Sustainable Rural Communities in Alaska:

Part II

On the boardwalks of Tuntutuliak 2009.

A Supplemental Report to the July 2010
Sustainable Rural Communities report by the
Denali Commission in coordination with Alaska federal partners.

Denali Commission

June 2011

Denali Commission

Sustainable Rural Communities in Alaska:

Part II

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Denali Commission

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Letter from the Federal Co-Chair of the Denali Commission

June 28, 2011

Senator Lisa Murkowski
510 L Street, Suite 550
Anchorage, AK 99501

Senator Mark Begich
510 L Street, Suite 750
Anchorage, AK 99501

Congressman Don Young
510 L Street, Suite 580
Anchorage, AK 99501

Dear Senator Murkowski, Senator Begich and Congressman Young:

I am very pleased to present you with the Denali Commission's follow-up to the Sustainable Rural Communities report. Last year, Alaska's federal partners collaborated on a unique initiative with the vision of bringing solutions to improve rural communities in Alaska and promote their sustainability. President Obama's June 2011 announcement of the formation of the White House Rural Council further solidified our purpose to promote economic growth in the rural areas of our state. Agriculture Secretary Tom Vilsack stated recently, as the future Chairman of this Council, "The White House Rural Council will focus on actions to better coordinate and streamline federal program efforts in rural America, and better leverage federal investments." Alaska's federal family of agencies holds a similar vision and is pleased to provide this follow-up report.

The Sustainable Rural Communities, July 2010 report tackled two key issues for Alaska's federal agencies: 1) it gave a follow-up to the August 2009 Rural Cabinet Tour of Alaska of which the Secretaries of the Department of Education, Energy, Agriculture and Housing and Urban Development participated, and 2) it discussed and identified current federal barriers to community sustainability and provided possible solutions to those barriers.

The Sustainable Rural Communities in Alaska: Part II report considers critical outside perspectives by focusing on comments from community members, state officials, and tribes and resulted in a reevaluation of the "outcomes" identified in the first report. It also resulted in the development of the *Alaska Federal Partners Strategy* on pages 6 and 7 which defines "next steps" for Alaska's federal partners participating in this process.

The Denali Commission looks forward to continued collaboration with our federal, state, tribal, regional, and local partners in the implementation of the strategies identified in this report. Working together we can build sustainable rural communities in Alaska.

Sincerely,

Joel Neimeyer
Federal Co-Chair, Denali Commission

Executive Summary

In Fiscal Year 2009, President Obama requested that the Secretaries of the Department of Education, Energy, Agriculture and Housing and Urban Development tour rural areas throughout the country for three fundamental reasons:

- First and foremost, to listen and learn about the broad set of challenges and opportunities facing rural communities that are integral to American values and are the fabric of American life;
- Second, to share some of the administration's ideas about how we can work together to nurture strong, robust and sustainable communities, and
- Third, to report back to the President about the state of Alaska communities and ideas about what the administration can do to strengthen them.

Typical image of rural life to many in the U.S..

In August 2009, these four Secretaries, accompanied by Senator Mark Begich, visited the Yukon Kuskokwim Delta to see the challenges to development and travel in cold climate and the stark realities of village life in rural Alaska. The group gained firsthand knowledge of the realities of village life and the unique challenges facing rural Alaska communities. This visit gave top government officials a radically new perspective to the word "rural". As a result of this important visit, a new direction for government coordination between state and federal agencies and our respective partners was discussed and formulated.

Around the time of the Rural Cabinet Tour, President Obama also ordered a place-based review of all federal polices, asking each agency to determine whether their policies enable and encourage locally-driven, integrated, and place-based solutions, or obstruct them.

At the request of Senator Begich, as a follow-up to the August 2009 Secretaries tour, a *Sustainable Rural Community Development Interagency Meeting* was held in January 2010. At that meeting, the Denali Commission, under its already well established role in government coordination, was tasked with leading an effort to draft a report that looked at the barriers to sustainable rural communities in Alaska from a federal perspective and discuss and report on possible solutions to those barriers. Six sustainability principles were posed as the basis of the draft report:

1. Assess the needs of a community as a whole, ensuring that new housing, energy, sewer and water projects complement one another and are affordable in the long-term,
2. Combine traditional wisdom with 21st century technology to design reliable and sustainable infrastructure that reduces energy costs and can withstand the harsh conditions of rural Alaska,
3. Provide energy security and economic stability by developing integrated community energy

solutions that take advantage of abundant wind, tidal and solar resources, while also deploying new energy storage and transmission technologies,

4. Bring federal agencies to the table together and streamline the grant-making process to reduce delays and costs to villages seeking federal assistance,
5. Use local resources and smart design to cut construction costs in areas where almost half the cost of construction comes from freight charges, and
6. Make every project an opportunity to build local skills, create jobs and support regional companies.

Essentially, what this effort attempted to accomplish was to task Alaska's federal agencies with taking a long hard look in the mirror and identifying those areas that hinder the development of sustainable rural communities in Alaska. This look could be broad, it could be specific, it could include regulatory issues, and it could include internal agency procedures. Solutions to those barriers were also requested in the first report and agencies were encouraged to propose solutions even if the solutions were viewed as unattainable. The response to this initial query by the Denali Commission is comprised in the report titled Sustainable Rural Communities dated July 2010.

An example of a solution developed in the first report is the *Lead Federal Agency* concept. There were numerous responses from federal agencies focused on the establishment of a Lead Federal Agency for Alaska rural projects. An example is:

> "Establish agency roles and responsibilities and designate a lead federal agency using Appalachian Commission or Everglades Restoration as models. Recommend statutory changes to allow federal agencies be permitted to cost share with each other to promote sustainable rural communities. Empower federal agencies to establish, project design criteria appropriate to the region (roads, buildings, and utilities.)"

Barriers and solutions discussed in the July 2010 report were categorized and prioritized by the partnering federal agencies participating in this effort. Early on in this process, it was clear that although some of the barriers were specific internal issues, many were of a nature that required cross agency partnership solutions. Concepts like the *Lead Federal Agency* solution and the *Regional Approach to Building Sustainable Communities* will require further collaboration of the Alaska federal family of

Alaska's image of rural life.

agencies to bring solutions to the barriers. These proposed partner concepts provide new avenues of collaboration for Alaska's family of federal agencies to address the barriers in building sustainable rural communities as a group.

While the federal perspective was important in the first phase of this process, it soon became necessary to acquire an outside perspective on this effort and get the public's view on both the barriers identified by the federal partners and the proposed solutions. The second phase of this process involved public input on the Sustainable Rural Communities report. This public comment period ran from July to October 2010 and results in this second report titled: Sustainable Rural Communities in Alaska: Part II.

