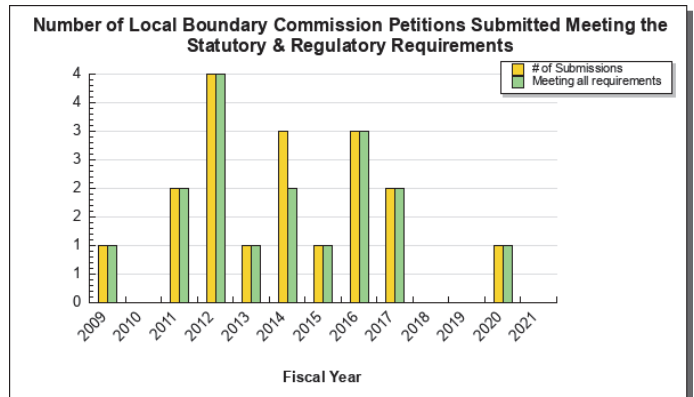
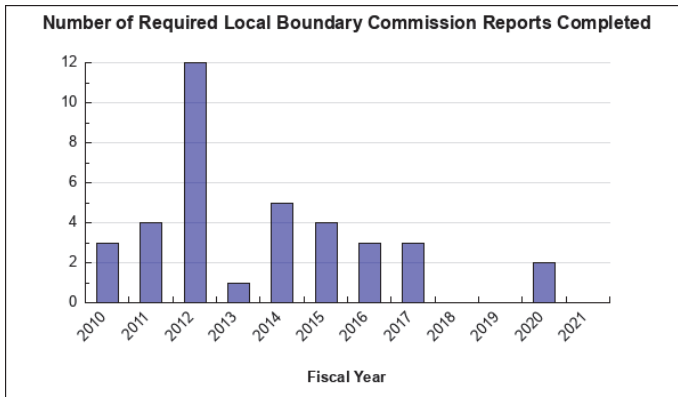
4. Financial Assistance - Administer multiple grant and funding distribution programs



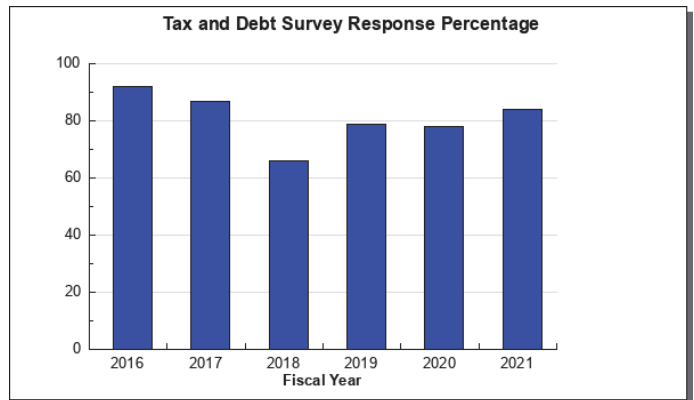
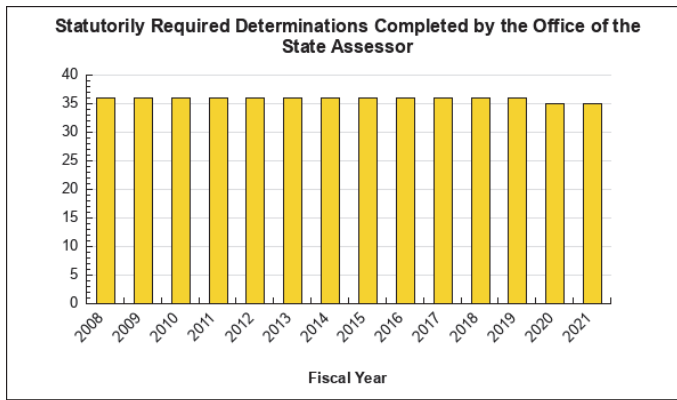
5. Information Resources - Collect, analyze and publish local government and economic development information



