
Mini-Grant Program:

Community Impact and Program Evaluation



Department of Commerce, Community, and Economic Development
Division of Community Advocacy

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Commissioner

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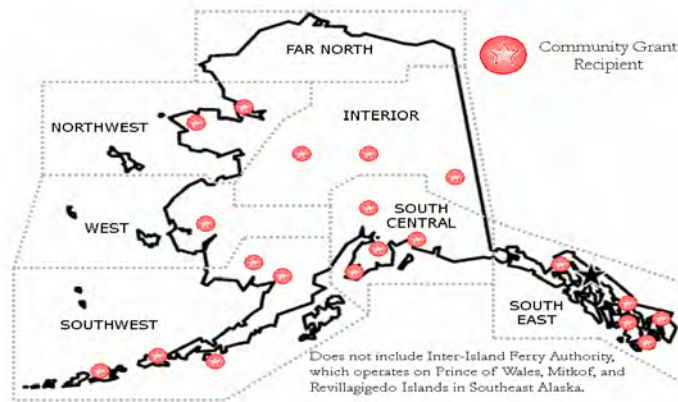
Frank Murkowski,
Governor





DIVISION OF COMMUNITY ADVOCACY REPORT TO THE DIRECTOR

MINI-GRANT PROGRAM: COMMUNITY IMPACT AND PROGRAM EVALUATION



FY2003 COMMUNITY MINI-GRANT AWARDS MAP

INTRODUCTION

The Mini-Grant Program (Program) provides grants for community economic development and planning projects that are likely to generate new income for the community, create permanent local jobs, or otherwise have the potential to significantly and positively impact the local economy over a long period of time. The Alaska Department of Commerce, Community, and Economic Development, Division of Community Advocacy has administered the Mini-Grant Program since its inception. Throughout its history, the Program has experienced funding-level and funding-source changes that have also been accompanied by community eligibility revisions.

The Mini-Grant Program has served as an important and popular source of funding for community planning and local economic development activities. From an administrative perspective, the value of the Program lies in its simplicity, flexibility, and minimal time requirements. The Program has been extremely popular in rural Alaska, as evidenced by consistently receiving approximately three-times the number of project applications in dollars as program funding. From a community perspective, it is considered a community-friendly and straightforward grant program that communities have used to develop locally-appropriate strategies for improving local economies and building healthy communities. Of noteworthy importance, the Mini-Grant Program is one of very few remaining competitive community development grant programs not limited to direct appropriations from the United States Congress or Alaska State Legislature.

To date, little effort has been invested in following-up with grant recipients regarding grant project development, products, associated community impact, or community feedback about Program strengths and weaknesses. In an effort to evaluate community impact and gather feedback regarding the Mini-Grant Program, the Division of Community Advocacy's Research and Analysis Section conducted a brief case-study of FY2003 Mini-Grant projects and associated community impacts. This report, *Mini-Grant Program: Community Impact and Program Evaluation*, provides Program background information, summarizes FY2003 grant projects, evaluates community impact, and gathers feedback regarding Program strengths and weaknesses. Building upon a prior Denali Commission report, *Mini-Grant Program Evaluation* (2004), Mini-Grant Program projects and corresponding community impacts are limited to FY2003 projects. Limiting assessments to FY2003 Mini-Grant Program projects allows enough time to pass between grant expenditure, project development, and final outcome to make a determination of direct and indirect community impacts.

EXECUTIVE SUMMARY OF RESULTS

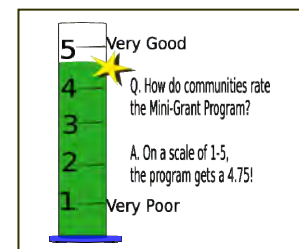
The Mini-Grant Program has served as an important and popular source of funding for community planning and local economic development activities. During FY2003, 21 Mini-Grants worth a total of \$568,280 were awarded to rural communities and entities across Alaska to fund various community development projects including: 1) seven community planning projects; 2) six feasibility studies and/or business plans; and 3) eight physical or technical asset development projects. Mini-Grant projects have yielded community impacts directly and indirectly related to generating new income for the community, creating permanent local jobs, or otherwise having the potential to positively impact the local economy over a long period of time.

On a regional basis, the Southeast region was awarded six grants which impacted 16 communities. The total award amount for the Southeast region was \$168,879. The Southwest followed with total award amount of \$143,912 through five grants and impacting five communities. By contrast, the Far North region did not receive any Mini-Grant awards for the period covered in this analysis. (See table below.)

Region	Grants Awarded	Communities Impacted	Amount
Far North	0	0	\$0
Northwest	2	2	\$38,299
West	1	1	\$29,965
Southwest	5	5	\$143,912
Interior	3	3	\$84,242
Southcentral	4	4	\$102,983
Southeast	6	16	\$168,879
Statewide	21	31	\$568,280

Program feedback affirmed Mini-Grant recipients consider the Mini-Grant Program to be “community friendly” citing various reasons including: 1) straightforward and simple application process; 2) minimal reporting requirements; 3) friendly and helpful DCA staff; 4) speedy Mini-Grant fund disbursements; and 5) short timeframe between grant application and award determination. Although less frequent, some communities did provide criticisms of the Mini-Grant Program including: 1) short application time period and 2) inconvenient application deadlines. Furthermore, recommendations for Mini-Grant Program change include: 1) extending the grant expenditure timeframe over two fiscal years; 2) assigning a grant administrator located in the same region as the community; 3) lengthening the timeperiod between RFP release date and application deadline; 4) adding a second annual Mini-Grant funding cycle (e.g., spring/fall or summer/winter); 5) increasing funding level per community and/or total number of communities funded; 6) adding electronic fund transfer capabilities; and 7) reducing community population requirements to 1,000 residents.

Communities were asked to rate the Mini-Grant Program on a scale of one to five with one as *very poor* and five as *very good*. On average (16 communities reporting), the Mini-Grant Program rated a 4.75 on the five-point scale, further illustrating the popularity and utility of the Mini-Grant Program as administered by the Division of Community Advocacy. Communities have clearly used the Mini-Grant Program to develop locally appropriate strategies for improving local economies and building healthy communities.



