

State of Alaska FY2024 Governor's Operating Budget

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

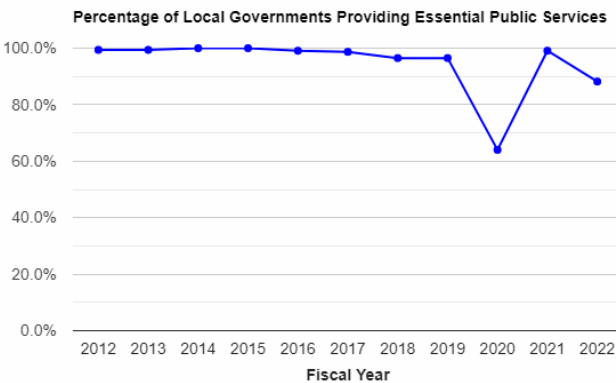
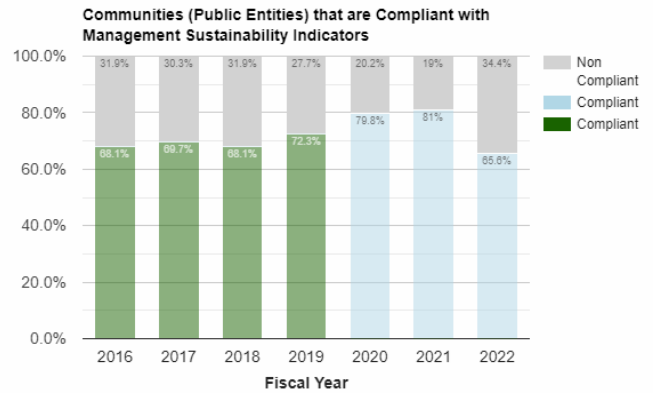
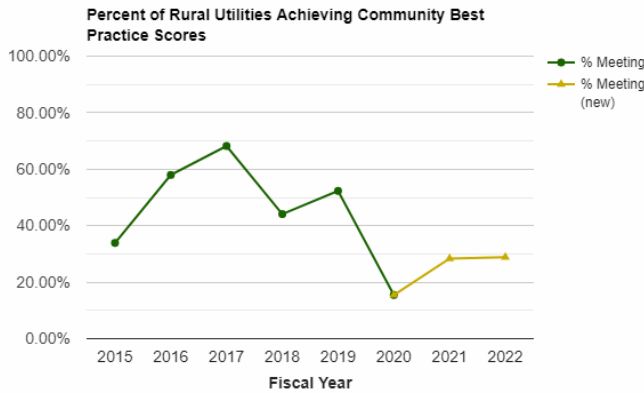
Community and Regional Affairs Results Delivery Unit

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

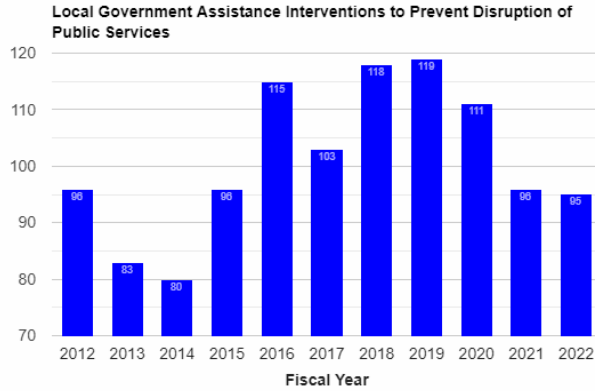
- Local Government Assistance - Training and technical assistance to develop and maintain local capacities for administering essential government services
- Rural Utility Business Advisor (RUBA) - Increase the managerial and financial capacities of rural water and wastewater utilities
- Land Management 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

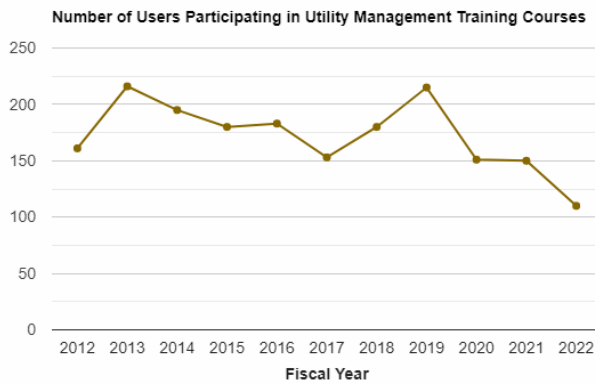
(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