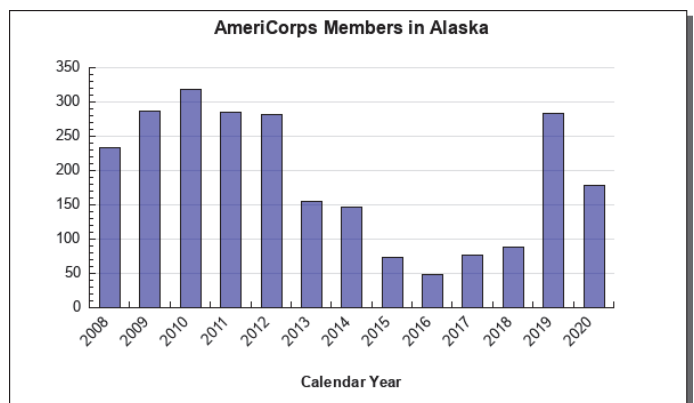
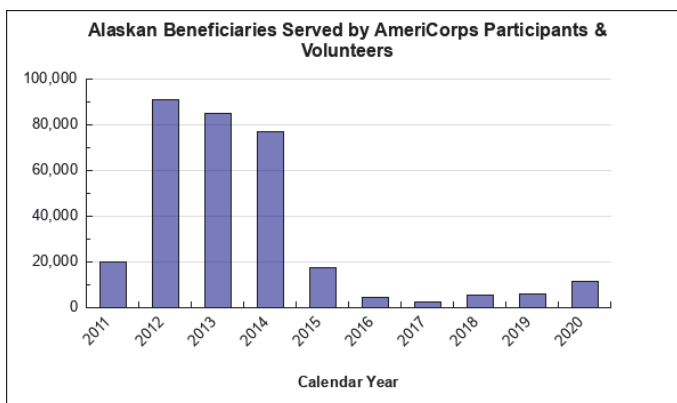
6. Local Boundary Commission staff - Prepare and distribute information and reports on incorporation, dissolution, annexation, or consolidation



7. State Assessor - Technical assistance to municipal assessors on property value assessments to promote equity in the distribution of education funding and other shared revenue programs



8. Serve Alaska - Provide National Service and volunteerism opportunities within Alaska



Major RDU Accomplishments in 2021

Local Government Assistance (LGS)

- During the state’s disaster declaration in response to the COVID-19 public health emergency, LGS staff found innovative ways to continue supporting local governments, including the utilization of platforms such as Microsoft Teams and Zoom, issuing the creation of assistance documents such as complying with laws and regulations pertaining to meetings, and guidance on how to hold safe elections.
- The Local Government Resource Desk was fully implemented in FY2021. Topics of assistance included general local government, ordinances, municipal code or charter, codification, finances, grants, personnel, planning, public safety, bulk fuel, local taxation, IRS tax obligations, procurement, meetings, rural utility management, Local Boundary Commission, Municipal Lands Trust, alcohol and marijuana local option, and elections. In FY2021 the following contacts were made:
 - 245 assistance contacts with DCRA staff
 - 1,504 assistance contacts with local governments
 - 109 assistance contacts with other state agencies
 - 59 assistance contacts with private corporations
 - 6 assistance contacts with the federal government
 - 9 assistance contacts with the media
 - 30 assistances contacts with the general public.
- Assistance was provided to 284 communities throughout Alaska. Including:
 - 96 interventions that prevented disruption to essential public services.
 - 44 fuel loans to communities ineligible for bank loans and coordination of fuel deliveries to avoid critical shortages.
 - 217 communities received assistance with COVID-19 questions ensuring community services continued and

community members and employees were protected.

- Staff provided Power Cost Equalization assistance to communities to file and receive payments that would have expired; assistance with filing for Payment in Lieu of Taxes and Community Assistance Program funds before application deadline; assistance with critical financial issues involving the Internal Revenue Service; assistance with economic disaster recovery; utility freeze up, recovery from natural disasters, and loss of key personnel.