MINI-GRANT PROGRAM BACKGROUND

During the mid-1980s, the Alaska Department of Commerce, Community, and Economic Development (Commerce) founded the Mini-Grant Program with a ten-percent set-aside of the state-funded Rural Development Assistance Program (RDA). After several years of funding the program exclusively through RDA, Commerce accepted United States Forest Service (USFS) funds as a supplement to already existing state funding, prompting significant Mini-Grant Program growth. During 1996, state-funding for the RDA Program was eliminated by the legislature thereby eliminating a critical Mini-Grant Program funding source. Despite a substantial decline in available funds, the Mini-Grant Program continued to exist with only USFS funds through 1998. During 1999, the Denali Commission joined the USFS in funding the Mini-Grant Program. This funding partnership existed until 2006 when the USFS discontinued funding the Mini-Grant Program due to congressional-level USFS budget cuts. Throughout its history, the Mini-Grant Program has been administered by Commerce's Division of Community Advocacy (DCA).

Despite changes in funding sources, the Mini-Grant Program's purpose and objectives have remained consistent throughout the Program's history. Since its inception, the Mini-Grant Program has provided grants for locally-driven community projects aimed at improving local economies through generating new income, improving local employment opportunities, and encouraging community planning activities. Eligible community development activities include local business development, feasibility studies, market analyses, community development planning, comprehensive community planning, and land use planning. City governments, borough governments, non-profit tribal governments, community non-profit organizations, or regional non-profit organizations may apply as sponsors or on behalf of one or more eligible communities. As the current and only Mini-Grant Program funder, the Denali Commission has adopted an additional funding prerequisite that limits eligibility to communities with populations of 5,000 or less. Furthermore, "Distressed Communities" as defined by the Denali Commission receive priority funding consideration.

METHODOLOGY

The Research and Analysis Section, in consultation with the Grants Administration and Planning Sections, developed a community case-study approach to evaluate Mini-Grant Program community impact and gather feedback regarding Program strengths and weaknesses. Community case-studies were limited to FY2003 Mini-Grant recipients. As previously noted, limiting case-studies to FY2003 Mini-Grant recipients allows sufficient time to pass between grant expenditure, project development, and final outcome to make a general determination of community impact. See appendix 'A' for a full list of 2003 Mini-Grant recipients and detail information.

In total, 21 Mini-Grants (up to \$30,000 per grant) were awarded during FY2003. Qualitative interviews were conducted with community key informants for all Mini-Grant projects. In general, people designated as local Mini-Grant project contacts were selected as key-informants. Additional interviews were conducted as needed. Key informants were queried regarding Mini-Grant project development, product, community impact, and overall satisfaction with the Mini-Grant Program including Program strengths, weaknesses, and recommendations for improvement.

To evaluate community impact, Mini-Grant Program projects were inventoried and categorized according to overall purpose or objective including: 1) community planning (see Table 1); 2) feasibility study or business plan (see Table 2); and 3) physical or technical asset development (see Table 3). For each category, a general approach to assess community impact was developed and further customized according to the particular project and community under consideration. This non-traditional approach to evaluating community impact is based on limited available information, professional evaluation, and qualitative community key informant interviews.

MINI-GRANT COMMUNITY IMPACT AND PROGRAM EVALUATION

Table 1. Community Planning Projects

Community	Region	Recipient	Project Title	Amount
Anderson	Interior	City of Anderson	Project READY: Comprehensive Economic Development Plan	\$30,000
Bethel	West	City of Bethel	Community Priorities & Economic Development Strategic Plan	\$29,965
Brevig Mission	Northwest	City of Brevig Mission	Community Land Use Plan	\$26,220
Klukwan	Southeast	Chilkat Indian Village of Klukwan	Jilkaat Kwaan Comprehensive Site Plan, Phase I	\$30,000
Kotzebue	Northwest	Native Village of Kotzebue	Planning and Marketing for Nunavik, LLC	\$12,079
Talkeetna	Southcentral	Talkeetna Community Council	Riverfront Land Use and Economic Development Strategy	\$25,879
Unalaska	Southwest	City of Unalaska	Economic Development Plan	\$30,000
STATEWIDE (7 Total Projects)				\$184,143

Anderson (City of Anderson)

Project READY: Comprehensive Economic Development Plan

Project Description: The Mini-Grant funded the City of Anderson’s *Comprehensive Economic Development Plan*.

Community Impact: The City of Anderson completed a strategic plan that included a town description, city-wide survey, vision statement, primary infrastructure assessment, and a set of community values and goals. The most important priority noted in the strategic plan was the development of a five-year economic development plan. During this five-year period, Anderson expects significant population growth as an estimated 40 new military families will move into the community as a part of the transfer of the Clear United States Air Force Base to the Alaska Air National Guard. This transfer is expected to be completed during the next 12 - 24 months. The process of developing the City’s *Comprehensive Economic Development Plan* provided a forum in which the community could generate economic development priorities and plan to take advantage of population growth to grow the local economy. The Plan resulted in numerous direct and indirect community impacts including improved public safety, increased resident input and involvement, continuation of a Village Safe Water project, additional secured funding for a rock crusher and gravel sorter to be used for City projects, and a direction established for responsible community and economic growth.

Program Feedback: The City is very satisfied with the Mini-Grant Program. The simple application process and easy reporting requirements were cited as positive factors. The City would like to see the timeframe for grant expenditures extended to allow reimbursements across two fiscal years.

Key Informant: Nancy Hollis, City Clerk, City of Anderson

Bethel (City of Bethel)

Community Priorities and Economic Development Strategic Plan

Project Description: The Mini-Grant funded the development of the City of Bethel's *Community Priorities and Economic Development Strategic Plan*. The Plan serves as a consensus building tool for multiple challenging local issues, establishes economic development goals, and provides short- and long-term community development priorities.

Community Impact: The City of Bethel and Orutsaramiut Native Council (ONC) have a history of working collectively to support local community development initiatives. Both entities agreed to develop and utilize a strategic plan as a guide for making decisions impacting the future of the greater Bethel community. The *Community Priorities and Economic Development Strategic Plan* includes an evaluation of current community conditions, community asset inventory, community vision statement, economic development goals, community development priorities, strategies for achieving goals and priorities, and benchmarks by which to measure progress. It has provided a method for agencies and community organizations to collectively work towards common goals rather than duplicating services or efforts, and has led to quarterly planning meetings between the City and ONC.