1. Local Government Assistance - Training and technical assistance to develop and maintain local

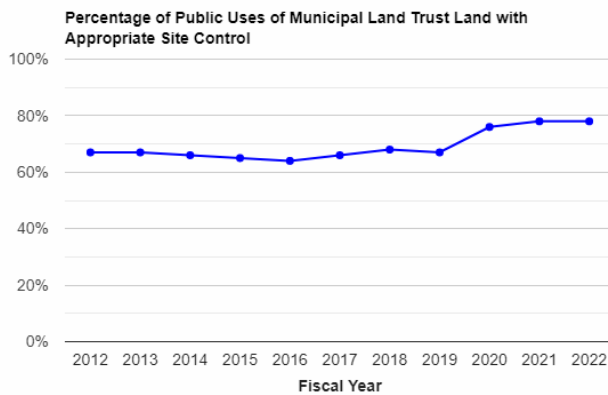
capacities for administering essential government services



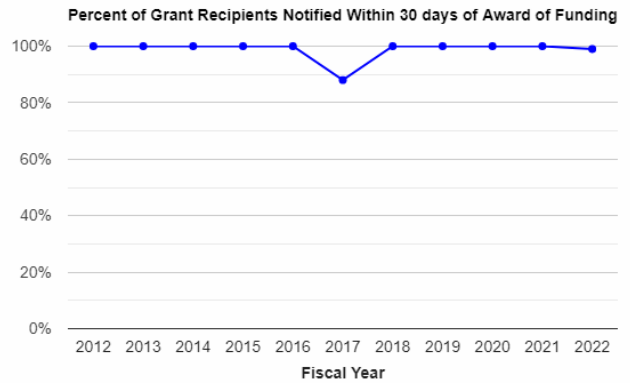
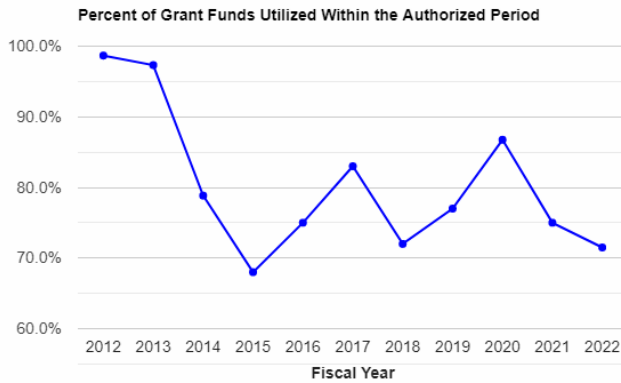
2. Rural Utility Business Advisor (RUBA) - Increase the managerial and financial capacities of rural water and wastewater utilities



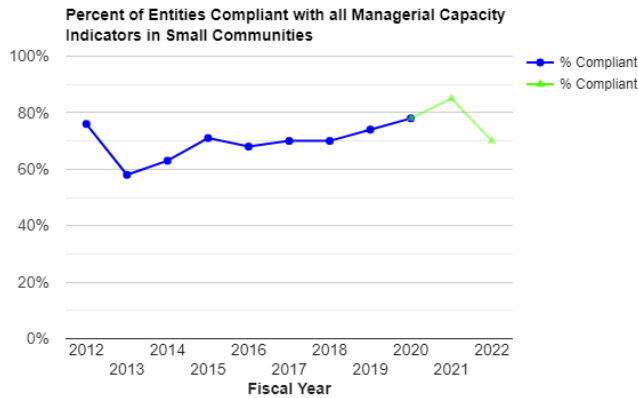
3. Land Management Assistance - Assist and train communities on regional and local basis to address and resolve land and planning issues