Comments from the public focused on communities and their immediate, sometimes urgent needs. The community focus by the public versus the regional focus by the federal agencies highlighted an inherent conflict from the federal perspective. That conflict was discussed prior to the release of the Sustainable Rural Communities in Alaska: Part II report. While federal agencies support the community's desire for sound economic development and sustainability within each community, some federal agencies hold a predisposition toward regional solutions that reflect the need of larger numbers and provide stronger cost benefit ratios for taxpayer dollars. An example of community responses in the Sustainable Rural Communities in Alaska: Part II report include:

> "Each community faces unique challenges of harsh weather, finding adequate gravel sources, storage capacity, and dealing with the narrow shipping and construction season. Also every new project adds a strain on the existing water, sewer, landfill, power and transportation systems which never seem to be upgraded to meet new demands. Getting more local input into projects will assure sustainability, but it cannot happen without extensive collaboration with federal, state, private and local entities."

Next steps are provided in this report as an *Alaska Federal Partners Strategy*. Participating partner federal agencies involved in this process are committed to the action called for in both the *Possible Federal Partner Outcomes* in this report and the *Alaska Federal Partners Strategy* showing where we, as federal agencies, go from here. That strategy plan includes the imperative involvement of the State of Alaska and the communities for which this process was initiated. The participating Alaska federal agencies involved in this initiative look forward to partnering with the State, the Tribes, the communities and the general public at-large as we all strive to build sustainable rural communities in Alaska.

Note: You can find an acronym key on page 20 of this report.

Alaska Federal Partners Strategy

Alaska Federal Partners Strategy - Sustainable Rural Communities in Alaska

The **Alaska Federal Partners Strategy** *was developed as a result of the Sustainable Rural Communities in Alaska initiative progressed. The Denali Commission and the Alaska federal partners involved in this project, see this strategy as next steps in this process calling the federal partners to action on several fronts.*

The Sustainable Rural Communities in Alaska: Part II *report revises the original* Possible Outcomes *based on the public comments received thus far and adopts this* Strategy *document. The Denali Commission and federal partners look to this strategy as a working document as we develop and work to implement some of the goals outlined in this important process as we work to build Sustainable Rural Communities in Alaska.*

Goals

1. ***Prepare a final list of statutory, regulatory and policy barriers and the recommended actions to resolve these barriers and submit them to the Alaska Congressional Delegation. All inter-agency barriers should also be routed to the specific agency program headquarter offices.***
2. ***Define and implement local planning strategies to clearly identify the partnership between agencies and local partners in the development of sustainable communities with a clear focus on local control and participation.***

Tasks

⇒ ***2011 Alaska Federal Partners Strategy Workgroup***

- Develop timeline for tasks at hand.
- Review and prioritize the revised ***Possible Federal Partner Outcomes*** in each section of this report.
- Finalize the ***2011 Alaska Federal Partners Strategy***.
- Involve the State of Alaska in Next Steps.

⇒ *Establish Federal Partner Workgroups and Workgroup Roles and Responsibilities.*

- Utilizing the *Possible Federal Partner Outcomes* set forth by federal partners, identify workgroups for this initiative and set tasks and timelines for those groups.

⇒ *Define Tribal Consultation Protocol Initiative*

- Convene a workgroup of the Federal Partners and develop a Tribal Consultation Protocol to work with Tribal governments throughout the state.
- Approve the Alaska Tribal Consultation Protocol.
- Working with federal partners, provide the Alaska Tribal Consultation Protocol to participating federal agencies.

⇒ *Define Regional Planning Strategy*

- Discuss State of Alaska involvement in this effort and future efforts. In particular, note those items which are uniquely federal and those items that federal, state, regional, tribal and local agencies and groups can work on together.
- Hold an event Fall 2011 in a regional hub in conjunction with an existing regional meeting in that area.

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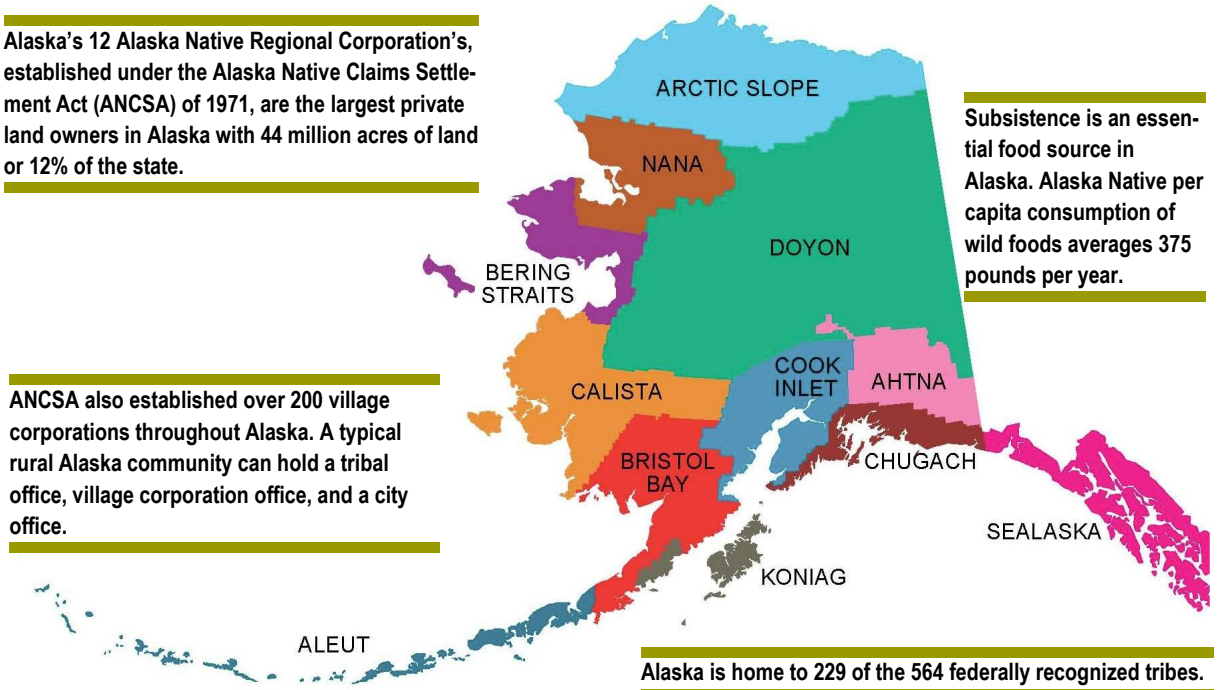
Alaska's Unique Characteristics

Alaska's 12 Alaska Native Regional Corporation's, established under the Alaska Native Claims Settlement Act (ANCSA) of 1971, are the largest private land owners in Alaska with 44 million acres of land or 12% of the state.

Subsistence is an essential food source in Alaska. Alaska Native per capita consumption of wild foods averages 375 pounds per year.