Program Feedback: Due to city employee turnover in recent years, current staff are unfamiliar with the Mini-Grant Program and are unable to provide Program-related feedback.

Key Informant: Laurie Walters, Acting Director of Finance, City of Bethel

Brevig Mission (City of Brevig Mission)

Community Land Use Plan

Project Description: The Mini-Grant funded the development of the City of Brevig Mission's *Community Land Use Plan* including a community facility inventory, human resource inventory, environment inventory, updated list of community priorities, population projection, future community facility recommendations, and planning commission training regarding community planning and land use regulation.

Community Impact: At the time the *Community Land Use Plan* was written, Brevig Mission was on the threshold of population growth and accelerated physical infrastructure development including developing or improving the following community assets: water and sewer system, bulk fuel farm, power distribution and generation facilities, housing, community center, clinic, and post office. The Plan has also allowed the City to begin discussions with the State regarding future improvements to the airport, local roads, and prospective harbor. The City wanted to ensure proposed community projects were scoped, coordinated, and sited to provide for the orderly and prioritized development of the community. The process of developing the Plan and obtaining planning-related training allowed the community to inventory local assets, develop locally-appropriate land use regulations, plan for capital project improvements, and establish areas for parks, recreation, and open space. As a living document, the greater community of Brevig Mission will reap the direct and indirect benefits of participating in the development of a land use plan for years to come. Of noteworthy importance, the Plan has allowed the City to seek further funding opportunities for various community development projects.

Program Feedback: The City is very satisfied with the Mini-Grant Program. Its experience with the Program has given the City confidence to call DCA before applying for funding to “bounce project ideas around” and strike a balance between community-initiated projects and State program mandates. While understanding the State's need to reimburse communities after items and services are purchased, the City states that this process places many small communities in a detrimental cash flow situation. Direct vendor reimbursement would be of benefit to the City.

Key Informant: Brian Crockett, Mayor, City of Brevig Mission

Klukwan (Chilkat Indian Village of Klukwan)

Jilkaat Kwaan Comprehensive Site Plan, Phase I

Project Description: The Mini-Grant funded the completion of the *Comprehensive Site Plan* for the Jilkaat Kwaan Cultural Heritage Center/Bald Eagle Observatory including consultant contract, grant/project administration, and travel expenses.

Community Impact: The Chilkat Indian Village (CIV) is the tribal government for the village of Klukwan, located in the heart of the Alaska Chilkat Bald Eagle Preserve. Over 4,000 bald eagles, the largest concentration in the world, roost in cottonwood trees and feed on salmon in the surrounding riverbanks. Village members identified a need to develop an observatory and cultural center to support dissemination of cultural knowledge and provide a local economic stimulus. The *Comprehensive Site Plan* combined multiple prior planning efforts (e.g., architectural, environmental, engineering, and business) into one comprehensive document thereby providing a “road map” by which the village can realize their locally-appropriate vision of educating visitors, enhancing cultural knowledge, and providing local economic development opportunities. The Jilkaat Kwaan Cultural Heritage Center/Bald Eagle Observatory is currently in the design phase with some site access projects progressing. CIV expects to collect construction bids during 2006. The Center is expected to create approximately nine full-time and 45 part-time jobs for local villagers.

Program Feedback: CIV is generally satisfied with the Mini-Grant Program referring to its simple application process and user-friendly reporting process. CIV criticized DCA’s movement of some grant administration activities from the Juneau to the Fairbanks Office. CIV had built a strong rapport with the Juneau DCA staff and has not been able to establish the same level of rapport with the Fairbanks DCA staff.

Key Informant: John Brower, Tribal Administrator, Chilkat Indian Village of Klukwan

Kotzebue (Native Village of Kotzebue)

Planning and Marketing for Nunavik, LLC

Project Description: The Mini-Grant funded the development of a business plan for Nunavik, LLC including consultant contracts, personal services, marketing materials, travel, and public service announcement expenses. Nunavik, LLC is a for-profit partnership between the Native Village of Kotzebue (NVOK), Kikiktagruk Inupiat Corporation, and Maniilaq Association.

Community Impact: Operated as a for-profit subsidiary of the local tribe, Nunavik, LLC began operation during 2001 manufacturing thermasteel panels used in commercial and civil construction projects. Nunavik, LLC expanded production to also include fabrication of insulating polystyrene foam panels for use in commercial and residential properties, insulating pipes, and roadways. Due to lack of experience and decline in the regional economy, Nunavik, LLC experienced economic hardship subsequently reducing their labor force and ceasing operation during winter months. The development of a new business plan was intended to provide guidance regarding appropriate products to manufacture, marketing strategies, and additional funding opportunities; however, Nunavik, LLC has since shut down and there are no plans to reopen the facility.

Program Feedback: Due to employee turnover in recent years, current NVOK staff are unfamiliar with the Mini-Grant Program and are unable to provide Program-related feedback.

Key Informant: Linda Joule, Executive Director, Native Village of Kotzebue

Talkeetna (Talkeetna Community Council)

Riverfront Land Use and Economic Development Strategy

Project Description: The Mini-Grant funded the development of the *Riverfront Land Use and Economic Strategy Plan* for a 75-acre parcel of land adjacent to portions of the original Talkeetna townsite and divided by the Alaska Railroad. Sections of this particular parcel of land are owned by the Alaska Railroad, Matanuska-Susitna Borough, and the State of Alaska.