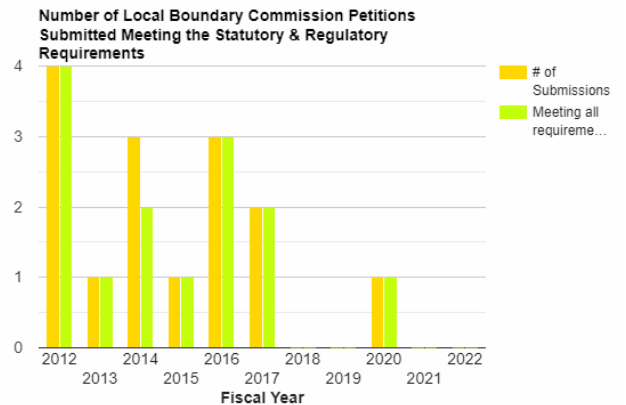
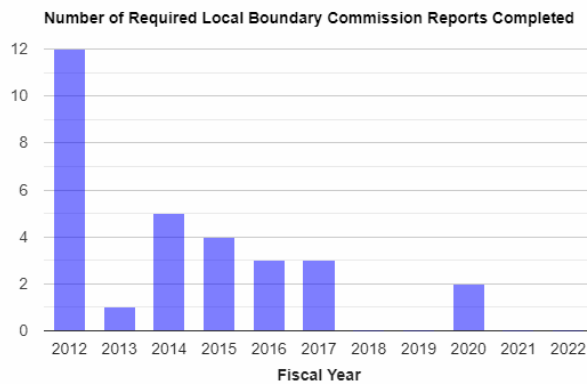
4. Financial Assistance - Administer multiple grant and funding distribution programs



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

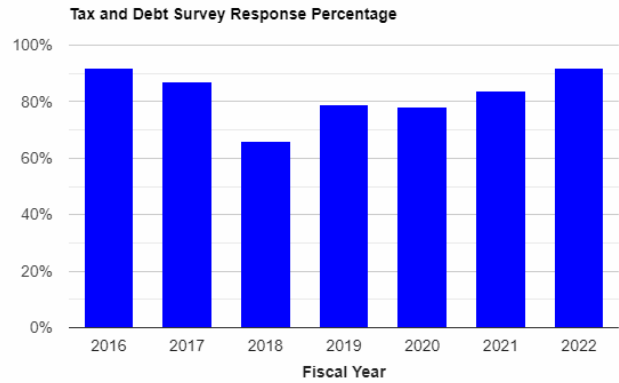
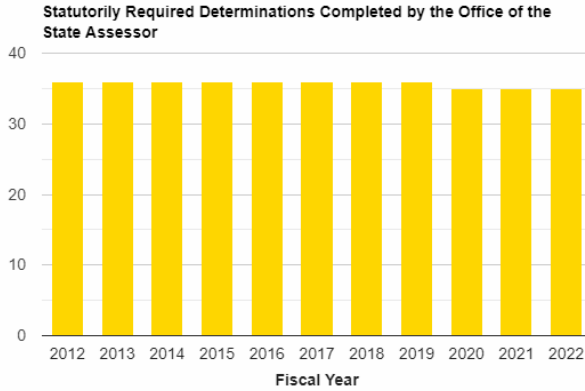


6. Local Boundary Commission staff - Prepare and distribute information and reports on incorporation, dissolution, annexation, or consolidation

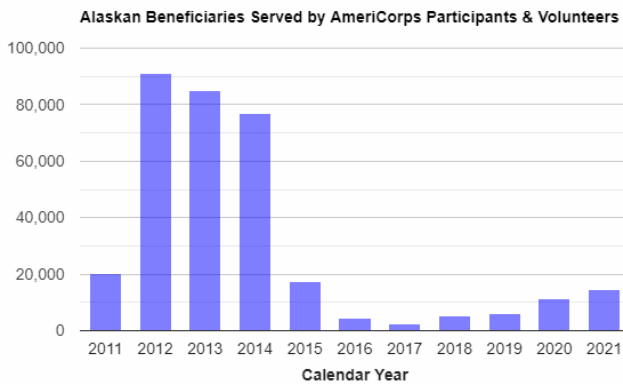


7. State Assessor - Technical assistance to municipal assessors on property value assessments to

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 2022

Local Government Assistance (LGS)