Rural Utility Business Advisor (RUBA)

- Due to the COVID-19 pandemic the RUBA program moved training courses to an online learning management system. Four 32-hour utility management courses were converted, and 9 courses were presented online for a total of 102 participants representing 55 communities around the state. Seven classes were taught statewide. Two courses were taught in partnership with regional organizations.
- 195 utilities were analyzed in the months of July and January on 6 managerial and financial best practices criteria. The resulting score directly affect water and wastewater utility infrastructure project funding.
- RUBA staff managed the conversion of “Becoming a QuickBooks Power User” 24-hour utility financial management class to an online learning platform. Four classes were presented to a total of 48 participants representing 31 communities around the state.
- RUBA staff collaborated with Research and Analysis on ArcGIS Survey123 as a form-centric solution for creating, sharing and analyzing utility managerial and financial best practices data.
- Over 3,000 contacts were made with communities in the form of technical assistance, meetings, and information sharing of RUBA related opportunities.

Land Management

- The Municipal Land Trust issued or amended authorizations providing site control for the following community projects: Chenega Landfill Lease; Kokhanok Residential Land Lease (Duplex); and Kokhanok Water Plant Lease Amendment No. Two agreements were executed: a DOT&PF Right-of-Entry License to facilitate the construction and maintenance of a bridge in Takotna; and an individual Right-of-Entry License of the surface estate to access gravel belonging to the subsurface estate owner.
- Land disposals were approved for the following proposed actions: conveyance of six preference right lots in Kokhanok; Conveyance of four residential lots in Tatitlek; and lease of a water treatment facility and water storage site in Tatitlek.

Financial Assistance

The grants section was responsible for the following accomplishments:

- Administered eight federal and five state grant programs with an approximate value of \$580 million.
- Assisted with approving grant applications to provide \$1.8 million in economic relief to 43 small Alaskan businesses impacted by the COVID-19 public health emergency.
- Administered \$10 million of AK CARES funding to 14 Seafood Processors to provide necessary health and safety funding to mitigate and respond to the COVID-19 public health emergency.
- Assisted in the development and the implementation of the \$10 million COVID-Safe Travel Promotion and Marketing Grant program funded by Coronavirus Relief Fund yielding 19 awards.
- Continued to administer agreements with Department of Public Safety and Department of Environmental Conservation (DEC) for specific federal programs on their behalf.
- Provided virtual Community Development Block Grant application/management workshops which 15 local government representatives participated.
- Represented DCRA and DCCED on the Council of State Community Development Agencies Western Regional Board of Representative representing fourteen states.
- Distributed approximately \$43 million to 240 different communities under the Community Assistance Program, Payment in Lieu of Taxes (PILT), National Forest Receipts, Shared Fisheries Business Tax, and Fisheries Resource Landing Tax programs.

Information Resources

The Research and Analysis (R&A) program focuses on ensuring that accurate and up-to-date information resources concerning Alaska communities are continually available to communities and the public. In FY2021 the R&A team:

- Responded to over 150 requests for information and assistance and fulfilled approximately 74 requests for digital community profile data and 18 printed profile maps.