Community Impact: During the past decade, Talkeetna has experienced a dramatic increase in tourism and “amenity driven” residential growth. Between 1990 and 2000, Talkeetna’s population grew 3.3% each year and Talkeetna’s annual visitation rate grew from 20,000 to 150,000 visitors per year. Talkeetna’s status as gateway community to Denali National Park and location on Alaska’s main “pipeline” (i.e., Alaska Railroad) virtually guarantees continued future growth. During a time of significant growth, Talkeetna residents identified certain community characteristics as unique and worth preserving including the community’s compact land use pattern, pedestrian orientation, historic character, and convenient access to natural areas. Developing the *Riverfront Land Use and Economic Strategy Plan* for the aforementioned 75-acre property served as a natural extension of prior community planning efforts. Direct and indirect benefits of the Plan include: 1) continued refinement of community values; 2) land use planning for an area previously designated as “underutilized”; 3) environmental asset protection; 4) a well-developed public input process for residents, local businesses, and agencies; 5) a decision-making guide for developing trails, roads, parking, campgrounds, commercial entities, and day-use outdoor recreation attractions; 6) preservation of open space and natural resources areas; and 7) assurance the Borough and Alaska Railroad will consider community preferences while

developing their own plans. The Plan provided a long-term future vision and a voice for community residents regarding the use of a particular piece of property that is likely to have a dramatic impact on Talkeetna's economic future and quality of life.

Program Feedback: The Talkeetna Community Council is very satisfied with the Mini-Grant Program. The grant application process was straightforward and not difficult. The Council also commended DCA staff as "easy to work with." The Council would like to see the grant cycle remain consistent from year to year with a strong preference to open the grant cycle during the fall. A summer grant cycle is problematic for the community due to community resources being strained by the tourist season. The Council also expressed a desire to have more time between the release of the RFP and the application deadline.

Key Informant: Ruth Wood, Chair, Talkeetna Community Council

Unalaska (City of Unalaska)

Economic Development Plan

Project Description: The Mini-Grant funded the development of the City of Unalaska's *Economic Development Plan* that now serves as a proactive, market-driven strategy to grow the local economy for the benefit of local businesses, residents, and greater community.

Community Impact: The City of Unalaska has a proven history of extensive and progressive community planning. During 1991, a planning initiative was started with the objective of gathering public input to define a "future vision" for the community. The resulting report and subsequent updates have steadfastly guided sound growth and development of the community facilities, capital projects, transportation infrastructure, schools, houses, and city services. Developing and updating community vision statements and priority lists emphasized the need for an economic development plan to grow the local economy. The *Economic Development Plan* was completed and has since guided local economic growth. Direct and indirect community benefits of the Plan include increased job growth and retention, improved local quality of life, and a well-developed priority list of economic development endeavors.

Program Feedback: Due to city employee turnover in recent years, current staff are unfamiliar with the Mini-Grant Program and are unable to provide Program-related feedback.

Key Informant: Debra Mack, City Clerk, City of Unalaska

Table 2. Feasibility Study and Business Plan Projects

Community	Region	Recipient	Project Title	Amount
Aleknagik	Southwest	City of Aleknagik	Boat Storage Feasibility and Design	\$27,750
Kasaan	Southeast	Organized Village of Kasaan	Eco-Tourism Lodge Business Plan	\$25,879
Levelock	Southwest	Levelock Village Council	Fish Processing Feasibility Study	\$28,000
Port Graham	Southcentral	Port Graham Village Council	Hatchery/Cannery Feasibility Study	\$29,695
Sand Point	Southwest	City of Sand Point	Bulk Fuel Feasibility Study	\$28,162
Wrangell	Southeast	City of Wrangell	Waste Reduction Feasibility Study	\$30,000
STATEWIDE (6 Total Projects)				\$169,486

Aleknagik (City of Aleknagik)
Feasibility and Design for Boat Storage

Project Description: The Mini-Grant funded a feasibility study for the City of Aleknagik that identified permitting requirements, estimated costs, and provided a conceptual design for a city-owned and operated boat storage yard that includes lights, electricity, water, oil and antifreeze disposal services, and secured gear lockers. The City of Aleknagik used the feasibility study and conceptual design to secure three separate grants worth \$472,000 from the Bristol Bay Economic Development Corporation for the final design and construction of an expanded boat storage yard providing services in direct support of the local commercial fishing industry. The City recently received a \$1 million federal earmark for an access road to the facility. The road and storage yard are expected to break ground concurrently during 2008.

Community Impact: The city-owned boat storage yard and related services are expected to yield multiple benefits for the local community. First, boat storage fees will generate substantial revenue for the City of Aleknagik making the boat storage yard a self-supported and sustainable enterprise. Second, providing oil and antifreeze disposal services will eliminate illegal dumping of hazardous material on the ground thereby supporting environmental protection. Third, the boat storage yard will provide local small business development opportunities as marine-related physical resources and boat owners are available in one location. Fourth, and most importantly, the boat storage yard and related marine services will support the local commercial fishing industry, which yields multiple direct and indirect economic benefits for local residents, businesses, and the greater Aleknagik community.

Program Feedback: The City is very satisfied with the Mini-Grant Program. The City was particularly pleased with the relatively easy application process, short time period between application and award decision, and quick turnaround of grant disbursements.

Key Informant: Patty Heyano, Administrator, City of Aleknagik

Kasaan (Organized Village of Kasaan)

Eco-Tourism Lodge Business Plan

Project Description: The Mini-Grant funded the production of a business plan for the Kasaan Haida Eco-Tourism Lodge. The proposed Lodge will contain twelve guest rooms, restaurant, lounge, gift shop, office space, and a “great room” used for entertainment, cultural classes, skill-development workshops, educational classes, and other community gatherings.

Community Impact: Kasaan is a community of 61 residents with a limited economic base and a current unemployment rate of twenty percent. The Organized Village of Kasaan (OVK) has proposed the first eco-tourism facility in southern Southeast Alaska that will provide accommodations, outdoor recreational opportunities, cultural activities, and office space to meet multiple community needs. The Business Plan built upon a prior feasibility study that found the project to be viable, a stable source of revenue for OVK, and an economic stimulus for the greater Kasaan community. The Business Plan provided a critical blueprint for the community and potential investors detailing how to operate the Lodge as a profitable business and income generator while preserving Kasaan’s overall quality of life and rich cultural character. At this time, OVK is planning to break ground during summer 2007. The Lodge will be an economic stimulus for the local community by providing 15 to 20 local jobs (e.g., manager, housekeepers, maintenance personnel, front desk personnel, and kitchen staff), generating revenue for OVK, and creating a platform to launch additional secondary business ventures (e.g., eco-tourism activities, sport-fishing charters, interpretive cultural tours, and wildlife viewing).

