

# Hoffman focuses on rural development

by David G. Hoffman

Community and Regional Affairs Commissioner

Gov. Steve Cowper, in his State of the State address, emphasized that rural Alaska is a vital and important part of our state.

He said that villages are fundamentally different from urban Alaska, economically, historically and culturally and that state government must recognize these differences and build appropriate programs to help rural Alaskans face the considerable challenges and changes they face today.

To achieve this goal, the Department of Community and Regional Affairs is focusing on two major concerns expressed by rural Alaskans — the need for greater self-determination in the area of local government and the need for greater economic self-sufficiency through stable and sustainable local economies.

## Stronger Local Governments

Rural Alaskans are seeking greater control over their lives and communities. As I understand it, this movement has grown in response to the dramatic changes in rural communities during the last several years and the sense among rural Alaskans that they are losing control over their communities.

They believe that strong local governments can help them regain and maintain control over their lives and resolve social problems affecting their communities.

I think their concerns are genuine, and I believe their desire to have stronger local government will not only benefit them, but in the long run will contribute to the overall well-being of all Alaskans.

Their desire to assume greater responsibilities at the community level is especially welcome during these times of tight budgets.

The Department of Community and Regional Affairs is charged with the primary state responsibility for implementing a program to assist communities to realize these goals. The program has four major elements:

•**Rural Governance Council.** The governor has introduced legislation which would establish a Rural Governance Council. This council would consist primarily of public representatives who live in rural communities and who are deeply involved on a day-to-day basis in local government issues.

The council will be adequately budgeted to hold hearings and do research on issues relating to the promotion of more effective local governments.

•**Local Control of Legal Proceedings.** The department of Community and Regional Affairs will work with the Rural Governance Council to determine whether local "quasi-judicial boards" can be successfully established which could mediate local disputes and address ordinance infractions of a non-criminal nature. These local boards could provide a more appropriate means of dealing with many community legal proceedings.

•**Fiscal Accountability Assistance.** Local governments in many small communities are beginning to face severe financial and administrative difficulties as a result of declining oil revenues.

The governor has introduced legislation which will help communities avoid major financial problems which may arise as the result of these audits, as well as to assist communities in maintaining appropriate levels of fiscal accountability.



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A major focus of this assistance will be an increased emphasis on the financial management training which the department's local government specialists now provide to communities.

•**Department Decentralization.** The department is being decentralized to establish close contacts with rural constituents. Three planners from the department's urban offices have been reassigned to regional offices where they can become more thoroughly involved with regional issues.

Four grants administration positions will be transferred to regional offices to work with communities to address fiscal and management problems and improve community financial systems.

I will also be reinstating the department's Circuit Rider Training Program. This program provides for regular contact between regional office staff and communities to develop solutions to specific and mutually agreed upon community concerns.

## Stronger Rural Economies

The rural areas of our state are the ones that are now most economically vulnerable. This is largely because they have become so dependent on state and federal spending.

As government spending is reduced in the rural areas, we have an obligation to try to promote new types of self-sustaining economic development. I have proposed that the Department of Community and Regional Affairs make the following contributions toward this goal:

•**Establish the Rural Development Division.** I am merging the Divisions of Housing Assistance and Community Development to create a division more focused on rural economic development.

I plan to have this division implement an economic information and referral system that will make the state's economic development assistance programs more accessible to rural Alaskans.

This division will also begin a systematic reconnaissance of potential economic development efforts and opportunities in rural communities.

•**Coordination with Other State Departments.** I am working with the Department of Commerce and Economic Development to coordinate the various kinds of economic development assistance provided by the two departments. I am also working with the State Department of Labor to develop a coordinated approach to local hire issues and ensure that local hire policies consider the special employment needs of rural Alaskans.

•**Represent Rural Interests on the Fisheries Cabinet.** Gov. Cowper has

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established a fisheries policy group consisting of the commissioners of several state departments.

This group will develop the state's fisheries policy and a long-range plan to help provide stability in Alaska's fisheries industry.

As a member of this group, I will be working to ensure that the particular economic development concerns of smaller rural communities are appropriately incorporated into the state's plan of action.

•**Land Issues.** Subsistence as practiced by Alaska Natives has a far larger meaning in Native life than is implied in the term "subsistence economy." The material end results of subsistence efforts represent only the surface of a lifestyle deeply integrated with the land and its resources.

The promotion of a cash economy in rural Alaskan settings should recognize the significant social and cultural implications of this transition.

In promoting economic development efforts, we must be sensitive to the valuable qualities inherent in traditional subsistence lifestyles.

A practical example of this concept would be the promotion of innovative and flexible job-sharing schemes for construction projects which would permit workers to share "subsistence" and "cash" economy responsibilities and benefits.

•**Enhanced Access to the State Employment System.** The department will be taking a more active role in helping rural residents get state

government jobs.

When state jobs located in rural Alaska come open, they are often filled by persons from outside the region because qualified local residents are not familiar with the state's employment system. Rural residents need to learn how to "work" this system.

In my travels in rural Alaska, I have been working with several people who will make an effort to motivate and assist qualified individuals to submit state employment applications for jobs that may come open in this department.

## Conclusion

The department's rural development program is directed at strengthening local governments and strengthening the rural economy.

It will provide benefits to all Alaskans. These efforts will help rural Alaskans continue to live and work in the communities they call home.

It will help prevent a massive migration away from distressed rural areas which would in turn have a severe social and economic impact on the state's urban centers.

I believe that the rural program outlined here provides an appropriate role for state government in helping rural Alaskans to help themselves.

Ultimately, the future of rural communities lies in the hands of those people who live there. I know for certain that those communities could be in no safer hands.

Commissioner David G. Hoffman submitted this shortened version of a recent speech he gave in Juneau to the Tundra Times for publication.