- Completed two large community profile mapping projects including the area around the City of Eagle and the entire roadway corridor of the Denali Borough. Both projects produced LiDAR, orthoimagery, CAD line data, and GIS data products. In total, 48 different area and community use maps were completed.
- Continued to update and maintain the Community Database Online (CDO) which provides a myriad of community-based datasets, maps, interactive applications, and dashboards. The CDO received over 600 views per day in FY2021.
- Developed and unveiled the Alaska Economic Portal. The Portal is a compendium to that Community Database Online and provides community-based data on key economic sectors in Alaska. These include commercial fisheries, Made in Alaska business and community grants. The portal was formally launched in June of 2021 and received over 2,300 views in FY2021.
- Secured \$20,000 in grants from the Denali Commission to continue maintenance of the Bulk Fuel Inventory.
- Embarked upon a new collaboration with the Denali Commission with assistance from the National Telecommunications and Information Administration to better collect and report on tabular and spatial data on broadband infrastructure in Alaska. These efforts have helped local tribal grant applications to increase their existing broadband infrastructure. This effort began in March of 2021 and will continue into the next fiscal year.
- Successfully completed 12 different population appeals between March and May of 2021.
- Worked with the Denali Commission, the Alaska Division of Geological and Geophysical Surveys, and the Alaska RiskMAP Program Coordinator to develop the DCRA Program Analysis for Environmentally Threatened Communities. This was published in February 2021 and was viewed over 250 times in FY2021.
- Began a total rebuild of the division's legacy information technology with the assistance of Administrative Services. This effort began in May 2021 and will continue into FY2022.
- Received and analyzed eight different requests for an Economic Disaster Declaration. This included gathering data from multiple state partners and federal agencies which was then analyzed against statutory definitions. Staff recommended that two Economic Disasters be declared.
- Assisted in the creation of multiple division reports. These include surveying, coordinating, and drafting the 2020 ARDOR Annual Report; data gathering, surveying, and drafting the FEMA National Flood Insurance Program Premium Analysis for 2019; and analyzing Best Practice scores for 195 communities to provide graphs for the biannual RUBA Best Practice Report.

Made in Alaska (MIA)

- The Made in Alaska program is committed to growing the local Alaskan economy by supporting local manufacturing business across the state. In FY2021 the MIA staff continued this commitment to grow the program and reviewing and approving 340 new permits. These represent businesses from 45 different communities ranging from Craig to Two Rivers.
- FY2021 saw the return of the Manufacturer of the Year Award. MIA staff and a scoring committee reviewed over a dozen nominees to select the Made in Alaska business that best demonstrated the ability to overcome challenges, grow their business, and be a leader in the community. Alpine Fit was honored with 2020 Manufacturer of the Year award in June 2021.
- MIA staff partnered with the Alaska Manufacturing Extension Program to provide new training opportunities and resources to Alaskan manufacturers.

Local Boundary Commission (LBC)

- Held six meetings on Soldotna annexation petition, culminating with the adoption of the decisional statement on December 29, 2020.
- LBC staff provided support to Department of Law on Soldotna annexation appeal and court filings.
- Responded to more than 10 inquiries from communities regarding consolidation, detachment, annexation, and dissolution.

Office of the State Assessor

- The Office of the State Assessor offered Boards of Equalization training for board members in all 24 communities with a property tax. All sessions were conducted remotely due to the pandemic.
- Provided advice to local government assessing staff in Alaska on issues such as exemptions and equitable methods of assessing market value.
- Completed Full Value Determinations for 35 municipal governments (19 boroughs and 16 cities in the unorganized borough). The Full Value Determination allocates school funding between the state of Alaska and local governments. This year's Full Value Determination reduced the burden on the state of Alaska funding requirement by roughly \$3.3 million as compared with last year's value.

Serve Alaska

- Serve Alaska successfully continued remote monitoring practices in FY2021. Staff updated policies and procedures and created new training templates and modules. With updated monitoring practices, Serve Alaska has seen federal findings and disallowances decrease significantly.
- Serve Alaska awarded planning grants to three organizations this year, all of which submitted program applications during Serve Alaska's Formula AmeriCorps funding cycle. All three programs were awarded operational funding from American Rescue Plan (ARPA) funds and will be implemented in this program year once funds are fully awarded.
- Serve Alaska brought on one additional staff member to oversee communications and volunteerism work using increased federal funding. This position will allow Serve Alaska to further its reach in the state and help more communities and organizations more effectively utilize volunteerism and increase access to national service opportunities.