Program Feedback: OVK summarized the Mini-Grant Program as being "very user-friendly" for the community. OVK praised DCA staff as easy to work with and noted reporting requirements are not complex. By using Mini-Grant funds, OVK was able to identify DCA and Denali Commission as project partners and use the funding as matching funds to obtain additional grants. Overall, OVK is satisfied with the Program and provided no recommendations for change.

Key Informant: Richard Peterson, President, Organized Village of Kasaan

Levelock (Levelock Village Council)

Fish Processing Feasibility Study

Project Description: The Mini-Grant funded a feasibility study for the Levelock Village Council (LVC) that identified availability of fish and game resources, physical infrastructure needs, capital costs, operating costs, market needs, permitting requirements, and preliminary conceptual design for a village-owned and operated fish and game processing plant.

Community Impact: The feasibility study determined that the proposed fish and game processing plant was a viable profit-generating endeavor, provided that it focused on value-added production. Despite the results of the study, the facility was not constructed.

Program Feedback: Unavailable

Key Informant: Mary Apokedak, Administrator, Levelock Village Council

Port Graham (Port Graham Village Council)

Hatchery/Cannery Feasibility Study

Project Description: The Mini-Grant funded a feasibility study to evaluate alternative processing activities for the Port Graham Cannery. The feasibility study identified markets with the greatest revenue-generating potential and the infrastructure needed to transition into alternative markets.

Community Impact: The commercial fishing industry is the primary economic stimulus for Port Graham's cash economy. During recent years, the decline in market value for canned salmon product has created economic hardship and future uncertainty for the Port Graham Cannery. The production and profitable marketing of local pink and sockeye salmon declined to the point that the Cannery could not financially sustain itself and operations were discontinued during 1999. The Port Graham Village Council used the feasibility study to determine whether transitioning into alternative value-added markets was a viable and sustainable profit-generating endeavor. Consequently, the feasibility study allowed the Council to make an informed and calculated decision to move forward with securing funding from the Administration for Native Americans (ANA) to train ten residents per year for three years in value-added techniques. A second three-year grant was obtained from ANA to build or purchase infrastructure, promote product, and train six people per year in the areas of management, administration, sanitation, and quality control. Once the Cannery is reopened, it will provide 15 to 20 local jobs. Operating at full-capacity, the Port Graham Cannery will provide 25 to 30 jobs for Port Graham and Nanwalek residents for six to eight months per year.

Transitioning into alternative commercial fisheries markets will yield multiple benefits for the local community. First, the Cannery will once again provide employment opportunities for Port Graham and Nanwalek residents. Second, there will be increased incentive for local seine permit holders to resume fishing activities - currently only two of nine permit holders are active. Finally, the Council has already recognized the increased confidence level of residents who have attended the training programs as they discover a wider range of available employment opportunities.

Program Feedback: The Council is extremely satisfied with the Mini-Grant Program. Mini-Grant funding allowed the Council to "show the viability of a new idea" to local residents. The Council suggests the Mini-Grant Program could be improved by offering a second round of funding each year to allow communities to follow up on study results in a timelier manner.

Key Informant: Patrick Norman, Chief, Port Graham Village Council

Sand Point (City of Sand Point)

Bulk Fuel Feasibility Study

Project Description: The Mini-Grant funded a feasibility study for the City of Sand Point that evaluated the potential for building a new City-owned bulk fuel tank farm.

Community Impact: The City of Sand Point used the feasibility study to determine a city-owned bulk fuel tank farm was not a viable revenue-generating enterprise. Specifically, the study cited the inherent difficulties of operating an enterprise that would be in direct competition with the current local supplier, Trident Seafood, which has significant purchasing power. The feasibility study allowed

the City to thoroughly explore and make a well-informed decision regarding the project subsequently avoiding investing scarce resources in further project development.

Program Feedback: The City is extremely satisfied with the Mini-Grant Program citing the ease of application and simple reporting requirements. The City also made several recommendations for improvement including: 1) replacing check reimbursements with electronic transfers; 2) increasing the size of the grants to \$100,000 to allow for more comprehensive studies and projects; and, 3) reducing the population threshold to 1,000 residents so that the communities with the least resources are not competing against "the Bethels, Nomes, and Kotzebues."

Key Informant: Paul Day, Administrator, City of Sand Point

Wrangell (City of Wrangell)

Waste Reduction Feasibility Study

Project Description: The Mini-Grant funded the consultant contract for preparing a technical feasibility study for developing a biomass waste reduction and energy recovery facility. The purpose of the proposed facility is to eliminate negative impacts of timber industry wood by-product, reduce costs and environmental issues associated with municipal solid waste disposal, and recover energy (i.e., steam) to power future local manufacturing activities. The feasibility study determined sufficient volumes of solid waste and wood by-product exist locally or within the region to economically construct a waste reduction facility. Furthermore, revenue generated from energy recovery (i.e., steam) and diversified investments were found to be capable of sustaining the long-term operation of the facility. Originally a cooperative project between the City and Silver Bay Logging, Inc. (SBL), Southeast Conference has since become interested in the project and is working closely with the City to develop a regional facility. The City and Southeast Conference partnered to seek Legislative approval to construct a regional facility, which was granted during the 2006 Legislative Session. Preliminary site analyses have been conducted, preliminary discussions have been held with multiple communities, and the project is being actively pursued.

Community Impact: The City of Wrangell and Silver Bay Logging, Inc. (SBL) have a history of working collectively to support local economic development opportunities. SBL currently employs 35 to 75 Wrangell residents dependent upon the season. Benefits of the proposed biomass waste reduction and energy recovery facility for SBL include increased efficiency, cost reduction, full resource utilization, and future economic development opportunity. The City's potential benefit includes reduction of municipal solid waste disposal costs, increased manufacturing opportunities, local job growth, and economic benefits associated with serving as a solid waste disposal solution for the region. The feasibility study also resolved debate regarding proper technology, identified land use requirements, and identified local infrastructure needs.

Program Feedback: The City reports the Mini-Grant Program is important because it is one of the only programs that provides funding for feasibility studies, which are a primary prerequisite to receiving further grant or loan funding. The City is satisfied with the Program citing its straightforward and streamlined characteristics especially when compared to federal grant programs.