- Local governments throughout Alaska are experiencing a particularly high rate of turnover, leading to a high rate of vacancies and newly-hired staff in need of training. Local government specialist (LGS) staff continue to provide remote and hands-on assistance and support to communities experiencing these transitions.
- The Local Government Resource Desk provides assistance and support at a high level on a broad range of topics. Topics of assistance vary widely, but in FY2022 the topics which received the most inquiries included the CARES Act grants to communities, general financial management, municipal elections, rural utility management, personnel management, and state and federal tax issues.
- In FY2022 the following contacts were made, for a total of over 1,000 unique contacts:
 - 241 assistance contacts with DCRA staff
 - 587 assistance contacts with local governments
 - 93 assistance contacts with other state agencies
 - 105 assistance contacts with private corporations
 - 34 assistance contacts with the federal government
 - 1 assistance contacts with the media
 - 58 assistance contacts with the general public.
 - 4 assistance contacts with native corporations
- Assistance was provided to 265 communities throughout Alaska. Including:
 - Over 2,000 unique contacts
 - 95 interventions that prevented disruption to essential public services.
 - 50 fuel loans to communities ineligible for bank loans and coordination of fuel deliveries to avoid critical shortages.
- 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 the application deadlines; assistance with critical financial issues involving the Internal Revenue Service; support in providing local municipal and tribal elections; assistance with economic disaster recovery; support for utility freeze ups and recovery from natural disasters; and loss of key personnel.

Rural Utility Business Advisor (RUBA)

- The RUBA program converted two training courses to an online learning management system in FY2022 for a total of seven courses now available online. Nine courses were taught online, and three courses were taught in-person for a total of 12 courses. 156 participants completed the training courses.
- 195 utilities were analyzed in the months of July and January on six managerial and financial best practices criteria. The resulting score directly affects water and wastewater utility infrastructure project funding.
- RUBA staff managed the conversion of the “Becoming a QuickBooks Power User” 24-hour utility financial management class to an online learning platform. One class was provided in-person, and four classes were provided online. A total of 54 participants completed the training courses.
- Staff collaborated with Research and Analysis to create a Utility Management Best Practices Dashboard, which provides easily-accessible information about each score community and their past and current scores as well as comparisons over time.
- In response to the creation of a priority community list in need of enhanced and urgent water and wastewater utility projects, RUBA created a shared work plan on which RUBA and Department of Environmental Conservation (DEC) staff can share progress, plan next steps, and brainstorm new tactics and supports.
- 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 (MLT) issued or amended authorizations providing site control for the following community projects: Manley Hot Springs Airport Property and the Perryville Public Works Facility.
- Land disposals were approved for survey and conveyance of 4 preference right lots in Kokhanok.
- Provided training to several MLT communities regarding regulations and land management in their community.

Financial Assistance

- Administered nine federal and four state grant programs with an approximate value of \$895 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.
- Managed eight Statewide Comprehensive Economic Development Strategy Regional Outreach grants in the amount of \$60,000.
- Managed Non-Entitlement Unit of Local Government grants funded by the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF), assisting 149 Alaska communities in the amount of \$63 million.
- Managed Non-Units of General Local Government grants funded by the CSLFRF, assisting 96 Alaska Communities in the amount of \$15 million.
- Managed American Rescue Plan Act Local Government Lost Revenue Relief grants assisting 40 Alaska Communities in the amount of \$50 million
- 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 for the Department of Public Safety and the DEC for specific federal programs on their behalf totaling approximately \$32 million.
- Provided virtual and in-person Community Development Block Grant application/management workshops which 17 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 \$83 million to 240 different communities under the Community Assistance Program, Payment in Lieu of Taxes (PILT), National Forest Receipts/Secure Rural Schools, Shared Fisheries Business Tax, and Fisheries Resource Landing Tax programs.

Information Resources

The Mapping, Analytics, and Data Resources (MADR) program focuses on ensuring that accurate and up-to-date information resources concerning Alaska communities are continually available to communities and the public. In FY2022, the MADR team:

- Responded to over 150 requests for information and assistance and fulfilled approximately 65 requests for digital community profile data and 26 printed profile maps.
- 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 655 views per day in FY2022.
- Collaborated with DCCED's Administrative Services to completely redesign, implement, and train staff on the division's new internal data portal for tracking staff activity and accountability. This project was many years in the making and has resulted in robust internal tracking tools for better management and increased efficiency.
- Developed and unveiled the DCRA Grant Summary Webpage which provides a high-level overview of all the active grants that are administered within the division. Specific grant programs also have detailed interactive StoryMaps that provide users with historical data and infographics.
- Released the American Rescue Plan Act (ARPA) Funding Dashboard to track the status of federal COVID-19 relief funds dedicated to municipalities.
- Developed the Operations and Maintenance Best Practices Dashboard in partnership with the Rural Utility and Business Advisor (RUBA) program to provide a comprehensive history of the Best Practices scores that are developed twice annually with the Department of Environmental Conservation.
- Released an updated version of the Bulk Fuel Dashboard that contains data from the bulk fuel revolving loan program, the U.S. Coast Guard, Alaska Energy Authority, fuel price data, and community infrastructure to provide a holistic resource for community energy planning and management.
- Secured \$20,000 in grants from the Denali Commission to continue maintenance of the Bulk Fuel Inventory.
- Maintained a grant from the Denali Commission to collect, map, and partner with different agencies to adequately display broadband data across the state.
- Presented at the Bureau of Indian Affairs (BIA) Providers Conference in April 2022 to educate tribes about the mapping resources available within the Division for community planning, economic development, and grant applications.
- Assisted in the creation of multiple division reports. These include surveying, coordinating, and drafting the 2021 ARDOR Annual Report; data gathering, surveying, and drafting Alaska Fuel Price Report: Winter 2021; and analyzing Best Practice scores for 195 communities to provide graphs for the biannual RUBA Best Practice Report.
- Released the Rural Broadband in Alaska StoryMap which is an interactive experience depicting the status of telecommunication connectivity for rural communities across the state. The StoryMap was created to complement the report issued by Governor Dunleavy's Broadband Task Force in November of 2021.
- Successfully completed five different population appeals between March and May of 2022.
- Partnered with the Department of Education and Early Development (DEED) to complete a once-a-decade redistricting project for the section boundaries within the Regional Education Attendance Areas (REAA) in Alaska following the release of the 2020 U.S. Census figures. This project required analyzing population centers and collaborating with local communities to ensure that there is equitable representation of communities at the local schoolboard level.
- Finalized a memorandum of Understanding (MOU) with the U.S. Coast Guard (USCG) for USCG bulk fuel site visit data sharing.
- Began vetting new Grant Management Software to replace the existing proprietary database that tracks and distributes \$1.3 billion in grants to Alaska. This project will continue into FY2023.

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 FY2022, the MIA staff continued this commitment to grow the program and reviewing and approving 362 new permits. These represent businesses from 42 different communities ranging from Aniak to Willow.
- Made in Alaska staff and a scoring committee awarded Turnagain Brewing Company was honored with 2021 Manufacturer of the Year award in July 2022. Turnagain Brewing was the Made in Alaska business that best demonstrated the ability to overcome challenges, grow their business, and be a leader in the community.
- The MIA program released a Request for Proposals (RFP) for prospective permit holders to manufacture, market, and sell MIA-branded merchandise. The initial RFP did not garner any solicitations, though it will be extended for FY2023.
- MIA partnered with Onboard Media to help guests on all Alaska bound Carnival Cruises identify and shop for Made in Alaska products. Onboard Media representatives were on all Carnival Cruise ships and featured a diverse group of locally owned and operated businesses, include unique Made in Alaska products, through the

shopping materials guests receive during their voyage. Guests were given customized port guides at each port-of-call, reminding them to “look for the label” when they shopped. Made in Alaska permit holders have since reported that more tourists have asked to “Buy the Bear” than in recent years.

- MIA staff partnered with the Alaska Manufacturing Extension Program to provide new training opportunities and resources to Alaskan manufacturers.

Local Boundary Commission (LBC)

- Held one work session with all members of the Local Boundary Commission. .
- LBC staff provided support to Department of Law on Soldotna annexation appeal and court filings.
- Responded to more than ten inquiries from communities regarding reclassification, detachment, annexation, and dissolution

Office of the State Assessor

- The Office of the State Assessor offered Board of Equalization trainings for board members in all 24 communities with a property tax. Most sessions were conducted remotely, although Anchorage and Fairbanks were conducted in-person.
- 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 \$ 22.6 million as compared with last year’s value.

Serve Alaska

- Serve Alaska was able to convene approximately 100 AmeriCorps members in March 2022 for the first time since 2019. This convening provided training for AmeriCorps members, as well as a chance for them to network with each other. This is an important event to both inspire members to continue their service as well as provide them skills for their service and beyond to help with workforce development.
- Serve Alaska helped two new organizations start AmeriCorps programs through a yearlong planning grant process. Two new organizations were awarded planning grants for the next year and will be following the same process to hopefully receive funding for an AmeriCorps program grant as well.
- Serve Alaska hosted a team from other state commissions across the country in partnership with America’s Service Commissions in November to provide a strengths accelerator visit. This visit provided a report to Serve Alaska on what it does well and suggestions for improvement. Serve Alaska was happy with the results and remains strong in compliance pieces. The team created a strategic plan for the next year in order to meet the goals presented for improvement as well.