Alaska Native Language Preservation & Advisory Council

- Continued updates to the new Community Database Online to add Alaska Native spelling of traditional names for Alaska Native places, audio links giving pronunciation of Alaska Native place names; and English spelled and spoken pronunciation hints for Alaska Native communities.
- Worked with the DOT&PT to explore using more Alaska Native place names in public signage.
- Worked with Alaska Historical Commission to explore ways of using more Alaska Native place names in public signage.
- Updated the division webpage that lists all known Alaska Native language learning programs provided by schools, universities, tribes, and non-profit corporations around the state and beyond. This information is now available in a searchable database.
- Staff worked with Alaska Native language program staff across University of Alaska units.
- Staff continued a quarterly poster publicity campaign to increase public awareness of the role of the Council, the importance of Alaska Native languages, and on-going language work that promotes the survival of Alaska Native languages.
- Provided training in cross-cultural communication, including relevant particulars of Alaska Native languages and cultures to DCRA and DEC staff.
- Staff continued work with the Alaska Division of Elections on use of Alaska Native languages and to participate in the Alaska Election Policy Work Group.
- Responded to requests from teachers of Alaska Native languages and questions of funding opportunities, modern writing systems, teaching methods, and how and where to access existing lesson plans.

Risk Mapping, Assessment, and Planning (Risk MAP)

- Partnered with FEMA Region 10 and provided coordination and technical assistance for ongoing Risk MAP studies in six Alaskan local governments.
- Provided coordination and technical support to several agencies, organizations, and communities on communities impacted by environmental threats including Haines Borough, Kotlik, the Municipality of Anchorage, Juneau, Ketchikan Gateway Borough, and Fairbanks North Star Borough.
- Assisted development of an ArcGIS StoryMap on a program analysis of environmentally threatened communities.
- Responded to multiple legislative requests for information on premium, payouts and properties involved in the National Flood Insurance Program.
- Partnered with the Alaska Native Tribal Health Consortium on the "Unmet Needs of Environmentally Threatened Alaska Native Villages: Assessment and Recommendations" reports.

Key RDU Challenges

The COVID-19 public health emergency presented significant challenges to communities and local governments in providing services and meeting statutory and regulatory requirements. There was an increase in noncompliance in several areas, such as audits and Community Assistance Program applications, etc. The Local Government Assistance section utilized many tools to continue providing services during this challenging time.

Significant Changes in Results to be Delivered in FY2023

The RUBA program is in the process of converting the remaining in-person utility management courses to an online learning management system. In FY2022, RUBA will offer both online and in-person courses to ensure that communities with limited connectivity or low bandwidth can participate. These efforts will continue in FY2023.

Offering online training opportunities will decrease the volume of direct staff contacts with communities, which were particularly high in FY2021 due to the administration of CARES Act funds to communities. However, providing these more standard training opportunities will allow continuing direct staff contacts to more meaningfully address the needs of individual communities. In FY2022, it is anticipated that Resource Desk work will continue to focus on resource creation and on support to DCRA staff and to other State agencies.

Contact Information
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**Community and Regional Affairs
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2021 Actuals				FY2022 Management Plan				FY2023 Governor			
	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures Community & Regional Affairs	5,144.5	18,516.7	1,160.3	24,821.5	6,717.9	975.5	187,411.9	195,105.3	6,356.7	977.1	2,019.6	9,353.4
Serve Alaska	123.9	0.0	1,352.3	1,476.2	235.7	20.0	1,890.1	2,145.8	221.4	20.0	1,893.7	2,135.1
Totals	5,268.4	18,516.7	2,512.6	26,297.7	6,953.6	995.5	189,302.0	197,251.1	6,578.1	997.1	3,913.3	11,488.5

**Community and Regional Affairs
Summary of RDU Budget Changes by Component
From FY2022 Management Plan to FY2023 Governor**

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2022 Management Plan	6,355.1	598.5	995.5	189,302.0	197,251.1
One-time items:					
-Community & Regional Affairs	-185.0	-311.6	0.0	-185,395.7	-185,892.3
Adjustments which continue current level of service:					
-Community & Regional Affairs	-146.2	281.6	1.6	3.4	140.4
-Serve Alaska	-14.3	0.0	0.0	3.6	-10.7
FY2023 Governor	6,009.6	568.5	997.1	3,913.3	11,488.5