Key Informant: Carol Rushmore, Economic Development Director, City of Wrangell

Table 3. Physical and Technical Asset Development Projects

Community	Region	Recipient	Project Title	Amount
Coffman Cove	Southeast	City of Coffman Cove	Purchase/Install Skiff Ramps	\$30,000
False Pass	Southwest	City of False Pass	Heavy Equipment Purchase	\$30,000
Hyder	Southeast	Hyder Community Association	Purchase Bottle Unscrambler	\$23,000
Multi-Community	Southeast	Inter-Island Ferry Authority	Purchase Ferry Maintenance Equipment	\$30,000
Northway	Interior	NORTHWAY, Inc.	Lodge/Cultural Center Design and Engineering	\$30,000
Ruby	Interior	City of Ruby	Purchase Sawmill and Renovate Mill Shed	\$24,242
Valdez	Southcentral	Valdez Fisheries Development Association	Fisheries Business Incubator Training	\$17,409
Whittier	Southcentral	Whittier Museum Association	Whittier Museum Renovation	\$30,000
STATEWIDE (8 Total Projects)				\$214,651

Coffman Cove (City of Coffman Cove)

Purchase and Install Skiff Ramps

Project Description: The Mini-Grant funded the purchase, transportation, and installation of 24 skiff ramps for the City of Coffman Cove’s dock. The City’s dock facility is unique in that skiffs are docked at an incline and unplugged to drain water that accumulates during inclement weather.

Community Impact: With the decline of the timber industry on Prince of Wales Island, Coffman Cove’s local economy has shifted from being timber dependent to supporting a growing quantity of small businesses including bed and breakfasts, lodges, and charter fishing operations. The City of Coffman Cove’s dock and skiff ramps are essential infrastructure for local lodges and charter fishing businesses that host a growing number of sport fishing guests. Recognizing the critical nature of the dock and ramps for local small businesses, the City acquired a Community Development Block Grant (CDBG) to build additional dock and ramp space. The combination of added dock facilities, increasing the number of available ramps, and developing a usage policy has struck a locally-appropriate balance between private, rental, and commercial use of dock and ramp facilities. The City is providing infrastructure critical to the operation of numerous local small businesses, which employ a significant number of local residents. Since installing the ramps, there has been a significant increase in charter boat traffic, which has also yielded the indirect impact of increased local retail activity (i.e., fuel, food, and supplies). Furthermore, the ramps provide direct revenue of \$5,000 per year to the City. In sum, the ramps have been described as “one of the [the City’s] most successful projects.”

Program Feedback: Overall, the City is satisfied with the Mini-Grant Program. The easy application process and fast turnaround of grant funds were strongly praised. These particular factors helped Coffman Cove quickly implement a project that is self-sustaining and has had a significant impact on the local economy. Several areas of potential Program improvement were also recommended. The length of time between the RFP release and deadline dates should be increased. Specifically, “if

you miss the notice, you miss out." The short application period can also make it difficult for cities to hold public meetings and pass resolutions that allow them to move forward with the application process. A related concern is the timing of the application period, which has overlapped with the Community Development Block Grant Program or had a deadline that fell directly after a holiday weekend in prior years. These particular time conflicts strain personnel resources required to create a well thought-out proposal. Finally, the City asserts the Program has had various areas of focus that were not specifically reported on the RFP, but were common knowledge among DCA staff. The City recommends all community development grant eligible activities be directly noted on the RFP.

Key Informant: Elaine Price, Project Manager, City of Coffman Cove

False Pass (City of False Pass)

Heavy Equipment Purchase

Project Description: The Mini-Grant funded the purchase and transportation of heavy equipment for the City of False Pass. Heavy equipment purchases included a dump truck that is used for City capital projects that benefit the greater community.

Community Impact: The three principal organizations in False Pass include the City of False Pass, False Pass Tribal Council, and Isanotski Native Corporation, which have a long history of working collectively to support local economic development. The combination of the City-purchased gravel screening plant and grant-funded dump truck yielded multiple direct and indirect benefits for the greater False Pass community. First, purchasing the equipment for the City saved revenue by eliminating the need to pay the high cost of transporting equipment and operators to the community on a per project basis. Second, City-owned heavy equipment is generating revenue for the City as the equipment and trained operators are rented to construction companies responsible for building major community capital projects including water system improvements, landfill construction, and new airport construction. Equipment and operator rental fees cover operation and maintenance costs, repair and replacement funds, and future upgrades or purchases. Third, the gravel screening plant and associated heavy equipment created local jobs as the City began selling gravel and renting heavy equipment. Specifically, the screening plant yielded several thousands of dollars in gravel sales during its first year of operation. As an indirect community-wide benefit, the capability of producing and transporting gravel locally has improved the quality of local roads as gravel grade is now specific to the particular road project and there are no delays from waiting for equipment to be delivered.

Program Feedback: The City is satisfied with the Mini-Grant Program citing the easy application process and reporting requirements. The City has used the Program for purchasing equipment for several different projects. The City recommended increasing funding amounts, stating that it was not unusual to need to apply for additional funding or dip into City savings to complete a purchase. Program criteria was cited as sometimes limiting (e.g., no operating expenses allowed); however, these limitations were not viewed as excessive.

Key Informant: John Nickels, Former Mayor, City of False Pass

Hyder (Hyder Community Association)

Purchase of Bottle Unscrambler

Project Description: The Mini-Grant funded the purchase of a bottle unscrambler machine for Hyder Water Works, a bottled water plant owned and operated by Hyder Community Association (installed February 2004). The bottle unscrambler automatically guides the orientation of the bottles on a moving conveyer belt.

Community Impact: The Hyder Community Association (HCA) is a non-profit community organization that operates Hyder Water Works (HWW) as a small business enterprise with the sole purpose of increasing employment for Hyder residents. The bottle unscrambler has resulted in numerous positive impacts including a reduction in workplace accidents, increase in final product quality, and increase in HWW overall output capabilities. When operating at full capacity and on a regular basis, HWW employs 14 local Hyder residents on a full- and part-time basis. HWW profit revenue is reinvested in various community improvement endeavors.