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.
- Coordinated with and analyzed information from the Division of Elections personnel on Native language ballots and translations.
- Worked with Alaska Historical Commission to explore ways of using more Alaska Native place names in public signage.
- Staff worked with Alaska Native language program staff across University of Alaska units.
- Staff compiled more detailed information on school language immersion programs.
- Provided training in cross-cultural communication, including relevant particulars of Alaska Native languages and cultures to DCRA and DEC staff.
- 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)

- Through a Cooperative Technical Partnership with FEMA Region 10, developed and maintained partnerships with state and federal agencies and stakeholders to identify future mapping and hazard assessment needs and to collaborate on community resilience efforts in Alaska.

- 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, the City and Borough of Juneau, the Ketchikan Gateway Borough, and the Fairbanks North Star Borough.
- Completed an ArcGIS StoryMap on Ketchikan Gateway Borough's Risk MAP study to inform local residents of the status of flood hazards studies in the Borough.
- Partnered with the Alaska Department of Natural Resources Division of Geological and Geophysical Surveys and the Alaska Native Tribal Health Consortium on the Alaska Coastal Resilience Partnership project, "Building Capacity and Conducting Coastal Risk Assessments in Remote Alaska Native Communities"
- Provided technical support to several Western Alaska communities, including Kwigillingok, Quinhagak, Alakanuk, Atmautluak, Kipnuk, Kongiganak, Kipnuk, Deering, Pilot Point, Saint Michael, and Stebbins. Provided assistance with conducting community resilience surveys, identifying hazard mitigation projects and developing Infrastructure Protection Plans.
- Partnered with the Alaska Native Tribal Health Consortium on the "Unmet Needs of Environmentally Threatened Alaska Native Villages: Assessment and Recommendations" report.
- Provided education and outreach on natural hazard issues and resilience solutions at several local and national events including a Department of the Interior Tribal Climate Listening Session; the Alaska Planning Conference; the National Science Foundation's Navigating the New Arctic Conference; the American Planning Association's Housing and Community Development Division's Webinar on "Resilience in Vulnerable Communities: When Climate Change Forces Relocation"; the National Academy of Sciences Gulf Research Program Health and Resilience Board Panel; the American Planning Association's Sustainability and Resilience Series; and the Alaska Tribal Conference on Environmental Management.
- Initiated and led meetings with communities, and state and federal agencies to address and resolve community planning issues related to natural hazards such as erosion, flooding, permafrost degradation.

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 FY2024

The MADR program will work with Information Technology and Program staff to create an Invitation to Bid to replace the current EGrants program, which no longer meets the needs of current and future federal grant requirements. This system may also be used by other divisions within the agency or possibly other departments that also require a data management system to monitor, track and report federal funding.

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

All dollars shown in thousands

	FY2022 Actuals				FY2023 Management Plan				FY2024 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												
Comm Assist Add Distr SUPP22	7,100.0	0.0	0.0	7,100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Community & Regional Affairs Serve Alaska	5,783.2	5,563.3	61,521.9	72,868.4	6,486.8	983.1	158,262.3	165,732.2	6,487.7	1,333.1	2,560.5	10,381.3
	187.0	0.0	1,755.6	1,942.6	227.1	20.0	1,910.9	2,158.0	227.1	20.0	1,910.9	2,158.0
Totals	13,070.2	5,563.3	63,277.5	81,911.0	6,713.9	1,003.1	160,173.2	167,890.2	6,714.8	1,353.1	4,471.4	12,539.3

Community and Regional Affairs
Summary of RDU Budget Changes by Component
From FY2023 Management Plan to FY2024 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>
FY2023 Management Plan	6,145.0	568.9	1,003.1	160,173.2	167,890.2
One-time items:					
-Community & Regional Affairs	-18.7	-281.6	0.0	-155,701.8	-156,002.1
Adjustments which continue current level of service:					
-Community & Regional Affairs	0.0	301.2	0.0	0.0	301.2
Proposed budget increases:					
-Community & Regional Affairs	0.0	0.0	350.0	0.0	350.0
FY2024 Governor	6,126.3	588.5	1,353.1	4,471.4	12,539.3