ANCSA also established over 200 village corporations throughout Alaska. A typical rural Alaska community can hold a tribal office, village corporation office, and a city office.



Alaska is home to 229 of the 564 federally recognized tribes.

Report Background

A complete history of this initiative and the Denali Commission's involvement in this process can be found in the first report titled: Sustainable Rural Communities July 2010. The Sustainable Rural Communities in Alaska: Part II report was developed and finalized by a team of federal agencies. That team included individuals from the following agencies:

- Denali Commission
- U.S. Army Corps of Engineers
- U.S. Department of Agriculture
- U.S. Department of Agriculture, Rural Development
- U.S. Department of Agriculture, Forest Service
- U.S. Department of Housing and Urban Development
- U.S. Department of the Interior
- U.S. Department of Transportation
- U.S. Department of Transportation, Federal Aviation Administration
- U.S. Economic Development Administration

From July to October 2010, the Denali Commission welcomed public comment on the Sustainable Rural Communities July 2010 report and received responses from 15 different sources including:

- Alaska Energy Authority
- Alaska Native Tribal Health Consortium
- Association of Alaska Housing Authorities
- Association of Village Council Presidents
- Bristol Bay Native Association
- Village Safe Water
- Yukon Kuskokwim Health Corporation
- Bureau of Indian Affairs: Conference Responses
- City of Pelican
- City of St. George
- Kawerak, Inc.
- Nushagak Cooperative
- State of Alaska Department of Law
- STG Incorporated
- University of Alaska Anchorage

The public comment process brought significant changes to the *Possible Federal Partner Outcomes* discussed in the original report. This report finalizes the *Possible Federal Partner Outcomes* and establishes the *Alaska Federal Partners Strategy* shown on page 6 and 7. The Possible Federal Partner Outcomes and *Alaska Federal Partners Strategy* together outline possible next steps for the federal family of agencies involved in this important initiative.

Note: The Public Comments provided in this process can be found, in their entirety, on the Denali Commission website at www.denali.gov under Programs, Government Coordination, Documents.

Report Overview

As discussed previously, this report supplements the existing Sustainable Rural Communities report dated July 2010. This report compiled federal responses to the barriers that exist to building sustainable rural communities in Alaska and provided federal solutions to those barriers. Responses from various federal agencies were categorized and solutions were formulated.

First report issued July 2010.

This new report provided an opportunity for the general public to give their perspective on the barriers to Sustainable Rural Communities and comment on the Possible Outcomes of the original report.

In the original report, major categories were grouped in a priority order based on responses from the participating Alaska federal partners, with the *Lead Federal Agency* concept being of particular interest to many federal agencies in Alaska. Public Comment, on the other hand, showed *A Focus on Community* as the primary theme in this important effort, as the bulk of comments provided by the public centered on this area. *A Focus on Community* is now moved to the forefront of the Sustainable Rural Communities in Alaska: Part II report and is the first significant change suggested through the public comment process. The focus areas of this report are now:

- A Focus on Community ..... Pages 10-11
- A Lead Federal Agency ..... Pages 12-13
- A Regional Approach ..... Pages 14-15
- Solutions in Partnerships ..... Pages 16-17
- A Need for Policy Changes ..... Pages 18-19

In the first Sustainable Rural Communities report the focus areas were defined and prioritized and solutions were provided through the collective contributions of federal agencies. The original report provides backup information for the proposed outcomes in each section.

This Part II report revises the original *Possible Federal Partner Outcomes* based on public comments, incorporates additional solutions proposed by the general public, and adds the *Alaska Federal Partners Strategy*, all as a result of this entire process.

Eagle, Alaska

Full public comment contributions can be reviewed in their entirety on the Denali Commission website at www.denali.gov. Go to Programs, Government Coordination, Documents, MOU Workgroup.

A Focus on Community

Sustainable rural community development requires community involvement in all phases of planning, design and construction of any infrastructure or program. Public and federal responses in this area addressed the critical need for community involvement and possible methods for increasing that involvement. The Public Comments in this section were overwhelming and it was therefore moved to the forefront of priority in this Sustainable Rural Communities in Alaska: Part II report. Revised possible outcomes follow the public comment summary.

Note: *To review the public comments in their entirety, please refer to www.denali.gov. Go to Programs, Government Coordination, Documents, MOU Workgroup. Also, Acronyms are listed on page 20 of this report.*

Summary of Stakeholder Comments and Recommendations in this Section:

- Each community in rural Alaska face unique challenges that are best addressed through extensive collaboration and a locally-owned community plan. This community plan should focus on improving technology and internet capabilities to help increase services and reduce travel costs, and enhance the utilization of local businesses and efforts to grow the local workforce to meet the needs of the community. These efforts are particularly critical to communities that are facing relocation.
- The provision for effective government services in remote communities must be supported by improving public safety for community members, including housing for public safety workers, providing adequate mapping, reducing environmental requirements for wetland mitigation, and expediting military site clean up projects. To further this goal federal and state agencies need to identify barriers in statutes and regulations impeding leveraging multiple funding streams to address these needs.

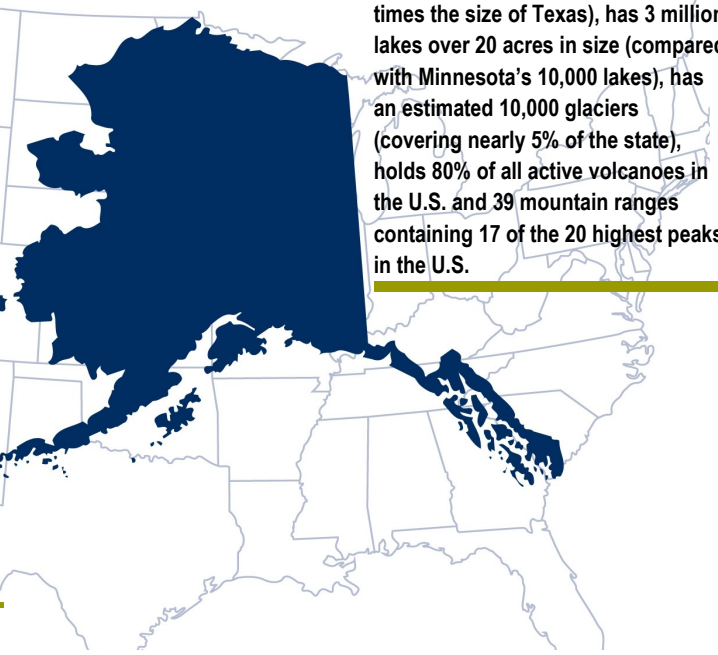
Alaska's Unique Characteristics

Who Owns Alaska: Total 375 Million Acres?