Program Feedback: HCA is extremely satisfied with the Mini-Grant Program, which was defined as straightforward, easy to understand, and easy to achieve compliance. HCA also issued several compliments of DCA staff noting telephone calls were promptly returned, payments were timely, and that they "do a fine job." HCA stated no criticisms of the Mini-Grant Program.

Key Informant: Paul Larkin, Administrator, Hyder Community Association

Multi-Community Grant (Inter-Island Ferry Authority)

Purchase of Ferry Maintenance Equipment

Project Description: The Mini-Grant funded the purchase of maintenance equipment for the Inter-Island Ferry Authority's (IFA) vessels (M/V Stikine and M/V Prince of Wales) including tools, safety equipment, radios, and computer hardware.

Community Impact: The IFA is a non-profit municipal corporation established by the cities of Coffman Cove, Craig, Klawock, Thorne Bay, Wrangell, and Petersburg in 1997. As an Alaskan Port Authority, the IFA has become critical transportation infrastructure providing regular and reliable passenger-vehicle ferry service needed to support and promote economic development for nine Prince of Wales Island communities with runs from Hollis to Ketchikan and Coffman Cove to Wrangell and Petersburg. The Mini-Grant has had the following two critical impacts on IFA operations: 1) repairs previously outsourced are now completed in-house saving tens of thousands of dollars annually; and 2) intra-vessel communications and safety equipment have been greatly improved resulting in increased on-board safety for both passengers and crew. In sum, the addition of required maintenance equipment supports the continuation of reliable transportation service needed by local residents, small businesses, and the tourist industry.

Program Feedback: The IFA praises the Mini-Grant Program as being well organized, straightforward, and clear-cut. The grant agreement is easy to follow, turnaround time is quick, and grant reporting is not burdensome. Citing the significant impact a \$30,000 grant can have for small entities in remote locations, the IFA recommends increasing the pool of available money and grant awards.

Key Informant: Dolores Owen, Director of Accounting, Inter-Island Ferry Authority

Northway (NORTHWAY, Inc.) *Design and Engineering for Lodge/ Cultural Center*

Project Description: The Mini-Grant funded the production of architectural landscape and building design plans for the proposed Wrangell View Lodge and Cultural Center – an 18-acre hotel complex that includes a lodge, administrative building, restaurant, lounge, eight buildings with guest sleeping rooms and baths, and a riverside cultural center.

Community Impact: The greater Northway community is comprised of three independent settlements including Northway Junction, Northway, and the Native Village of Northway. Northway Natives, Inc. (NNI), the ANCSA Village Corporation, and NORTHWAY, Inc., a non-profit community organization, work collectively on various community improvement projects for the betterment of local residents, corporate shareholders, and the greater Northway community. NNI and NORTHWAY, Inc. have partnered to develop a lodge and cultural center that will offer eco- and cultural tours, wilderness tours, fishing excursions, bird-watching seminars, and accommodations for fall hunters and winter snowmobile riders. Upon completion, the proposed lodge and cultural center will provide long-term full- and part-time employment for local residents (estimated forty jobs) and subsequently reduce social problems caused by chronically high unemployment rates. The facility will also host job-training programs for Northway youth including career counseling, advanced education resources, and skill development workshops. Small businesses of the greater Northway community are expected to increase volume sales with an increase in local tourism industry. Due to significant staff turnover and organizational changes, the Wrangell View Lodge and Cultural Center project has stalled indefinitely.

Program Feedback: NORTHWAY, Inc. is extremely pleased with the Mini-Grant Program citing its simple application process. NORTHWAY, Inc. offered no recommendations for Program improvement. NORTHWAY, Inc. reports that the Mini-Grant Program provides a simple and rewarding introduction to the process of applying for community development grants for first time grant applicants.

Key Informants: Diana Ervin, President, NORTHWAY, Inc. and Emma Hildebrand, former President, NORTHWAY, Inc.

Ruby (City of Ruby) *Purchase Sawmill and Renovate Mill Shed*

Project Description: The Mini-Grant funded the City of Ruby's sawmill upgrade and mill shed renovation project including the purchase of a new sawmill, materials for renovating the mill shed, sawmill staff training, freight costs, and personnel services.

Community Impact: The existing City of Ruby mill was purchased during the 1970's and has been in steady use by local and surrounding Yukon River village residents and businesses for the past 30 years. The majority of Ruby homes and buildings (and many from surrounding villages) were built with logs milled at the Ruby mill. Purchasing and installing a new mill has yielded increased productivity including higher quantity and quality of product. The new mill has provided additional local jobs and job-skill training. Local construction businesses have benefited by the

added capability of being able to mill locally thereby eliminating the high cost of shipping materials. The larger Ruby community has benefited through job growth, local natural resource utilization, and workforce training.

Program Feedback: Due to city employee turnover in recent years, current staff are unfamiliar with the Mini-Grant Program and are unable to provide Program-related feedback.

Key Informant: Jenny Peter, City Clerk, City of Ruby

Valdez (Valdez Fisheries Development Association)

Fisheries Business Incubator Training

Project Description: The Mini-Grant funded the development of fisheries business incubator training curriculum targeted at commercial fisher and local seafood processing workers. Grant funds were used for personnel services (course instructors), student materials, instructor travel costs, and administrative costs. Curriculum was originally offered by Prince William Sound Community College and included 15-day courses in two core areas including seafood processing and business development. The curriculum became part of a larger “Business Incubator Program” (BIP), a cooperative program endorsed by the City of Valdez, Valdez Native Tribe, Prince William Sound Economic Development District, Valdez Job Center, and Valdez Fisheries Development Association (VDFA). Of noteworthy importance, curriculum administration and implementation has been transferred to the University of Alaska Fairbanks’ Marine Advisory Program. Plans are in the works to offer related courses in several coastal Alaska communities.

Community Impact: Commercial fishing seasons are short and may only last up to three months per year. Oftentimes the timeline is dictated by processing companies that are only open during a select time of year causing commercial fishers to sell their harvest “during the season” when there is an over-abundance of product on the market, subsequently yielding lower market prices. In response, the BIP was developed to encourage seafood industry diversification, prosperity, and year-round viability in Valdez and the greater Prince William Sound area by providing physical resources (e.g., processing and packing equipment and facilities) critical to the commercial fishing industry, developing job skill training workshops, and ultimately generating jobs. The BIP helps commercial fishers respond to market variations by providing the tools and equipment needed to explore alternative markets, changing the method in which fish is value-added based on market demand, and storing harvest until it is advantageous to put it on the market. As an integral part of the larger BIP, the Mini-Grant funded curriculum contributes by providing training in equipment usage, business development, and seafood processing. Over 300 commercial fisher and seafood processing workers enrolled before the curriculum was transferred to UAF. The curriculum created awareness and opportunity about new methods of doing business and prompted the community to pursue additional funding for critical commercial fishing infrastructure (e.g., fish pump, crane, and ice facility). These improvements allowed the local seafood industry to provide increased value-added product and expand year-round facilities. As a result, the Port of Valdez landed over 1,000,000 pounds in 2005 compared to only 300,000 pounds in 2003. Local and regional economies benefit by job growth and increased local economic stimulation as the secondary benefits of a stabilized and year-round fishing industry continue to grow.

Program Feedback: VFDA is very pleased with the Mini-Grant Program stating that it was simple, straightforward, and did not require “volumes of information just to apply.” The Program is viewed as a significant supporter of grassroots projects that “gives the little guy a chance” to compete.

VFDA notes the Program could be improved by offering two annual grant cycles (e.g., spring and fall) so that a potential applicant who has missed a deadline does not become disinterested in a worthy project while waiting for the year-long grant cycle to pass.

Key Informant: David Cobb, Business Manager, Valdez Fisheries Development Association

Whittier (Whittier Museum Association)

Whittier Museum Renovation

Project Description: The Mini-Grant funded the development of an exhibit gallery for an Alaskan pioneer history museum including contractual costs, equipment purchases, materials, and installation cost. The exhibit includes large format photographs, dry mounted text, map and logo graphics, museum grade models, and historical artifacts from the community's development during the World War II era. The Whittier Museum displayed the first exhibits from this collection during 2004. The Museum currently contains 12 total exhibits detailing Alaska's varied history and is progressing towards adding seven more exhibits in the near future. The Museum now serves as a cultural and historical focal point for the Whittier community.

Community Impact: An estimated 100,000 people visit Whittier annually. Whittier community planners are considering developing a deep water port and railhead to grow the cruise ship tourism industry. The combination of deep water port and railhead would significantly increase seasonal visitation and also establish Whittier as a major gateway community into Interior and Southcentral Alaska. The Museum is a historical and cultural attraction for local residents and visitors alike. The facility is centrally located in the Whittier business district and serves as a revenue generator for the Whittier Museum Association, a tourist attraction welcoming visitors to Whittier and to greater Alaska, and is a critical component of supporting not just the local tourism industry, but also the local commercial and retail district.

Program Feedback: The Museum is extremely pleased with the Mini-Grant Program. DCA staff were praised for being helpful, "going the extra mile," and making the grant application and compliance process painless. The Museum appreciated not waiting long for telephone calls to be returned and receiving grant disbursements quickly. As a first time grant applicant, the Mini-Grant Program provided the Museum a simple and rewarding introduction to the process of applying for community development grants.

Key Informant: Marilyn Heddell, President, Whittier Museum Association

APPENDIX A: FY2003 MINI-GRANT RECIPIENTS

Community	2005 Pop.	Region	Recipient	Project Title	Amount
Aleknagik	241	Southwest	City of Aleknagik	Boat Storage Feasibility and Design	\$27,750
Anderson	546	Interior	City of Anderson	Project READY: Comprehensive Economic Development Plan	\$30,000
Bethel	5,960	West	City of Bethel	Community Priorities & Economic Development Strategic Plan	\$29,965
Brevig Mission	327	Northwest	City of Brevig Mission	Community Land Use Plan	\$26,220
Coffman Cove	156	Southeast	City of Coffman Cove	Purchase/Install Skiff Ramps	\$30,000
False Pass	63	Southwest	City of False Pass	Heavy Equipment Purchase	\$30,000
Hyder	91	Southeast	Hyder Community Association	Purchase Bottle Unscrambler	\$23,000
Kasaan	61	Southeast	Organized Village of Kasaan	Eco-Tourism Lodge Business Plan	\$25,879
Klukwan	109	Southeast	Chilkat Indian Village of Klukwan	Jilkaat Kwaan Comprehensive Site Plan Phase I	\$30,000
Kotzebue	3,120	Northwest	Native Village of Kotzebue	Planning and Marketing for Nunavik, LLC	\$12,079
Levelock	54	Southwest	Levelock Village Council	Fish Processing Feasibility Study	\$28,000
Multi-Community (N = 14)*	17,835	Southeast	Inter-Island Ferry Authority	Purchase Ferry Maintenance Equipment	\$30,000
Northway	87	Interior	NORTHWAY, Inc.	Lodge/Cultural Center Design and Engineering	\$30,000
Port Graham	134	Southcentral	Port Graham Village Council	Hatchery/Cannery Feasibility Study	\$29,695
Ruby	185	Interior	City of Ruby	Purchase Sawmill and Renovate Mill Shed	\$24,242
Sand Point	939	Southwest	City of Sand Point	Bulk Fuel Feasibility Study	\$28,162
Talkeetna	873	Southcentral	Talkeetna Community Council	River Front Land Use and Economic Development Strategy	\$25,879
Unalaska	4,297	Southwest	City of Unalaska	Economic Development Plan	\$30,000
Valdez	4,454	Southcentral	Valdez Fisheries Development Association	Fisheries Business Incubator Training	\$17,409
Whittier	188	Southcentral	Whittier Museum Association	Whittier Museum Renovation	\$30,000
Wrangell	1,974	Southeast	City of Wrangell	Waste Reduction Feasibility Study	\$30,000
Statewide Total (21 Total Grants)					\$568,280

* Inter-Island Ferry Authority serves the communities of Coffman Cove, Craig, Hollis, Hydaburg, Kasaan, Ketchikan, Klawock, Metlakatla, Naukati, Petersburg, Point Baker, Saxman, Thorne Bay, and Wrangell.

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