- National Parks, Refuges, and Forests . 151 acres
- State Land ..... 105 acres
- Other Federal Land ..... 70 acres
- Alaska Native Corporations ..... 44 acres
- Individual Private ..... 3 acres
- Municipal, University, Mental Health Trust Lands 2 acres

(Numbers in Millions)

*Excludes tidelands, and inland navigable bodies of water.
Source: Institute of Social and Economic Research, University of Alaska.



Alaska is 656,425 square miles (2 1/2 times the size of Texas), has 3 million lakes over 20 acres in size (compared with Minnesota's 10,000 lakes), has an estimated 10,000 glaciers (covering nearly 5% of the state), holds 80% of all active volcanoes in the U.S. and 39 mountain ranges containing 17 of the 20 highest peaks in the U.S.

- To develop sustainable communities there needs to be local support for alternative energy sources, like wind power, including energy for home heating, improve efficiency of diesel generators for the shorter term, reduce regulations and permits for alternative sources of energy, and continue subsidizing barges and flights, by-pass mail and its storage, bulk fuel, and fuel storage activities.
- To achieve beneficial economies of scale, when appropriate, multiple communities need to coordinate regional planning efforts.

Some Examples of the Public Comments in this Section:

Economic Development

- *"Job sharing, adjustable work schedules, and other solutions will assure projects are done and families have full freezers. Subsidizing energy and transportation systems will assure rural communities have access to the energy and transportation needed to support the economy."*

Land

- *"The state should assure that rural areas have adequate maps to plan and implement development projects, or at least provide a supplement to assist needy communities to obtain new maps on a regular basis."*

Tribal

- *"(The) federal government is derelict in meeting its trust responsibilities fully. By-catch by commercial fishing is an example of inadequate management of subsistence food sources. (We) must find ways to work together effectively to support rural communities."*

Possible Federal Partner Outcomes (Revised):

Note: *These possible outcomes were produced as a result of the culmination of written input, statements and public comments from the federal partners and the general public at large. These possible outcomes provide a starting point for the federal groups' effort and remain fluid as the group works to better define the outcomes and strategies of this overall effort.*

- ☑ As a group, strategize annual support of events and conferences that address rural needs such as: Energy, Health, Coastal Erosion, Transportation, Housing, and Environmental concerns. Collectively develop ways to get rural community attendance and input at these events. Also, as a group, strategize methods of increasing rural attendance at conferences critical to rural development.
- ☑ Small communities have greater difficulty acquiring federal funding due to lack of technical assistance or capacity. Involve community members in developing solutions to address this issue. Discuss strategy development on streamlining efforts. As a group, discuss current federal requirements for funds and strategize methods to ensure community inclusiveness in determining ways for acquiring those funds.
- ☑ Research existing resources that deal with land, mapping, site control and natural resources and educate federal partners and communities of the resources available.
- ☑ As a group, collectively look at issues that are critical to sustainable rural communities and develop solutions to the barriers that exist in addressing these issues: Village Public Safety Officer's (housing, funding for, training), water and sewer (funding, development), housing, etc.

A Lead Federal Agency

Several responses focused on the Lead Federal Agency concept. This "lead agency" could bring federal partners in alignment and improve communication and rural collaboration. Revised outcomes follow the public comment summary.

Note: *To review the public comments in their entirety, please refer to www.denali.gov. Go to Programs, Government Coordination, Documents, MOU Workgroup. Also, Acronyms are listed on page 20 of this report.*

Summary of Stakeholder Comments and Recommendations in this Section:

- Establish a lead federal agency to minimize duplicative program requirements and better leverage other federal program funds. One alternative discussed is to utilize the Denali Commission to assist remote communities with these activities when they lack the staffing levels to compete on their own.
- There is a need to develop statewide databases of state and federal programs and grant processes that are readily available to remote communities thus enhancing a community's ability to leverage multiple funding programs.
- Agencies should provide technical assistance in the development of the agencies' grant or loan applications, including but not limited to, regular scheduled workshops or teleconferences for rural areas. Agencies should also participate in statewide meetings (Alaska Federation of Natives (AFN), Alaska Municipal League (AML), etc).

Some Examples of Public Comments in this Section:

- *"Lead agency should offer technical assistance for the completion of grant and loan applications. Often what happens now is that some rural communities have developed relationships with engineering firms located in urban areas of Alaska to help with this process; but at a price. The lead coordinating agency needs to be staffed to provide not only the information about all funding opportunities for rural Alaska, but also provide the assistance to complete the applications. This could be accomplished with regular scheduled workshops in key rural hubs, teleconferences, or individual site visits to the rural communities. It would be important to not duplicate services already provided at the state level."*
- *"Lead agency proposes Federal Partner meeting opportunities to bring agencies to the table. Encouraging federal participation at regularly scheduled statewide meetings would be a better way to bring in participants."*

Possible Federal Partner Outcomes (Revised):

Note: *These possible outcomes were produced as a result of the culmination of written input, statements and public comments from the federal partners and the general public at large. These possible outcomes provide a starting point for the federal groups' effort and remain fluid as the group works to better define the outcomes and strategies of this overall effort.*

- ☑ Create a Lead Federal Agency model. The role of this lead agency would focus on coordination of interested federal agencies to address numerous issues and promote efforts that have the greatest impact. These lead agency tasks could be the role of one entity or spread out among numerous federal partners.
- ☑ Convene *federal partner meetings* on a regular basis to discuss key issues in rural Alaska. (Currently the Denali Commission convenes State/Federal partner meetings.) A federal agenda is needed to discuss federal statutes, regulations, and federal agency internal policies and procedures. Additionally, address issues that are specific to regions and individual communities as applicable. Discuss ways to include communities in that meeting effort as applicable.
- ☑ Hold discussions among federal partners specific to regions in Alaska and facilitate discussion by partner federal agencies on that particular region. *(More on this topic is provided in the Regional Approach solution.)*
- ☑ Strategically plan capacity building programs both internally and externally—end goal would be to help perspective recipients plan for receiving federal assistance. This could include a "clearinghouse" for technical assistance among federal partners. Additionally, provide training to communities on the numerous federal funding processes, their deadlines and funding guidelines. Training for tribes is essential in this process. Note: Training was a critical item in the Public Comment process. Training must be provided for the numerous funding opportunities within the federal government. Tribes are overwhelmed with administrative issues, Lead Agency solutions must provide a training component on existing funding opportunities.
- ☑ Develop an informational resource database of federal partner programs that would include funding availability and grant application processes.
- ☑ Review and compile existing reports and research recently completed on rural development in Alaska.
- ☑ Review 2010 Census data as a group. Use data to guide partners on new funding allocations for the state that will affect future infrastructure investments.
- ☑ Facilitate discussion among federal partners on community and regional master plans. Discuss community planning and involve communities. *(More on this topic is provided in the Regional Approach solution.)*
- ☑ Lead a discussion and strategic effort on improving and increasing federal government-to-government relations. Include in that discussion Tribal governments. Facilitate and develop a plan unique to Alaska addressing Tribal Consultation, Executive Order 13175.

A Regional Approach

A regional approach was also a federal focus to addressing barriers in developing sustainable rural communities. These outcomes go hand-in-hand with the previous "Lead Agency" concept.

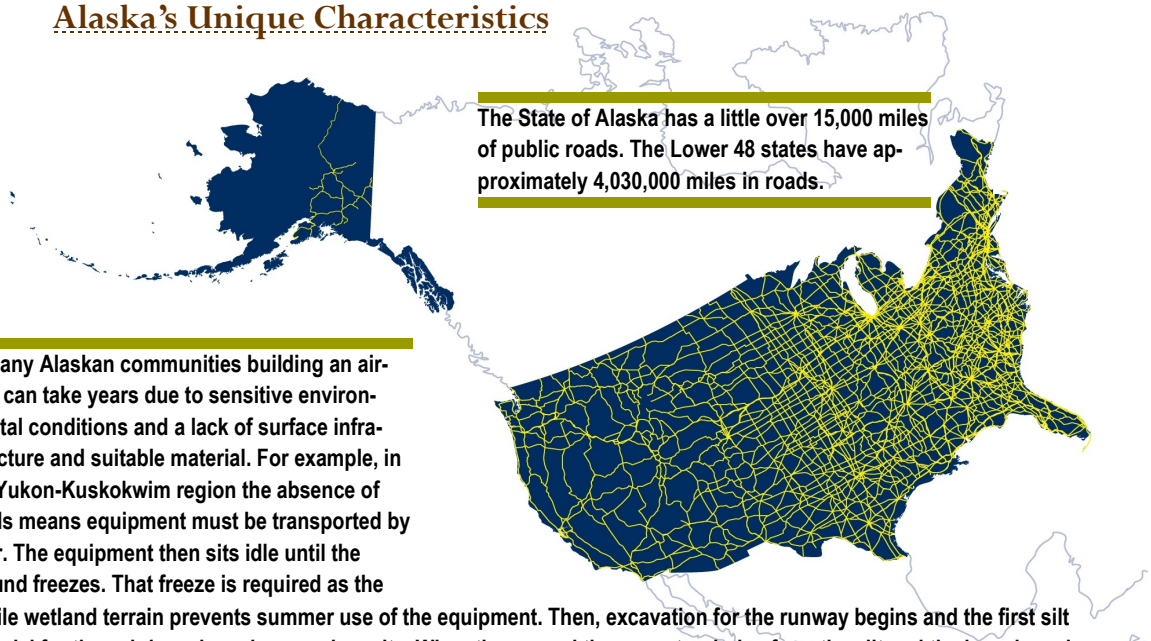
Note: *To review the public comments in their entirety, please refer to www.denali.gov. Go to Programs, Government Coordination, Documents, MOU Workgroup. Also, Acronyms are listed on page 20 of this report.*

Summary of Stakeholder Comments and Recommendations in this Section:

Many of the public comments within the community and lead agency discussions included regional themes.

- Hold multi-agency regional forums in conjunction with regularly scheduled meetings and events with already well established groups. Request Alaska delegation staff participation in the regional forums for educational and informational purposes.
- Establish Regional or Statewide Cooperatives to assist communities in the development, maintenance and operation of local utilities and infrastructure. The Alaska Village Electrical Cooperative and the Alaska Rural Utility Cooperative (through ANTHC) are good models of regional/statewide entities established to assist with local community utility issues.
- Re-establish focused and formal interagency coordination efforts to maximize the benefit of local development and infrastructure projects. (i.e.: coordination between HUD and ANTHC in the development of housing and water/sewer infrastructure in villages).

Alaska's Unique Characteristics

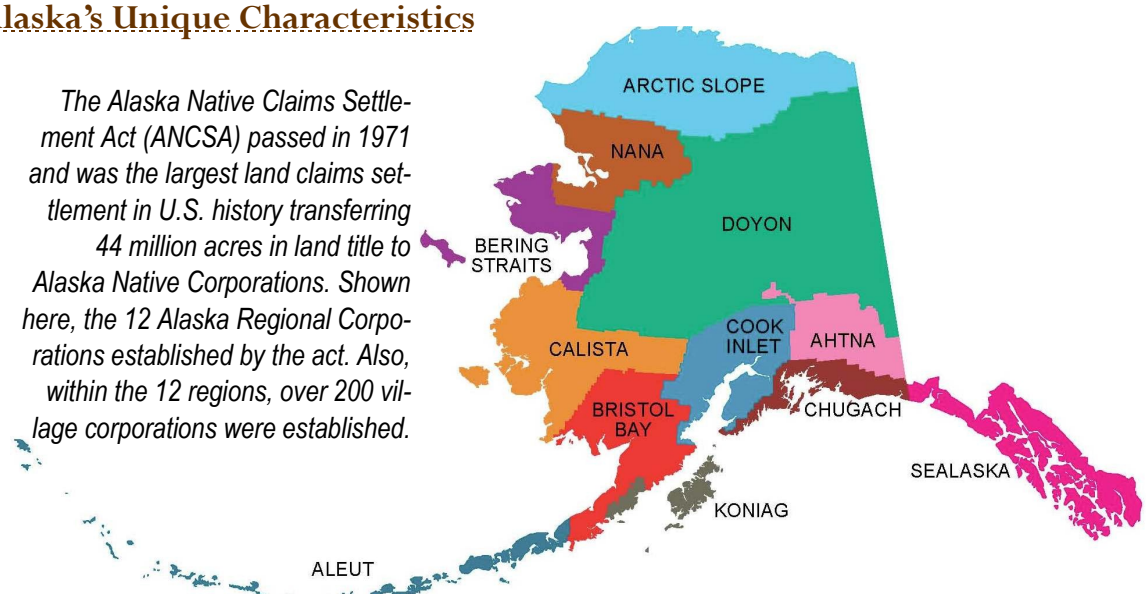


The State of Alaska has a little over 15,000 miles of public roads. The Lower 48 states have approximately 4,030,000 miles in roads.

In many Alaskan communities building an airport can take years due to sensitive environmental conditions and a lack of surface infrastructure and suitable material. For example, in the Yukon-Kuskokwim region the absence of roads means equipment must be transported by river. The equipment then sits idle until the ground freezes. That freeze is required as the fragile wetland terrain prevents summer use of the equipment. Then, excavation for the runway begins and the first silt material for the sub-base layer is moved on site. When the ground thaws, water drains from the silt and the base layer is consolidated. This process repeats for 2-3 years, with another layer of silt added each winter and equipment sitting idle until it can be used. Additionally, the contractor must pay for equipment mobilization and for the equipment to wait at the site for years.

Alaska's Unique Characteristics

The Alaska Native Claims Settlement Act (ANCSA) passed in 1971 and was the largest land claims settlement in U.S. history transferring 44 million acres in land title to Alaska Native Corporations. Shown here, the 12 Alaska Regional Corporations established by the act. Also, within the 12 regions, over 200 village corporations were established.



Possible Federal Partner Outcomes (Revised):

Note: *These possible outcomes were produced as a result of the culmination of written input, statements and public comments from the federal partners and the general public at large. These possible outcomes provide a starting point for the federal groups' effort and remain fluid as the group works to better define the outcomes and strategies of this overall effort.*

- ☑ Hold Regional Informational Forums throughout the state and involve partner federal agencies, State of Alaska agencies and the private and non-profit sector as applicable. Meetings could be held in conjunction with other regularly scheduled meetings and/or events with already well-established organizations. Examples include: Association of Village Council Presidents (AVCP), Southeast Conference, Alaska Municipal League, etc. (As discussed in the Focus on Community section, ensure community participation in these meetings by funding community travel to these events.)
- ☑ Involve community and tribal members in any forum planning or discussions.
- ☑ Facilitate discussion of regional meeting with a focus on both current infrastructure projects in that region and entertain discussion on future potential projects. Seek out Regional Solutions.
- ☑ As a group, provide one-on-one technical assistance to perspective grantees in regional meetings. (See more on this in the Lead Federal Agency discussion.)
- ☑ Facilitate on-site visits by participating partners prior to Regional Forums to provide first-hand experiences of the current issues and challenges faced by the particular region.
- ☑ Invite Delegation staff and other pertinent concerned individuals to Regional Meetings for educational and informational purposes.

Solutions in Partnerships

The need for strong, lasting partnerships was a repeated theme in the responses provided by the federal agencies. Partnerships with state and federal agencies and tribes were discussed and the need for partnerships to promote education, training and planning were reoccurring themes. Revised outcomes follow the public comment summary.

Note: *To review the public comments in their entirety, please refer to www.denali.gov. Go to Programs, Government Coordination, Documents, MOU Workgroup. Also, Acronyms are listed on page 20 of this report.*

Summary of Stakeholder Comments and Recommendations in this Section:

- The Federal/State participating partners in this group need to be all-inclusive, incorporating all aspects of sustainable community activities (i.e.: housing, infrastructure, education, health).
- To maximize utilization of current agencies' programs agencies must take proactive steps to market these programs to remote communities. Simplification of the application process should promote maximum participation by remote communities.
- To foster sustainable development in remote communities, federal and state agencies need to align the way they operate with each other for the maximum benefit to the community being served. Often the decision of one agency impacts (in many cases negatively) another's program; for example, building homes outside of town increase costs to those agencies responsible for building and maintaining roads and utilities.

Some Examples of Public Comments in this Section:

- *"Lack of adequate coordination among agencies – A barrier to achieving sustainability of rural communities is the lack of a coordinated government effort to better align the way agencies operate. Coordination of infrastructure decisions has often been mentioned as a needed improvement and yet it remains an allusive goal because of a mechanism to implement this ideal. Agency collaboration in the development and sharing of best practices would be a good start in*

Alaska's Unique Characteristics

Bulk fuel storage tanks, typical and essential in Alaska rural communities.

promoting a solution for this problem. Consistent delivery of advance planning and coordination that includes all the parties, incorporates such developments into an overall community plan, and targets sustainable operating strategies would improve the quality of the outcome for participants and the return on investment for funders."

Possible Federal Partner Outcomes (Revised):

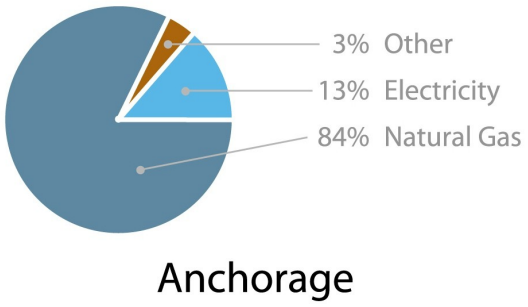
Note: *These possible outcomes were produced as a result of the culmination of written input, statements and public comments from the federal partners and the general public at large. These possible outcomes provide a starting point for the federal groups' effort and remain fluid as the group works to better define the outcomes and strategies of this overall effort.*

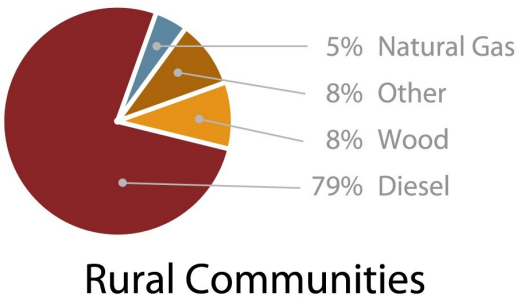
- ☑ Review existing successful models of partnership within the state. Develop a *Partnership Plan* that addresses critical issues affecting rural development by utilizing partner agency participation to address critical issues throughout the state of Alaska.
- ☑ As a group focus on the joint funding of projects that involve federal partners, the State of Alaska, and other private entities. Discussions would include community match requirements and involve community member participation. Work with communities to strategize localized regional efforts and the partnership focus that makes it possible and foster those partner relationships (state/federal/private) on behalf of communities.
- ☑ Develop and support partnerships with Alaska Native non-profit associations, ANCSA Corporations, and Alaska Native health corporations. Recognize existing expertise and programs and utilize best practices to incorporate into federal programs or partner with federal programs. Include in this partnership plan opportunities to train participants on issues like ANILCA, ANCSA, and current Tribal issues, etc.

Alaska's Unique Characteristics

How Alaska Households Heat Their Homes Using Various Energy Sources

27,000 homes in Alaska are unable to maintain a comfortable indoor temperature on the coldest days of winter.





Energy consumption for space heating accounts for about 45% of all energy used to run a home in Alaska.

Source: Estimated Household Costs for Home Energy Use, May 2008 a report by ISER

A Need for Policy Changes

Numerous policy changes were proposed by both federal agencies and through the public comment process. Detailed information on these proposed changes, can be found in the *Sustainable Rural Communities* report dated July 2010 and on the Denali Commission website. Revised outcomes follow the public comment section.

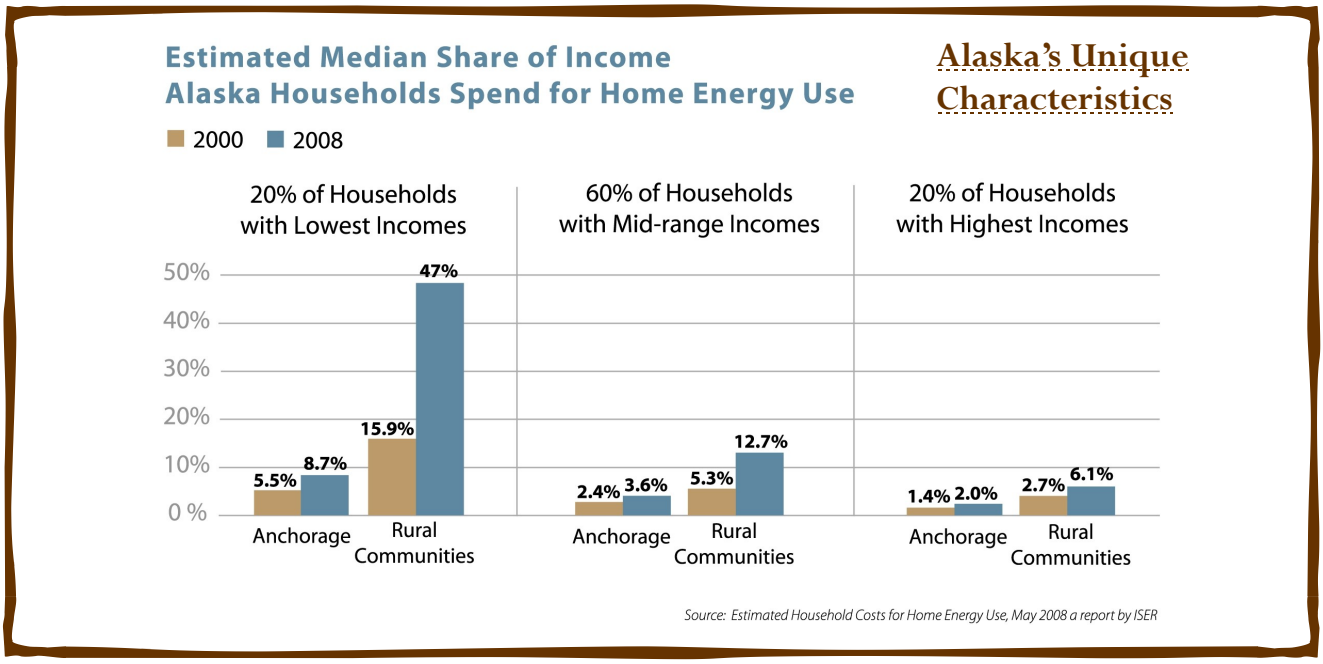
Note: *To review the public comments in their entirety, please refer to www.denali.gov. Go to Programs, Government Coordination, Documents, MOU Workgroup. Also, Acronyms are listed on page 20 of this report.*

Summary of Stakeholder Comments and Recommendations in this Section:

- To foster maximum leverage of HUD programs the following requirements need to be changed so that: Tribes can be recipients of NAHASDA funding and administer their own programs, the regional housing authorities could automatically be deemed a CBDO for the ICDBG program, and the State would be able to apply for CBDG for Tribes in the unorganized borough.
- To maximize utilization of current agencies' programs by remote entities, Federal agencies should: consolidate funding cycles and provide additional time for submitting applications, define basic standards for communities and help meet those standards, establish lower match requirements and provide formula funding to rural entities when funding is limited to allow them to compete effectively with regional and/or urban entities for limited competitive funding and remove the restriction to utilize Indian Health Service funds to serve HUD funding housing with water and sewer development services.

Some Examples of Public Comments in this Section:

- *"It would help if the federal agencies allowed a longer time period between the release of a NOFA and the due dates for grant applications. The federal government should offer proposal development workshops, and allow submission alternatives for communities and tribes with special needs. More grants should expand their criteria to allow tribes to*



be eligible to apply, since they perform some of the same services as municipalities. Since regional tribal consortia's, CDQ's, non-profits, and Native Corporations and local businesses provide vital basic services in rural communities, eligibility requirements should be expanded to allow them to apply if it will provide basic necessities in a rural community."

↳ *"A statutory change to make all "federally recognized Alaska Native Tribes/villages" grantees is an overbroad solution to a narrower problem, which could be practically solved by making the State the grant recipient."*

Possible Federal Partner Outcomes (Revised):

Note: *These possible outcomes were produced as a result of the culmination of written input, statements and public comments from the federal partners and the general public at large. These possible outcomes provide a starting point for the federal groups' effort and remain fluid as the group works to better define the outcomes and strategies of this overall effort.*

☑ Lead a discussion of federal regulations and strategize potential improvements in streamlining efforts of collaboration to address the numerous regulations that exist in implementing programs in a particular area. The end goal would be to streamline efforts on regulatory compliance with a concerted effort of federal partnering to address specific regulations that affect all federal agencies in a given region or in a specific program area. Priorities in this effort would be set by participating federal partners. Initial focus would be on statutory issues that may have unique circumstances when applied in Alaska.

Alaska's Unique Characteristics

In 2000, 93.7% of Alaskan homes had complete sanitation which ranked Alaska last among U.S. States.

Myron Lincoln dumps human waste from the family's "honey bucket" onto the frozen banks of the Ninglick River at the village of Newtok. A large percentage of homes in dozens of rural Alaska villages have never had flush toilets and must use honey buckets.

(Taken from Forgotten America report. Photo by Alex DeMarban.)

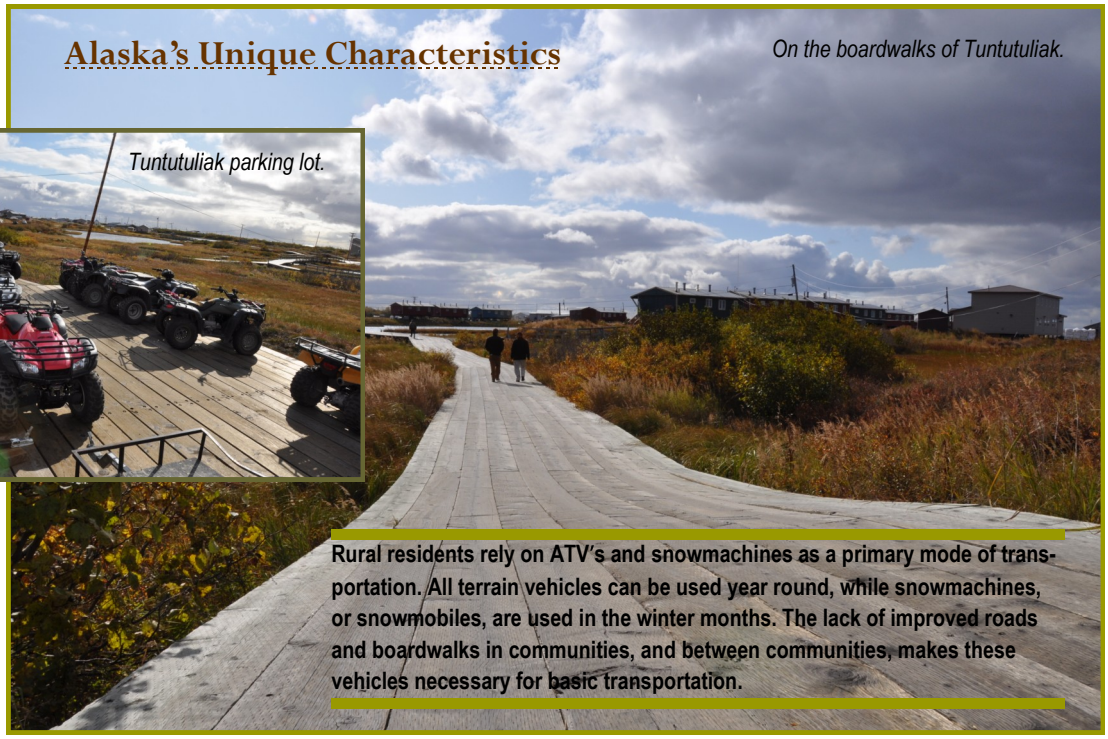
In 2000, 1/3 of rural Alaskans obtained water via a community based water point using 5 gallon plastic containers.

☑ Many policy changes are important to the federal partners, especially those that do not consider unique Alaska circumstances. Assessment and prioritization of these potential policy changes needs to be discussed and strategies to address them developed.

Acronyms:

ANILCA	Alaska National Interest Lands Conservation Act
ANTHC	Alaska Native Tribal Health Consortium
ARUC	Alaska Rural Utility Collaborative
AVCP	Association of Village Council Presidents
CBDO	Community Based Development Organization
CDQ	Community Development Quota
GAO	Government Accountability Office
HUD	U.S. Department of Housing and Urban Development
ICDBG	Indian Community Development Block Grant
IHA	Indian Housing Authority
INAC	Indian and Northern Affairs Canada
NAHASDA	Native American Housing Assistance and Self Determination Act
NOFA	Notice of Funds Available
PFD	Alaska Permanent Fund Dividend
RHA	Regional Housing Authorities
STIP	Statewide Transportation Improvement Program
SWAMC	Southwest Alaska Municipal Conference

Alaska's Unique Characteristics



On the boardwalks of Tuntutuliak.

Tuntutuliak parking lot.

Rural residents rely on ATV's and snowmachines as a primary mode of transportation. All terrain vehicles can be used year round, while snowmachines, or snowmobiles, are used in the winter months. The lack of improved roads and boardwalks in communities, and between communities, makes these vehicles necessary for basic transportation.

Attachments:

You can find the following items pertaining to this initiative on the Denali Commission website at www.denali.gov. At our home page click on Programs, then Government Coordination. Click on the Documents tab, and then MOU Workgroup and you will find a section titled Sustainable Rural Communities.

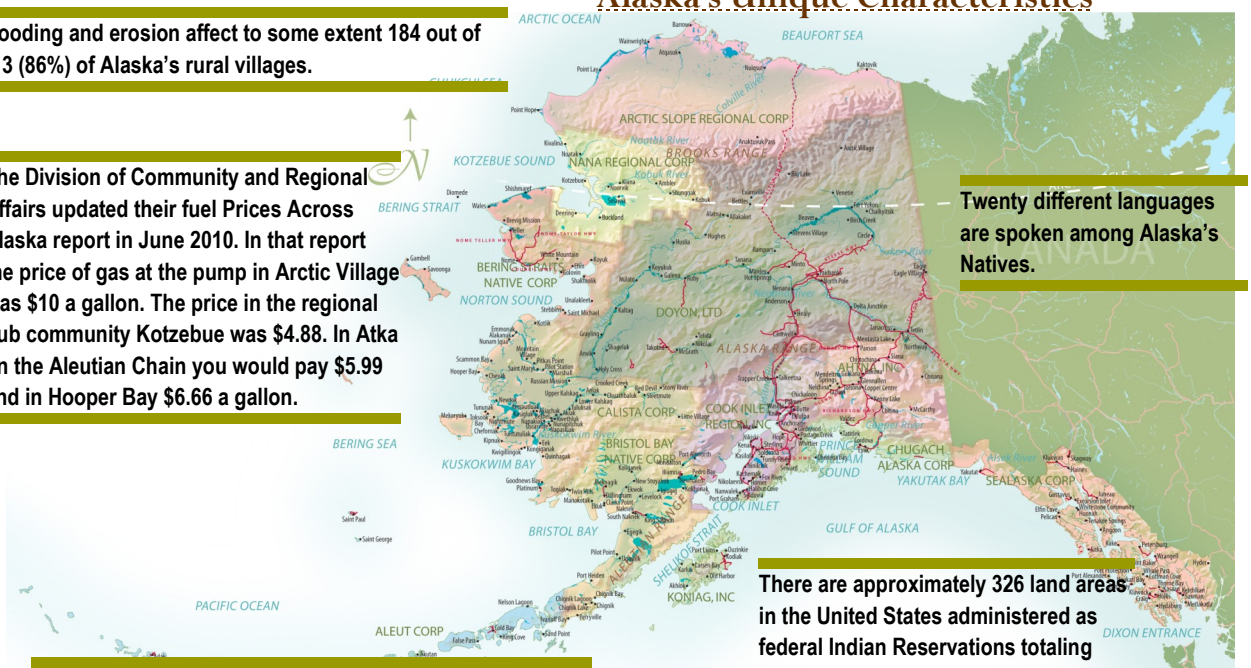
In this tab you will find:

- All Public Comments in their entirety utilized for the compilation of this report.
- The Sustainable Rural Communities July 2010 report.
- Other supplemental information, PowerPoints, etc.

Alaska's Unique Characteristics

Flooding and erosion affect to some extent 184 out of 213 (86%) of Alaska's rural villages.

The Division of Community and Regional Affairs updated their fuel Prices Across Alaska report in June 2010. In that report the price of gas at the pump in Arctic Village was $10 a gallon. The price in the regional hub community Kotzebue was $4.88. In Atka on the Aleutian Chain you would pay $5.99 and in Hooper Bay $6.66 a gallon.



Twenty different languages are spoken among Alaska's Natives.

There are approximately 326 land areas in the United States administered as federal Indian Reservations totaling almost 57 million acres. Only one reservation exists in Alaska. It is the Metlakatla reservation in southeast Alaska.

Ft. Yukon holds Alaska's record high summer temperature of 100˚ F while Prospect Creek holds the low for Alaska, and for the entire U.S., which hit –80˚ F in 1971.

There are an estimated 4,000 homes in Alaska that are in need of replacement because they are in such poor condition – 43 percent of the homes in need of replacement are located in the smallest and most remote rural communities.